SENATE.

MONDAY, *June 13, 1910.*

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The VICE-PRESIDENT resumed the chair.

The Journal of the proceedings of Saturday last was read and approved.

METHODIST EPISCOPAL CHURCH SOUTH, CORINTH, MISS.

The VICE-PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting certified copies of the finding of fact filed by the court in the cause of the trustees of the Methodist Episcopal Church South, of Corinth, Miss., *v.* United States (S. Doc. No. 622), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by W. J. Browning, its Chief Clerk, announced that the House had passed the following bills, each with amendments, in which it requested the concurrence of the Senate:

S. 1021. An act to appoint James B. Ferguson a first lieutenant in the Medical Corps of the Army and to place him on the retired list; and

S. 4473. An act for the relief of Rasmus K. Hafsos.

The message also announced that the House had passed the following bills, each with an amendment, in which it requested the concurrence of the Senate:

S. 1056. An act for the relief of Benjamin Hyde; and

S. 3082. An act for the relief of Elizabeth G. Martin.

The message further announced that the House had passed the following bills, in which it requests the concurrence of the Senate:

H. R. 971. An act for the relief of Joseph R. Reichardt;

H. R. 1883. An act for the relief of John G. Stauffer & Son;

H. R. 4093. An act for the relief of the owners of the American schooner *Wilson and Hunting* and cargo;

H. R. 4345. An act to reimburse the city of Chicago for damage done the Chicago Avenue Bridge by the U. S. light-house tender *Dahlia;*

H. R. 5015. An act for the relief of Clarence Frederick Chapman, United States Navy;

H. R. 9431. An act for the relief of the Barse Live Stock Commission Company;

H. R. 11374. An act to reimburse Dr. M. K. Knauff;

H. R. 14760. An act to authorize and direct the President of the United States to place upon the retired list of the United States Navy Lieut. Commander James H. Reid, with the rank of commander;

H. R. 18542. An act for the relief of Thomas C. Clark;

H. R. 18978. An act to authorize the Secretary of the Interior to issue a patent to the city of Anadarko, State of Oklahoma, for a tract of land, and for other purposes;

H. R. 19685. An act to compensate William P. Williams for losses sustained by him while assistant treasurer of the United States at Chicago, Ill.;

H. R. 21090. An act authorizing the President of the United States to appoint Commander Kenneth McAlpine a commander in the navy on the active list;

H. R. 22739. An act for the relief of James W. Evans;

H. R. 23081. An act for the relief of the family of Samuele Badolato;

H. R. 24291. An act for the relief of Cooper Walker; and

H. R. 24358. An act to relieve George West & Son (Incorporated), of Stockton, Cal., from an internal-revenue tax on brandy destroyed by accidental fire.

PETITIONS AND MEMORIALS.

Mr. CULLOM presented petitions of the Moline Retail Merchants' Association and of sundry citizens of Sandoval and Hanover, all in the State of Illinois, praying that an appropriation be made for the extension of the work of the Office of Public Roads, Department of Agriculture, which were ordered to lie on the table.

He also presented a petition of Confidence Lodge, No. 19, Amalgamated Association of Iron, Steel, and Tin Workers of America, of Madison, Ill., praying for the enactment of legislation providing for the admission of publications of fraternal societies to the mail as second-class matter, which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a resolution adopted by the Rock River conference of the Baptist Church, in session at Marengo, Ill., relative to the charges of corruption in the election of Hon. WILLIAM LORIMER as a Senator from the State of Illinois, which was referred to the Committee on Privileges and Elections.

Mr. BURNHAM presented a petition of Delegate Lodge, No. 513, Brotherhood of Locomotive Firemen and Engineers, of Nashua, N. H., praying for the adoption of an amendment to the sundry civil appropriation bill to prohibit the use of money in prosecuting wage-earners in their efforts to better their condition, which was ordered to lie on the table.

Mr. PILES presented petitions of Local Grange No. 327, of Derby, and of Alert Grange, No. 240, of Olympia, Patrons of Husbandry, and of sundry citizens of McKinley, all in the State of Washington, praying that an appropriation be made for the extension of the work of the Office of Public Roads, Department of Agriculture, which were ordered to lie on the table.

Mr. WARREN presented a memorial of Local Union No. 2282, United Mine Workers of America, of Rock Springs, Wyo., remonstrating against the establishment of a national department of health, which was referred to the Committee on Public Health and National Quarantine.

EXEMPTION OF LABOR ORGANIZATIONS.

Mr. BURTON. I ask unanimous consent to have printed in the RECORD certain telegrams favoring a retention of the provision in the sundry civil appropriation bill relating to prosecutions under the antitrust law. As telegrams on the other side have been printed, I think it but fair that these should be printed also.

There being no objection, the telegrams were ordered to lie on the table and to be printed in the RECORD, as follows:

CLEVELAND, OHIO, *June 9, 1910.*

Hon. THEO. E. BURTON,
Washington, D. C.

I understand Senate committee considering same has stricken following provision from sundry civil bill dealing with antitrust law: "That no part of this money shall be spent in the prosecution of any organization or individual for entering into any combination or agreement having in view the increasing of wages, shortening of hours, or bettering the conditions of labor, or for any act done in furtherance thereof not itself unlawful." The striking out of this provision is resented and objected to by over 100,000 members of the Brotherhood of Railroad Trainmen affected by it, and these men will appreciate any influence and assistance you may render toward its restoration in the bill.

WM. G. LEE, *President.*

CLEVELAND, OHIO, *June 9, 1910.*

Hon. THEODORE E. BURTON,
Senator, Washington, D. C.

DEAR SIR: The Cleveland Federation of Labor requests that you do everything possible to get inserted in the sundry civil bill, known as H. R. 25552, the following paragraph stricken out by the Senate committee: "That no part of this money shall be spent in the prosecution of any organization or individual for entering into any combination or agreement having in view the increasing of wages, shortening of hours, or bettering the condition of labor, or for any act done in furtherance thereof not in itself unlawful."

H. D. THOMAS, *Secretary.*

CINCINNATI, OHIO, *June 9, 1910.*

Hon. THEODORE E. BURTON,
Washington, D. C.

SIR: The House, in the sundry civil bill (H. R. 25552) for an appropriation to enforce the antitrust law, adopted the following proviso: "That no part of this money shall be spent in the prosecution of any organization or individual for entering into any combination or agreement having in view the increasing of wages, shortening of hours, or bettering the condition of labor, or any act done in furtherance thereof not in itself unlawful." This proviso has been stricken out by the Senate committee. On behalf of the organization which I represent, I respectfully urge you to see that the House proviso is reincorporated in the bill before its passage in the Senate.

Respectfully,

JOSEPH F. VALENTINE,
President International Molders' Union of North America.

CANTON, OHIO, *June 9, 1910.*

THEODORE BURTON,
Senate Chamber, Washington, D. C.

DEAR SENATOR: In behalf of the Canton Central Labor Union and its affiliated locals, I respectfully request and urge you to lend your support in having the House provision remain as a part of the sundry civil bill, known as H. R. 25552.

Very respectfully,

WM. R. HORDEN, *Secretary.*

ST. PAUL, MINN., *June 10, 1910.*

Mr. THEODORE E. BURTON,
United States Senator, Washington, D. C.:

I urge your support for passing the Dodds bill; also your influence to restore the proviso in the sundry civil bill prohibiting the use of money in prosecuting labor in their efforts to better conditions.

A. I. STRAUN,
Lodge 630, Brotherhood of Locomotive Firemen and Enginemen, Alliance, Ohio.

HAMILTON, OHIO, *June 9, 1910.*

THEODORE E. BURTON,
Senator, Washington, D. C.:

We urge you to assist in maintaining House provision in bill known as H. R. 25552.

LEO RIPPERGER,
Recording Secretary Trades and Labor Council.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

SPRINGFIELD, OHIO, *June 13, 1910.*

Hon. THEODORE E. BURTON:

Springfield Trades and Labor Assembly unanimously urges you to support sundry civil bill (H. R. 25552) on appropriation to enforce antitrust law as passed by House; proviso eliminated by Senate committee renders bill unsatisfactory.

W. H. MORRIS.

CINCINNATI, OHIO, *June 9, 1910.*

THEODORE E. BURTON,
Senate, Washington, D. C.:

Ohio State Federation of Labor insists upon the maintenance of the House provision on sundry civil bill known as H. R. 25552.

JOHN B. CONNELLY.

REPORTS OF COMMITTEES.

Mr. CURTIS, from the Committee on Indian Affairs, to whom was referred the bill (S. 2430) for the relief of the heirs of John W. West, deceased, reported it without amendment and submitted a report (No. 827) thereon.

Mr. CUMMINS, from the Committee on Patents, to whom was referred the bill (H. R. 21481) to amend section 4916 of the Revised Statutes, relating to patents, reported it without amendment and submitted a report (No. 828) thereon.

Mr. CUMMINS. I am directed by the Committee on Patents, to whom was referred the bill (S. 5634) authorizing the Commissioner of Patents to issue certificates of correction, to report it adversely. I move that the bill be postponed indefinitely, as it relates to the same subject contained in the House bill just reported by me.

The motion was agreed to.

Mr. CUMMINS, from the Committee on Patents, to whom was referred the bill (S. 5633) to amend sections 4893 and 4917 of the Revised Statutes, submitted an adverse report (No. 829) thereon, which was agreed to, and the bill was postponed indefinitely.

Mr. CARTER, from the Committee on Post-Offices and Post-Roads, to whom was referred the bill (S. 8583) for the relief of Malcolm Gillis, reported it without amendment and submitted a report (No. 830) thereon.

Mr. CURTIS, from the Committee on Pensions, to whom was referred the amendment submitted by Mr. BURNHAM (for Mr. MCCUMBER) on the 10th instant, proposing to appropriate $1,500 to pay Robert W. Farrar and $1,500 to pay Dennis M. Kerr for extra services to the Committee on Pensions, intended to be proposed to the general deficiency appropriation bill, reported favorably thereon, and moved that it be referred to the Committee on Appropriations and printed, which was agreed to.

Mr. DEPEW, from the Committee on the Judiciary, to whom was referred the bill (H. R. 22317) to authorize quo warranto proceedings in regard to offices in national banks, reported it without amendment.

Mr. BRANDEGEE (for Mr. DILLINGHAM), from the Committee on the Judiciary, to whom was referred the bill (H. R. 15812) relating to liens on vessels for repairs, supplies, or other necessaries, reported it with an amendment and submitted a report (No. 831) thereon.

Mr. WARREN, from the Committee on Military Affairs, to whom was referred the bill (S. 3923) for the relief of D. M. Carman, asked to be discharged from its further consideration, and that it be referred to the Committee on Claims, which was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent the second time, and referred as follows:

By Mr. FRYE:

A bill (S. 8663) granting an increase of pension to Edward Higgins (with accompanying papers); to the Committee on Pensions.

By Mr. CLAY:

A bill (S. 8664) for the relief of the Catholic Church at Dalton, Ga.; and

A bill (S. 8665) for the relief of John L. Martin, administrator of the estate of John B. Wright, deceased; to the Committee on Claims.

By Mr. BURNHAM:

A bill (S. 8666) granting an increase of pension to Leonard N. George; to the Committee on Pensions.

By Mr. BULKELEY:

A bill (S. 8667) granting an increase of pension to Edwin Illsbury (with an accompanying paper); to the Committee on Pensions.

By Mr. OLIVER:

A bill (S. 8668) amendatory of the act approved April 23, 1906, entitled "An act to authorize the Fayette Bridge Company to construct a bridge over the Monongahela River, Pennsylvania, from a point in the borough of Brownsville, Fayette County, to a point in the borough of West Brownsville, Washington County;" to the Committee on Commerce.

By Mr. CURTIS:

A bill (S. 8669) granting an increase of pension to Daniel Riley (with an accompanying paper); to the Committee on Pensions.

By Mr. DICK:

A bill (S. 8670) granting an increase of pension to William Christy; and

A bill (S. 8671) granting an increase of pension to James Harvey; to the Committee on Pensions.

By Mr. WARREN:

A bill (S. 8672) to authorize the Secretary of the Interior to secure a site in Juneau, Alaska, and to erect thereon and fit and furnish a residence and office for the governor of the District of Alaska, and for the Alaska Historical Library and Museum; to the Committee on Public Buildings and Grounds.

AMENDMENTS TO DEFICIENCY APPROPRIATION BILL.

Mr. CUMMINS submitted an amendment proposing to appropriate $75 to pay C. P. Schenck for reporting hearings before the Committees on Civil Service and Retrenchment and Interstate Commerce, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. MONEY submitted an amendment proposing to appropriate $1,161.60 to pay Thomas W. Keller for services while acting as acting assistant doorkeeper of the Senate from December 4, 1908, to December 6, 1909, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. OWEN submitted an amendment providing that the clause in the general deficiency appropriation law of 1906 relating to the payment of item 2 of the judgment of the Court of Claims in favor of the Eastern Cherokees shall be so construed as to carry interest thereon from December 29, 1906, to March 15, 1910, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. DEPEW submitted an amendment proposing to appropriate $25,000 to carry on the work of the Division of Information in the Bureau of Immigration and Naturalization, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Immigration and ordered to be printed.

He also submitted an amendment proposing to give jurisdiction to the Court of Claims to hear, try, and determine, and render judgment in the claims of Henry A. V. Post individually and as liquidating partner of H. A. V. Post, Archer N. Martin, Clarence H. Clark, and others, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. HEYBURN submitted an amendment proposing to appropriate $500 to reimburse the state board of regents of the University of Idaho for the premium paid on an indemnity bond on account of the loss of a United States draft for $25,000, intended to be proposed by him to the general deficiency appropriation bill, which was ordered to be printed, and, with the accompanying papers, referred to the Committee on Appropriations.

Mr. WARREN submitted an amendment proposing to appropriate $40,000 for a suitable site in Juneau, Alaska, for a residence and office for the governor of the District of Alaska, etc., intended to be proposed by him to the general deficiency appropriation bill, which was ordered to be printed, and, with the accompanying paper, referred to the Committee on Public Buildings and Grounds and ordered to be printed.

WITHDRAWALS OF PUBLIC LANDS.

Mr. DIXON submitted an amendment intended to be proposed by him to the bill (H. R. 24070) to authorize the President of the United States to make withdrawals of public lands in certain cases, which was ordered to lie on the table and be printed.

REFUNDING CLAIMS OF INSURANCE COMPANIES.

Mr. OLIVER submitted the following resolution (S. Res. 255), which was considered by unanimous consent and agreed to:

Senate resolution 255.

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to require the Commissioner of Internal Revenue to examine the refunding claims of the American Fire Insurance Company, of Philadelphia, Pa., and the Insurance Company of North America, of Philadelphia, Pa., and report to the Senate the amount twice paid as taxes on the same identical income or profits by said companies under the acts of Congress approved July 1, 1862, June 30, 1864, and July 14, 1870, and amendments thereof.

LIST OF PUBLIC BUILDINGS.

Mr. GALLINGER submitted the following resolution (S. Res. 256), which was referred to the Committee on Public Buildings and Grounds:

Senate resolution 256.

Resolved, That the Secretary of the Treasury is hereby authorized and directed to communicate to the Senate, at the beginning of the third session of the Sixty-first Congress, a complete list, by States, of public buildings constructed and authorized to be constructed from July 1, 1890, to July 1, 1910, giving in each case the amount appropriated and also the population of the town or city according to the census of 1910.

WITHDRAWAL OF PAPERS—THOMAS F. STEVENS.

On motion of Mr. CULLOM, it was

Ordered, That the papers in the case of the bill (S. 4666) granting an increase of pension to Thomas F. Stevens be withdrawn from the files of the Senate, no adverse report having been made thereon.

AGRICULTURAL ENTRIES ON COAL LANDS.

Mr. DIXON. I presume it is in order to call up the conference report on House bill 13907, to provide for agricultural entries on coal lands.

Mr. HEYBURN. The report went over on my suggestion, and it was to be printed. I do not find a copy of the print.

Mr. DIXON. It is printed in the RECORD.

Mr. HEYBURN. I wanted to see what change was made.

Mr. DIXON. It is in the RECORD, on page 7854. I will say to the Senator the only change which was made was that the original bill said "lands which have been classified." We add the words "withdrawn or" before "classified," for the reason that the lands take two or three years sometimes to classify after they have been withdrawn. It was to permit the surface entryman to prove upon the surface only pending the classification, which might take two or three years, if he chose to locate and take a surface title of a patent in fee simple. That is the only change.

Mr. HEYBURN. I interpose no objection to it.

The VICE-PRESIDENT. The report has already been read. The question is on agreeing to the report.

The report was agreed to.

JAMES B. FERGUSON.

The VICE-PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1021) to appoint James B. Ferguson a first lieutenant in the Medical Corps of the Army and place him on the retired list, which were to strike out all after enacting clause and insert:

That any officer of the Medical Reserve Corps who shall have reached the age of 70 years, and whose total active service in the Army of the United States, regular or volunteer, as such officer, and as contract or acting assistant surgeon, and as an enlisted man in the war of the rebellion, shall equal forty years, may thereupon, in the discretion of the President, be placed upon the retired list of the army with the rank, pay, and allowances of a first lieutenant.

And to amend the title so as to read: "An act providing for the retirement of certain medical officers of the army."

Mr. BROWN. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

ELIZABETH G. MARTIN.

The VICE-PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3082) for the relief of Elizabeth G. Martin; which was, on page 1, line 3, to strike out "five thousand" and insert "one thousand two hundred."

Mr. BURNHAM. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

RASMUS K. HAFSOS.

The VICE-PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4473) for the relief of Rasmus K. Hafsos; which were, on page 1, lines 3 and 4, to strike out "on the approval of the Secretary of the Interior."

On page 1, line 6, to strike out all after "dollars," down to and including "Interior," line 8, and insert:

And said sum of $2,560, or so much thereof as may be necessary, is hereby appropriated out of any money in the Treasury not otherwise appropriated.

Mr. GAMBLE. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Claims:

H. R. 971. An act for the relief of Joseph R. Reichardt;

H. R. 1883. An act for the relief of John G. Stauffer & Son;

H. R. 4093. An act for the relief of the owners of the American schooner *Wilson and Hunting* and cargo;

H. R. 4345. An act to reimburse the city of Chicago for damage done the Chicago Avenue Bridge by the U. S. light-house tender *Dahlia;*

H. R. 11374. An act to reimburse Dr. M. K. Knauff;

H. R. 18542. An act for the relief of Thomas C. Clark;

H. R. 19685. An act to compensate William P. Williams for losses sustained by him while assistant treasurer of the United States at Chicago, Ill.;

H. R. 22739. An act for the relief of James W. Evans;

H. R. 23081. An act for the relief of the family of Samuele Badolato; and

H. R. 24291. An act for the relief of Cooper Walker.

The following bills were severally read twice by their titles and referred to the Committee on Naval Affairs:

H. R. 5015. An act for the relief of Clarence Frederick Chapman, United States Navy;

H. R. 14760. An act to authorize and direct the President of the United States to place upon the retired list of the United States Navy Lieut. Commander James H. Reid, with the rank of commander; and

H. R. 21090. An act authorizing the President of the United States to appoint Commander Kenneth McAlpine a commander in the navy on the active list.

The following bills were severally read twice by their titles and referred to the Committee on Finance:

H. R. 9431. An act for the relief of the Barse Live Stock Commission Company; and

H. R. 24358. An act to relieve George West & Son (Incorporated), of Stockton, Cal., from an internal-revenue tax on brandy destroyed by accidental fire.

H. R. 18978. An act to authorize the Secretary of the Interior to issue a patent to the city of Anadarko, State of Oklahoma, for a tract of land, and for other purposes, was read twice by its title and referred to the Committee on Public Lands.

JURISDICTION OF CRIMES ON LAKE MICHIGAN.

Mr. HALE obtained the floor.

Mr. CULLOM. I wish to call up House joint resolution 149. It will take no time, I think, except to read it.

Mr. HALE. I will yield for that purpose, but after that I can not.

Mr. CULLOM. I ask the Senate to proceed to the consideration of the joint resolution (H. J. Res. 149) to enable the States of Wisconsin, Illinois, Indiana, and Michigan to determine the jurisdiction of crimes committed on Lake Michigan.

The Secretary read the joint resolution, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ELECTION OF SENATORS BY DIRECT VOTE.

Mr. OWEN. I ask unanimous consent that the motion which was set for to-day immediately after the morning business may be postponed until to-morrow, or until after the morning business of the day subsequent to the disposition of the sundry civil appropriation bill.

The VICE-PRESIDENT. The Senator from Oklahoma makes the request which he has stated. Is there objection? The Chair hears none, and the order is entered as per that request.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. HALE. I move that the Senate proceed to the consideration of House bill 25552, the sundry civil appropriation bill.

The motion was agreed to, and the Senate resumed the consideration of the bill (H. R. 25552) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1911, and for other purposes.

The VICE-PRESIDENT. The Secretary will state the pending amendment.

The SECRETARY. The pending amendment is the amendment offered by the Senator from Georgia [Mr. CLAY], on page 1, after the heading "Executive," to strike out all of the bill down to and including line 11, on page 2, in the following words:

To enable the President to secure information to assist him in the discharge of the duties imposed upon him by section 2 of the act entitled "An act to provide revenues, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909, and the officers of the Government in administering the customs laws, including such investigations of the cost of production of commodities, covering cost of material, fabrication, and every other element of such cost of production as are authorized by said act, and including the employment of such persons as may be required for those purposes; and to enable him to do any and all things in connection therewith authorized by law, $250,000.

Mr. DOLLIVER. Mr. President, on Saturday I sought the floor near the hour of adjournment for the purpose of making some remarks in relation to the pending amendment and in a larger way in relation to the present state of the tariff question. I was aware then, and I have not got it out of my head entirely yet, that there was a certain reluctance on the part of the honored chairman of the Appropriations Committee to have any further controversy on that subject. In fact, I thought I detected in his closing speech a certain phase of satire entirely free from any personality, and yet rather broadly intimating that I had sufficiently stated my views on this question in the Senate heretofore. That is true, and yet I have seldom had the honor or opportunity of addressing either my honored friend from Maine or any of his associates upon the Finance Committee, and that gives me a certain curiosity to state some of my views under these more favorable conditions.

I do not, however, desire to claim for myself or for anybody who is associated even remotely with my opinions such a tribute as the Senator paid at the last session of the Senate. I do not desire to assume, either for myself or for the very humble group of men who have been fighting together for their convictions and views on public questions, that anything we have said has disturbed the business of the United States. It is a tribute which we do not deserve. It overstates the importance of what we say. It presupposes that we have a following outside of the Senate which we have never been able to get here, and that we have carried conviction to a good many people, when it was supposed that we were addressing only a very select audience indeed in the Senate Chamber.

My own opinion is that if the tariff question is still up in the United States it is not because of what anybody has said about it, but because of what has been done in respect to it. What is said is a mere vapor; what has been done is a substantial thing, with which the public throughout the United States has to reckon.

I am not one of those who have enjoyed any controversy within the Republican party. I have always been a disciple of party peace, of party harmony, of party good-will among its members associated together for political purposes. I have never been able even to comprehend the bitterness with which men are in these days reviled for their opinions within the Republican party. Why should I be assailed because I voted against the wool tariff of 1909, which is 42 years old, and against which Charles Sumner and Henry Wilson, of Massachusetts, voted when it was fresh, and for the first time presented to the Congress of the United States? Yet I am inclined to think, from everything I can hear and from everything I read, that there is no longer in the Republican party that freedom of conscience and judgment and opinion that once made the party strong and mighty in the confidence of the American people.

What sort of degeneration has come to the Republican party that the Speaker of the House of Representatives before a great public assemblage should refer to some of his colleagues as traitors fit, not to be shot, but to be hanged? I no more take the venerable Speaker seriously than anybody else does; but fortunately there are some who still look reverently upon the great offices of our Government. Why should badges be passed about between high public officials of our Government, insulting not only a little group of people in the two Houses of Congress but millions of people scattered everywhere throughout the United States?

What has come over the Republican party that freedom of debate and freedom of opinion have suddenly become infamous within its ranks? I had hoped, when the last session of Congress adjourned and I went back to my home worn out by labors in which we all participated, that the unfortunate differences of opinion which had arisen in the course of a very long and a very trying controversy might be permitted to adjust themselves without sacrificing any man's self-respect, without sending any man to apologize to political overseers for the exercise of his own judgment and for the honest effort he had made to represent his people in pursuing a course approved then, and I believe sanctioned ever since, by the enlightened judgment of the whole community. I regret that in that pleasing anticipation I have been disappointed; and as time has gone on, though I have managed to keep perfectly quiet myself, it has become more and more obvious that new terms of fellowship in the Republican party have been prescribed and that hereafter Members of Congress are to be given a very narrow choice in the exercise of their representative functions—the choice of becoming either understudies or Ishmaelites. For one, I reject the terms, and while I occupy a seat, however humble it may be, on this floor, I shall hold the purpose to contend for the absolute independence of these two great popular assemblies representing the legislative power of the American people.

When it is said that I betray my party, that I fight against the Republican party, I deny it. I fight for the Republican party and propose, with millions of other people, to do what I can to make it more than ever the servant of the great constituency which it has represented for so many years.

I am aware that when one sits down to count the cost of such a struggle as I have outlined, he ought to take into consideration the fact that his motives are likely to be misconstrued; his purposes, however pure they may be, are likely to be disparaged; but such things as those have never injured anybody's standing in society, unless they were acquiesced in by those who were most concerned.

The solemn warning of the President to the supervisors of the census assembled in this city, admonishing them to keep out of politics, and coupling the injunction with the jocose reminder that each man in Congress "is looking for all he can get to get back into his place," introduces rather an ugly thought into the public mind, while a high public official's cheerful observation at Philadelphia last winter—a public official who fills with grace and distinction the most vacuous public dignity known among men—that the so-called insurgents are merely "playing to their constituents back home"—such a suggestion as that only fairly illustrates the esteem in which men are actually held by their fellow-men, who are known to be of such moral fiber that they can be counted on with absolute certainty, in the last analysis, to lead their convictions like lambs to the slaughter, for the sake of that mysterious thing called party harmony. While such a measurement of my character does not disturb me very much, I am resolved that it shall not be corroborated by any voluntary admissions, expressed or implied, here or elsewhere.

Those who have supposed that I have ever said anything or done anything in a spirit of hostility to the President of the United States, or with any desire to injure his administration, do me the gravest injustice. I was one of those who rejoiced, and I think there was no man among them all who rejoiced more sincerely than I did, when the Republican party chose for its candidate a man who in other fields of labor, some of them remote and arduous, had won for his name a permanent reputation in the history of the world. I remember, when Judge Taft first departed for the Philippine Islands, hearing President McKinley say that if he succeeded in the task which had been given him to do he would be called to the Presidency of the United States, though his ultimate fame would rest upon his record as the founder of the Philippine commonwealth. Every act of his administration on our new national frontiers met with my cordial approbation.

In the House of Representatives and on this floor, to the best of my ability, I defended every act of his administration, and was drawn toward him with a personal attachment that I have seldom had for any other man since the days of James G. Blaine. When he was mentioned as a candidate for the Presidency, I did what I could in my own State and everywhere else to promote his ambition. When he was nominated, I gave up my time far past the limit of my strength in presenting his case before the American people from one ocean to the other. When he entered this Chamber to take the oath of office, and the multitude arose with bowed head, every thought went out of my mind, every sentiment out of my heart, except that the new President might be endued with power from on high to grapple with the corrupt influences that stood ready to recapture the strongholds of this Government, and that he might succeed, even where strong men had failed, in protecting this market place against the conspiracies of greed and avarice which have attempted to enslave it.

I have known some of the vicissitudes of life, some of the ups and downs of politics, some of the hardship as well as the good fortune of this world, but I never dreamed that within less than a little year I should feel compelled to stand here and, for the misdemeanor of taking the President's campaign speeches seriously, and for the still higher crime of regarding the platform of the Republican party as a binding moral obligation, be called on to defend myself, and the little group of men who stood together as it was given them to see the right, against the charge of treason and disloyalty to the party which they have loved and served all the days of their lives.

Without undertaking to speak for others, and measuring as well as I have been able the organized forces of organized politics and organized business already arrayed actively against me, I propose to tell the American people exactly what went on here last summer and exactly what is going on here now. It is a disagreeable duty, and it could have been avoided altogether if the President, who had nothing, or next to nothing, to do with the framing of the tariff law, had felt content to leave Members of Congress to settle with their own constituencies the question of their party relations without interposing

the weight of the greatest political office in the world to humiliate and disparage men who, in a failing effort to carry into effect his own campaign utterances, had already been expelled from the party on the floor of both Houses of Congress by "constructive statesmen" who derided the candidate's opinions when they were uttered in the campaign, and laughed out loud when they were repeated in the Senate debates.

If those of us who found it inconsistent with our sense of duty to make the Republican support of the tariff act of 1909 unanimous have made any mistake, it is that we have remained silent too long while a concerted defamation of our political character has been set on foot, proceeding from the highest public officers of the Government, executive and legislative, and from a congressional campaign committee, presided over by a multimillionaire promoter of street-car franchises, with a treasury filled with rotten money, out of which is flowing a choice assortment of vest-pocket literature, much of it bearing the mark of the Bureau of Engraving and Printing, and a muddy stream of parasitic eloquence.

I notify all interested persons that I have no intention of leaving the Republican party, even to oblige old and valued friends. Neither do I intend, however brief my public service may be, to sit in this Chamber without making an effort, in my own name, to represent my people and to defend their interests, asking no license of any sort, even from the most accommodating political holding companies.

I was born in the Republican party—down among the loyal mountains of Virginia. I think I know what the articles of its faith are. From my youth I have pored over the pages of its history and found inspiration in all of its high traditions. I have followed its great leaders and sought direction in the wisdom of their counsel. We have sometimes lived in very humble houses, but we have never lived in a house that was so small that there was not room on its walls for the pictures of the mighty men who in other generations led it to victory; and now my own children are coming to years and are looking upon the same benignant, kindly faces as I teach them to repeat the story of our heroic age and to recite all the blessed legends of patriotism and liberty.

The President is in error. It is not necessary for men to swallow down every tariff law that is set before them or "in conscience abandon the party." It is going to be a very difficult thing to get me out of the old Republican party. It can not be done by lying about me, as those have done who said that I held a brief for foreign importers. It can not be done by calling me names, like free trader, Democrat, or whatever names may be selected to prejudice me in a Republican community. There never was an hour since I entered public life when an American industry, making a fight against foreign competition, coming to Congress asking for a reasonable measure of protection to the wages of its labor or to the investment of its capital, found anything but help and sympathy in me; and I believe such an hour will never come. Least of all can it be done by taking from about my neck the millstone of political patronage through which even Presidents of the United States have more than once been drowned in the midst of the sea.

In common with good citizens everywhere, I share the universal disgust which has arisen on seeing the greatest executive departments, those departments which touch the business of the Nation most intimately, made a headquarters for the awkward squad of politics, bucket shops for dealing in political futures upon margins calculated daily from the record of the yeas and nays.

It does not trouble me very much to be relieved from participating in a business like that. But I can not forbear to express my sorrow that, with nearly three full years to win the confidence of the American people by an intelligent interpretation of the public will, it should be thought necessary, in order to bolster a failing political enterprise, to revive the most odious degradations of parliamentary government in other lands and in past generations by doling out the offices, which belong to the people, in exchange for the votes which their representatives hold by a sacred trust.

If those of us in the two Houses of Congress who felt constrained to challenge the programme of party leadership had represented a merely personal or selfish ambition, they would have escaped, I think, not only the threats which had been uttered against them, but possibly the homilies which have so generously enriched the President's speeches. So few in number as to suggest the mere stroke of the lash of party discipline, such as was administered at Chicago, they have survived the ordeal because they are making an effort to stand for the sober judgment and the alert conscience of the people throughout our borders.

If that is not so, how does it come to pass that their adversaries, with one accord, accuse them of courting popular favor at the expense of the harmony of the party? How does it come to pass that the President in his New York speech deplores the results of "demagogic appeals to the imagination of a people greatly aroused on the subject of purity and honesty in the administration of the Government?"

So far as I know, the so-called insurgents are not credited with a disposition to set a morbid value upon the martyr's crown. In fact, I think they are more commonly described as hypocrites.

How does it happen that a fairly intelligent hypocrite sets about to win the popular favor by disowning the leadership which has taken possession of the party to which he belongs?

On the anniversary of his inauguration, the President, in an authorized interview in the New York World, seems to have searched the dictionary for an unusual word to describe those whose studies in our form of government have led them to appreciate the guidance of public opinion. "If there is one thing that I could do for the people of this country," said the President, "that would be eternally valuable to them, it would be to teach them the truth about the sycophants that pander to them, whether they are right or wrong. The larger view of politics, not the view of office holding," continues the President, "is the view which produces the best for all the people, and that is the view the political sycophant does not take. He selfishly goes from one popular idea to another, with no conviction; he opposes men when he believes that it will be to his advantage politically to oppose men that his people think they oppose, and if there is one thing I would like to do it is to show to that man's people the truth about his motives."

Well, I will give the President or anybody else full leave to inquire into all the horrible details of my unregenerate desire to find out what the public will is and as well as I can give expression to it, if he will let me hold a sort of inquisition on the motives of those amiable characters in the two Houses of Congress and on the outside of both Houses whom he has seemed at least to be following with great confidence, under the very harmful delusion that he is their leader.

It is a sign of new times when men are caught in the act of seeking public favor by refusing to tag after a leadership in full control of the organization of the political party to which they belong. It was not always so.

Mr. Walter Bagehot, in that very remarkable book called "Physics and Politics," relates a story brought back by an early traveler to the Fiji Islands, who says that on one occasion he saw a whole tribe walking barefoot in single file, their chieftain at the head, over a rough and difficult mountain path, when suddenly the chieftain's foot slipped and he sprawled awkwardly upon the ground. Thereupon each member of the tribe as they approached the place of the accident fell down in like manner as in duty and tribal ceremony bound, except one man, who did not understand, and was promptly clubbed to death by his fellows because he had been disrespectful to the chief.

In the course which I have pursued in the Senate I have always endeavored to find out if I could the path appearing to lead in the direction of the common welfare. I have never been able to know, as questions arose, whether or not the course I had chosen led in the direction of my personal political fortunes. In fact, I have had absolutely no motive for caring whether it did or not. But I certainly would have thought myself guilty of a wild and reckless adventure if I had deliberately set about to provoke the antagonism of the most powerful civil magistrate in the world at the very hour of his unprecedented popular triumph, almost immediately upon his entry into an office the influence of which had been enhanced beyond measure by seven years of the most superb moral leadership any generation of Americans has ever known. Guided by observation and experience alone, a reasonably prudent man, trying to take care of himself and to secure popular favor, would, it seems to me, have been a little slow in inviting the opposition of the national administration of his own party, even if it were only moderately intrenched in the public good will.

Fortunately for our institutions that office is the object of universal popular reverence. Its power is so far-reaching, its command over the fortunes of individuals so decisive, that the casual reader of history finds a rather tragic monotony in the biography of those who, for one reason or another, have fallen under its displeasure.

If it be true, therefore, that a little group of men in the two Houses of Congress deliberately set about to antagonize the administration of their own party, as a means of gaining popular favor, as it seems to be commonly believed, the accusation

constitutes in itself a confession of lost opportunity and wasted prestige more startling than could have been invented by the malice of an enemy.

I have already indicated that I have no authority to speak for others, and I may add that I am not here boasting, myself, that I shall live through a kind of warfare in which so many good people have perished. But I have a few friends, and I do not want any one of them to think me so dull as not to understand the alternative that is set before me—either to submit, or quit, or fight; either to throw my own opinions away and gratefully accept the opinions of other people, or to retire from an arena in which the solidarity of a party is regarded as of more importance than its integrity.

I do not claim the reward for introducing into our controversial affairs this word "solidarity." I do not even claim to know exactly what it means, though the dictionaries trace it to the French law and indicate that it refers to such a community of interest among many persons as warrants a debtor owing something to them all to settle in full by paying any one of them. In that sense the word finds a suggestive place in our tariff literature, for not only are the attempts of lawmakers to write tariffs embarrassed by a community of interests, but in the same sense the whole field of legislation finds itself dealing in these latter years with allied syndicates, apparently unrelated, yet closely joined together for the purpose of usurping the authority of every department of our Government. The history of their brutal and sordid control of a great political party in the execution of its pledges to rewrite the tariff law on a rational basis laid down in its platform and approved by its candidate has turned out to be a mere forerunner of an organized attempt, only partly successful, to use the political departments of the Government, not even sparing our highest office, as mere playthings to be moved about by unseen hands, grown at length so bold that they venture, in the mere pride of strength, to forget their cunning.

In trying to understand the influences which took the Republican platform pledges in relation to the amendment to the interstate-commerce law and the public utterances of the President in interpreting them and tried to smother them to death under the rubbish of 50 pages of printed matter issuing from the Attorney-General's office, it is appropriate to go back to the extraordinary session and observe the methods by which the tariff revision, undertaken in pursuance of party promises of the most definite meaning, was lifted out of the hands of Congress and made a mere vehicle for the interchange of mutual benefits, in which the public got no share.

I am aware that it is sought to constrain independent expressions of opinion in these days by an appeal to the principle of majority government, a principle in accordance with which it is thought proper for individuals to surrender their own views and to accept the views of a majority. There never was a more faithful friend of the doctrine of majorities than I am. It is our form of government. I accept it everywhere. I have never even advised anybody to vote against the party ticket simply because he did not like the boss. I have always supposed it to be the duty of a citizen, where the city in which he lives is boss ridden, to enter the arena and fight for the overthrow of a bad party leadership instead of acquiescing in it and afterwards advising the defeat of the party of which it was the only tangible expression. I believe in the doctrine of party majorities applied to all popular assemblies.

I believe in the doctrine applied to legislative assemblies, within limits. A legislative assembly holds a delegated power, and unless it acts within the limits of that power its act is wanting in binding authority. If it violates the pledge and the promise by which it holds its credentials it is in vain to appeal to the doctrine of majorities to give it any moral prestige.

Further than that, a legislative assembly ought to be governed by discussion and by reason and by persuasion. It is a parody on our form of government to say of a body like this that it shall be governed not by a majority of its members, but by a majority of the majority party of its membership. There are many who carry the doctrine even further. They say that the majority of the party majority ought to be dominated by a majority of a committee. In other words, they deliberately propose to apply to popular institutions the doctrine upon which the Rock Island Railroad was reorganized whereby a few promoters took up the whole consolidated property and, by the device of a holding company, control it absolutely, with nearly all the capital originally invested released for use in other speculations.

So they propose literally to release the intellectual capital of the Congress by establishing this system of party majorities, until at length one man is delegated to say to this assembly what it shall do, and those who fail to fall in with that theory of government are not only put out of the fold of the party but they are accused of treason against the fundamental principles of popular institutions.

I have never seen an hour in my life when I was not willing to compromise any detail of a legislative proposal. I have gone so far, in a languid kind of humility, as to say that if it was not thought worth while to say a word to me about it, nevertheless I would give up my own opinions on details.

It is true, as the President said on Lincoln's birthday at New York, that we did not promise to revise the tariff downward. The newspapers said a quiet, derisive laughter went over the audience when that was said. But the President spoke the literal truth. We had made no promise for the downward revision of the tariff. If we had made a promise like that it would have been comparatively easy to have executed it. A few reductions judiciously made on articles covered by patent or made by patented machinery, a few reductions so small as to be commercially insignificant, a few reductions made on articles of common necessity now known to be controlled by international trusts, a few reductions scattered here and there throughout the schedules, would have literally fulfilled the promise, and it would be very possible for stump speakers to repeat, as was done at Winona, that anonymous scrap of statistical sophistry about the effect of the tariff reductions, a curious table made up for the guidance of Congress by a paymaster in the army and attributed by the President to the midnight researches of Mr. PAYNE.

Here is the public eagerly inquiring, "What do we get out of this?" And back comes the answer, "You get decreases on 654 items, involving a consumption value of $5,000,000,000."

Now, only a slight glance at these statistics, imperfect and misleading as they are, would have indicated that these reductions were in most cases so small as to have no value to the public, that a full third of the number were yarns and threads of cotton, jute, and linen ready for weaving into cloth, and that nearly all of the five billions of consumption is made up either of food products which we export or raw materials like coal, iron ore, petroleum, and the hides of cattle, or partly manufactured materials like pig iron, scrap iron, tonnage steel, and sawed lumber ready for the planing mill. The public has asked, and asked in vain, for anybody to point out a reduction in any article ready to enter into consumption which has any commercial significance of any sort. Even in the iron and steel schedule, where reductions were most numerous, we are exporters of the articles affected, which, according to the statement of Mr. Carnegie, need little or no protection, while the duty was surreptitiously raised on structural frames, in order that the trust may be able to penalize building contractors who have sometimes shown a restless spirit by turning to foreign markets rather than submit to unreasonable delay in the delivery of their orders.

Is it any wonder that the public receives this batch of freak statistics with derisive laughter? When they get to thinking about the length of time it will take them to eat themselves into possession of the 5 cents on the hundred pounds reduction on refined sugar, even if the thieves of the sugar trust give it to them, and then reflect that of the whole five billions of consumption affected by reductions nearly one-tenth of the amount is charged up to the sugar schedule, is it remarkable that they smile in a quiet way? When they know that contracts are outstanding between our planing mills and the sawmills of Canada by which one half of the reduction on lumber goes to the sawmill and the other half to the finisher on this side to be distributed equally among his fellow-citizens, is it any wonder that they make merry? When they hear it said that the total consumption of cotton goods upon which the duties are increased is only $41,000,000, and that the increases affect only such articles as may be described as luxuries, how can any man expect them, even in the presence of the highest dignity, to keep their faces straight? When they examine the schedule called "sundries" and find out that of the $1,719,000,000 of consumption on which duties have been reduced nearly the whole of it represents a commercially negligible reduction on bituminous coal, and a concession to the leather trusts, who were perfectly willing to give up duties which they did not need for the sake of getting rid of the small duty on cattle hides which they had to pay, they begin to see where the joke comes in.

Any good man enjoying general confidence among his fellows can succeed by making his affirmations in his own name, without conditions or modifying clauses, in persuading a great many people to take his view of any given case. A reliable man may stand up in a crowd and get a certain following by making a dogmatic assertion, based upon his own observation,

that the moon is made of green cheese, but if he is clumsy about it and begins by saying, "Gentlemen, I have not personally examined this cheese question, but I have a friend who is out a good deal of nights, who hands me a statement based upon the calculations of his hired man, which goes to show conclusively not only that the moon is made of cheese, but that the color of it is well defined," such a one can not complain if his audience loses interest in the demonstration.

It is reported that millions of copies of the speech at Winona and of the speech on Lincoln's birthday are to be scattered abroad for the education of the people. It may not be good form for me to make any suggestion to the committee which has this matter in charge, but it looks like a strategic blunder to circulate both speeches. Taken together, they will have a tendency to confuse the public mind. At Winona the President disavows any obligation on the part of the Republican party to reduce rates to the point of introducing foreign goods. That, he says, is what the free traders desire. High prices, made possible by monopoly, secure against outside interference, seemed to the President a peculiarly Republican institution, yet there never was a generation of protectionist statesmen in America, outside of a little group of trust magnates, who ever proposed by the protective policy to do more than put the American factory on terms of fair competition with the importers of like merchandise. At Winona the President seems to have considered our prices as landmarks too sacred to be moved, even by the intrusion of a temporary outside interest in our troubles.

Was it this stalwart faith in the moderation of our trust managers that led him step by step to the grotesque conclusion that "the Payne tariff bill is the best tariff bill that the Republican party ever passed?" It is evident, however, that a few months' reflection have tended to soften the asperity of the President against those who have been unable to reach the height which he occupied at Winona, for at New York we find him repeating that "the present customs law is the best customs law that has ever been passed," but giving a very different reason, namely, that "it indicates on the part of the Republican party the adoption of a policy to change from increase of duties to a reduction of them, and to effect an increase of revenues at the same time." How this can be done without increasing importations, if the President's New York use of current statistics of customs receipts is allowable, is a mystery which will be likely to puzzle the fortunate citizen who receives a copy of both speeches.

If the committee does not have a care the public will get the impression that the tariff was revised by its most intimate friends, and the defense of the performance left to a total stranger. It is probable that those who engineered the tariff bill through the two Houses indulged the expectation that the exact nature of the transaction, while it was going on, could be hidden by the intricate movements of the machinery. But it may well be doubted whether the most buoyant lobbyist about the Capitol expected that the bungling work of Congress, when known and read of all men, could be surrounded by such an array of bogus statistics and high official sanctions, disseminated in speeches, in private letters, and by personal telegraphic messages throughout the country, as to very long conceal its actual operation from the American public.

Let us take another little look at the Winona tables. Of what possible interest is it to the public to be informed that reductions were made upon a large number of articles unless you give them the names of the articles and tell them how much the reduction was? Why should people be told that in the chemical schedule—Schedule A—there were reductions amounting to $433,000,000 and the citizen be left to find out for himself that three-fourths of those reductions were on petroleum and its products, and that not a single reduction has been made on any article of which we are not the exporters large enough to find any appreciable expression in the business of the people? I know that my honored friend, the chairman of the Ways and Means Committee, the other day in the House of Representatives—I did not intend to allude to him, though he seems to have alluded to me—stated that I had got hold of the wrong tables. He is in error. I got hold of the only tables there were. Here is the Book of Estimates, with all these tables in it. The exact figures correspond to the Winona speech. They were made by exactly the same people; and if they are not correct, it throws such a suspicion on the whole transaction as to altogether discourage me. When I find a row of figures added up producing one result and another row of figures added up producing the same result to a cent, the presumption with me is very great that they are the same figures; yet in order to make out in this chemical schedule a showing for vast downward revision it was necessary to transport into it the whole value of petroleum and its finished products, making up, as I have said, three-fourths of the total.

It is true that cotton-seed oil, with a consumption value of $31,000,000, was put on the free list, but that was done at the request of the Senator from Georgia because the duty was of no importance to those interested in its production. It is true that linseed oil, with a consumption value of $27,000,000, was reduced from 20 cents a gallon to 15; but since we do not import it, the trust interested offered no objection, and the public does not derive even an imaginary advantage from the decrease.

It is true that slight reductions were made in some of the chemicals employed in the manufacture of plate glass, involving a consumption value of several millions, while new classifications affecting varnishes and other articles effectually conceal, so far as existing statistics are concerned, the effect of the changes that were made. Yet this Schedule A is paraded as an evidence that the downward revision affected articles with a consumption value of nearly half a billion dollars.

The past year witnessed two events of unusual interest—the discovery of the North Pole by Doctor Cook and the revision of the tariff downward by the Senator from Rhode Island [laughter]—each in its way a unique hoax, and both promptly presented to the favorable notice of the public by the highest official congratulations. [Laughter.]

The next schedule is Schedule B, referring to earthenware and glassware. The Winona tables indicate decreased duties in this schedule upon articles the consumption value of which is $128,358,344, and that no increases were made. Yet the fact is that duties were substantially increased upon certain small sizes of glass, consumed to the amount of many millions, while the decreases, for the most part negligible in amount, were upon the larger sizes of plate and silvered glass. The reductions upon crude gypsum and mica, with a consumption of $15,000,000, were made for the benefit of seaboard manufacturers, while the reductions on tombstones and other manufactures of marble and similar materials, with a consumption value of $84,287,520, interest the public rather remotely; yet all these taken together make up a hundred millions of the total consumption exhibited in the Winona tables, while the Dingley rates were retained on most of the articles in general use covered by the schedule.

Referring again to Schedule C—metals and manufactures of—the tables indicate that rates of duty were decreased on articles consumed to the value of $1,221,956,620 and increased on articles consumed to the value of $37,675,804. The table is inaccurate, as the increased rate on several articles was left out by the paymaster. The reductions in duty were, of course, upon such articles as iron ore, pig and scrap iron, bar and sheet iron, and steel, none of which are purchased by the general public, while the Dingley rates were retained on most finished articles ready for use, such as cutlery, and the whole contents of the basket clause of the schedule. Indeed, this ancient basket clause received for the first time the whole product of structural steel ready for the builder's use, and by that underground transfer from the paragraph, where it had previously stood in its own name, the old duty of $10 a ton was nearly doubled. The slight reduction on tacks, nails, files, screws, and saws has no commercial significance, since we produce the articles more cheaply than anywhere else in the world and sell them in every nation of the earth and every island of the sea, while as to such articles as wire nails and steel rails the reductions amount to nothing, because international trusts divide the markets and fix the prices.

Coming down to Schedule D—woods and manufactures of—the Winona tables show that duties have been decreased on articles valued at $566,870,930, while the increases affect articles valued at only $31,280,372. There is evidently a good deal of guesswork about these figures. They overlook entirely the fact that the decrease upon timber that is hewn or squared has no practical meaning, because such kinds of timber disappear from the market, and the introduction of the phrase "otherwise than by sawing," put in by the conference committee after both Houses had rejected it, transfers the entire product of squared timber, such as bridges and the sills of barns are made of, at nearly double the old rate to the paragraph applicable to sawed boards. The honorable chairman of the Committee on Ways and Means, replying to some remarks which I had the opportunity to make elsewhere, made no other answer except that the subject was too small to consider, because we only import in a year $31,000 worth of such timber. But these tables are not made up on the basis of what we import—they are thrown together on the basis of what we annually consume in the United States—and there would seem to be something sinister in slipping into a con-

ference report a rate increasing a duty already prohibitory after the proposition had been rejected in both Houses. I will only add that the Dingley rates remain unrevised on articles consumed to the value of nearly $600,000,000.

When we come to consider Schedule E—sugar and molasses—we encounter a mass of phrases, unintelligible to everybody except possibly a few experts. No reduction in that schedule was made of any possible value to the public. Yet, since we consume $300,965,953, that vast sum is added to the total consumption which has enjoyed the experience of reduction in duties, though a citizen, in order to get a dollar out of the transaction, would have to eat a ton of sugar, and even then the trust might not give him the money.

Schedule G—agricultural products, and so forth—was also cunningly revised to produce the appearance of "real and substantial downward revision," for the table indicates that rates were reduced on food products consumed to the extent of $483,430,637, and increased on only buckwheat flour (valued at $4,380,044), which looks good if correct, and if the reductions are not carefully looked into to see if they are real. Upon examination we at once find that these figures are incorrect, for there are other advances on articles which have again been conveniently overlooked in the preparation of this statistical table, for rates were not only increased on buckwheat flour, but upon certain crackers, biscuits, and wafers for the benefit of the national biscuit trust; and on fruits in bulk and when canned, and on fruit trees, shrubs, and vines. Of course the rates remain the same as in the Dingley bill upon flour and most of the important food products, groceries, fish of all kinds, in bulk or canned, the consumption value of all of which items amounts to several billions per year. The articles making up the $483,430,637 consumption upon which rates were decreased are smoked herring, reduced one-fourth cent per pound; meats, one-half cent per pound; salt, 1 cent per 100 pounds; and starch, one-half cent per pound; all of which we export very largely, and the trivial reductions have no commercial importance whatever.

The Winona tables make only a scant reference to Schedules F and H, which relate to tobacco and spirits, probably because the first was not disturbed by any change in tariff duties, and, in the case of spirits and malt liquors and extracts, the slight increase in the duties may turn out to have a revenue value of some importance to the Treasury, as well as a protective value to the brewing and distilling interests of the United States. The internal-revenue duties upon certain forms of tobacco were slightly increased, and the process of adjusting the size of the packages in the conference committee resulted in one of the grossest wrongs which the American tobacco trust has ever induced Congress to perpetrate—the ruin of scores of independent manufacturers of fine-cut chewing tobacco who had heretofore packed their goods in buckets and sold them to country merchants, and who have recently waked up to the fact that a benign Government has made such a package of tobacco a criminal offense against the United States.

I will omit a reference at this point to Schedule I—cotton manufactures—and to Schedule K, which deals with wool and woolens, because I shall have occasion to refer to these schedules at a later point in my discourse.

Let me consider for a moment Schedule J—flax, hemp, and jute, and manufactures of. The Winona tables are curiously inaccurate as to this schedule. Reductions are claimed on articles having a value of $22,127,145, while the value of the articles on which the rate has been increased is only $804,445. The item "oil cloths and linoleums," amounting to $10,335,705, belongs in the list of articles on which duties were in fact increased, for though the rates were reduced, the classifications (dividing lines) were so changed as to result in higher duties. The rates were also increased on edgings, insertions, and other machine-made trimmings for women's wear, but these increases are again conveniently overlooked by those who prepared this useful table. And, of course, the old Dingley rates remain on most articles of wearing apparel, such as shirts, collars and cuffs, and window curtains, bedspreads, napkins, towels, and other manufactures of linen generally, the consumption value of which is very large.

On Schedule L—silk goods—the Winona table admits the rates were increased on goods the value of which was $106,742,646, and decreased on only $7,947,568; but they are all claimed to be "luxuries;" and yet they are now commonly used by almost every girl and woman in the land in some form or other, for dresses, shirt waists, underskirts, and hats, and for men's and boys' neckties and suit linings, and by most people are no longer considered luxuries.

On Schedule M—paper—the table also has to show many more increases than decreases, increases on $81,486,466, against decreases on $67,628,035, a bad showing for "revision downward" on these article of general use—writing paper, wrapping paper, and so forth.

Schedule N—sundries—is the masterpiece, however, of tariff jugglery to look like "real revision downward," for here the paymaster's table claims decreased rates on consumption value $1,719,428,069, against $101,656,598 increased, and that the increases were only on luxuries such as manufactures of leather, belts, bags, boxes, trunks, suit cases, and so forth, manufactures of fur, artificial flowers, and feathers. To be sure, they overlooked the increased rate on rubber goods, the consumption of which amounts to $60,000,000 per year. But now suppose we carefully analyze the items on which the rates were decreased, together with the exact change of rate in each instance, and see how the consumer benefits by these supposed decreases on articles valued at $1,719,428,069. First, there is the item of "bituminous coal," amounting to $932,344,733, of which we export seven times more than we import, and on which the remarkable reduction of 22 cents per ton was made, for the benefit only of the Atlantic seaboard manufacturers, who may thereby get their coal a little cheaper from Nova Scotia.

Next comes the item of hides and leathers, amounting to about $265,000,000. Duties on hides were removed and decreased on leather for the benefit of the boot and shoe manufacturers; and notwithstanding the decrease on boots and shoes consumed to the extent of $305,484,947, how have the consumers benefited by these reductions? We export some sixty times more of these manufactures than we import, and manufacture more cheaply than any other country. The manufacturers admitted they needed no duty at all.

Next is the reduction of 5 per cent on agricultural implements of a consumption value of $84,452,164, which we produce mostly under patents, more cheaply than any other Nation and supply the world, having exported in 1907, $26,936,456 worth. No duty is needed for the purpose of protection. The production is largely in the hands of a trust, and the trifling reduction of 5 per cent was for statistical purposes only.

Next is a remarkable concession to the consumer of 2 cents per gross on matches in boxes, and ¼ cent per 1,000 in bulk; and a reduction of 2 cents per pound on gunpowder, the consumption of these two items being $31,000,000. These items merely pad the reductions.

While the table purports to give all the increased and decreased rates, it again omits any mention of the articles of general use on which the old Dingley rates were retained, such as men's and women's leather gloves, straw hats, brushes, brooms, buttons and buckles, lead and slate pencils, umbrellas and parasols, candles, and so forth. The advanced rates on pencil leads and imitation jewelry were also overlooked in preparing this table, though the new classification of "imitation jewelry" includes nickel or silver plated or gilded pins, chains, collar and cuff buttons, combs and millinery articles, metal-mesh purses and bags, chiefly worn or carried by the poorer people. The rates on diamonds and real jewelry remain unchanged.

Such an analysis of the Payne-Aldrich tariff, schedule by schedule, and item by item, together with a careful dissection of the Winona table, prepared for the purpose of proving that "real and substantial downward revision" had been accomplished, should convince anyone that so far as the public is concerned the tariff revision in fact carries rates as high or higher than the Dingley tariff law on most articles of general use in their finished condition. Most of the reductions were so trivial as to be ridiculous, and were either upon articles which we do not import to any extent, but on the contrary export in enormous quantities, or were for the purpose of further protecting the manufacturers especially, by reducing the duties on raw materials, while most of the rates on finished products were either kept at the Dingley tariff standard or were increased. In fact, a careful scrutiny of the particular items that were changed, and the exact trifling change of rate in each case, shows how skillfully the revision was arranged in order to deceive the public and look like real revision downward.

A great deal of emphasis has been laid upon the supposed enlargement of the free list, and yet the only new items on the free list of the Payne-Aldrich tariff are hides, a few semifinished coal-tar products, radium, works of art over 20 years old, miners' appliances, and Brazil and cream nuts.

Much has also been made of the fact that the importations of free goods have been larger in amount since the enactment of the new tariff law than for a like period in 1907 under the Dingley tariff law. There are several reasons to account for this. Of course, free hides has contributed to this result, but the increased amount is chiefly due to the fact that during the panic of 1907 and the poor year following manufacturers allowed their stocks of raw materials to get very low, with the result that as soon as business revived the importations of free

raw materials became abnormally large, and as prices of such articles also increased the values were abnormally increased, as in the case of crude rubber. The claim that the "average ad valorem equivalent" of all importations, free and dutiable, is lower under the new tariff than its predecessor is simply due to the fact that importations of foreign raw materials (and the values of such articles) during that period has increased faster than imports of finished articles, which, of course, has had the effect of reducing the average duty. As a matter of fact, if we keep on revising the tariff upward on finished articles, the difference between the values of importations of dutiable and free goods will inevitably increase, and the average rate of duty collected will decrease, even though no new articles are put on the free list. For example, if the rates on all articles now dutiable were made absolutely prohibitive and the free list allowed to remain as at present, all our imports would of course be free; but what would be the effect upon the prices of finished articles and consequent cost of living to the people?

Mr. President, I shall now proceed to discuss a single one of the schedules, about which I claim to have a great deal more information than I have about many of the others.

I wish to take up the cotton schedule, and I do that because the President was led by the friends of this measure to state to the American people that no changes had been made in it, except as to certain high-priced goods, the total consumption value of which was only $41,022,024. It is because I object to having that statement passed along from these brethren to the President of the United States to be made a part of the official literature of the Republican party, that I propose to take a few minutes to expose it. I do so as a friend of the party; I do so as one who altogether acquits the President of intentionally saying a word not intended to be the truth.

What did they tell the President to say about this? They told him how many items there were in the cotton schedule, 261; that 28 of them had been decreased; 47 of them had been increased, and that 186, I think, had been let alone. The fact is that all the decreases in the cotton schedule were upon cotton yarns, except possibly one, and that throughout the whole range of countable cotton cloths the most startling and inexcusable increases were made, not by increasing openly the Dingley ad valorems, but by restating them in what purported to be equivalent specific assessments, mounting on ladders, representing dividing lines of value.

More than that, the definition of "cotton cloth" was changed so that hereafter in determining the density of the cloth, which determines its place in the schedule, there are counted not only the warp and woof of the fabric, but also the threads superimposed upon the fabric, whether cut or uncut. And, more curious still, the color of the cloth is hereafter to be determined not by the color of the fabric, but by the color that may appear even in a single thread superimposed upon the fabric.

In addition to that, the great bulk of the high-grade cotton-cloth consumption in the United States is mercerized, and we have deliberately made an assessment of a cent a yard upon all mercerized cloth, thus enabling the factories, if they take advantage of it, to absorb the pennies in the contribution boxes of the children of the United States.

But, worse than that, after both Houses of Congress had rejected what I had almost been tempted to call a "swindle," it reappeared in the conference report, by which the question of whether cloth was mercerized or not was settled by the appearance anywhere in the cloth of a single mercerized thread.

What did they suggest to the President about these things? I will read. The President said:

The House and the Senate took evidence—

Now, I want you to listen—

The House and the Senate took evidence and found from cotton manufacturers and from other sources that the rates upon the lower class of cottons were such as to enable them to make a decent profit—but only a decent profit—and they were contented with it; but that the rates on the higher grades of cotton cloth, by reason of court decisions, had been reduced so that they were considerably below those of the cheaper grades of cotton cloth, and that by undervaluation and otherwise, the whole cotton schedule had been made unjust and the various items were disproportionate in respect to the varying cloths. Hence, in the Senate a new system was introduced attempting to make the duties more specific than ad valorem, in order to prevent by judicial decision or otherwise a disproportionate and unequal operation of the schedule.

If it were not possible to entirely disconnect the President from that medley of inventions, and trace them to those who were responsible for searching them out, it would be difficult for a man of my temperament to get past this point in my discourse without appearing at least to disturb the harmony of the occasion; but, fortunately, it is entirely possible to altogether dissociate the President from them. These are vagrant children, introduced into the President's intellectual household by interested parties, and his harboring of them is more in the nature of a misfortune than a fault.

The extract which I have read from the Winona speech exhibits all the vices of palace-car preparation, and all the difficulties of condensing into four or five lines what took several hours of rather difficult discussion here on the floor of the Senate during the debate, to explain to anybody.

When I first became curious about this cotton schedule and suggested that it looked to me very peculiar, and pointed out certain apparent excesses in it, the chairman of the committee grew very excited and said it was all right, it could be defended and would be defended. In about a month the defense began to come in by degrees. The experts foregathered with the committee and the defense was prepared. When it was delivered here it seemed to be so inadequate to the Senator from Rhode Island that he fortified his own statement and argument in respect to it by introducing a certificate signed by custom-house officials and employees, most of whom were then joyfully looking forward to what the apostle, referring to another matter, very aptly described as "the recompense of the reward," which most of them have since attained. He produced their certificates, stating, first, that these duties had not been increased, and then, in effect, that if they had been, it only brought them back to where they would have been if the Dingley law had not been mutilated and eviscerated by court decisions.

I tried on this floor, and I think I succeeded—though I am not going to take any testimony on that subject now—to puncture that humbug; and I know of no reason why I should not make another effort in that direction, now that it has been passed along to the President to be incorporated in the sacred scriptures of our political faith.

The President says:

The House and the Senate took evidence.

Who told the President that? The House took evidence, though the chairman of the Finance Committee boasted on this floor that he had never read it, notwithstanding the fact that it was printed in books; but the Senate took no evidence, or, if it did, it was of the wireless kind [laughter], taken in secret and the fact denied on this floor by the chairman of the committee. The House did take evidence, and I have it right here. They took the evidence of people representing the Arkwright Club, of Boston, and representing the textile labor organizations, the wage-working population of textile New England. And what was the testimony? The wage-workers testified that they were satisfied, prosperous, and contented, and asked Congress to make no change in the law. And Mr. Lippitt, who represented the cotton mills of New England, again and again asked the committee to make no change in the schedule applicable to cotton cloths.

I call your attention, first, to the statement, recorded on page 4545 of the House hearings, by the representative of the labor interested in the cotton industry, as follows:

The CHAIRMAN. What is your business?

Mr. HIBBARD. I am the general secretary of the United Textile Workers of America, but I do not appear here officially from that body. I was about to say that I regret very much that at our last convention we did not have the opportunity to have some kind of a resolution before us on which we could have gone on record as being favorable to the existing tariff conditions so far as they apply to the manufacture of textile goods. Speaking for myself, and I think I voice the sentiments of the members of our organization, I believe that anything that tends to promote the conditions of industry must of necessity help the operator, and it is with that idea in mind that I appear at this time. I believe that my people—and by that I mean the textile workers—do not desire any change in the tariff schedules so far as they apply to textile goods, and I think if I were to take up your time for an hour in elaborating upon anything that I might want to say, I could not put any better or any stronger statement as defining our position. We believe that if the tariff makes it permissible or makes it possible for the industry to thrive, it puts the people who are trying to lead the operatives into a position where they can demand for these operatives a higher rate of wages and better conditions, and that is my only reason for being here to-day.

Mr. H. F. Lippitt, of Providence, R. I., representing the Arkwright Club, offered the following testimony (p. 4530):

The CHAIRMAN. What is your suggestion about that? Do you want the duty lowered or raised or what?

Mr. LIPPITT. We are going to ask you to leave the duty as it is.

Mr. DALZELL. All along the line?

Mr. LIPPITT. On the cloth schedule, with the exception of some very minor points. I am making my argument to show why it should not be changed.

Mr. DALZELL. This duty is now what?

Mr. LIPPITT. It varies from 25 up to 45, I believe. It is quite a complicated schedule, as you will see. I was saying that the artistic side of the cotton manufactures has developed very much, and the result is to so raise the value as to bring these fabrics out of the specific duty range of the countable cottons and into the ad valorem range, which means the very minimum duty of their respective classes, although they are naturally the most costly, justly calling for the highest margin.

Again, he said, on page 4532:

The form of the present cotton tariff is the result of many efforts, and considering the wide variety of products it covers has stood the

test of practical operation fairly well. It has been the object of many legal attacks, in the course of which the terms used have for the most part been given careful legal definitions, and therefore should not be disturbed.

And again:

We ask therefore that the present schedule shall not be materially changed, and that cotton manufacturers be allowed to continue the operation and further development of this important industry under the same tariff conditions that now prevail.

Further along, he testified:

Mr. BOUTELL. On what character of goods do you have the greatest amount of protection, figured on an ad valorem basis?

Mr. LIPPITT. On the finer goods. You will see, as the schedule runs up there—as the yarns grow finer—the percentage of protection increases.

Mr. BOUTELL. So that, taking the two sections of the country as you have described the condition of the trade to Mr. Dalzell and Mr. McCall, New England gets a higher rate of ad valorem protection than the southern mills?

Mr. LIPPITT. So far as they are making the finer grade of goods and more elaborate goods.

Mr. BOUTELL. That is the distinction, is it not? Is it not in the character of goods that they make in the southern mills and in the New England mills?

Mr. LIPPITT. Yes, sir.

Mr. BOUTELL. The New England mills making the finer goods?

Mr. LIPPITT. Yes. Of course, you understand, there are some coarse goods made in New England.

Mr. BOUTELL. I understand.

Mr. LIPPITT. But it is not a sharply defined line.

Mr. BOUTELL. But it would be true, as a general proposition, would it not, in the cotton schedules, that the goods which are most largely manufactured in New England get a higher rate of ad valorem protection than the goods most largely manufactured in the Southern States?

Mr. LIPPITT. I think it would.

Again, referring to the competition of southern mills, Mr. Lippitt says:

Mr. LIPPITT. Their business is developing very creditably all the time.

Mr. GRIGGS. And your protection is much more than theirs, as it stands?

Mr. LIPPITT. Not on the same fabrics.

Mr. GRIGGS. I understand that, but the protection on the goods you make is higher than the protection on the goods they make?

Mr. LIPPITT. Yes.

Mr. GRIGGS. And they are crowding you out of the market with them?

Mr. LIPPITT. If you will allow me to qualify that by saying to the extent that we do make finer goods; the protection is greater on those goods. The schedules are adjusted to that end.

Mr. Lippitt closed his testimony by saying:

I am not appearing here to ask for an increase in the duties on the cloth clauses of the cotton schedule. I think that while there are importations going on under them, it is reasonably regulative of the cotton trade. The importations are not so large that we feel justified in asking that the duties be increased, but we would not like to see them decreased, as we believe that any decrease would certainly result in very much larger importations and a great deal more of our cotton being manufactured abroad and shipped back as finished goods, as we say.

Yet the President says that by reason of court decisions the duties had been reduced so that they were considerably below those of the cheaper grades of cotton cloth. They never said a word about court decisions. Yes, they did. They knew every court decision that had been rendered, and knowing every one of them, Mr. Lippitt said that the court decisions had so thoroughly defined all the terms that were involved that under no circumstances ought the schedule to be disturbed. And yet we have put into the notes handed to the President the statement that the manufacturers testified that court decisions had so disturbed their duties as to require an amendment of the law.

The manufacturers did not seem to know that the rates upon the higher grades of cloth were considerably below those of the cheaper grades. On the contrary, they testified that the protection is greater on the finer goods and that "the schedules were adjusted to that end." They never said a word about undervaluations having "made the whole cotton schedule unjust and the various items disproportionate to the varying cloths. On the other hand, they said distinctly that "the then form of the present cotton tariff is the result of many efforts and, considering the wide variety of products it covers, has stood the test of practical operation." Not a line of evidence can be found where anybody asked that the Dingley ad valorems which cover the higher ranges of cotton manufacture, should be converted into specific duties for any purpose. That proposition was rejected by Governor Dingley in 1897 because it was his opinion that of all methods of assessing duties, the worst possible is the levy of specific duties rising on a step-ladder scale of values. And I do not hesitate to add that the only reason that discredited scheme ever found its way into the present law was because there were men behind it who desired to reap the profits of increased duties under the guise of improving the form of the assessment.

The President says that "at last the Senate in conference consented to a reduction, amounting to about 10 per cent, on all the lower grades of cotton, substantially to the same rates as before, and increased the higher grades to what they ought to be under the Dingley law and what they were intended to be." It would be interesting to know who told the President that. It almost puts an end to a man's patience to look at that statement in print, much less to read it out loud. One would suppose from that statement that the conference committee had reduced the Dingley rates 10 per cent on some kinds of cotton cloth. Now, the duties on the lower grades, the coarse goods, largely gone out of use in the United States, were not disturbed in conference or anywhere else. So that, in point of fact, the Senate in conference retreated not from the rates on the lower grades of cotton, as the President was informed, but upon the higher grades; that is, cloths valued at over 9 cents per yard when not bleached, and over 12 cents a yard when bleached, and over 13 cents a yard when colored, the cloths referred to being described in paragraph 315 of the tariff law. Neither did they retreat as to these below the Dingley law, but to a point just under the indefensible increase of duties on these cloths which the Senate committee had previously framed up. Yet the President was told that the conference had reduced the lower grades 10 per cent. In fact, they left the lower grades exactly where they were, and in all other grades, in every paragraph, they fixed the assessment materially above the rates which were thought a sufficient protection by Governor Dingley in 1897. The President seems to have been aware that his statement was a little dubious, for he says that under this schedule it was contended that there had been a general rise of all the duties on cotton, and he adds: "This was vigorously denied by the experts of the Treasury Department."

In what I am about to say I especially disavow any purpose to attack the Treasury Department or any statistical bureau of the Government. In point of fact, this elaborate fraud which has been practiced upon the American people did not require the aid of any experts in order to detect the imposition.

I have before me a full statement showing the increases of duty effected by translating the entire range of cotton cloths formerly covered by the Dingley ad valorems into the specific assessments of the new law. It was furnished for my information by the customs division of the Treasury Department, under the direction of the Secretary, and printed in connection with my remarks to the Senate on the 5th day of last August. I will reprint it in connection with what I am now saying. I had every right to have confidence in it, not only because the calculations can all be verified by any high-school student, but because precaution had been taken in the earlier stages of the controversy to put through the custom-house a large number of cloth samples, and to have them assessed under the terms of the law then pending in the Senate. I had still further reason for my assurance that the calculations were correct, because they did not substantially depart from a statement of the changes in the rates applicable to countable cotton cloths which was on the desk of Senators at the very time that the committee was protesting that no changes had been made and throwing in my face their long-delayed promise to prove it. I will also ask leave to print this table showing that, taking all the paragraphs applicable to countable cloths together, an increase of 27 per cent has been effected. Moreover, the September number of the Review of Reviews furnished its readers with a full statement of what the new tariff law had done for the American people, prepared by the most highly trained statistical and economic authority who has ever been connected with the Government of the United States.

I have still firmer confidence in these calculations now, because I have gone through the whole list of cotton cloths imported into the United States, and have taken samples from them, showing exactly what duties are now being collected upon them.

I think it will not be amiss for me to take up two or three of them, and I take them up because like goods are made in the mills of the gentleman who delivered the testimony here that nothing ought to be done to the cotton schedules. I refer to Mr. Lippitt.

I have here a little sample of fancy black muslin. It has mercerized threads in it. It has little diamond spots that are superimposed upon the fabric.

Under the Dingley law the duty was 35 per cent plus 2 per cent, which equals, per square yard, 6.70 cents.

I want to show just what was done to that little piece of cloth [exhibiting]. Its present duty, 5¼ cents per yard, plus 2 cents, plus 1 cent, equals per square yard 8¼ cents, an ad valorem equivalent of 61 per cent, and yet it has been said on this floor that there was never any intention of putting any kind of cotton cloths higher than 45 per cent, and in the wildest régime of Hartshorn's custom-house experience the very worst extortion they practiced was to call goods like that etamines and assess them at 60 per cent.

Here is another little black striped muslin which is mercerized, but without superimposed threads. The duty is increased from 35 per cent to 5¼ cents a yard, plus 1 cent for mercerizing; equal to 6¼ cents, an ad valorem equivalent of 47 per cent, an increase of 36 over the old law; and as I said a moment ago, I intend to adjust as well as I can to these remarks these figures, the samples accompanying which have been cut with a pair of scissors from goods that have just recovered from the experience of paying the duty.

Now, with all these facts within easy reach—I intend to talk plainly, because I am face to face with people who are talking plainly to me—it is discouraging to all friends of fair dealing in the United States to have these brethren pass up to the President, to be used for public instruction, a statistical table which led him to say that the cotton duties have not been increased except upon certain high grades to the amount of $41,022,024, when if he had had the table with him a mere glance at it would have shown that that closely calculated $41,000,000 did not refer to cotton cloths at all; that the only thing it purported to refer to was cotton stockings, valued at from $1 to $2 per dozen pairs—from 10 to 20 cents a pair—annually consumed in the United States to the amount of $41,000,000.

Yet these gentlemen, whose duty to the President and to the Republican party was to give him the facts to lay before the people, allowed him to go to New York and state to a great audience, mainly of merchants, that the increases in the cotton schedule were applicable to $41,000,000 of high-priced cottons in the nature of luxuries.

Mr. President, it is vain for us to try to cover up this situation by any worn-out phrases. What is the use of talking to intelligent people about undervaluations in the cotton imports when the Treasury Department says that even if all the undervaluations could be attributed to the ad valorem paragraphs—a thing that is very far from the truth when you come to consider that nearly all of our troubles have come from underweights and false measures—the leakage through undervaluations to-day in the custom-houses of the United States is only four and a half thousandths of 1 per cent on a total importation of nearly a billion dollars? And yet it has been found necessary to put into the mouth of the President this reproach and disparagement of the collection system which we have tried to perfect at vast expense in the United States.

Not less discreditable to its authors is the information handed to the President that court decisions had so mutilated the Dingley law and so reduced the duties provided in it as to require a general rise in the level of the assessments, in order to get back to what the Dingley law intended; so that we had the vaudeville spectacle of clerks in the appraisers stores being brought here to certify as to what the effect of court decisions has been on our revenue, with a view of explaining the curious-looking increases in duty which the committee started out by saying had never been made.

That afterthought of the Senator from Rhode Island becomes rather grotesque in view of what he said on the floor of the Senate. I used to have almost a superstitious awe of the encyclopedic character of his information about these matters, and I have never had in my life such a spiritual shock as I had last summer when I found that for some years at least he had abandoned the pursuit of this particular kind of knowledge. The first shock came when I was fumbling with this estimated revenue book which they had just printed. I pointed out something that looked wrong to me, and it seemed so wrong that he said it was erroneous. I afterwards appealed to it again as an authority, and he solemnly asserted on the floor of the Senate that he had never read it.

I had another shock when, in the innocence of inexperience, I appealed to the hearings had before the House committee and printed at great expense, when the chairman solemnly and with evident pride announced that he had not read them.

I was in a corner one day here and I cited the authority of Samuel S. Dale, editor of the Boston Textile World-Record, famous throughout the textile community of the world as an authority on trade matters. I was wilted by the Senator's self-satisfied declaration that he had never heard either of the editor or of the periodical.

I confess that my confidence in him as a constructive statesman somewhat suffered more than one set back last summer. I remember that early in the proceedings, when I had been led to ask a question about this cotton schedule and assumed a mildly critical attitude toward the work which had been done, the Senator tried to baffle my purpose by gathering the spring chickens of his committee under a motherly wing and retreating to the protection of the New York custom-house. He said:

> If the Senator will permit me just there upon that point, no manufacturer has been before the Committee on Finance in regard to this schedule. Every change that was made in it was made upon the recommendation of the government experts and nobody else; and it is now defensible and will be defended by the members of that committee whenever the schedule is reached.

I remember very distinctly that one of the most lusty of the brood, my honored friend from California [Mr. FLINT] stuck his head out of the feathers, even while the storm was raging, with the reassuring remark that the same thing was true of all the other schedules. [Laughter.]

It seemed to me to be true that if some persons in the New York custom-house had made suggestions to be enacted into law, it would not be a bad sort of thing to inquire who they were and what they represented. But I had hardly begun that study before the Senator from Rhode Island rose in his place and exonerated the General Appraiser's office in these well-chosen words, uttered on the 1st day of June last:

> So far as this one schedule is concerned, and the amendments which were reported from the Committee on Finance to the cotton schedule, the changes from ad valorems to specifics, Mr. De Vries never saw them until after they were prepared under the direction of the committee. No member of that committee ever had any conversation with him in relation to it. I will go a step further and say that no manufacturer in the United States ever saw them or was ever consulted with reference to them. They are the creation of the committee itself, and no man was consulted, either on the Board of General Appraisers, or anywhere else, with reference to these provisions until the committee had decided what they should be.

When I heard those words I almost felt ashamed of myself for having commented prematurely on Judge De Vries, as he was then even familiarly known around the corridors of the Senate building in pleasing anticipation of judicial honors which have since come to him, and which he already saw in the mass of homemade statistics through which he was slowly making his way.

I confess I felt a little better disposed toward General Sharretts, the veteran expert, as the correspondent of the Associated Press called him, as he was caught on the 11th of July in the company of the paymaster in the midst of his labors on the tables that made Winona famous.

Suddenly, on the 7th of June, in the night, the Senator from Rhode Island startled the congregation with this interesting confession:

> The instruction of the committee to the expert who made the computation was that the specific duties should equal the ad valorem rates of the existing law, with the exception of the 60 per cent rate, as we have no intention and no purpose of restoring the 60 per cent rate of the old law; that is, the specific rates should range from 25 to 45 per cent ad valorem, that they should not exceed those rates, and that they should not exceed the equivalent ad valorems of the existing law.

At this point the ghost of certain judicial decisions enters the Senator's calculations, and he claims to have told the expert that the committee desired the new duties to be made equivalent not to the ad valorems of the Dingley law, but so much higher than the Dingley law as to make the average equal the average of the Dingley rates if they had not been wickedly tampered with by the courts. In other words, he commissioned General Sharretts to repair the wrong and injury which he had done as a member of the Board of General Appraisers in nullifying and emasculating the Dingley law, for the decisions of the courts complained of were affirmations of the decisions of the general board overruling the blunders of the appraisers' office. So that Mr. Sharretts, according to the Senator's statement, was given carte blanche to restate the Dingley rates not as they are written in the law, not as they were found by courts, not as they were understood by the general board of which he was a member, but as they appeared to the eye of an incompetent appraising officer by the name of Hartshorn, who was discharged from the service because he had not sense enough to administer the office of assistant appraiser. Yet the Senator from Rhode Island says that he commissioned the "expert" to perpetuate in the new law the excesses which, except for the courts sustaining the Board of General Appraisers, would have been incorporated in it by a blundering employee of the custom-house, whose stupidity cost him his job.

Fortunately for those who debated with the Senator from Rhode Island last summer, they had before them all these decisions. We knew exactly what was involved in each case, and when the Senator from Rhode Island bewailed the loss of the revenue through these decisions, which the committee felt bound to repair, it was possible without the loss of a day to produce the decisions and to refute the wayward conclusions which had been drawn from them. No man who respects the memory of Governor Dingley will say that he ever intended to put a duty of 60 per cent on any variety of countable cotton cloth. If corrupt appraising officers ever did such a thing, they were promptly overruled on a mere inspection of the merchandise and the action of the board promptly sustained by the courts. Fourteen hundred cases were brought in the courts to recover the duties collected on cotton cloth under the claim that they were etamines and vitrages, and the whole amount which the Government had to refund was only $55,000. Etamines and

vitrages were not cotton cloths; they were not even enumerated in the cotton schedule; yet an appraising officer, more bent on serving the textile association than the Government, extorted 60 per cent on a few varieties of cotton cloths, which the board of appraisers immediately decided did not belong in the jute and flax schedule, wedged in between veilings and embroideries. The only thing that happened to the cloths was to fall back into the countable paragraph, where they belonged; yet that loss of revenue, occurring ten years ago, is brought in to excuse an unconscionable levy upon the American people throughout the whole range of their cotton clothing. If some of these goods bore a high value, they got the full benefit of the Dingley ad valorem; if any of them were so coarse in texture as to contain less than fifty threads to the square inch, they might well have been ignored, because such importations do not constitute an appreciable part of our foreign trade in cotton cloths. Neither can the excuse for increasing all these rates be found in the court decisions reducing the assessment on articles made of cotton cloth, for all these have been carefully separated from the cloth paragraph and subjected to a rate of their own. Neither did the decisions treating cloth colored by superimposed threads, as if it were the color of the warp and woof, disturb the revenues of the Government, for the Solicitor-General distinctly stated in his brief in the Supreme Court of the United States that not to exceed $20,000, or $5,000 for each year the matter was in dispute, was involved in the whole litigation. Does any man pretend that in order to classify such cloths properly it was necessary to rewrite the whole cotton schedule and impose new burdens on the women and children of the United States? Not only was such a thing unnecessary, but the thrifty gentlemen interested in the cotton business found another way to do it before the committee took the matter up, as will be perceived by anyone who reads understandingly section 320 of the new law, which is as follows:

320. The term cotton cloth, or cloth, wherever used in the paragraphs of this schedule, unless otherwise specially provided for, shall be held to include all woven fabrics of cotton in the piece or cut in lengths, whether figured, fancy, or plain, the warp and filling threads of which can be counted by unraveling or other practicable means, and shall not include any article, finished or unfinished, made from cotton cloth. In determining the count of threads to the square inch in cotton cloth, all the warp and filing threads, whether ordinary or other than ordinary, and whether clipped or unclipped, shall be counted. In the ascertainment of the weight and value, upon which the duties, cumulative or other, imposed upon cotton cloth are made to depend, the entire fabric and all parts thereof, and all the threads of which it is composed, shall be included. The terms bleached, dyed, colored, stained, mercerized, painted, or printed, wherever applied to cotton cloth in this schedule, shall be taken to mean, respectively, all cotton cloth which either wholly or in part has been subjected to any of these processes, or which has any bleached, dyed, colored, stained, mercerized, painted, or printed threads in or upon any part of the fabric.

In 1897 we gave them 2 cents a yard additional on account of the presence of these extra threads. They insisted in the courts that they should have 30 per cent instead of 25 per cent, because their cloth was colored. The courts held that it was not the cloth that was colored, but the superimposed threads, and that the law had provided amply for them by an additional specific assessment of 2 cents a yard. The court was right. Behold what a miracle can be wrought by converting the old Dingley law into equivalent specifics under the tutelage of a real expert from the custom-house. The extra threads hold on to their 2 cents a square yard; the 25 per cent ad valorem becomes 30 per cent; the 30 per cent is transformed into a series of specific rates, rising with the increasing value of the merchandise, until, according to the Treasury statement I hold in my hand, the new rate overtops the old by 30 and 40, and in some cases as much as 84 per cent. It would have been a blessing to the public if the courts had decided against the Government, and it is to be hoped that we have for the last time seen a chairman of the Finance Committee of the Senate turn over such matters to a veteran expert, for we now not only enjoy the experience of paying extra duties on cloths colored by superimposed threads, but the "experts" have so worded the paragraph that the color of the cloth is determined by the presence in it of a single colored thread.

The President, in a speech at Boston when he was about to set out upon his long journey, was thoughtful enough to inform the country that the Senator from Rhode Island was the leader of his party in the Senate. There have been a good many evidences that the President was correctly advised, though there will always be a few humble members of this body, I hope, who will not forget that there is high authority for the belief, which is still a tradition in this Chamber, that this is a Senate of equals, and that no leadership can be imposed upon it which does not, with kindly forbearance, afford light and guidance and intelligent direction to the great affairs with which the Government has to deal.

I have said what I have tried to say here to-day as a part of my appeal for the unanimous support of both parties of the proposition which the President has recommended. I regard it as a wise act in his administration, bewildered, misguided, uncertain, either of facts or of documents in connection with this business, as we all are. The President of the United States, correctly interpreting the opinion of the country, asks Congress to take, if only in a tentative way, the first step toward such a scientific study of our industrial system as will put an end permanently to the scandalous abuses which for more than a generation have brought reproach upon the law-making power of the United States.

But if I had no objection except such as I have urged to the act of 1909 I would have voted for it. I would have gone back and said: "My fellow-citizens, nobody can ever get in this world exactly what he wants. This is a world of disappointments, a world that has a good many people in it, a world in which if a man can get the tangible or visible fraction of all he wants he is in great luck. We fought as well as we could. We had to compromise it. I stood for 5 cents a yard and the other boys wanted 10; we compromised on 7.33⅓. It was the best we could do; and while it does not fulfill my wishes and my views about it, nevertheless we will have to stand it for a while." I could have said that. That has been my habit and custom for a good many years. I believe I can say for others who were unable on that stormy night last summer to vote for the conference report, that if they had been simply dissatisfied with the rates that had been put in we would have swallowed our dissatisfaction and voted for the measure, and explained it as well as we could afterwards. It would have been a good deal easier for Members of the House of Representatives to do that, because they had been deprived of any participation in the business to speak of and were simply called upon to record themselves either for it or against it. It would have been a little difficult for us who had spent years of our lives trying to understand it and trying to square it with the facts, stating the truth here last summer and seeing it trampled under the feet of men, to swallow our disappointment with such apology as I have indicated. But bad as that situation would have been I think I know enough about those who were somewhat associated with me in common labors last summer to say we would have gladly done that.

There was not a man among us who did not understand the situation in which we were being placed. There was not a man among us who did not understand with what cruelty, with what remorseless, sleepless vigilance and energy the whole machinery of party management was about to be put into operation for our political destruction. We understood all that. Nor have I a word of criticism of those who voted for this tariff. I accord them the same right which I exercised myself. Least of all do I reproach the President for signing the bill. It is a revenue measure, committed by the Constitution expressly to the House of Representatives. In England neither the King nor the Lords can veto such a measure. The President had no necessity pressing upon his conscience to overrule what appeared to be the judgment and wisdom of the legislative department touching the national budget. The duty of the President, to give or withhold his assent to such a measure, is in no sense akin to the obligation of Members of Congress in voting for or against it. Therefore no man familiar with our institutions can blame the President for signing the new law.

Why were we not able to vote for the conference report? I intend to tell you. We were unable to vote for it because in our opinion it had failed to fulfill the promise which the party had made to the public. We had no promise outstanding, as I have before stated, to reduce schedules here and there. That was not our promise. Our promise I presented in person to thousands of my countrymen from California to New York. Our promise was to revise the tariff with reference to a set standard of justice and fairness by which our laws should give the advantage to our own people of that difference in the cost of production which is known to exist between this market place and the market place of other countries. That was our promise. How did we fulfill it? It was laughed at as ridiculous. I never heard any reference made to it except possibly in discussing the hat paragraph in the House.

The hat industry of Connecticut, taking the Republican promise in some good faith, had prepared itself, and did make a showing of the cost of production in other countries and an honest showing of the cost of production in New England, but with that exception, and what little comfort we got out of a report on the price of razors, every time the cost of production was brought up here it was regarded as a jest fit for ridicule rather than for attention, and rather for laughter than for action.

I favor the President's proposition to lay the foundation for a scientific inquiry into this matter, because I am tired of the present methods of revising tariffs. We have a self-appointed tariff commission; we had such a commission here last summer

in full blast, and we have had it as far back as I can trace our records. The trouble about the tariff commission we have had is that we have allowed the fellows who were to be the beneficiaries of the law to write it. I was unable to support what was done because I am prejudiced against that method of legislation. I know it is an old method, and for fear I might be regarded as paying a tribute to the Democratic party I think I have reasonable historical evidence that it is your method as well as ours when you had an opportunity and a duty in connection with tariff matters.

Last summer I read here in the handwriting of Governor Dingley certain letters of his. They have since been published in a little book, a copy of which I have in my hand. I will show you how the governor thought our Democratic friends made the tariff of 1894. He was writing to Colonel Tichenor, chairman of the Board of General Appraisers. He says:

I send you by this mail the hearings on metal schedule. You will notice by these hearings that the manufacturers ask only 1¼ cents on tin plate—

That is a quarter of a cent more than the Wilson law gave for them, I think—

and generally few changes.

Now, why was that?

We expect to cut nearly all our duties considerably below those of the act of 1890. The metal and cotton schedules of the present law—

That is the Wilson law—

were really made by the manufacturers, except as to a few items.

Now, that is a sad reflection, and it is one of the things that has prevented me from really appreciating the hospitality that has been offered more than once on the Democratic side of this Chamber to those of us who were being pushed to the edge of the precipice by our comrades in arms.

But the worst thing about our tariff laws is not that the commissions that make them are the people who are to enjoy the benefits of the law after it is made. That is an old abuse. It was more warranted in olden times than it is now, because in the midst of the other progress of society there has been a vague and mysterious change that has been called moral progress. It is so vague that some people can not see it, and yet there are plain evidences that in fifty years the ideals have changed, the standards have been lifted up, and it becomes a man's duty in a representative position to take an occasional look at the standards.

In 1867 there were only two men in the Senate of the United States who could not stand the bargain between the wool people and the cloth people. Curiously enough, those men were from Massachusetts, which has always led in this moral development. Charles Sumner and Henry Wilson said "no," because the only argument made for it was that the people interested in it had written it. But John Sherman, who in many ways was a great and good man, had not caught the new light, and so he got up in the Senate, and the very reason that compelled Charles Sumner to vote against it was regarded by John Sherman as the most important argument in its behalf. He said:

I trust that in the present tariff the arrangement between the woolgrowers and the wool manufacturers will be carried out. I would prefer myself to take it in the very words they have given us, so that if they are not satisfied hereafter they can not complain of the proper committees of Congress for any mistakes. I would take them at their word; I think their demand is a reasonable one, and I would be willing to give it to them as they ask it, so that if there is anything wrong in the practical working of their scheme they themselves may have the responsibility of it. It is said, I know, that there was a very important class of people not consulted when this arrangement was made. That is true; the consumers were not consulted, and the consumers have to pay the increased cost.

His idea was that if anything went wrong, and they should complain about it, somebody would have to attend to it, and if he got the fellows to write it just as they wanted it themselves and punctuate it and put it through, you would have peace on that subject; and they took everybody into the arrangement except the American public.

The difference between those days—which were good old days in many ways—and to-day is the fact that if the venerable John Sherman should come now and should make that statement in the Senate there would be a smile run around the Chamber and through the galleries, and if anybody should make such a statement to-day there would be a dozen Senators on the floor at once asking in no meek tone, "Where does the public come in on that?" That is the difference between to-day and fifty years ago. Yet we have seen that abuse passed on generation after generation, and we saw last summer, or the fall before, the meeting in Chicago of the grandchildren of the fellows who made that bargain to confirm the contract and pass it along as a part of their ancestral inheritance. The difference between these two generations is the explanation of the troubles that are now going on in the United States. The President seems to have a dim perception that this thing was too bad, and yet almost a foggy idea about it at the best, because his attention was evidently called to the fact that that schedule had been passed along to us, and was more or less open to question. He gives rather a picturesque account in the speech at Winona of why the tariff on wool and woolen goods was not disturbed. He says:

With respect to the wool schedule, I agree that it is too high and that it ought to have been reduced, and that it probably represents considerably more than the difference between the cost of production abroad and the cost of production here. The difficulty about the woolen schedule is that there were two contending factions early in the history of Republican tariffs, to wit, wool growers and the woolen manufacturers, and that finally, many years ago, they settled on a basis by which wool in the grease should have 11 cents a pound, and by which allowance should be made for the shrinkage of the washed wool in the differential upon woolen manufactures.

That is a little difficult to anderstand, but I think I catch the idea in a way.

The percentage of duty was very heavy—quite beyond the difference in the cost of production, which was not then regarded as a necessary or proper limitation upon protective duties.

The truth was the duty was very low on one end of it and very high on the other. The carded woolen manufacturers think that a duty of 11 cents a pound on grease wool ranges all the way from 40 per cent ad valorem to 700 per cent; but I shall not go into that.

When it came to the question of reducing the duty at this hearing in this tariff bill on wool, Mr. PAYNE, in the House, and Mr. ALDRICH, in the Senate, although both favored reduction in the schedule—

Did any of you notice that? This is a jocose reminder of scenes that are distant and yet familiar. With the first amendment that was offered, the Senator from Rhode Island [Mr. ALDRICH] was on his feet in an instant, with flashing eye and upraised arm, notifying everybody that whoever laid hands on that schedule touched the citadel of protection and destroyed the whole protective tariff system. That must be a persuasive mind that could have induced the President to think that the Senator from Rhode Island was yearning for a reduction of this schedule. But the President says:

Both favored reduction in the schedule—

Now, mark you, here are two of our most powerful men in both Houses of Congress favoring reduction; but they—

found that in the Republican party the interests of the woolgrowers of the Far West and the interests of the woolen manufacturers in the East and in other States—

Bear in mind what I said about the moral movement of these generations—

reflected through their representatives in Congress, was sufficiently strong to defeat any attempt to change the woolen tariff, and that had it been attempted it would have beaten the bill reported from either committee.

Who are the people who hold up Congress in both Houses and arrange to beat any legislation at all, who threaten to vote against it unless a skin game contrived forty-two years ago is perpetuated world without end? Are they insurgents? Did any of you ever study what an insurgent is? Is a man who holds Congress up by a threat and wins on a bluff a patriot because he represents his own interests, and is a man to be derided and despised because he interposes in behalf of the public when he has no interest in it at all, and says "This ought not to be done, and by my vote it shall not be done?" By what grotesque standard of morality is the group of men that made that disreputable threat, which the President says caused both Houses of Congress to abdicate their functions; by what alchemy of diseased morality do they become the nucleus around which the solidarity of a great political party is to be organized for the future, while men who stood for public rights and fought for them, and voted as they fought, are to be kicked out as unworthy of its fellowship? We are fallen upon curious times.

To make the matter short, I am opposed—and I was associated last summer with a little group of fairly good men who were opposed—to that method of transacting the business of the American people. We are in favor of a tariff commission, but we do not want the fellows to appoint themselves on the commission; we do not want them to themselves write the laws which Congress is to pass, and, above all things, we do not want them to form a thrifty combination in the two Houses to put the dirty hand of coercion and corrupt influence upon the action of Congress, for it is not only likely to rob the public, but it dislocates our politics in a very awkward way. [Laughter.]

This little group of people, who took their political lives in their hands and are willing to trust the American people to defend them and to take care of them, have come to the conclusion that the public business of the United States ought to be transacted without bargaining away the public rights. You say, "Do you accuse Congress of trading in the duties provided in this tariff law one with another?" It gives me great pain to confess that that is exactly so. Did you ever notice that these good people always want "a general revi-

sion of the tariff?" You can not revise the woolen schedule, because Congress has not sense enough to do that one thing, and let other things alone. The idea is that Congress must not do anything because it can not help doing everything; that is to say, that it has got into a position where it falls over itself in such a way that the only path of safety is to do nothing except about once in ten years. We are the only country in the world which takes that position, and we are the only market place in the world that can be disturbed by a readjustment of tariff schedules. In other countries the people do not know it is going on; the business men of those countries have confidence in their Government, while our business men have no confidence in their Congress. So when tariff revisions are in progress, this Capitol is crowded with scared manufacturers eager to sieze a moment of time of Senators and Representatives, not one of them knowing what is to be done to him, not one of them knowing how far he is going to be put to the bad by the managing powers. The result is anxiety and agitation and panic and disaster to every business; and I venture to say that there is no honest manufacturer in America who came out of the experiences here last summer without a prayer to God that it might be the last experience of the sort which legitimate American industry should be subjected to.

In the place of that kind of a commission making these tariff schedules to suit their own profits, I uphold the President of the United States in his demand in public speeches and through his messages to Congress to prepare the way for a scientific investigation of these questions, in order that in the future American business may not look to Congress with suspicion and with alarm, in order that it may no longer be the lot of Senators to trade in a programme in the interests of their constituents and to sometimes be disappointed, as more than one man was disappointed last summer who had traded in everything he had, and got sold out in the final adjustment of affairs. [Laughter.]

"Why," you say, "that is a fearful accusation to make against Congress." It is the most scandalous accusation that ever was made against the Congress of the United States, and I would not dare to repeat it, except for the fact that, on motion of the Senator from Maine [Mr. HALE], the Winona speech was printed as a Senate document, in order that it might be circulated all over the United States as a handbook of Republican party faith. You ask, "Is it possible that is the way this thing was done?" Yes, and I intend to introduce evidence to that effect. On the 8th day of December the Secretary of the Treasury made a very interesting speech before the Massachusetts Bankers' Association at Boston—a broad, practical, fair-minded, honest man, this Secretary MacVeagh of the Treasury Department. What does he say? He had had months to ascertain what the people were saying and thinking about the tariff law. He said:

> The opinion is practically universal that we have seen the last of the log-rolling system of legislation upon such an important subject, and that hereafter such legislation must be based on facts and knowledge and scientific investigation, and not on mere bartering between sections and different interests.

But you say, "Secretary MacVeagh is not a good man politically." I do not agree with that. I think he is a good man in every way; and I know that he told the exact truth about that. But I do not like to leave even a good man standing alone when so important a matter as I have suggested is involved in a question of fact. You all know the Senator from West Virginia [Mr. ELKINS]. He has a good many infirmities, but he is not easily intimidated, and I believe he is smart enough to know exactly what is being done to him. Under all the circumstances I therefore desire to corroborate Secretary MacVeagh by the senior Senator from West Virginia. I read from our RECORD of February 3 of this year. He had had some months to meditate. He is not wanting in love for the party; he likes to be with the majority as well as anybody; he realizes the comfort of not having people suggesting that he retire from the ranks, and therefore I like him as a witness. He was engaged in a colloquy with the Senator from Texas [Mr. BAILEY].

> Mr. BAILEY. Mr President, when the Senator becomes a member of that committee he will get dispatch equal to that of the Senator from Massachusetts, but not until then.

Responding to the Senator from Texas, the Senator from West Virginia said:

> Mr. ELKINS. If I were a member of that committee, I might get action; but I have never got anything from it, except the small drippings meted out to me in making up the tariff bill. I voted for nearly everything that was proposed by the Senator from Rhode Island to get what I did for my State.

And a few minutes afterwards he seems to have reflected in a more philosophic calm, for he said:

> Mr. ELKINS. One word more, Mr. President, and only one. I could not get off the reservation during the consideration of the tariff. I was afraid to try. The distinguished Senator from Rhode Island [Mr. ALDRICH] knows why. The Senate knows why. But now I have a little more sea room. I do not have to in order to get scant justice.

It would seem that the main difference spiritually between the Senator from West Virginia and me was that I felt that I had a sufficient amount of sea room last summer and recorded my opinion without regard to my reciprocal relations to the benefits that are easily forgot; but the Senator from West Virginia seems to have a tone of regret that he allowed himself to be traded into the situation in which he found himself last summer. He goes on:

> Mr. ELKINS. I voted for the income tax. I need not give my reasons now. I was on the reservation. I do not have to stay there always. The tariff is considered only once in about six or seven years. Some Senators have freedom the balance of the time.

You would hardly believe it, but there are a lot of good people who have not spent as much time as I have in studying the principles of civil liberty, who are trying to put me off and down and out because I hunger for freedom as the representative of the people all the time, while my friend from West Virginia seems to be satisfied if he can get it six years out of seven. [Laughter.]

What a farce to send men around talking about the rule of majorities, when before the eyes of all men, and with no dispute of the truth of it possible, the most important business of the American people has come down to the bargain counter; and men authorized to say, "This is the citadel of protection; if any of you have constituents that want anything, come here; we are the dispensing power; support what we want, and take anything you think you need;" and the man who does not like it, and has no stomach for the fight, is requested to depart. If that is to be the continued practice of the Government of the United States, I think nearly everybody will depart.

I do not propose that it shall remain the practice of the Republican party if I can help it. I do not propose that the work which it brought forth here last summer shall be forced into the platform of the Republican party, and made a test of party fealty and party duty and party obligation. I propose that the job shall stand on its merits, and that the American people shall inquire to the full limit of their curiosity into every detail of the performance.

Again, I do not like this idea of having custom-house officials, to whom most of us have never been introduced, write our tariff laws. It hurts my pride, to start with. Those who know us begin to see what a bubble this Senate business is; that its majority does not represent ideas—which my friend from Oregon [Mr. BOURNE] so well says is the one potent thing there is in this world—that its debates have no significance, that when you want to get anything done you send out to the custom-house and get an expert—a veteran expert if you can—to fix it up. Well, I am tired of it and I will tell you why. The veteran experts that are given carte blanche to fix up our laws do not appeal to me as they used to. Behind nearly every veteran expert that we have had fluttering around here in recent years is the veteran manager of the enterprise that is to be fixed.

No expert in the New York custom-house ever conceived this job I have referred to in this cotton schedule without the knowledge and consent of people standing behind the scenes. This very expert, who seems to have done the cotton business for us, is a veteran. He was just as helpful to you, my Democratic friends, in 1894 as he ever has been to us. He went home from the session that wrote the Wilson tariff law, boasting that he was the author of it. In the presence of one of the most distinguished citizens of Massachusetts, once connected with the Treasury Department, he stated, with evident pride, that he represented the textile industries of New England; that he had a contract with them that if he would drop his business as general appraiser he could go on with the Textile Association with three times the salary of the office which the Government of the United States had confided to him.

One sad result of the surrender of the legislative power in the United States has been the creation of professional experts, not to advise Congress, but to mislead it, and to deceive and to confuse our counsel. This veteran expert helped the Republican side of the committee in 1897 in the daytime and helped the Democratic side of the committee at night. [Laughter.] He was a messenger between hostile political camps. He certified to the Republican members of the committee that the sugar schedule did one thing and certified to the Democratic members that it did another. Instead of being an expert, he is an employee, and he has come down now for nearly a generation dominating the proceedings of Congress, telling everybody what ought to be done, relieving even the great committees of their duty of investigation, writing these laws, and presenting to the American public a scandalous transaction, such as I have exposed on this floor here this afternoon.

I am done with that kind of business. I want the Government of the United States to provide itself with trained students

of these questions—nonpartisan, scientific, filled with knowledge, filled with industry—so that from time to time the President may lay before Congress the facts and figures that indicate what its duty is.

Do you suppose that if last summer we had known that the total cost of smelting a ton of lead ore was $8 we would have been induced to put a duty of $42.50 a ton on pig lead, on the theory that labor was to be protected and a reasonable reward offered to capital? Do you suppose that if we had known that the cost of smelting copper in the United States is not materially greater than in other countries, we would have allowed a protective duty of $42.50 a ton on pig copper in all its forms? Do you suppose that if we had known that the rubber industry in the United States needs little or no protection, that at 30 per cent ad valorem every department of it was prosperous, that we were making rubber wearing apparel cheaper than it was made anywhere else in the world, that we were making rubber tires for automobiles with such profit that in Akron, Ohio, in ten years the Diamond Rubber Company had declared stock dividends which had increased its capital from $50,000 to $10,000,000 under the old rate—if we had known that, do you suppose the Senate would have listened with patience to the Senator from Rhode Island when, after admitting that rubber wearing apparel like boots and shoes needed no protection, he said, "but there are rubber tires of automobiles?"

How long does the Senate of the United States propose that these great interests, affecting every man, woman, and child in the Nation, shall be managed with brutal tyranny, without debate and without knowledge and without explanation, by the very people that are engaged in monopolizing the great industries of the world, that propose to impose intolerable burdens upon the market place of our country?

So far as I am concerned, I am through with it. I intend to fight it, but I intend to fight it as a Republican and as an American citizen. I intend to fight without fear—I do not care what may be my political fate. I have had a burdensome and toilsome experience in public life now these twenty-five years. I am beginning to feel the pressure of that burden. I do not propose that the remaining years of my life, whether they be in public affairs or in my private business, shall be given up to a dull consent to the success of all these conspiracies, which do not hesitate before our very eyes to use the lawmaking power of the United States to multiply their own profits and to fill the market places with witnesses of their avarice and of their greed.

I am through with it. I intend to fight as a Republican for a free market place on this continent.

I have no prejudice against wealth. We belong to a race of property-owning, money-making people. I do not believe that there is any fight in the United States between the American people and a handful of socialists. There is not a man, certainly not a man of any influence, who is against the law of property. What is the law of property? It is that if a man earns anything, that thing shall be his. It is not absolutely demonstrable that if I earn and save and invest that the property is mine, but it is absolutely self-evident that it does not belong to anybody else. There is no enemy in the United States of the law of property.

I have had the honor to have quoted by the honorable presiding officer of the Senate speeches in favor of the protective tariff which I made fifteen or twenty years ago. I have not a word of them to retract. I defended the old protective tariff laws because we were throwing them around struggling industrial enterprises, making a hard and precarious fight for life against their rivals and competitors in other lands. I was willing to give them all they asked for, all they thought they needed, but I would not envy that man the sagacity of his faculties who expects a man twenty years afterwards, when the great industries of America have been monopolized, when the hand of greed has been laid upon the whole people, to have the same enthusiasm in protecting those who in violation of our laws have consolidated our business that he had in the days of his youth in protecting the scattered industries that were building up the free market place of the American people.

I have no prejudice against corporations. I think the enactment of that statute was the finest step ever taken in the industrial life of the world. For no consideration would I think of going back to the time when the enterprises of the world were conducted by individuals, every man being liable for all the losses to the full extent of all his property. The reason that the industrial progress of the world has been so great in the last century is because this law of corporations, dividing the responsibility, made it possible for a man to participate in industry and in commerce without putting at risk his entire fortune. This law, born of the genius of a Scotch statesman in the last century, this modern law of the private business corporations, has no enemies in the United States. Nobody complains about the size of these corporations honestly capitalized and honestly administered. If you have the money, I do not care how much property you buy. I have no quarrel with you, but my quarrel is with the present method of money making. I think it will destroy these institutions. The greatest philosopher who ever gave his attention to our form of government laid down the doctrine that we have not only got to have in republican institutions the spirit of equality, but the substance of equality, if the institutions are to endure.

Men come to me and say, "You are not abreast of modern economic progress." I am not so sure about that. I have not had a very wide experience in business, but I have tried faithfully to study the history of this world.

I remember years ago they made me read Aristotle's Politics, and there is one thing in it that I can recollect. I would not have recollected that if it had not been suggested by the signs of our own times, and every time a man says to me, "This is a modern development of business," I always say, "I am not so sure about that," because old Aristotle says—and I can not tell to this day whether it is in the vein of humor or not—that there was a man in Sicily whose name he does not give because he does not want to irritate his relations, who went to Syracuse with a large sum of money, much of it trust funds, and while there he bought up all the iron from the mines. When the merchants came to buy iron, he had it for sale, and made a substantial profit; the which, when the tyrant heard, he ordered him into his presence. The man was scared.

It was the custom of the tyrant to remove people's heads after confiscating their goods, when once they came into his presence; and so when the man got there he fell upon his face and began to beg for his life. Then old Dionysius said, "Do not get excited; I am not going to take your life." The man said, "You can have all my property." The tyrant said, "I am not looking for your property. I just want to know how you are doing this." [Laughter.] And he explained it to him, whereupon the man, rising from the ground, thanked the tyrant, who said, "While I do not want your life or your property you will oblige me if you will leave this country." He said, "I want to work this thing myself." [Laughter.]

But I would not have any protest to make if the capture of this market place had been effected as that man effected a similar achievement, by the use of his own money, with some trust funds which he had acquired. I do not think that any great merit attaches to such a performance, but it is not that of which the thoughtful millions are now complaining. The thing they complain about is that, in the very presence of our courts, before the eyes of our lawmakers, in the shadow of the Government itself, this market place is being drawn into the control of a few impudent financial interests, with only the scantiest investment of real money, often without the use of money at all. They organize a company. They do not even put down the names of the incorporators; they put down the names of clerks and office boys. Their charter authorizes them to issue any amount of stock they please and to exchange the shares for the shares of any other corporation engaged in the same business or in any other kind of business anywhere on earth. They literally capitalize the schedules of our tariffs. And so, without putting in any money, by the simple process of exchanging shares, at no cost except a filing fee in New Jersey, a powerful syndicate brings into its control whole fields of production and leaves this market place a beggar for its favors. Oftentimes its agents come to places of authority in the Government and to positions of control in political organizations. When such a thing happens it is sometimes difficult for men of good purpose, but limited resources, to defend themselves against an effort to read them out of the political party which they are trying to serve. I am against all this.

I propose to fight it. I propose to fight it as a Republican, and I expect to find the party interested in the fight. For the day is coming—it is a good deal nearer than many think—when a new sense of justice, new inspirations, new volunteer enthusiasms for good government shall take possession of the hearts of all our people. The time is at hand when the laws will be respected by great and small alike; when fabulous millions, piled hoard upon hoard, by cupidity and greed, and used to finance the ostentations of modern life, shall be no longer a badge even of distinction, but of discredit rather, and it may be of disgrace; a good time coming, when this people shall so frame their statutes as to protect alike the enterprises of rich and poor in the greatest market place which God has ever given to His children, and when the rule of justice, intrenched in the habits of the whole community, will put away all unseemly fears of panic and disaster when the enforcement of the laws

is suggested by the courts. It is a time nearer than we dare to think. A thousand forces are making for it. It is the fruitage of these Christian centuries, the fulfillment of the prayers and dreams of the men and women who have laid the foundations of this Commonwealth, and with infinite sacrifice maintained these institutions. I would have the old Republican party freed from corrupt influences, emancipated from sordid leadership, order the forward movements which are to carry to completion the labors of other generations, for the welfare of the people of the United States. [Applause in the galleries.]

The VICE-PRESIDENT. Occupants of the galleries will please refrain from manifestations either of approval or disapproval.

APPENDIX A.

NOT BLEACHED.

Value per square yard.	Aldrich rate.			Increase.		
	Not mercerized.		Mercerized, equivalent ad valorem.	Dingley rate.	Not mercerized.	Mercerized.
	Specific conference report.	Equivalent ad valorem.				
	Cents.	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*
8 cents	2½	28⅛	40⅝	25	12½	62½
9 cents	2½	25	36.11	25	.....	44.44
10 cents	2½	27½	37.50	25	10	50
11 cents	4	36.36	45.45	25	45.45	81.82
12 cents	4	33⅓	41⅔	25	33⅓	66⅔
13 cents	5	38.46	46.15	25	50.77	84.62
14 cents	5	35.71	42.86	25	42.86	71.43
15 cents	6	40	46⅔	25	60	86⅔
16 cents	6	37½	43¾	25	50	75
17 cents	6	35.29	41.18	25	41.18	64.73
18 cents	6	33⅓	38.89	25	33⅓	55.56
19 cents	6	31.58	36.84	25	26.32	47.37
20 cents	6	30	35	25	20	40
21 cents	6	28.57	33⅓	25	14.29	33
22 cents	6	27.27	31.82	25	9.09	27.27
23 cents	6	26.09	30.43	25	4.35	21.72
24 cents	6	25	29.17	25	.....	16⅔
25 cents	6	24	28	25	a 4	12
26 cents	6	23.08	26.92	25	a 7.69	7.69
27 cents	6	22.22	25.93	25	a 11.11	3.70
28 cents	6	21.43	25	25	a 14.29	.....
BLEACHED.						
10 cents	2½	27½	37½	25	10	50
11 cents	2½	25	34.09	25	.....	36.6
12 cents	4	33⅓	41⅔	25	33⅓	66⅔
13 cents	5	38.46	46.16	25	53.85	84.62
14 cents	5	35.71	42.14	25	42.86	71.43
15 cents	5	33⅓	40	25	33⅓	60
16 cents	6	37.50	43.75	25	50	75
17 cents	7	41.18	47.06	25	64.71	88.24
18 cents	7	38.89	44.44	25	55.56	77.78
19 cents	7	36.84	42.10	25	47.36	68.42
20 cents	7	35	40	25	40	60
21 cents	7	33⅓	38.10	25	33⅓	52.38
22 cents	7	31.82	36.36	25	27.27	45.45
23 cents	7	30.43	34.78	25	21.74	39.13
24 cents	7	29.17	33⅓	25	16⅔	33⅓
25 cents	7	28	32	25	12	28
26 cents	7	26.92	30.77	25	7.69	23.08
27 cents	7	25.92	29.63	25	3.70	18.52
28 cents	7	25	28.57	25	.....	14.29
29 cents	7	24.14	27.59	25	a 3.45	10.34
30 cents	7	23⅓	26⅔	25	a 6⅔	6⅔
31 cents	7	22.58	25.81	25	a 9.68	3.23
32 cents	7	21.87	25	25	a 12.50	.....
COLORED.						
13 cents	5	38.46	46.15	30	28.21	53.85
14 cents	5	35.71	42.86	30	19.05	42.86
15 cents	5	33⅓	40	30	11.11	33⅓
16 cents	6½	40.63	46.88	30	35.42	56.25
17 cents	6½	38.24	44.12	30	27.45	47.06
18 cents	7⅓	41.67	47.22	30	38.89	57.41
19 cents	7⅓	39.47	44.74	30	31.58	49.12
20 cents	7½	37.50	42.50	30	25	41⅔
21 cents	9	42.86	47.62	30	42.86	58.73
22 cents	9	40.91	45.45	30	36.36	51.52
23 cents	9	39.13	43.48	30	30.43	44.93
24 cents	9	37.50	41⅔	30	25	38.89
25 cents	9	36	40	30	20	33⅓
26 cents	9	34.62	38.46	30	15.38	28.26
27 cents	9	33⅓	37.04	30	11.11	23.46
28 cents	9	32.14	35.71	30	7.17	19.05
29 cents	9	31.03	34.48	30	3.45	14.94
30 cents	9	30	33⅓	30	.....	11.11
31 cents	9	29.03	32.26	30	a 3.22	7.53
32 cents	9	28.13	31.25	30	a 6.25	4.17

a Decrease under Dingley rate.

APPENDIX A—Continued.

NOT BLEACHED.

(Aldrich, paragraph 316; Dingley, paragraph 306.)

Value per square yard.	Aldrich rate.			Increase.		
	Not mercerized.		Mercerized, equivalent ad valorem.	Dingley rate.	Not mercerized.	Mercerized.
	Specific conference report.	Equivalent ad valorem.				
	Cents.	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*
10 cents	3	30	40	30	.....	33⅓
11 cents	4⅜	39.77	48.86 4/11	30	32.57	62.87 7/10
12 cents	4⅜	36.4 7/13	44.7 1/12	30	21.52 7/10	49.3
13 cents	5⅓	42.3 1/13	50	30	41.02½	66⅔
14 cents	5⅓	39⅜	46.43	30	30.97	54.77
15 cents	6⅓	43⅓	50	30	44⅜	66⅔
16 cents	6⅓	40.62	46⅞	30	35.41	56.25
17 cents	8	47.06	52.94	30	56.86	76.47
18 cents	8	44⅓	50	30	48.15	66⅔
19 cents	8	42.1	47.36	30	40.35	57.89
20 cents	8	40	45	30	33⅓	50
21 cents	8	38.1	42.85	30	26.98	42.85
22 cents	8	36.36	40.9	30	21.2	36.36
23 cents	8	34.78	39.13	30	15.93	30.43
24 cents	8	33⅓	37.5	30	11.11	25
25 cents	8	32	36	30	6.66	20
26 cents	8	30.76	34.61	30	2.57	15.4
27 cents	a 30	30	33.7	30	.....	12.33
BLEACHED.						
12 cents	4½	35.43	43⅜	35	1.22	25
13 cents	5½	40.38	48.08	35	15.37	37.36
14 cents	5½	37½	44.64	35	7.14	27.55
15 cents	5½	35	41⅔	35	.....	19.05
16 cents	6½	40⅜	46⅝	35	16.05	33.93
17 cents	8	47 1/17	52.94	35	34.46	51.26
18 cents	8	44⅜	50	35	26.98	42.85
19 cents	8	42.1	47.36	35	20.3	35.32
20 cents	8	40	45	35	14.28	28.56
21 cents	10	47.62	52.38	35	36.06	49.66
22 cents	10	45.45	50	35	29.86	42.85
23 cents	10	43.48	47.82	35	24.22	36.64
24 cents	10	41⅔	45⅝	35	19.06	30.95
25 cents	10	40	44	35	14.28	25.71
26 cents	10	38.46	42.30	35	9.88	20.87
27 cents	10	37 3/7	40.74	35	5.83	16.4
28 cents	10	35⅞	39⅜	35	2.04	12.24
29 cents	10	35	37.93	35	.....	8.36
COLORED.						
13 cents	5½	40.38	48.08	35	15.37	37.36
14 cents	5½	37½	44.64	35	7.14	27.55
15 cents	5¼	35	41⅔	35	.....	19.05
16 cents	7	43⅜	50	35	25	42.86
17 cents	7	41.18	47.06	35	17.66	34.46
18 cents	8	44⅜	50	35	26.99	42.85
19 cents	8	42.1	47.36	35	20.3	35.31
20 cents	8	40	45	35	14.28	28.57
21 cents	10	47.62	52.38	35	36.06	49.66
22 cents	10	45 5/11	50	35	29.86	42.85
23 cents	10	43.47	47.82	35	24.22	36.64
24 cents	10	41⅔	45⅝	35	19.06	30.95
25 cents	10	40	44	35	14.28	25.71
26 cents	10	38.46	42.3	35	9.68	20.87
27 cents	10	37 3/7	40.74	35	5.83	16.4
28 cents	10	35⅞	39⅜	35	2.04	12.24
29 cents	a 35	35	37.93	35	.....	8.36
UNBLEACHED.						
(Aldrich, paragraph 317; Dingley, paragraph 307.)						
11 cents	4⅜	39.77	48.86	35	13.63	39.61
12 cents	4⅜	36.45	44.8	35	4.16	27.98
13 cents	5⅓	42.31	50	35	20.88	42.85
14 cents	5⅓	39.28	46.42	35	12.24	32.65
15 cents	6⅓	43.33	50	35	23.81	42.86
16 cents	6⅓	40.62	46.87	35	16.06	33.93
17 cents	8	47.05	52.94	35	34.46	51.26
18 cents	8	44.44	50	35	26.99	42.85
19 cents	8	42.1	47.36	35	20.3	35.31
20 cents	8	40	45	35	14.28	28.57
21 cents	10	47.62	52.38	35	36.06	49.66
22 cents	10	45.45	50	35	29.86	42.85

a Per cent.

APPENDIX A—Continued.

UNBLEACHED—continued.

Value per square yard.	Aldrich rate.			Increase.		
	Not mercerized.		Mercerized, equivalent ad valorem.	Dingley rate.	Not mercerized.	Mercerized.
	Specific conference report.	Equivalent ad valorem.				
	Cents.	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*
23 cents	10	43.47	47.82	35	24.22	36.64
24 cents	10	41.66	45.83	35	19.05	30.94
25 cents	10	40	44	35	14.28	25.71
26 cents	10	38.46	42.3	35	9.89	20.88
27 cents	10	37.03	40.74	35	5.82	16.4
28 cents	10	35.71	39.28	35	2.04	12.24
29 cents	.....	35	38.45	35	.....	11.33
30 cents	.....	35	38.33	35	.....	9.52
BLEACHED.						
13 cents	5½	40.38	48.08	35	15.37	37.37
14 cents	5½	37.5	44.64	35	7.14	27.54
15 cents	5½	35	41.67	35	.....	19.06
16 cents	6½	40.62	46.87	35	16.06	33.93
17 cents	8	47.06	52.94	35	34.46	51.26
18 cents	8	44.44	50	35	26.99	42.86
19 cents	8	42.11	47.37	35	20.3	35.31
20 cents	8	40	45	35	14.28	28.57
21 cents	10	47.62	52.38	35	36.06	49.66
22 cents	10	45.45	50	35	29.86	42.86
23 cents	10	43.48	47.83	35	24.22	36.64
24 cents	10	41.67	45.83	35	19.06	30.94
25 cents	10	40	44	35	14.28	25.71
COLORED.						
13 cents	6	46.15	53.83	40	15⅜	34.62
14 cents	6	42.85	50	40	7⅛	25
15 cents	6	40	46.66	40	.....	16.67
16 cents	7	43.75	50	40	9⅜	25
17 cents	7	41.17	47.05	40	2.93	17.65
18 cents	8	44.44	50	40	11⅛	25
19 cents	8	42.1	47.37	40	5½	18.43
20 cents	8	40	45	40	.....	12.5
21 cents	10	47.62	52.38	40	19.05	30.95
22 cents	10	45.45	50	40	13.63	25
23 cents	10	43.47	47.82	40	8.675	19.55
24 cents	10	41.66	45.83	40	4.15	14.57
25 cents	10	40	44	40	.....	10
26 cents	[a] 40	40	43.84	40	.....	9.6
NOT BLEACHED. (Aldrich, paragraph 318; Dingley, paragraph 308.)						
13 cents	5½	42.3	50	40	5.75	25
14 cents	5½	[b] 40	46.43	.....	.....	16.07
15 cents	6½	43.33	50	.....	8.33	25
16 cents	6½	40.62	46.87½	.....	1.56	17.18
17 cents	8	47.06	52.94	.....	17.64	32.35
18 cents	8	44.44	50	.....	11.11	25
19 cents	8	42.1	47.37	.....	5.26	18.42
20 cents	8	40	45	.....	.....	12.5
21 cents	10	47.62	52.38	.....	19.05	30.95
22 cents	10	45.45	50	.....	13.63	25
23 cents	10	43.48	47.82	.....	8.69	19.56
24 cents	10	41.66	45.83	.....	4.16	14.58
25 cents	10	40	44	.....	.....	10
26 cents	.....	.....	42.15	.....	.....	5.3
BLEACHED. (200 to 300 threads to the square inch.)						
16 cents	6½	40⅜	46⅞	40	1.56	17.18
17 cents	8	47 1/17	52.94	.....	17.64	32.35
18 cents	8	44⅜	50	.....	11.11	25
19 cents	8	42.1	47.36	.....	5.26	18.42
20 cents	8	40	45	.....	.....	12.5
21 cents	11½	53.57	58⅓	.....	33.92	45.83
22 cents	11½	51.13	55.68	.....	27.84	39.2
23 cents	11½	48.91	53⅓	.....	22.28	33.15
24 cents	11½	46⅞	51 1/24	.....	17.18	27.6
25 cents	11½	45	49	.....	12.5	22.5
26 cents	12½	48 1/13	51.92	.....	20.19	29.81
27 cents	12½	46.3	50	.....	15.74	25
28 cents	12½	44.64	48.21	.....	11.6	20.53
29 cents	12½	43.1	46.55	.....	7.75	16.37
30 cents	12½	41⅔	45	.....	4.16	12.5
31 cents	12½	40.32	43.55	.....	.8	5.86
32 cents	[a] 40	40	42.18	.....	.....	8.45

[a] Per cent. [b] But not less than 40 per cent.

APPENDIX A—Continued.

COLORED.

Value per square yard.	Aldrich rate.			Increase.		
	Not mercerized.		Mercerized, equivalent ad valorem.	Dingley rate.	Not mercerized.	Mercerized.
	Specific conference report.	Equivalent ad valorem.				
	Cents.	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*	*P. ct.*
18 cents	8	44.44	50	40	11.11	25
19 cents	8	42.1	47.36	40	5.25	18.4
20 cents	8	40	45	40	.....	12.5
21 cents	11½	53.57	58.33	40	33.92	45.82
22 cents	11½	51.13	55.68	40	27.82	39.2
23 cents	11½	48.91	53.26	40	22.27	33.15
24 cents	11½	46.87	51.04	40	17.17	27.6
25 cents	11½	45	49	40	12.5	22.5
26 cents	12½	48.07	51.92	40	20.17	29.8
27 cents	12½	46.29	50	40	15.72	25
28 cents	12½	44.64	48.21	40	11.6	20.52
29 cents	12½	43.1	46.55	40	7.75	16.37
30 cents	12½	41.66	45	40	4.15	12.5
31 cents	12½	40.32	43.54	40	.8	8.88
32 cents	12½	.....	43.12	40	.....	7.8
33 cents	12½	.....	43.03	40	.....	7.57
34 cents	12½	.....	42.94	40	.....	7.35
UNBLEACHED. (Aldrich, paragraph 319; Dingley, paragraph 309.)						
15 cents	6½	43.33	50	40	8.32	25
16 cents	6½	40.63	46.87	40	1.57	17.18
17 cents	8	47.06	52.94	40	17.64	32.35
18 cents	8	44.44	50	40	11.11	25
19 cents	8	42.11	47.36	40	5.27	18.4
20 cents	8	40	45	40	.....	12.5
21c ents	11½	53.57	58.33	40	33.92	45.82
22c ents	11½	51.14	55.68	40	27.84	39.2
23 cents	11½	48.91	53.26	40	22.27	33.15
24 cents	11½	46.87	51.04	40	17.18	27.6
25 cents	11½	45	49	40	12.5	22.5
26 cents	12½	48.07	51.92	40	20.19	29.8
27 cents	12½	46.3	50	40	15.75	25
28 cents	12½	44.64	48.21	40	11.6	20.52
29 cents	12½	43.1	46.55	40	7.75	16.37
30 cents	12½	41.67	45	40	4.17	12.5
31 cents	12½	40.32	43.55	40	.8	8.88
BLEACHED.						
17 cents	8	47.06	52.94	40	17.64	32.35
18 cents	8	44.44	50	40	11.11	25
19 cents	8	42.11	47.37	40	5.27	18.43
20 cents	8	40	45	40	.....	12.5
21 cents	11½	53.57	58.33	40	33.93	45.83
22 cents	11½	51.13	55.68	40	27.84	39.2
23 cents	11½	48.91	53.26	40	22.27	33.15
24 cents	11½	46.87	51.04	40	17.19	27.6
25 cents	11½	45	49	40	12.5	22.5
26 cents	12½	48.08	51.92	40	20.19	29.8
27 cents	12½	46.3	50	40	15.75	25
28 cents	12½	44.64	48.21	40	11.6	20.53
29 cents	12½	43.1	46.55	40	7.75	16.38
30 cents	12½	41.67	45	40	4.17	12.5
31 cents	12½	40.32	43.55	40	.8	8.88
32 cents	[a] 40	40	42.18	40	.....	5.45
COLORED.						
21 cents	11½	53.57	58.33	40	33.92	45.82
22 cents	11½	51.13	55.68	40	27.84	39.2
23 cents	11½	48.91	53.26	40	22.27	33.15
24 cents	11½	46.87	51.04	40	17.18	27.6
25 cents	11½	45	49	40	12.5	22.5
26 cents	12½	48.07	51.92	40	20.19	29.8
27 cents	12½	46.30	50	40	15.75	25
28 cents	12½	44.64	48.21	40	11.6	20.52
29 cents	12½	43.1	46.55	40	7.75	16.37
30 cents	12½	41.66	45	40	4.17	12.5
31 cents	12½	40.32	43.54	40	.8	8.88
32 cents	[a] 40	40	42.18	40	.....	5.45

[a] Per cent.

APPENDIX B.

[Daily Trade Record, New York, Friday, June 3, 1910.]

A FEW QUESTIONS FOR SECRETARY MARVIN, BY ROBERT BLEAKIE, A DIRECTOR OF THE CARDED WOOLEN MANUFACTURERS' ASSOCIATION.

Mr. Bleakie sends the Daily Trade Record the following statement in reply to the statement by Winthrop Marvin, secretary of the National Association of Wool Manufacturers, which was published in the Daily Trade Record of June 1:

BOSTON, MASS., *June 1, 1910.*

EDITOR DAILY TRADE RECORD.

SIR: During the past two weeks there have appeared in a number of local newspapers in Massachusetts a statement by Winthrop L. Marvin, secretary of the National Association of Wool Manufacturers,

and published in each case as an interview. It is immaterial whether it was a real interview or a carefully prepared statement mailed to the country editors from the office of the National Association of Wool Manufacturers. In either case that association is responsible for it. Its appearance in the Daily Trade Record for to-day, copied from the Newburyport News, is the occasion for this reply.

Mr. Marvin begins with the assertion that "an attack on Schedule K is an attack on the prosperity of Massachusetts." I resent that statement. If it is true, then Massachusetts is profiting wrongfully at the expense of the consumers and the vast majority of manufacturers of wool goods in this country. Mr. Marvin is wrong. He has confused the prosperity of Massachusetts with the prosperity of a very few worsted spinners, who profit by special privilege and who control the association of which Mr. Marvin is secretary.

Mr. Marvin next creates a man of straw and proceeds to beat it with all his might. He says:

"The impression which the public press, or a part of it, has been promoting, that the new Aldrich-Payne tariff increased the duties on woolen goods and thereby caused an increase in the prices of such fabrics, is unqualifiedly false."

I have read the tariff discussion carefully in a large number of newspapers, and, with very rare exceptions, the editors have avoided the error Mr. Marvin ascribes to them. They have shown a clear appreciation of the fact that the American people are suffering from a Schedule K that is practically the same as when framed by the representatives of the worsted spinners in 1867. Mr. Marvin should present the evidence, if he has any, to support his charge of ignorance or mendacity against the press of the country.

Mr. Marvin speaks of reductions the Payne-Aldrich-Smoot law made in tops, yarns, and dress goods. Let us see about this. Take 40s crossbred tops, now selling at Bradford at 30 cents a pound. The man, woman, or child who attempted to bring such worsted tops into the United States under the old law would have encountered the notorious blanket clause framed in 1888 by William Whitman, recommended to the Senate Committee on Finance and to the House Committee on Ways and Means by the same Mr. Whitman in 1889 and 1890, and subsequently incorporated in the McKinley bill and continued in force by the Dingley law. Under that scandalous paragraph the duty on crossbred tops costing 30 cents a pound was 33 cents a pound and 50 per cent ad valorem, making a total duty of 48 cents a pound, or 160 per cent ad valorem on a product which is but little more than scoured wool, which cost about 5 cents a pound to manufacture, and which was manufactured in large quantities by William Whitman at Lawrence, Mass.

Under the Payne-Aldrich-Smoot law the same grade of worsted tops is subject to a duty of 36⅜ cents a pound and 30 per cent ad valorem, making a total of 45⅝ cents a pound, or 152 per cent on a product competing with the tops made so extensively in Mr. Whitman's mill.

That is the infinitesimal reduction from 160 to 152 per cent in the duty on tops to which Mr. Marvin refers, apparently without shame. As for the reductions on yarn and dress goods, they are the same as on tops, merely shavings which have no effect whatever on rates that were designed to be prohibitory, and are now prohibitory, on products manufactured largely by William Whitman, president of the National Association of Wool Manufacturers. It is a Schedule K containing such offenses as these that Mr. Marvin says can not be attacked without attacking the prosperity of Massachusetts. He should have said the tariff-made prosperity of a few worsted top makers and spinners.

Mr. Marvin talks or writes about "the protection that gives Massachusetts this business and our wage-earners their livelihood." After having framed a Schedule K for their special profit and for the spoliation of their competitors and the consumers; after having made alliances, agreements, and compacts with political parties to place that schedule on the statute book and keep it there; after having grown rich at the expense of the woolgrowers, worsted weavers, carded woolen manufacturers and consumers, under its unjust provisions, the worsted spinners might at least have the mercy to spare us from the pretense that they want this Schedule K maintained as it is for the benefit of the workingman.

The carded woolen manufacturers, the clothiers, and the consumers in this country want no such claptrap as Mr. Marvin offers in his interview. What they want is redress for wrongs that have been borne for nearly half a century. The association of which Mr. Marvin is secretary is largely responsible for these wrongs. To be effective, any appeal to the public by that organization must deal with the real issues involved in Schedule K, and to aid Mr. Marvin in keeping to those issues I ask him to answer the following questions:

1. On what grounds does the National Association of Wool Manufacturers advocate the continuance on the statute book of a law that admits the wool required by worsted spinners at a duty of 30 to 40 per cent ad valorem while imposing prohibitory rates of 150 to 200 per cent on worsted tops, roving, and yarn; in fact, on everything produced by the worsted spinners, even to the worsted by-products, which can be used only by their competitors?

2. On what grounds does the National Association of Wool Manufacturers support a law that sacrifices the growers of light-shrinking wool in order that the worsted spinners may obtain a large supply of that raw material at a low rate of duty?

3. What defense has Mr. Marvin's association for a law that imposes low tariff rates on the raw material for worsted manufacture and prohibitory rates on the raw material for carded woolen goods?

4. What has Mr. Marvin officially to say about a law that allows the worsted spinner to import wool at tariff rates as low as 15 cents per scoured pound, and yet imposes on the by-products from that same wool such cast-iron prohibitory rates as 20 cents on noils and 30 cents on garneted yarn waste?

5. What has Mr. Marvin to say officially regarding a law that places a duty of 22 cents a pound on washed-down clothing wool suited for carded woolen goods and 12 cents a pound on washed-down combing wool suited for worsted goods?

6. In March, 1886, William Whitman, president of the National Association of Wool Manufacturers, called attention to the high duty of 10 cents a pound on heavy-shrinking wool, and on wool wastes, using these words:

"The duty on them amounts to many times their foreign value. This enormous duty on wool substitutes is very burdensome, because they can be so usefully employed to mix with wool in the manufacture of cheap heavy cloth."

Twenty-four years later we find that Mr. Whitman is still president of the National Association, but that in the meantime the wool duty has increased to 11 cents a pound, and the enormous duty of 10 cents on wool by-products has increased to 20 cents. What has Mr. Marvin to say officially in regard to that state of affairs? Does he think President Whitman was right in his condemnation of the 10-cent rate in 1886, and that anyone who attacks the 20-cent rate in 1910 is guilty of attacking the prosperity of Massachusetts?

7. Has Mr. Marvin, as secretary of the National Association of Wool Manufacturers, any objections to an ad valorem duty on wool; and if so, what are they? Or does he agree officially with his predecessors, John L. Hayes and S. N. D. North, that an ad valorem duty would be easily and surely assessed and collected, and that it would remedy the inequalities resulting from the specific duty on grease wool?

8. The carded woolen manufacturers' objection to the wool duty was summed up in these words at the Parker House meeting on January 26, 1909: "Make the tariff so that the wool I put on my cards will bear no heavier tax than is placed on the wool the worsted spinner puts on his combs." Will Mr. Marvin explain how such an equalization of rates can have any other than a beneficial effect on not only the wool-manufacturing industry of Massachusetts, but on the woolgrowers, the wool manufacturers, and the consumers of the entire country?

9. On October 15, 1908, a party of worsted spinners, led by William Whitman, met at Chicago a party of growers of heavy-shrinking wool from the far West and entered into a "solemn compact" to stand pat on Schedule K. Can Mr. Marvin inform the public whether before that compact was made Mr. Whitman explained to the woolgrowers that the Schedule K they were to fight for admitted at a low duty the raw material that the worsted spinners buy, and placed prohibitory duties on every product the worsted spinners sell and on the raw material their carded woolen competitors are compelled to buy? Can he inform us whether Mr. Whitman explained to the woolgrowers that this Schedule K, which the growers did not understand, was designed to favor the worsted spinners and to oppress the growers of light-shrinking wool and the manufacturers of carded woolen goods?

These questions are asked in the hope that Mr. Marvin, in his official capacity as secretary of the National Association of Wool Manufacturers, will abandon the attempt to hoodwink the people by threadbare declamations in the country newspapers about free trade and protection, and get down to real business before the readers of the Daily Trade Record.

ROBERT BLEAKIE,
Director, Carded Woolen Manufacturers' Association.

APPENDIX C.

Changes in cotton-cloth schedule—Estimates before Senate committee.

1907 IMPORTS.

	Value.	Aldrich rate (per cent).	Dingley rate (per cent).	Per cent increase.
		Par. 313.	*Par. 305.*	
Not bleached	$17,446.00	37.88	25	51.52
Bleached	76,106.00	36.15	25	44.60
Colored	259,245.15	44.28	30	47
Average increase				47.70
		Par. 314.	*Par. 306.*	
Not bleached	20,028.00	35.36	30	17.87
Bleached	465,521.00	41.03	35	17.23
Colored	1,536,802.46	39.58	35	13.05
				29.93
Average increase				16.05
		Par. 315.	*Par. 307.*	
Not bleached	6,171.50	42.31	35	20.89
Bleached	1,242,235.77	46.49	35	32.83
Colored	2,275,271.98	44.48	40	11.20
Average increase				21.64
		Par. 316.	*Par. 308.*	
Colored	1,443,233.00	51.77	40	29.43
		Par. 317.	*Par. 309.*	
Bleached	10,625.55	48.34	40	20.85
Colored	118,977.58	46.71	40	16.78
Average increase				18.81

Average increases over Dingley rates, items changed in paragraphs 313 to 317, inclusive, on estimates prepared for Senate Finance Committee on basis of imports for year 1907, 26.72 per cent.

During the delivery of Mr. DOLLIVER's speech,

The PRESIDING OFFICER (Mr. CARTER in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 24070) to authorize the President of the United States to make withdrawals of public lands in certain cases.

Mr. SMOOT. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that the unfinished business be temporarily laid aside. In the absence of objection, it is so ordered.

After the conclusion of Mr. DOLLIVER's speech,

Mr. SHIVELY. Mr. President, having been necessarily absent from the Senate Chamber during a part of this discussion, and the leading speeches on the provision having been withheld for future publication, I know not what they contain. What the RECORD and the press report contain discloses a wide, sharp, and apparently hopeless division of opinion as to the scope and

purpose of the investigation for which this $250,000 is to be expended. The one thing certain is that this amount is authorized. The next thing certain is that this sum will be expended. If it is to be used to secure information to enable the President to enforce the maximum and minimum provisions of the tariff act of 1909, it is an unnecessary expenditure. Our Government is equipped with its diplomatic representative at the capital of every foreign country in the world, who can easily secure and transmit correct translations of the import duties, export bounties, trade regulations, and everything necessary under that provision of the act of 1909. If it be to ascertain the difference between the cost of products at home and abroad, the Department of Commerce and Labor is now bound by statute to procure and report the cost of the product at home, and a letter of instruction to our consular representatives at all the principal points of industry in other countries will bring the information as to the cost abroad, in so far as it is practicable to secure such information in either instance. To say the Department of Commerce and Labor has not sufficient inquisitorial power might be a protection reason to confer additional power, but is not a good reason to create an additional body of tax eaters. As to our consular agents, their functions are commercial in character, and to these the best commission of so-called experts that could be devised would at last be compelled to resort for much, if not all, of their information as to cost abroad. So that from the standpoint of protection the pending provision is unnecessary. From the Democratic standpoint it is irrelevant, immaterial, and inconsequential to the proper exercise of the federal taxing power. Industry is social, not political, in character. Wealth is a social, not a political, product. It is born of brawn of muscle, skill of hand, and vigil of brain, not of the breath of Congresses. Industrial prosperity is a social, not a political, product. It is born of the energy and genius of man applied to the bounties of nature, not of the craft and cunning and greed of man applied to the powers of government. Tariffs, like other taxes, transfer property; they do not produce it. The difference between the cost of the article to the buyer in the market and what it would cost him to produce or fabricate it himself is the consideration that makes trade. It is what makes commerce a time-saving, labor-saving, capital-saving institution. The theory on which Congress is asked to vote this appropriation is that the wider the difference of cost in a given case the heavier must be the draft on the profits and earnings of the nonprotected, nonprotectable, self-helping, self-sustaining industries, occupations, and professions of the country to make profitable the otherwise unprofitable venture against which such difference should appear. Moreover, it is advanced only on the notion of the weakness, feebleness, and helplessness of the American people, and their inability to successfully compete with the outside world. I only add that this is a total misinterpretation of the economic history of the country from the early colonial days to the present hour.

Mr. HALE. Question, Mr. President.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Georgia [Mr. CLAY].

Mr. BEVERIDGE. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BACON (when Mr. CLAY's name was called). My colleague has been unavoidably called from the Chamber. He is paired with the junior Senator from New York [Mr. ROOT]. If my colleague were present, he would vote "yea."

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON]. I transfer the pair to the senior Senator from Delaware [Mr. DU PONT] and vote "nay."

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. I transfer the pair to my colleague [Mr. PENROSE] and will vote. I vote "nay."

Mr. RAYNER (when his name was called). I am paired with the junior Senator from Delaware [Mr. RICHARDSON]. I transfer the pair to the junior Senator from Florida [Mr. FLETCHER] and vote "yea."

Mr. OVERMAN (when the name of Mr. SIMMONS was called). I announce that my colleague is unavoidably absent. He is paired with the junior Senator from Minnesota [Mr. CLAPP].

While I am on my feet I also desire to announce that the junior Senator from Louisiana [Mr. FOSTER] is unavoidably absent and is paired with the Senator from North Dakota [Mr. MCCUMBER].

The roll call was concluded.

Mr. PAGE. I wish to announce the absence of my colleague [Mr. DILLINGHAM], who is unavoidably detained. He is paired with the senior Senator from South Carolina [Mr. TILLMAN]. If my colleague were present and at liberty to vote, he would vote "nay."

Mr. CLARK of Wyoming (after having voted in the negative). I have a general pair with the Senator from Missouri [Mr. STONE]. In his absence I inadvertently voted. I transfer the pair to the Senator from Illinois [Mr. LORIMER] and allow my vote to stand.

Mr. GALLINGER. I have been requested to announce a pair between the senior Senator from Michigan [Mr. BURROWS] and the senior Senator from Virginia [Mr. DANIEL].

Mr. ALDRICH. I am paired with the senior Senator from Arkansas [Mr. CLARKE]. I transfer the pair to my colleague [Mr. WETMORE] and will vote. I vote "nay."

Mr. ELKINS. I transfer my pair with the Senator from Texas [Mr. BAILEY] to the Senator from Ohio [Mr. DICK] and will vote. I vote "nay."

Mr. CLAPP (after having voted in the negative). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. He being absent, I transfer the pair to the senior Senator from Wisconsin [Mr. LA FOLLETTE] and allow my vote to stand.

Mr. BRIGGS. I have a pair with the junior Senator from North Dakota [Mr. PURCELL]. If he were present, I should vote "nay."

Mr. CLAPP (after having voted in the negative). I find, on account of some arrangement having been made, that I shall withdraw the transfer of my pair and I therefore withdraw my vote.

Mr. BEVERIDGE. May I inquire whether the junior Senator from Michigan [Mr. SMITH] is recorded as having voted or being paired?

The VICE-PRESIDENT. The Chair thinks not.

Mr. BEVERIDGE. I do not see the senior Senator from Michigan here, and I feel, therefore, that I am authorized to say that the junior Senator from Michigan, if here, would vote "nay" on this motion.

Mr. JOHNSTON. I am paired with the junior Senator from Michigan [Mr. SMITH]. I transfer the pair to my colleague [Mr. BANKHEAD] and will vote. I vote "yea."

Mr. BACON. I have been requested to announce that the senior Senator from Kentucky [Mr. PAYNTER] is paired with the Senator from Colorado [Mr. GUGGENHEIM]. If the senior Senator from Kentucky were present he would vote "yea."

Mr. CLAPP. Before the vote is announced I desire to state on behalf of the senior Senator from Wisconsin [Mr. LA FOLLETTE], who is unavoidably detained, that if he were present he would vote "nay."

Mr. KEAN. The junior Senator from West Virginia [Mr. SCOTT] is necessarily absent. He is paired with the Senator from Florida [Mr. TALIAFERRO]. If the Senator from West Virginia were present he would vote "nay."

The result was announced—yeas 13, nays 44, as follows:

YEAS—13.

Bacon	McEnery	Percy	Smith, S. C.
Davis	Martin	Rayner	
Frazier	Money	Shively	
Johnston	Overman	Smith, Md.	

NAYS—44.

Aldrich	Carter	Flint	Nixon
Beveridge	Clark, Wyo.	Frye	Oliver
Borah	Crane	Gallinger	Owen
Bourne	Crawford	Gamble	Page
Brandegee	Cullom	Gore	Perkins
Bristow	Cummins	Hale	Piles
Brown	Curtis	Heyburn	Smoot
Bulkeley	Depew	Jones	Stephenson
Burkett	Dixon	Kean	Sutherland
Burnham	Dolliver	Lodge	Warner
Burton	Elkins	Nelson	Warren

NOT VOTING—35.

Bailey	Culberson	La Follette	Scott
Bankhead	Daniel	Lorimer	Simmons
Bradley	Dick	McCumber	Smith, Mich.
Briggs	Dillingham	Newlands	Stone
Burrows	du Pont	Paynter	Taliaferro
Chamberlain	Fletcher	Penrose	Taylor
Clapp	Foster	Purcell	Tillman
Clarke, Ark.	Guggenheim	Richardson	Wetmore
Clay	Hughes	Root	

So Mr. CLAY's amendment was rejected.

Mr. BEVERIDGE. I propose an amendment to be added to the last word of the provision, which is the tariff-commission bill modified, to fit into this language, but preserving all the features of the original, and which must some time, and soon, be added to this beginning.

Mr. KEAN. It is subject to a point of order.

Mr. HALE. It covers the point that has been already decided. I must make the point of order against it.

The amendment was, to add, after the word "dollars," line 11, on page 2, the following:

Seven of the persons whom the President is authorized to employ for said purposes shall be appointed by the President, by and with the advice and consent of the Senate, for a period of five years, and shall constitute and be known as the tariff board. The members of said board shall be appointed solely with a view to their qualifications, as hereinafter specified, and without regard to political affiliations. As nearly as possible, the composition of said board shall be as follows:

First, three members identified with the producing interests; second, one member a lawyer who has made a special study of the customs and tariff laws of the United States; third, one member who has had special experience in connection with the administration of customs and tariff laws in the United States; fourth, one member familiar with industrial and commercial conditions in foreign countries affecting competition of foreign products with products of the United States and thoroughly conversant with the customs and tariff laws of those countries; fifth, one economist and statistician who has given special attention to the subject of prices and cost of production as affecting the tariff. No member shall belong to either branch of Congress. Any member of said board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. The President shall designate the chairman of the board. Each member of said board shall receive an annual salary of $7,500. The board shall appoint a secretary, who shall receive a salary of $5,000. The board shall have the power to employ and fix the compensation of such other employees as it may find necessary to the proper performance of its duties.

It shall be the duty of said board to investigate immediately the cost of production of all articles covered by the tariff, with special reference to the prices paid American labor in comparison with the prices paid foreign labor, the prices of raw materials, whether domestic or imported, entering into manufactured articles, the condition of domestic and foreign markets as affecting American products, and all other facts which, in the judgment of said board, may be necessary or helpful to Congress in providing equitable rate of duties on any article; and, in general, to thoroughly investigate all the various questions relating to the manufacturing, agricultural, commercial, and mining interests of the United States so far as the same may be necessary or helpful to Congress in enacting customs tariff laws.

That said board shall tabulate the results of said investigation and submit the same to Congress, together with an explanatory report of said facts so ascertained; and said tabulation of said facts and report in explanation of the same shall be laid before Congress at the earliest possible moment for the use, information, and guidance of Congress; and at the request of the Ways and Means Committee of the House and the Finance Committee of the Senate, or by the direction of Congress by resolution, said board shall sit with said above-named committees of the House and of the Senate during the sessions of said committees when said committees are drafting or considering any bill affecting the customs tariff laws of the United States.

That it shall be the duty of said board to study and investigate all rulings and classifications of the Treasury Department by which new articles not specifically provided for in the customs tariff law are now included in the operation of said law; and also make a study of the classifications recently adopted in the customs tariff laws of the leading commercial nations of the world; and to submit to Congress the result of said investigations, together with a draft of a scheme for the scientific classification of tariff schedules.

That said board shall have the power to sit and hold hearings in any part of the country, and it shall be the duty of said board, through one or more members thereof, to personally visit every section of the country and personally investigate the conditions of each section with reference to the tariff; it shall also have the power to visit, through one or more of its members or employees, such foreign countries as may be found necessary in the prosecution of its work; that the board shall have the power to call upon any of the existing government departments or bureaus for information on file in such departments or bureaus which it may require in connection with the work it is authorized to do by this act. Said board in pursuing its investigations, as above provided, shall have the power to take testimony, administer oaths, and require the production of books and papers for the purpose of the accurate ascertainment of the facts which it shall be the duty of said board to investigate and report to Congress, as hereinbefore provided.

That, in addition to the other duties herein provided, it shall be the duty of said board to continuously study the tariffs of other countries with especial reference to their effect upon the foreign trade of the United States, and at his request to advise the President from time to time as to the state of the commerce of the United States with foreign countries, and the effect which the tariffs of said foreign countries and our own tariff have upon such trade, to the end that the President of the United States may take such steps in the application of the maximum and minimum tariffs and other administration of our tariff laws as in his opinion will best protect the interests of the United States.

That the principal offices of said board shall be in the city of Washington, and said board may hire suitable offices for its use and procure all necessary office supplies. Should said board require the attendance of any witness, either in Washington or at any other place not the home of said witness, said witness shall be paid the same fees and mileage that are paid witnesses by the courts of the United States.

That all of the expenses of the board, including all necessary expenses for transportation incurred by the members thereof, or by their employees under their orders, in making any investigations, or upon official business in any other places than in Washington, shall be paid on the presentation of itemized vouchers, approved by the chairman of the board.

The VICE-PRESIDENT. The Senator from Maine raises the point of order against the amendment. The point of order is sustained.

Mr. BEVERIDGE. I offer another amendment, which is the same provision in a little different but rather important form. Of course, the Senator fram Maine will make the same point of order against it.

The amendment was to add after the word "dollars," in line 11, on page 2, the following:

Seven of the persons whom the President is authorized to employ for said purposes shall be appointed by the President, by and with the advice and consent of the Senate, for a period of seven years, and shall constitute, and be known as, the tariff commission. The members of said commission shall be appointed solely with a view to their qualifications as hereinafter specified, and without regard to political affiliations. As nearly as possible the composition of said commission shall be as follows:

First, three members identified with the producing interests; second, one member a lawyer who has made a special study of the customs and tariff laws of the United States; third, one member who has had special experience in connection with the administration of customs and tariff laws in the United States; fourth, one member familiar with industrial and commercial conditions in foreign countries affecting competition of foreign products with products of the United States and thoroughly conversant with the customs and tariff laws of those countries; fifth, one economist and statistician who has given special attention to the subject of prices and cost of production as affecting the tariff. No member shall belong to either branch of Congress. Any member of said commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. The President shall designate the chairman of the commission. Each member of said commission shall receive an annual salary of $7,500. The commission shall appoint a secretary, who shall receive a salary of $5,000. The commission shall have the power to employ and fix the compensation of such other employees as it may find necessary to the proper performance of its duties.

It shall be the duty of said commission to investigate immediately the cost of production of all articles covered by the tariff, with special reference to the prices paid American labor in comparison with the prices paid foreign labor; the prices of raw materials, whether domestic or imported, entering into manufactured articles; the condition of domestic and foreign markets as affecting American products; and all other facts which, in the judgment of said commission, may be necessary or helpful to Congress in providing equitable rate of duties on any article; and, in general, to thoroughly investigate all the various questions relating to the manufacturing, agricultural, commercial, and mining interests of the United States so far as the same may be necessary or helpful to Congress in enacting customs tariff laws.

SEC. 4. That said commission shall tabulate the results of said investigation and submit the same to Congress, together with an explanatory report of said facts so ascertained; and said tabulation of said facts and report in explanation of the same shall be laid before Congress at the earliest possible moment for the use, information, and guidance of Congress; and at the request of the Ways and Means Committee of the House and the Finance Committee of the Senate, or by the direction of Congress by resolution, said commission shall sit with said above-named committees of the House and of the Senate during the sessions of said committees when said committees are drafting or considering any bill affecting the customs tariff laws of the United States.

That it shall be the duty of said commission to study and investigate all rulings and classifications of the Treasury Department by which new articles not specifically provided for in the customs tariff law are now included in the operation of said law; and also make a study of the classifications recently adopted in the customs tariff laws of the leading commercial nations of the world; and to submit to Congress the result of said investigations, together with a draft of a scheme for the scientific classification of tariff schedules.

That said commission shall have the power to sit and hold hearings in any part of the country, and it shall be the duty of said commission, through one or more members thereof, to personally visit every section of the country and personally investigate the conditions of each section with reference to the tariff; it shall also have the power to visit, through one or more of its members or employees, such foreign countries as may be found necessary in the prosecution of its work; that the commission shall have the power to call upon any of the existing government departments or bureaus for information on file in such departments or bureaus which it may require in connection with the work it is authorized to do by this act. Said commission in pursuing its investigations, as above provided, shall have the power to take testimony, administer oaths, and require the production of books and papers for the purpose of the accurate ascertainment of the facts which it shall be the duty of said commission to investigate and report to Congress, as hereinbefore provided.

That in addition to the other duties herein provided, it shall be the duty of said commission to continuously study the tariffs of other countries with especial reference to their effect upon the foreign trade of the United States, and at his request to advise the President from time to time as to the state of the commerce of the United States with foreign countries, and the effect which the tariffs of said foreign countries and our own tariff have upon such trade, to the end that the President of the United States may take such steps in the application of the maximum and minimum tariffs and other administration of our tariff laws as in his opinion will best protect the interests of the United States.

That the principal offices of said commission shall be in the city of Washington, and said commission may hire suitable offices for its use and procure all necessary office supplies. Should said commission require the attendance of any witness, either in Washington or at any other place not the home of said witness, said witness shall be paid the same fees and mileage that are paid witnesses by the courts of the United States.

That all of the expenses of the commission, including all necessary expenses for transportation incurred by the commissioners, or by their employees under their orders, in making any investigations, or upon official business in any other places than in Washington, shall be paid on the presentation of itemized vouchers, approved by the chairman of the commission.

Mr. HALE. I make the point of order against the amendment.

The VICE-PRESIDENT. The Senator from Maine raises the point of order against the amendment, which the Chair understands is conceded to be good, and he sustains the point of order.

Mr. BACON. I have an amendment which I desire to offer and on which I desire to say a few words. I ask to have it read. I hope Senators will give attention to it. I offer it in good faith.

The VICE-PRESIDENT. The amendment will be read.

The SECRETARY. Add, after the word "dollars," on page 2, line 11, the following proviso:

Provided, That in making the selections of such persons to be employed under this paragraph not more than two-thirds of them in num-

ber shall be appointed from the same political party, and that said persons shall be empowered to investigate and gather information upon any and all subjects which shall be needful in determining the rates of duty proper and advisable in laying and assessing customs duties.

Mr. BACON. Mr. President, I offer this amendment in the sincere hope that it may be adopted, and I think, if adopted, it would carry out the purpose which has been avowed on this floor by Senators who favor the paragraph upon which we have just voted in the negative on a motion to strike it out.

I wish to say for myself, Mr. President, that there is a certain kind of a tariff commission which I would favor. I would favor a tariff commission such as is contemplated in the bill, the purpose of which is simply to gather information. I think that is a highly important thing to be done. I entirely sympathize with the contention of the learned Senator from Maine that Members of Congress are selected with a view to their familiarity with public questions, and that the experience of the past has probably demonstrated their fitness for the particular function necessary to the proper framing of a tariff bill.

As a rule I am opposed to commissions to do the work which Congress itself should do. But I recognize the fact that the almost innumerable questions which relate to the framing of a tariff bill are such in their magnitude, as well as number, as to make it extremely difficult for any body of men, unless particularly charged with that duty and in every particular fitted for its successful and proper execution, to successfully gather the information which ought to be had. I am not in favor of a tariff commission which would be charged with the duty of framing a law, even in the way of a suggestion.

Mr. BEVERIDGE. Will the Senator permit me a moment?

Mr. BACON. Certainly.

Mr. BEVERIDGE. I merely want to call attention to the fact that the tariff-commission bill which I had the honor to introduce some three years ago, and which I have offered as an amendment in two forms, does not contemplate anything except the collection of facts and their report to Congress and the making of scientific classifications.

Mr. BACON. I am glad to have this information from the honorable Senator. In what I said I did not mean a criticism upon the amendment, because while I have a general recollection of it, it was introduced several years ago, and I do not recall all its terms.

Mr. BEVERIDGE. I did not understand that the Senator was criticising it. I merely wanted to state that fact at this juncture.

Mr. BACON. I want to say that my view upon that subject underwent some degree of change last year by the experience we had during the extra session when we were engaged in framing a tariff bill. We saw the fact demonstrated that a very large amount of outside information was deemed necessary by those who were charged with the more immediate responsibility of determining upon what were the measures to be submitted to the Senate by the Finance Committee. For weeks, and I am not sure but for months, there were dozens and fifties and I expect hundreds of parties who were not Members of Congress, who were seen every day in large groups and in large processions going into the new Office Building, where the Republican members of the Finance Committee of the Senate were in session, giving information and making suggestions upon which the majority of the Finance Committee were acting, and information about which of course the remainder of us knew nothing. I therefore voted at the last session for the amendment offered by the Senator from Iowa, if I remember correctly, looking toward the gathering of this information through official sources.

Mr. President, I voted to strike out this provision, upon the motion of my colleague, for reasons which have been elaborately stated in the debate, and which I will not repeat, except in the most casual way. I voted to strike it out upon two grounds. The first was that, so far as was specified in the paragraph as the function to be performed by the persons thus to be employed, there is now a provision in the law for gathering exactly the same information through the Department of Commerce and Labor, and that therefore it was an unnecessary expense. That was the first reason which compelled me to vote to strike it out.

The second was that the purpose of the paragraph was not to accomplish what would be accomplished if this amendment was adopted, but that the purpose was a partisan, political purpose, as has been, I think, quite clearly shown by my colleague [Mr. CLAY], the Senator from Texas [Mr. BAILEY], and others in this debate, and as I think can be further shown by a very brief analysis of it and a reference to the law for which it is proposed to be put into operation.

There is no doubt about the fact that so far as this paragraph is designed to carry out the requirements of the law, and so far as it would be designed for the impartial gathering of information with a view to future action, if you please, the appropriation would be a commendable appropriation. But I want to call the attention of the Senate to the law to see whether under the law as it now stands this appropriation is needed. It will be needed, and needed for a legitimate purpose, if this amendment is adopted.

Section 2 of the present tariff law, for the carrying out of which this appropriation is designed, is in these words, and I ask the consideration of Senators to what I shall present. This paragraph says that it is to assist the President in enforcing section 2. It is true, as has been pointed out by the Senator from Rhode Island, it is also to enforce section 11, the administrative part of the law; but confining ourselves for the moment to section 2, what are the duties which the President is to perform which this appropriation is to enable him to perform? The duties which he is to perform are these, found in section 2:

That whenever, after the 31st day of March, 1910, and so long thereafter as the President shall be satisfied, in view of the character of the concessions granted by the minimum tariff of the United States—

Now comes the point, the thing that the President is to ascertain and determine—

that the government of any foreign country imposes no terms or restrictions, either in the way of tariff rates on provisions, trade, or other regulations, charges, exactions, or in any other manner, directly or indirectly, upon the importation into or the sale in such foreign country of any agricultural, manufactured, or other product of the United States, which unduly discriminate against the United States or the products thereof—

All of that is to be determined by a reference to the tariff laws of other countries and requires no information to be gathered by any persons employed for that purpose. So it can not be for that that the appropriation is to be employed. That is one of the duties. The other is this:

And that such foreign country pays no export bounty or imposes no export duty or prohibition upon the exportation of any article to the United States which unduly discriminates against the United States or the products thereof—

That also is determined simply by a reference to the tariff law. It does not require the gathering of information. Then there is still a third duty:

And that such foreign country accords to the agricultural, manufactured, or other products of the United States treatment which is reciprocal and equivalent.

That is the third duty. That also is determined simply by a reference to the laws of the country imposing duties, either import or export.

In the same way, Mr. President, the provision in section 11, the administrative part of the act, is simply one to see whether there has been a correct appraisement and does not involve any such general investigation for the procuring of testimony as would be involved if the purpose was to procure information with reference to the laying of tariff duties.

Therefore I say that the purpose is not what Senators here have said. The purpose is one which was disclosed by the Senator from Rhode Island in his colloquy with my colleague on Saturday last. He used the words which are found on page 7858 of the RECORD. It shows that the purpose is a partisan purpose to prove that the enactment of the present tariff law last year was a proper thing to do, and to justify it, and to defend it. There are those of us who think it is not a proper tariff law, and there are people throughout the United States who do not think it is a proper tariff law, and therefore any investigation in that matter ought to be a nonpartisan investigation and not a partisan investigation. As pointed out by my colleague, there is no authority in the law, no justification in the law in the appropriation of $250,000 to bolster up the views of a political party. Here is what the Senator from Rhode Island said was the purpose. He is speaking of this particular paragraph and this particular appropriation. The Senator from Rhode Island said:

I say that an investigation will justify the votes that were cast in this body, and the votes which were given for a tariff bill which has been practically and wisely characterized as the best bill ever adopted by an American Congress. If this investigation goes on, it will bring dismay and defeat to the men who have been characterizing this measure improperly and unjustly, and it will convince the American people that your predictions and your statements as to the character of this measure were absolutely untrue and had no foundation whatever.

I say, Mr. President, that shows the purpose of the appropriation as it now stands. If it is broadened, so that there shall be an investigation made by a nonpartisan body and for the purpose of gathering any information which may be of value in the fixing of a tariff, I shall with great pleasure give it my support. My objection to it is because it is not nonpartisan and because it is not for the purpose of gathering the information which should be available in the framing of a tariff.

Mr. President, I want to say just one other word in regard to the expense. We hear a great deal about economy, about the purpose to reduce the expenses of the Government. I want to call attention to three particular items which we have had under our consideration within the past two weeks, involving about $500,000, no part of which is needed.

We have in the railroad-rate bill passed an item creating a court which, it is estimated and not denied by anyone, will cost from $150,000 to $250,000 a year—not simply for one year, but for all succeeding years. We have in this bill included an item for $100,000 for the purpose of investigating the executive departments, to see what reductions can be made, and we have here $250,000, which is not intended simply for this year, but for each succeeding year, as pointed out both in the message of the President and in what the Senator from Rhode Island said, making in the neighborhood of $450,000 or $500,000, which, according to all the testimony, is absolutely unneeded and might as well be thrown into the sea.

I do not wish to elaborate that, Mr. President. I just want to call attention to the way in which this matter of economy is proceeding. Two hundred and fifty thousand dollars is here appropriated for a purpose already provided for in the law; that is to say, specifying purposes which are in the control of the Department of Commerce and Labor. The appropriation of $100,000 nobody believes is going to effect anything, and everybody believes it is that much money thrown away. The court of commerce, which is to cost $200,000 a year, is one which no man has been able to show here is to perform any duty which could not be performed by the present courts.

But, Mr. President, I do not rise to say that. I offer the amendment because with the investigation broadened, as proposed by the amendment, the purpose will be a proper purpose, a commendable purpose, a desirable purpose, and I trust that it will be adopted. If it is not adopted, then the purpose is not one which I think should receive the support of the Senate.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Georgia [Mr. BACON].

Mr. HALE. This amendment is practically the same that was ruled out on the point of order when my colleague occupied the chair. This is an appropriation bill. It is not like any other bill. The language confines the expenditure to the law as it now stands, while every amendment which has been proposed—those submitted by the Senator from Indiana and this amendment—are subject to the same point of order.

Mr. BACON. I think the Senator is correct as to the last part of the amendment, which provides for broadening the investigation beyond the terms of the present law as found in what is known as the tariff law.

But the first part of it is not out of order. It provides that these persons shall be nonpartisan.

I therefore shall ask for a division of the amendment. I ask that the first part of it, which provides that not more than two-thirds of those selected shall be of one political party, shall be submitted to the Senate separately.

The VICE-PRESIDENT. Does the Senator desire to modify the amendment?

Mr. BACON. I have a right to ask for a division of it.

The VICE-PRESIDENT. There are two substantive propositions; that is correct.

Mr. HALE. No; the amendment is entire. Unless the Senator changes his amendment the point of order is against the entire amendment.

Mr. BACON. Very well, then, Mr. President.

The VICE-PRESIDENT. The Chair will sustain the point of order of course. The Chair understands that the Senator desires to present another amendment.

Mr. BACON. I will present the first part of the amendment simply. I think I have a right to divide it, but nevertheless I will concede the point.

The VICE-PRESIDENT. The Secretary will read the amendment now presented by the Senator.

The SECRETARY. Add, at the end of the paragraph, the following:

Provided, That in making the selections of such persons to be employed under this paragraph not more than two-thirds of them in number shall be appointed from the same political party.

Mr. BACON. I do not understand that the Senator from Maine makes a point or order as to this amendment. If there is no point of order made, I simply desire to say that it seems to me it is the most reasonable of all requirements. It is one in harmony with the legislation of this country on all matters of this kind. When we have heretofore had tariff commissions, it has always been provided that it should be composed of members of different parties. Even when we created a railroad commission it was provided that not more than three out of the five should belong to one political party. So, Mr. President, I could go through the entire range of legislation on everything of this kind, and this principle has always been recognized. I think it should be recognized in this case, and I trust the amendment may be adopted.

Mr. HALE. I do not make any point of order against the amendment. Let us have the sense of the Senate upon it.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Georgia. [Putting the question.] The noes appear to have it.

Mr. BACON. I ask for the yeas and nays.

The yeas and nays were not ordered, and the amendment was rejected.

Mr. BACON. Now I will offer the remainder of it as a separate amendment.

Mr. HALE. Upon that I make the point of order.

Mr. BACON. Very well, I ask that it may be read by itself.

The VICE-PRESIDENT. Certainly. The Senator from Georgia offers an amendment, which will be stated.

The SECRETARY. At the end of the paragraph insert the following words:

And that said persons shall be empowered to investigate and gather information upon any and all subjects which shall be needful in determining the rates of duty proper and advisable in laying and assessing customs duties.

The VICE-PRESIDENT. The Senator from Maine raises the point of order against the amendment. The point of order is sustained.

Mr. HALE. Now, Mr. President, let us complete the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

POSTAL SAVINGS DEPOSITORIES.

The VICE-PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 5876) "to establish postal savings depositories for depositing savings at interest with the security of the Government for repayment thereof, and for other purposes," which was to strike out all after the enacting clause and insert a substitute.

Mr. CARTER. I move that the Senate concur in the amendment of the House.

The VICE-PRESIDENT. The Senator from Montana moves that the Senate concur in the House amendment.

Mr. BORAH. Mr. President——

Mr. CARTER. In connection with the motion before it is put, I desire to make a brief statement——

Mr. CULLOM. I suppose the amendment should be read.

Mr. CARTER. I will make it following the reading of the amendment, which I hope may be read.

The VICE-PRESIDENT. The Secretary will read the amendment of the House.

The Secretary proceeded to read the amendment.

Mr. CARTER. Mr. President, the Senator who requested the reading of the amendment now desires to have the reading discontinued or is willing that it shall be discontinued and a statement made.

The VICE-PRESIDENT. Is there objection to the discontinuance of the further reading of the amendment?

Mr. MONEY. Mr. President, I object to the discontinuance of the further reading. I wish to make a suggestion. There is no Democratic member of the committee here to-day, and I ask the Senator from Montana [Mr. CARTER] to let the matter go over until to-morrow. It is 4 o'clock, and there is no reason why it should not go over until we get a Democratic member of the committee here.

Mr. BACON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Mississippi yield to the Senator from Georgia?

Mr. MONEY. Certainly.

Mr. BACON. I wish to say, in justice to my colleague [Mr. CLAY], who is a member of the Committee on Post-Offices and Post-Roads and who, as everybody knows, is one of the most vigilant and attentive members of this body, that he has been obliged to leave the Chamber by indisposition. He is not able to be here now. I do not know whether he desires to examine this report or not; but it is due to him that I should state that his absence is owing to the fact that he is not well; that he is sick.

Mr. MONEY. The Democratic members are all absent for good cause.

Mr. CARTER. I will state to the Senator from Georgia, and likewise to the Senator from Mississippi, that this motion follows a conference with the Senator from Georgia [Mr. CLAY], who is a member of the Committee on Post-Offices and Post-

Roads. In pursuance of that conference, he examined the bill with care, and expressed the opinion that a motion to concur was, in his judgment, a proper parliamentary procedure. Therefore he is advised of the fact that the motion was to be made, and I have made it in consequence of an understanding. Since the reading will possibly be called for to-morrow, I presume it is as well, since objection has been made to the discontinuance of the reading, that the reading be now concluded.

Mr. BACON. I should like to inquire of the Senator——

The VICE-PRESIDENT. Does the Senator from Mississippi yield to the Senator from Georgia?

Mr. MONEY. I yield to the Senator from Georgia.

Mr. BACON. I simply desire to make an inquiry of the Senator from Montana [Mr. CARTER]. He said that my colleague [Mr. CLAY] had stated that this was a proper parliamentary procedure. I wish to inquire of him whether my colleague approves of the conference report.

Mr. CARTER. This is not a conference report, as the Senator from Georgia will perceive, but is an amendment made by the other House to the Senate bill. I would not go far enough to state that every feature of this bill was approved by the Senator from Georgia [Mr. CLAY], who is absent. I do, however, state that the Senator from Georgia, after an examination of the bill, expressed the belief that it was as well to concur in the House amendment as to make further attempts to improve the measure in conference.

Mr. GALLINGER. Mr. President, if the Senator from Mississippi will yield——

The VICE-PRESIDENT. Does the Senator from Mississippi yield to the Senator from New Hampshire?

Mr. MONEY. I yield.

Mr. GALLINGER. I will say to the Senator from Georgia that, in conversation with his colleague [Mr. CLAY], he specifically stated to me that he would favor a concurrence in the House bill.

Mr. BACON. That is entirely satisfactory to me.

Mr. GALLINGER. Unless he has changed his mind within forty-eight hours, he still favors it. That, however, was the statement he made.

Mr. OVERMAN. I should like to inquire if the report of the committee of conference has been printed.

The VICE-PRESIDENT. No conference committee has been appointed. The pending motion is one to concur in the House amendment.

Mr. OVERMAN. I should like to know what the House amendment is, Mr. President.

Mr. CUMMINS. Mr. President——

Mr. MONEY. I believe I still have the floor, Mr. President.

The VICE-PRESIDENT. The Senator from Mississippi has the floor. Does he yield to the Senator from Iowa?

Mr. MONEY. Certainly.

Mr. CUMMINS. I did not intend to interrupt the Senator from Mississippi. I thought he had yielded the floor. I have a request to make of the Senator from Montana [Mr. CARTER] as soon as the Senator from Mississippi has yielded the floor.

Mr. MONEY. If the Senator will allow me, I only want a minute, and then I will yield the floor. What I desire to say is this: There are other members of the committee besides the Senator from Georgia who are not here, and it would look a little bit hasty to rush at this late hour of the day an important measure like this or anything pertaining to it in the absence of every member of the minority of that committee. My request is simply to defer the matter until to-morrow. It is not so pressing that it can not wait. I ask the Senator to consent to that.

Mr. CARTER. In view of the request of the Senator, I ask that the reading be concluded.

Mr. MONEY. I have no objection to concluding the reading, but let the matter then go over until to-morrow, until some member of the minority of that committee is present.

The VICE-PRESIDENT. Without objection, the reading will be concluded, and the matter will then lie over until to-morrow.

Mr. OVERMAN. Will not the Senator agree to let the House bill as it passed be printed and also the amendment?

Mr. CARTER. It has been printed.

Mr. OVERMAN. Has the amendment as it comes from the House been printed?

Mr. CARTER. I so understand. I have a printed copy of it here, known as Senate bill 5876. It has been printed for several days.

Mr. OVERMAN. I understand the conference agreement has not been printed, however.

Mr. CARTER. There has been no conference. This is a motion to concur in the amendment made to the bill by the House of Representatives.

Mr. OVERMAN. Has that been printed?

Mr. CARTER. The motion has not been printed, but the amendment in which we ask the Senate to concur appears in a print of the bill made since the amendment was adopted by the House of Representatives.

Mr. GALLINGER. I will say to the Senator from North Carolina [Mr. OVERMAN] that the House simply dropped out the Senate text and inserted their own bill, which will be found in print.

The VICE-PRESIDENT. The understanding is that the reading will be concluded and that the matter will then go over until to-morrow.

Mr. GALLINGER. That is right.

Mr. BRISTOW. May I inquire if the amendment to which the Senator from Montana refers has been placed on the desks of Senators and been printed?

Mr. CARTER. It is available in the document room. I do not know whether it has been placed on the desk of every Senator. It is subject to call, and probably has been upon the desk of every Senator.

The Secretary resumed and concluded the reading of the amendment of the House of Representatives to the bill, which was to strike out all after the enacting clause and to insert:

That there be, and is hereby, created a board of trustees for the control, supervision, and administration of the postal savings depository offices designated and established under the provisions of this act, and of the funds received as deposits at such postal savings depository offices by virtue thereof. Said board shall consist of the Postmaster-General, the Secretary of the Treasury, and the Attorney-General, severally, acting ex officio, and shall have power to make all necessary and proper regulations for the receipt, transmittal, custody, deposit, investment, and repayment of the funds deposited at postal savings depository offices.

The board of trustees shall submit a report to Congress at the beginning of each regular session showing by States and Territories (for the preceding fiscal year) the number and names of post-offices receiving deposits, the aggregate amount of deposits made therein, the aggregate amount of withdrawals therefrom, the number of depositors in each, the total amount standing to the credit of all depositors at the conclusion of the year, the amount of such deposits at interest, the amount of interest received thereon, the amount of interest paid thereon, the amount of deposits surrendered by depositors for bonds issued by authority of this act, and the number and amount of unclaimed deposits. Also the amount invested in government securities by the trustees, the amount of extra expense of the Post-Office Department and the postal service incident to the operation of the postal savings depository system, the amount of work done for the savings depository system by the Post-Office Department and postal service in the transportation of free mail, and all other facts which it may deem pertinent and proper to present.

SEC. 2. That the Postmaster-General is hereby directed to prepare and issue special stamps of the necessary denominations for use, in lieu of penalty or franked envelopes, in the transmittal of free mail resulting from the administration of this act.

SEC. 3. That said board of trustees is hereby authorized and empowered to designate such post-offices as it may select to be postal savings depository offices, and each and every post-office so designated by order of said board is hereby declared to be a postal savings depository office within the meaning of this act and to be authorized and required to receive deposits of funds from the public and to account for and dispose of the same, according to the provisions of this act and the regulations made in pursuance thereof. Each postal savings depository office shall be kept open for the transaction of business during such hours as the Postmaster-General, with the approval of the board of trustees, shall direct.

SEC. 4. That accounts may be opened and deposits made in any postal savings depository established under this act by any person of the age of 10 years or over, in his or her own name, and by a married woman in her own name and free from any control or interference by her husband; but no person shall at the same time have more than one postal savings account in his or her own right.

SEC. 5. That the postmaster at a postal savings depository office shall, upon the making of an application to open an account under this act and the submission of an initial deposit, deliver to the depositor a pass book free of cost, upon which shall be written the name and signature or mark of the depositor and such other memoranda as may be necessary for purposes of identification, in which pass book entries of all deposits and withdrawals shall be made in both figures and writing: *Provided*, That the Postmaster-General may, with the approval of the board of trustees, adopt some other device or devices in lieu of a pass book as a means of making and preserving evidence of deposits and withdrawals.

SEC. 6. That at least $1, or a larger amount in multiples thereof, must be deposited before an account is opened with the person depositing the same, and $1, or multiples thereof, may be deposited after such account has been opened, but no one shall be permitted to deposit more than $100 in any one calendar month: *Provided*, That in order that smaller amounts may be accumulated for deposit any person may purchase for 10 cents from any depository office a postal savings card to which may be attached specially prepared adhesive stamps, to be known as "postal savings stamps," and when the stamps so attached amount to $1, or a larger sum in multiples thereof, including the 10-cent postal savings card, the same may be presented as a deposit for opening an account, and additions may be made to any account by means of such card and stamps in amounts of $1, or multiples thereof, and when a card and stamps thereto attached are accepted as a deposit the postmaster shall immediately cancel the same. It is hereby made the duty of the Postmaster-General to prepare such postal savings cards and postal savings stamps of denominations of 10 cents, and to keep them on sale at every postal savings depository office, and to prescribe all necessary rules and regulations for the issue, sale, and cancellation thereof.

SEC. 7. That interest at the rate of 2 per cent per annum shall be allowed and entered to the credit of each depositor once in each year, the same to be computed on such basis and under such rules and regu-

lations as the board of trustees may prescribe; but interest shall not be computed or allowed on fractions of a dollar: *Provided*, That the balance to the credit of any one person shall never be allowed to exceed $500, exclusive of accumulated interest.

SEC. 8. That any depositor may withdraw the whole or any part of the funds deposited to his or her credit, with the accrued interest, upon demand and under such regulations as the board of trustees may prescribe. Withdrawals shall be paid from the deposits in the State or Territory, so far as the postal funds on deposit in such State or Territory may be sufficient for the purpose, and, so far as practicable, from the deposits in the community in which the deposit was made. No bank in which postal savings funds shall be deposited shall receive any exchange or other fees or compensation on account of the cashing or collection of any checks or the performance of any other service in connection with the postal savings depository system.

SEC. 9. That postal savings funds received under the provisions of this act shall be deposited in solvent banks, whether organized under national or state laws, being subject to national or state supervision and examination, and the sums deposited shall bear interest at the rate of not less than 2½ per cent per annum, which rate shall be uniform throughout the United States and Territories thereof; but 5 per cent of such funds shall be withdrawn by the board of trustees and kept with the Treasurer of the United States, who shall be treasurer of the board of trustees, in lawful money as a reserve. The board of trustees shall take from such banks such security in public bonds or other securities, supported by the taxing power, as the board may prescribe, approve, and deem sufficient and necessary to insure the safety and prompt payment of such deposits on demand. The funds received at the postal savings depository offices in each city, town, village, and other locality shall be deposited in banks located therein (substantially in proportion to the capital and surplus of each such bank) willing to receive such deposits under the terms of this act and the regulations made by authority thereof, but the amount deposited in any one bank shall at no time exceed the amount of the paid-in capital and one-half the surplus of such bank. If no such bank exist in any city, town, village, or locality, or if none where such deposits are made will receive such deposits on the terms prescribed, then such funds shall be deposited under the terms of this act in the bank most convenient to such locality. If no such bank in any State or Territory is willing to receive such deposits on the terms prescribed, then the same shall be deposited with the treasurer of the board of trustees, and shall be counted in making up the reserve of 5 per cent. Such funds may be withdrawn from the treasurer of said board of trustees and all other postal savings funds, or any part of such funds, may be at any time withdrawn from banks and savings depository offices for the repayment of postal savings depositors when required for that purpose. Not exceeding 30 per cent of the amount of such funds may at any time be withdrawn by the trustees for investment in bonds or other securities of the United States, it being the intent of this act that the residue of such funds, amounting to 65 per cent thereof, shall remain on deposit in the banks in each State and Territory willing to receive the same under the terms of this act, and shall be a working balance and also a fund which may be withdrawn for investment in bonds or other securities of the United States, but only by direction of the President, and only when, in his judgment, the general welfare and the interests of the United States so require. Interest and profit accruing from the deposits or investment of postal savings funds shall be applied to the payment of interest due to postal savings depositors as hereinbefore provided, and the excess thereof, if any, shall be covered into the Treasury of the United States as a part of the postal revenue: *Provided*, That postal savings funds in the treasury of said board shall be subject to disposition as provided in this act, and not otherwise: *And provided further*, That the board of trustees may at any time dispose of bonds held as postal savings investments and use the proceeds to meet withdrawals of deposits by depositors. For the purposes of this act the word "Territory," as used herein, shall be held to include the District of Columbia, the District of Alaska, and Porto Rico, and the word "bank" shall be held to include savings banks and trust companies doing a banking business.

SEC. 10. That any depositor in a postal savings depository may surrender his deposit, or any part thereof, in sums of $20, $40, $60, $80, $100, and multiples of $100 and $500, and receive in lieu of such surrendered deposits, under such regulations as may be established by the board of trustees, the amount of the surrendered deposits in United States coupon or registered bonds of the denominations of $20, $40, $60, $80, $100, and $500, which bonds shall bear interest at the rate of 2½ per cent per annum, payable semiannually, and be redeemable at the pleasure of the United States after one year from the date of their issue and payable twenty years from such date, and both principal and interest shall be payable in United States gold coin of the present standard of value: *Provided*, That the bonds herein authorized shall be issued only (first) when there are outstanding bonds of the United States subject to call, in which case the proceeds of the bonds shall be applied to the redemption at par of outstanding bonds of the United States subject to call, and (second) at times when under authority of law other than that contained in this act the Government desires to issue bonds for the purpose of replenishing the Treasury, in which case the issue of bonds under authority of this act shall be in lieu of the issue of a like amount of bonds issuable under authority of law other than that contained in this act: *Provided further*, That the bonds authorized by this act shall be issued by the Secretary of the Treasury under such regulations as he may prescribe: *And provided further*, That the authority contained in section 9 of this act for the investment of postal savings funds in United States bonds shall include the authority to invest in the bonds herein authorized whenever such bonds may be lawfully issued: *And provided further*, That the bonds herein authorized shall be exempt from all taxes or duties of the United States as well as from taxation in any form by or under state, municipal, or local authority: *And provided further*, That no bonds authorized by this act shall be receivable by the Treasurer of the United States as security for the issue of circulating notes by national banking associations.

SEC. 11. That whenever the trustees of the postal savings fund have in their possession funds available for investment in United States bonds they may notify the Secretary of the Treasury of the amount of such funds in their hands which they desire to invest in bonds of the United States subject to call, whereupon, if there are United States bonds subject to call, the Secretary of the Treasury shall call for redemption an amount of such bonds equal to the amount of the funds in the hands of the trustees which the trustees desire to thus invest, and the bonds so called shall be redeemed at par with accrued interest at the Treasury of the United States on and after three months from the date of such call, and interest on the said bonds shall thereupon cease: *Provided*, That the said bonds when redeemed shall be reissued at par to the trustees without change in their terms as to rate of interest and date of maturity: *And provided further*, That the bonds so reissued may, in the discretion of the Secretary of the Treasury, be called for redemption from the trustees in like manner as they were originally called for redemption from their former owners whenever there are funds in the Treasury of the United States available for such redemption.

SEC. 12. That postal savings depository funds shall be kept separate from other funds by postmasters and other officers and employees of the postal service, who shall be held to the same accountability under their bonds for such funds as for public moneys; and no person connected with the Post-Office Department shall disclose to any person other than the depositor the amount of any deposits, unless directed so to do by the Postmaster-General. All statutes relating to the safe-keeping of and proper accounting for postal receipts are made applicable to postal savings funds, and the Postmaster-General may require postmasters, assistant postmasters, and clerks at postal savings depositories to give any additional bond he may deem necessary.

SEC. 13. That additional compensation shall be allowed postmasters at post-offices of the fourth class for the transaction of postal savings depository business. Such compensation shall not exceed one-fourth of 1 per cent on the average sum upon which interest is paid each calendar year on receipts at such post-office, and shall be paid from the postal revenues; but postmasters, assistant postmasters, clerks, or other employees at post-offices of the presidential grade shall not receive any additional compensation for such service.

SEC. 14. That the sum of $100,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, or so much thereof as may be necessary, to enable the Postmaster-General and the board of trustees to establish postal savings depositories in accordance with the provisions of this act, including the reimbursement of the Secretary of the Treasury for expenses incident to the preparation, issue, and registration of the bonds authorized in this act; and the Postmaster-General is authorized to require postmasters and other postal officers and employees to transact, in connection with their other duties, such postal savings depository business as may be necessary; and he is also authorized to make, and with the approval of the board of trustees to promulgate, and from time to time to modify or revoke, subject to the approval of said board, such rules and regulations not in conflict with law as he may deem necessary to carry the provisions of this act into effect.

SEC. 15. That all the safeguards provided by law for the protection of public moneys, and all statutes relating to the embezzlement, conversion, improper handling, retention, use, or disposal of postal and money-order funds and the punishments provided for such offenses are hereby extended and made applicable to postal savings depository funds, and all statutes relating to false returns of postal and money-order business, the forgery, counterfeiting, alteration, improper use or handling of postal and money-order blanks, forms, vouchers, accounts, and records, and the dies, plates, and engravings therefor, with the penalties provided in such statutes, are hereby extended and made applicable to postal savings depository business, and the forgery, counterfeiting, alteration, improper use or handling of postal savings depository blanks, forms, vouchers, accounts, and records, and the dies, plates, and engravings therefor.

SEC. 16. That the faith of the United States is solemnly pledged to the payment of the deposits made in postal savings depository offices, with accrued interest thereon as herein provided.

SEC. 17. That the final judgment, order, or decree of any court of competent jurisdiction adjudicating any right or interest in the credit of any sums deposited by any person with a postal savings depository if the same shall not have been appealed from and the time for appeal has expired shall, upon submission to the Postmaster-General of a copy of the same, duly authenticated in the manner provided by the laws of the United States for the authentication of the records and judicial proceedings of the courts of any State or Territory or of any possession subject to the jurisdiction of the United States, when the same are proved or admitted within any other court within the United States, be accepted and pursued by the board of trustees as conclusive of the title, right, interest, or possession so adjudicated, and any payment of said sum in accordance with such order, judgment, or decree shall operate as a full and complete discharge of the United States from the claim or demand of any person or persons to the same.

RETURN OF ORDNANCE BY MASSACHUSETTS.

Mr. LODGE. I ask unanimous consent for the present consideration of the bill (H. R. 10280) to authorize the Chief of Ordnance, United States Army, to receive twelve 3.2-inch breech-loading field guns, carriages, caissons, limbers, and their pertaining equipment from the State of Massachusetts.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments.

The first amendment was, in section 2, page 2, line 2, after the words "but the," to strike out "whole amount received from the sale thereof to the State" and to insert "value of all the material returned to the Ordnance Department by the State under the terms of this act," so as to make the section read:

SEC. 2. That no part of the value of this material shall be paid to the State of Massachusetts, but the value of all the material returned to the Ordnance Department by the State under the terms of this act shall stand as a quota of the State, the same as though allotted from the annual appropriations under the provisions of section 1661, Revised Statutes, as amended, and subject to all the conditions thereof.

The amendment was agreed to.

The next amendment was, in section 3, page 2, line 11, after the word "cents," to insert "or so much thereof as may be necessary;" and in line 14, after the word "effect," to insert the following proviso:

Provided, That hereafter whenever articles of government property are sold for cash to any State, Territory, or to the District of Columbia, for the use of the organized militia, thereby ceasing to be the property of the United States, none of the articles so sold shall be received back by any department of the Government upon the basis of allowing any credit therefor, except when such articles form part of the equipment of troops mustered into the service of the United States in time of war.

So as to make the section read:

SEC. 3. That the sum of $42,423.21, or so much thereof as may be necessary, is hereby appropriated, from any money in the Treasury not otherwise appropriated, for the purpose of carrying this act into effect: *Provided*, That hereafter whenever articles of government property are sold for cash to any State, Territory, or to the District of Columbia, for the use of the organized militia, thereby ceasing to be the property of the United States, none of the articles so sold shall be received back by any department of the Government upon the basis of allowing any credit therefor, except when such articles form part of the equipment of troops mustered into the service of the United States in time of war.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PUMPING STATION ON FORT MASON MILITARY RESERVATION.

Mr. PERKINS. I ask unanimous consent for the present consideration of the bill (H. R. 24723) granting permission to the city and county of San Francisco, Cal., to operate a pumping station on the Fort Mason Military Reservation, in California.

There being no objection, the Senate as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PUBLIC BUILDING AT NEW HAVEN, CONN.

Mr. BULKELEY. I ask unanimous consent for the present consideration of the bill (S. 8297) for the erection of a public building at New Haven, Conn.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with amendments, on page 2, line 1, after the word "dollars," to strike out "of which sum $500,000 is hereby appropriated for said purpose, out of any money in the United States Treasury not otherwise appropriated;" and on the same page after line 7 to insert the following proviso:

Provided, That the Secretary of the Treasury be, and he is hereby, authorized, in his discretion, to sell the old post-office and custom-house building and the site thereof, situated in the city of New Haven, Conn., at public or private sale, after proper advertisement, at such time and on such terms as he may deem to be the best interests of the United States, and to execute a quitclaim deed to the purchaser thereof, and to deposit the proceeds of said sale in the Treasury of the United States as a miscellaneous receipt.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to acquire, by purchase, condemnation, or otherwise, a site and cause to be erected thereon a suitable building, including fireproof vaults, heating and ventilating apparatus, elevators, and approaches, for the use and accommodation of the United States post-office and other government offices in the city of New Haven and State of Connecticut, the cost of said site and building, including said vaults, heating and ventilating apparatus, elevators, and approaches, complete, not to exceed the sum of $1,250,000.

The building shall be unexposed to danger from fire by an open space of at least 40 feet on each side, including streets and alleys.

Provided, That the Secretary of the Treasury be, and he is hereby, authorized, in his discretion, to sell the old post-office and custom-house building and the site thereof, situated in the city of New Haven, Conn., at public or private sale, after proper advertisement, at such time and on such terms as he may deem to be to the best interests of the United States, and to execute a quitclaim deed to the purchaser thereof, and to deposit the proceeds of said sale in the Treasury of the United States as a miscellaneous receipt.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRAND CALUMET RIVER BRIDGES, INDIANA.

Mr. SHIVELY. I ask unanimous consent for the present consideration of the bill (H. R. 23427) to authorize the Indiana Steel Company to construct two bridges across the Grand Calumet River, in the State of Indiana.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PRINTING OF CONSULAR REPORTS.

Mr. SMOOT. Mr. President, out of order I ask leave to present a report from the Committee on Printing.

The VICE-PRESIDENT. In the absence of objection, the report will be received.

Mr. SMOOT. I am directed by the Committee on Printing, to whom was referred the bill (S. 8516) providing for the printing of Daily Consular Reports, to report it with an amendment. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment of the Committee on Printing was, in section 1, page 1, after the word "issue," in line 7, to insert a colon and the words "*Provided*, That the usual number shall not be printed," so as to make the section read:

That the Secretary of Commerce and Labor be, and he is hereby, authorized to have printed, for distribution by the Department of Commerce and Labor, an edition of Daily Consular Reports not to exceed 20,000 copies in any one issue: *Provided*, That the usual number shall not be printed.

Mr. OVERMAN. Does the bill provide that there shall be no more printing of consular reports?

Mr. SMOOT. No; the bill provides that hereafter, instead of printing 10,000 copies of the weekly and monthly consular reports, there shall be printed 20,000 copies daily.

The VICE-PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COLVILLE INDIAN RESERVATION LANDS, WASHINGTON.

Mr. JONES. I ask unanimous consent for the present consideration of Senate bill 8022.

The VICE-PRESIDENT. The Senator from Washington asks unanimous consent for the present consideration of a bill the title of which will be stated.

The SECRETARY. A bill (S. 8022) to amend an act entitled "An act to authorize the sale and disposition of surplus or unallotted lands of the diminished Colville Indian Reservation, in the State of Washington, and for other purposes," approved March 22, 1906.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to amend section 2 of the act of March 22, 1906, so as to authorize the Secretary of the Interior to allot each Indian on the diminished Colville Reservation, in the State of Washington, entitled to an allotment under existing laws, in such areas as the Secretary may deem advisable, not to exceed, however, 80 acres of agricultural land; but when the lands allotted, or any legal subdivision thereof, are only valuable for grazing purposes, such lands shall be allotted in double quantities.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FENTON T. ROSS.

Mr. MARTIN. I ask unanimous consent for the present consideration of House bill 24274.

The VICE-PRESIDENT. The Senator from Virginia asks unanimous consent for the present consideration of a bill, the title of which will be stated.

The SECRETARY. A bill (H. R. 24274) to appropriate the sum of $200 for Fenton T. Ross, of Loudoun County, Va., whose horse was permanently injured by employees of the Agricultural Department in making experiments authorized by law.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

JAMES C. JOHNSON.

Mr. GALLINGER. I ask unanimous consent for the present consideration of the bill (H. R. 1386) to correct the naval record of James C. Johnson.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to remove the charge of desertion from the naval record of James C. Johnson and to issue to him or his heirs a discharge from the service as of May 5, 1863, but no pay, bounty, or other allowance shall become due or payable by reason of the passage of this act.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SUBTREASURY BUILDING AT NEW ORLEANS.

Mr. McENERY. I ask unanimous consent for the present consideration of the bill (S. 6047) providing for the purchase of land and a building for the use of a subtreasury at New Orleans.

There being no objection, the Senate, in as Committee of the Whole, proceeded to consider the bill. It proposes to appropriate $250,000 to acquire, by purchase, land and a building for a subtreasury in the city of New Orleans, La., in order to meet the necessities of the public business.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PAYMENT TO NEW HAMPSHIRE FOR FORT CONSTITUTION.

Mr. BURNHAM. I ask unanimous consent for the present consideration of the bill (S. 526) for the relief of the State of New Hampshire.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with amendments, on page 1, line 6, before the word "thousand," to strike out "thirty" and insert "twelve;" and in the same line after the word "dollars" to insert "which sum is hereby appropriated," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the State of New Hampshire, out of any money in the Treasury not otherwise appropriated, the sum of $12,000, which sum is hereby appropriated, in full for a certain tract of land, together with the fort thereon, ceded by said State in 1791 to the United States, and for an adjoining tract of land similarly ceded in 1807, said tracts of land forming the site of Fort Constitution, in Portsmouth Harbor, and said sum being a reasonable amount which has become due and payable to said State of New Hampshire under the provisions of the two several acts of cession aforesaid.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE HARRALDSON.

Mr. NELSON. I ask unanimous consent for the present consideration of the bill (H. R. 11763) for the relief of George Harraldson.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It provides that in the administration of the pension laws and the laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, George Harraldson, who served under the name of George Harrilsen, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of Company E, Eleventh Regiment United States Infantry, on August 23, 1865, but no pension shall accrue prior to the passage of this act.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PUBLIC BUILDING AT BELLINGHAM, WASH.

Mr. PILES. I ask unanimous consent for the present consideration of the bill (S. 4106) to increase the limit of cost of the public building authorized to be constructed at Bellingham, Wash.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 1, line 11, after the word "to," to strike out "four hundred and twenty" and insert "three hundred and seventy-five," so as to make the bill read:

Be it enacted, etc., That the limit of cost fixed by the act of Congress approved May 30, 1908, for the erection and completion of a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, complete, for the use and accommodation of the United States post-office and other governmental offices upon ground now owned by the United States at Bellingham, Wash., be, and the same is hereby, extended from $120,000 to $375,000.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEMON S. DECKER.

Mr. DEPEW. I ask unanimous consent for the present consideration of the bill (H. R. 23388) for the relief of Demon S. Decker.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers Demon S. Decker, who was a first lieutenant of Company G, Fifty-sixth Regiment New York Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a first lieutenant of said company and regiment on the 3d day of April, 1864: *Provided*, That, other than as above set forth, no bounty, pay, pension, or other emolument shall accrue prior to or by reason of the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROCEEDINGS ON APPEAL, ETC.

Mr. OVERMAN. I am directed by the Committee on the Judiciary, to whom was referred the bill (S. 6386) to diminish the expense of proceedings on appeal and writ of error or of certiorari, to report it without amendment. I call the attention of the Senator from Washington [Mr. PILES] to the report.

Mr. PILES. Inasmuch as the Bar Association——

Mr. KEAN. Let the bill go over till to-morrow.

The VICE-PRESIDENT. Under objection, the bill will be placed on the calendar.

PUBLIC BUILDING AT BOZEMAN, MONT.

Mr. CARTER. I ask for the present consideration of the bill (S. 2980) to provide for the purchase of a site and the erection of a public building thereon at Bozeman, in the State of Montana.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with amendments, on page 2, line 2, before the word "thousand," to strike out "fifteen" and insert "thirty;" on the same page, line 2, after the word "dollars," to insert "and of this sum not to exceed $15,000 to be expended for the purchase of said site;" and on the same page to strike out lines 4 to 18, inclusive, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to acquire, by purchase, condemnation, or otherwise, a site and cause to be erected thereon a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, for the use and accommodation of a United States post-office and other government offices, in the city of Bozeman and State of Montana; the cost of said site and building, including said vaults, heating and ventilating apparatus, and approaches, complete, not to exceed the sum of $130,000, and of this sum not to exceed $15,000 to be expended for the purchase of said site.

The building shall be unexposed to danger by fire by an open space of at least 40 feet on each side, including streets and alleys.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CITY OF CRAWFORD, NEBR.

Mr. BROWN. I ask unanimous consent for the present consideration of the bill (S. 5319) to appropriate $50,000 to the city of Crawford, in the State of Nebraska.

Mr. KEAN. I think the bill has rather an unhappy title.

Mr. BROWN. The bill is all right.

Mr. KEAN. But the title is very unhappy.

Mr. BROWN. I ask to have the bill read.

Mr. GALLINGER. Let it be read.

Mr. KEAN. Let us hear the bill read.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the city of Crawford, in the State of Nebraska, the sum of $25,000 to assist said city in constructing a waterworks system adequate to protect it against contamination of its water supply by the military reservation of Fort Robinson, Nebr.

SEC. 2. That the Secretary of War is hereby authorized to grant permission to the city of Crawford, in the State of Nebraska, to construct and maintain a waterworks and pipe line on the military reservation of Fort Robinson, Nebr., at such location and under such conditions as shall be approved by the Secretary of War: *Provided*, That the Secretary of War shall have authority, at any time when, in his judgment, he may deem it necessary for the use of Fort Robinson, to connect the water system of the post with the pipe line herein authorized to be constructed on the reservation by the city of Crawford, without additional compensation by the Government.

SEC. 3. That the sum of $25,000 be, and it is hereby, appropriated, out of any money in the Treasury not otherwise appropriated, to carry out the provisions of this act: *Provided*, That the acceptance of this appropriation by the said city shall preclude any claim or claims

on account of the discharge of the sewage into the White River at the present or other outlet that may hereafter be constructed below said military post, and that the Government shall not hereafter contribute anything to the maintenance of the water-supply system of the said city.

Mr. SMOOT. Let us change the title.

Mr. BROWN. There is an amendment reported to the title.

Mr. SMOOT. I am not going to object at this time to the consideration of the bill or to ask for a yea or nay vote upon it. I shall content myself by simply saying that I should like very much to have a chance of voting against such a measure. I do not believe the Government ought to be called upon to pay this amount. Further than that I will say nothing at this time.

Mr. BACON. I should like the Senator from Nebraska to state what the $50,000 is for.

Mr. BROWN. The amount has been reduced to $25,000 by the amendment of the committee.

The purpose of the bill is to assist the town to build waterworks, which it is necessary to extend to the reservation and across the reservation, 3 miles from this little village. Under existing conditions the sewage of the fort empties into the water supply of the town, contaminates it, and has created very much distress and disease. The authorities, both the military and civil authorities of the State, agree that these typhoid epidemics that recur are due to the sewage from the fort.

Mr. KEAN. I should like to ask the Senator a question. Has not the State of Nebraska health laws?

Mr. BROWN. We have health laws, but it is quite impossible to protect ourselves against this institution of the Government, which empties its sewage into the only water supply this little town has.

Mr. KEAN. I should think the State of Nebraska would have the Government of the United States indicted for maintaining a nuisance.

The VICE-PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the city of Crawford, in the State of Nebraska."

JOHN A. BROWN.

Mr. BACON. I ask unanimous consent for the present consideration of the bill (H. R. 2272) for the relief of John A. Brown.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to amend the records of the Navy Department in such manner as to show that John A. Brown served on the U. S. S. *New Ironsides*, was enrolled and was enlisted and mustered into the naval service of the United States on July 6, 1864, and served through the war, and to grant him an honorable discharge as of the date of March 31, 1865.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WATER-RIGHT APPLICATIONS.

Mr. CURTIS. I ask unanimous consent for the present consideration of the bill (S. 6842) to authorize the Secretary of the Interior to rent water to actual settlers, and for other purposes.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Irrigation and Reclamation of Arid Lands, with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Interior may, in his discretion, withdraw any public notice issued under section 4 of the reclamation act of June 17, 1902, and he may agree to such modification of water-right applications duly filed or contracts with water users' associations and others, entered into prior to such withdrawal, as he may deem advisable, or he may consent to the abrogation of such water-right applications and contracts, and proceed in all respects as if no such notice had been given.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Interior to withdraw public notices issued under section 4 of the reclamation act, and for other purposes."

GARLAND & BERGH.

Mr. CRAWFORD. I ask unanimous consent for the present consideration of the bill (H. R. 2518) for the relief of Garland & Bergh.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to appropriate $600 in full compensation for all claims to Garland & Bergh, of Rapid City, S. Dak., found to be due them for the construction of a hospital building at the Rapid City Indian School in South Dakota.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

"QUARRY RESERVE," YUMA, ARIZ.

Mr. FLINT. I ask unanimous consent for the consideration of the bill (H. R. 10132) granting certain land to the town of Yuma, in the Territory of Arizona.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to grant to the town of Yuma, Ariz., 2½ acres of land originally included in the town-site patent to the town of Yuma, located in sections 35 and 36, and known as the "quarry reserve."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MONUMENT TO LATE PRESIDENT JAMES A. GARFIELD.

Mr. BRIGGS. I ask unanimous consent for the present consideration of the bill (S. 600) appropriating $10,000 to aid in the erection of a monument in memory of the late President James A. Garfield, at Long Branch, N. J.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the Library with amendments.

The first amendment was, on page 1, line 5, after the words "expended by," to strike out "said association in erecting and completing in Ocean Park, Long Branch, in the State of New Jersey, a suitable monument, the money to be paid to the association aforesaid under the order of the Secretary of War: *Provided, however*, That the said the Garfield Monument Association shall have raised, prior to the issue of said order, to be expended in the erection of said monument and in the purchase and improvement of the site, at least the sum of $10,000 additional thereto: *And provided further*, That the design for the said monument shall be approved by the Secretary of War, and the sum herein appropriated shall not be available until a contract is made to complete the work" and insert:

The Garfield Monument Association, a corporation created under the laws of the State of New Jersey, under the direction of the Secretary of War, in erecting and completing in Ocean Park, Long Branch, in the State of New Jersey, a monument to the memory of the late President James A. Garfield, who died at that place.

So as to read:

That the sum of $10,000 be, and the same is hereby, appropriated, out of any money in the Treasury not otherwise appropriated, to be expended by the Garfield Monument Association, a corporation created under the laws of the State of New Jersey, under the direction of the Secretary of War, in erecting and completing in Ocean Park, Long Branch, in the State of New Jersey, a monument to the memory of the late President James A. Garfield, who died at that place.

The amendment was agreed to.

The next amendment was, on page 2, after line 16, to insert:

That the sum herein appropriated shall not be payable until there shall have been raised and made available for the erection of said monument an additional sum of at least $10,000 and the design and estimate of cost for said monument shall have been approved by the Secretary of War.

The amendment was agreed to.

The next amendment was, on page 2, after line 21, to add as a new section the following:

SEC. 2. That the responsibility for the care and keeping of said monument shall be and remain in the said Garfield Monument Association, it being expressly understood that the United States shall have no responsibility therefor.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The committee reported an amendment to strike out the preamble, which was agreed to.

PUBLIC BUILDING AT CASPER, WYO.

Mr. WARREN. I ask unanimous consent for the present consideration of the bill (S. 6866) to provide for the erection of a public building at Casper, in the State of Wyoming.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 1, line 11, before the word "thousand," to strike out "seventy-five" and insert "sixty-five," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be erected a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, for the use and accommodation of the United States post-office and other governmental offices in the city of Casper and State of Wyoming, upon the site heretofore selected, the cost of said building, including said vaults, heating and ventilating apparatus, and approaches, not to exceed the sum of $65,000.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC BUILDING AT DOUGLAS, WYO.

Mr. WARREN. There is another bill of four lines which follows on the calendar, and I hope I may be allowed to call it up. It is the bill (S. 6868) to provide for the erection of a public building in the city of Douglas, in the State of Wyoming.

By unanimous consent the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 2, line 2, to strike out "one hundred" and insert "seventy-five," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be erected upon the site already selected, as provided by the act of May 30, 1908, in the city of Douglas, Wyo., a suitable building, including fireproof vaults, heating and ventilating apparatus, elevators, and approaches, for the use and accommodation of the United States land office, post-office, and other government offices in the said city of Douglas, Wyo., the cost of said building, including said vaults, heating and ventilating apparatus, elevators, and approaches, complete, not to exceed the sum of $75,000.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SURVEY OF CERTAIN PUBLIC LANDS.

Mr. HUGHES. I ask unanimous consent for the present consideration of the bill (H. R. 18176) making an appropriation for the survey of public lands lying within the limits of land grants, to provide for the forfeiture to the United States of unsurveyed land grants to railroads, and for other purposes.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Lands with an amendment to strike out all after the enacting clause and insert:

That to enable the Secretary of the Interior to complete the adjustment of land grants made by Congress to aid in the construction of railroads, and to subject the lands granted to taxation by States, Territories, and municipal authorities, the sum of $500,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the survey and office work incident thereto of the public lands lying within the limits of land grants made by Congress to aid in the construction of railroads, within and without the boundaries of national forests: *Provided*, That any railroad corporation required by law to pay the costs of surveying, selecting, or conveying any lands granted to such company or corporation, or for its use and benefit, by any act of Congress, shall be, and he is hereby, required, within ninety days from demand by the Secretary of the Interior, to deposit in a proper United States depository to the credit of the United States a sum sufficient to pay the cost of surveying, selecting, and conveying any of the unsurveyed lands granted to such company, or for its use and benefit, under any act of Congress: *Provided further*, That the Secretary of the Interior shall determine and specify in the notice or demand to such company the amount of the required deposit, and may, in his discretion, demand a sum sufficient to cover the cost of the survey, selection, and conveyance of the entire area granted to any company, or for its use and benefit, then unsurveyed, or for such townships or fractional townships as he may prescribe and designate in the notice or demand to such company, as aforesaid: *And provided further*, That the amount deposited shall, subject to the rules and regulations of the Department of the Interior, under the direction of the Commissioner of the General Land Office, be disbursed for the surveying, including office and field work, selection, and conveyance of the lands granted and designated in the notice of the Secretary of the Interior, as aforesaid: *And provided further*, That in the event the money deposited by any railroad corporation under the provisions of this act shall exceed the cost of said surveys, the said excess thereof shall be repaid to the corporation so depositing the same, or to its assigns.

SEC. 2. That if any railroad corporation required by law to pay the costs of surveying, selecting, or conveying any lands granted to such corporation, or for its use and benefit, by any act of Congress, shall, for thirty days from notice or demand by the Secretary of the Interior, as provided in this act, neglect or refuse to deposit an amount sufficient to meet the expense of surveying, selecting, and conveying the unsurveyed lands granted to such company, or for its use and benefit, by any act of Congress, and designated in the notice or demand by the Secretary of the Interior, as aforesaid, the rights, title, and interests of such company, and all those claiming by, through, or under it, in and to the unsurveyed lands designated in the notice of the Secretary, as aforesaid, shall cease and forfeit to the United States; and the Secretary of the Interior shall notify the Attorney-General, who shall at once commence proceedings to declare the forfeiture and to restore the lands forfeited to the public domain.

SEC. 3. That this act shall not affect the right of the Secretary of the Interior to cause the public surveys to be extended over any lands granted to any railroad or corporation by any act of Congress in the manner now otherwise provided by law, nor shall any claim, right, interest, or demand of the Government of the United States be waived or annulled by the provisions hereof: *Provided*, That all granted lands surveyed under the provisions of this act shall be subject to taxation by States, Territories, and municipal authorities, and the right of the Government to reimburse itself for the survey, selection, and conveyance of such lands otherwise provided by law shall remain in full force and effect.

SEC. 4. That the Secretary of the Interior shall prescribe such rules and regulations as will be necessary to the carrying out of the foregoing provisions.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PUBLIC BUILDING AT MENOMONIE, WIS.

Mr. STEPHENSON. I ask unanimous consent for the consideration at this time of the bill (S. 1608) for the erection of a public building at Menomonie, Wis.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It directs the Secretary of the Treasury to cause to be erected on a site authorized by the Government a suitable building, in the city of Menomonie, Wis., the cost of the building not to exceed the sum of $50,000.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC BUILDING AT WAYNESBORO, VA.

Mr. MARTIN. I ask unanimous consent for the present consideration of the bill (S. 5364) providing for the erection of a public building in the town of Waynesboro, Va.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with amendments; on page 1, line 7, after the word "building," to insert "including fireproof vaults, heating and ventilating apparatus, and approaches;" in line 9, before the word "revenue," to insert "the United States;" in line 10, after the word "offices," to strike out "in said city with fireproof vaults extending to each story" and to insert "at Waynesboro, Va., the cost of said;" on page 2, line 2, after the word "building," to strike out "thereon, when completed according to plans and specifications to be previously made and approved by the Secretary of the Treasury," and insert "including said vaults, heating and ventilating apparatus, and approaches;" in line 7, before the word "thousand," to strike out "seventy-five" and insert "seventy;" and in line 7, after the word "dollars," to strike out the remainder of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to purchase, or acquire by condemnation proceedings, a site for a building to be erected thereon, and to cause to be erected at the town of Waynesboro, in the State of Virginia, a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, for the use and accommodation of the United States revenue office, post-office, and other government offices, at Waynesboro, Va., the cost of said site and building, including said vaults, heating and ventilating apparatus, and approaches, not to exceed $70,000.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill providing for the purchase of a site and the erection of a public building in the town of Waynesboro, Va."

AMENDMENT OF BANKRUPTCY ACT.

Mr. BACON. I ask unanimous consent for the present consideration of the bill (H. R. 20575) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended by

an act approved February 5, 1903, and as further amended by an act approved June 15, 1906.

I will state that the bill has already been read in the Senate, and, further, that the Senator from Iowa, who made an objection to it the other day, has been communicated with and does not have any objection to the consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

The first amendment was, in section 6, page 4, line 22, after the word "person," to insert "or his representative;" and in line 23, after the word "credit," to strike out "or of being communicated to the trade or to the person from whom he obtained such property on credit" and to insert "from such person," so as to read:

Or (3) obtained money or property on credit upon a materially false statement in writing, made by him to any person or his representative for the purpose of obtaining credit from such person.

The amendment was agreed to.

The next amendment was, in section 9, page 6, line 14, after the word "amended," to strike out "by adding new subdivisions, to be known as subdivisions d and e," and insert "so as," so as to make the paragraph read:

SEC. 9. That section 48 of said act as so amended be, and the same hereby is, amended so as to read as follows:

The amendment was agreed to.

The next amendment was, in section 9, page 6, after line 16, to insert the following:

SEC. 48. Compensation of trustees, receivers, and marshals: (a) Trustees shall receive for their services, payable after they are rendered, a fee of $5, deposited with the clerk at the time the petition is filed in each case, except when a fee is not required from a voluntary bankrupt, and such commissions on all moneys disbursed or turned over to any person, including lien holders, by them, as may be allowed by the courts, not to exceed 6 per cent on the first $500 or less, 4 per cent on moneys in excess of $500 and less than $1,500, 2 per cent on moneys in excess of $1,500 and less than $10,000, and 1 per cent on moneys in excess of $10,000. And in case of the confirmation of a composition after the trustee has qualified the court may allow him, as compensation, not to exceed one-half of 1 per cent of the amount to be paid the creditors on such composition.

(b) In the event of an estate being administered by three trustees instead of one trustee, or by successive trustees, the court shall apportion the fees and commissions between them according to the services actually rendered, so that there shall not be paid to trustees for the administering of any estate a greater amount than one trustee would be entitled to.

(c) The court may, in its discretion, withhold all compensation from any trustee who has been removed for cause.

The amendment was agreed to.

The next amendment was, in section 9, page 7, line 22, after the word "disbursed," to insert "or turned over to any person, including lien holders;" in line 25, after the word "realized," to insert "by the trustees;" in the same line, after the word "in," to strike out "specie" and insert "kind;" and in line 26, after the word "trustees," to strike out "or upon money or property turned over to creditors or to the bankrupt, alleged bankrupt, or other person, under order of the court;" so as to read:

(d) Receivers or marshals appointed pursuant to section 2, subdivision 3, of this act shall receive for their services, payable after they are rendered, compensation by way of commissions upon the moneys disbursed or turned over to any person, including lien holders, by them, and also upon the moneys turned over by them or afterwards realized by the trustees from property turned over in kind by them to the trustees, as the court may allow, not to exceed 6 per cent on the first $500 or less, 4 per cent on moneys in excess of $500 and less than $1,500, 2 per cent on moneys in excess of $1,500 and less than $10,000, and 1 per cent on moneys in excess of $10,000.

The amendment was agreed to.

The next amendment was, in section 9, page 8, line 12, after the word "compositions," to insert the following additional proviso:

Provided further, That when the receiver or marshal acts as a mere custodian and does not carry on the business of the bankrupt as provided in clause 5 of section 2 of this act, he shall not receive nor be allowed in any form or guise more than 2 per cent on the first thousand dollars or less, and one-half of 1 per cent on all above $1,000 on moneys disbursed by him or turned over by him to the trustee and on moneys subsequently realized from property turned over by him in kind to the trustee.

The amendment was agreed to.

The next amendment was, in section 9, page 9, line 5, after the word "disbursed," to insert "or turned over to any person, including lien holders;" in line 8, after the word "realized," to insert "by the trustees;" in line 9, after the word "in," to strike out "specie" and insert "kind," and, in the same line, after the word "trustees," to strike out "or upon money or property turned over to creditors or to the bankrupt, alleged bankrupt, or other person under order of the court," so as to read:

(e) Where the business is conducted by trustees, marshals, or receivers, as provided in clause 5 of section 2 of this act, the court may allow such officers additional compensation for such services by way of commissions upon the moneys disbursed or turned over to any person, including lien holders, by them, and, in cases of receivers or marshals, also upon the moneys turned over by them or afterwards realized by the trustees from property turned over in kind by them to the trustees; such commissions not to exceed 6 per cent on the first $500 or less, 4 per cent on moneys in excess of $500 and less than $1,500, 2 per cent on moneys in excess of $1,500 and less than $10,000, and 1 per cent on moneys in excess of $10,000.

The amendment was agreed to.

The next amendment was to insert the following additional section at the top of page 10:

SEC. 9½. That section 58, subdivision a, of said act as so amended be, and the same is hereby, amended so as to read as follows:

"SEC. 58. Notices to creditors: (a) Creditors shall have at least ten days' notice by mail, to their respective addresses as they appear in the list of creditors of the bankrupt, or as afterwards filed with the papers in the case by the creditors, unless they waive notice in writing, of (1) all examinations of the bankrupt; (2) all hearings upon applications for the confirmation of compositions; (3) all meetings of creditors; (4) all proposed sales of property; (5) the declaration and time of payment of dividends; (6) the filing of the final accounts of the trustee, and the time when and the place where they will be examined and passed upon; (7) the proposed compromise of any controversy; (8) the proposed dismissal of the proceedings; and (9) there shall be thirty days' notice of all applications for the discharge of bankrupts."

The amendment was agreed to.

The next amendment was, on page 12, after line 9, to insert the following as an additional section:

SEC. 13. That section 72 of said act amended as aforesaid is hereby amended to read as follows:

"SEC. 72. That neither the referee, receiver, marshal, nor trustee shall in any form or guise receive, nor shall the court allow him, any other or further compensation for his services than that expressly authorized and prescribed in this act."

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXECUTIVE SESSION.

Mr. CULLOM. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After seven minutes spent in executive session the doors were reopened, and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, June 14, 1910, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate June 13, 1910.

PROMOTIONS IN THE ARMY.

Under the provisions of an act of Congress approved April 23, 1904, I nominate the officers herein named to be placed on the retired list of the army, each with the rank of brigadier-general from the date on which he shall be retired from active service:

Col. J. Estcourt Sawyer, assistant quartermaster-general.

Col. Edward E. Wood, United States Army, professor of modern languages at the United States Military Academy.

PROMOTIONS IN THE NAVY.

Boatswain Carston Nygaard to be a chief boatswain in the navy from the 30th day of July, 1909, upon the completion of six years' service in his present grade.

Boatswain Edward Allen to be a chief boatswain in the navy from the 13th day of September, 1909, upon the expiration of his one year's suspension from promotion, in accordance with the provisions of section 1505, Revised Statutes.

Gunners Emil Swanson, Charles J. Miller, and Kieran J. Egan to be chief gunners in the navy from the 25th day of May, 1910, upon the completion of six years' service in their present grade.

Carpenter Timothy S. Twigg to be a chief carpenter in the navy from the 28th day of December, 1909, upon the completion of six years' service in his present grade.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 13, 1910.

MINISTER TO LIBERIA.

William D. Crum to be minister resident and consul-general at Monrovia, Liberia.

PROMOTIONS IN THE NAVY.

Lieut. (Junior Grade) Herbert E. Kays to be a lieutenant.
Lieut. (Junior Grade) Isaac C. Johnson, jr., to be a lieutenant.
Ensigns Herbert E. Kays and James S. Woods to be lieutenants (junior grade).
George W. Martin to be a second lieutenant in the Marine Corps.
Boatswain Allen T. Webb to be a chief boatswain.
Boatswains Patrick J. Kenney and Frederick W. Metters to be chief boatswains.
Gunners Ernest Kellenberger and Augustus Anderson to be chief gunners.
Machinist Fred W. Cobb to be a chief machinist.

POSTMASTERS.

CALIFORNIA.

Reuben A. Edmonds, at Bakersfield, Cal.

FLORIDA.

William R. O'Neal, at Orlando, Fla.
Joseph L. Skipper, at Lakeland, Fla.

MICHIGAN.

Miles S. Curtis, at Battle Creek, Mich.
Daniel J. Halstead, at Pentwater, Mich.
Charles G. Kellow, at Painesdale, Mich.
Clinton L. Kester, at Marcellus, Mich.
Fred N. Potter, at Alpena, Mich.
Scott Swartout, at Lakeview, Mich.

MINNESOTA.

John Albert Gregerson, at Fertile, Minn.
Edward M. Nagel, at Buffalo, Minn.

NEVADA.

Walter R. Bracken, at Las Vegas, Nev.

NORTH CAROLINA.

E. Grant Pasour, at Gastonia, N. C.

NORTH DAKOTA.

Henry W. Ellingson, at Rugby, N. Dak.
Frank G. Richards, at Marmarth, N. Dak.

PORTO RICO.

Fred Leser, jr., at Mayaguez, P. R.

TENNESSEE.

Gale Armstrong, at Rogersville, Tenn.

TEXAS.

John T. Dawes, at Crockett, Tex.
D. C. Bellows, at Seymour, Tex.
Gaines L. Burke, at Van Alstyne, Tex.
Harry A. Griffin, at Galveston, Tex.
Benjamin F. Hill, at Grapeland, Tex.
Samuel E. Morris, at Carthage, Tex.

WASHINGTON.

Arthur H. Wheaton, at Kennewick, Wash.

WISCONSIN.

James H. Spencer, at Necedah, Wis.
A. C. Vandewater Elston, at Muscoda, Wis.
Benjamin Webster, at Platteville, Wis.

WITHDRAWAL.

Executive nomination withdrawn from the Senate June 13, 1910.

POSTMASTER.

George Clark, jr., to be postmaster at Newton, Iowa.

HOUSE OF REPRESENTATIVES.

MONDAY, *June 13, 1910.*

The House met at 12 o'clock noon.
Prayer by the Chaplain, Rev. Henry N. Couden, D. D.
The Journal of the proceedings of Saturday last was read and approved.

PENSION BILLS.

Mr. LOUDENSLAGER presented for printing under the rule the following conference report (No. 1561) on the bill (S. 6738) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to widows and dependent relatives of such soldiers and sailors:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill S. 6738, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House on page 2, lines 6 to 9, inclusive, and agree to the same.

On page 2, striking out line 16 down to and including line 2 on page 3, and accept the same with an amendment as follows: "The name of Agnes White, widow of George Edward White, late of Company B, Twentieth Regiment Kansas Volunteer Infantry, war with Spain, and pay her a pension at the rate of twelve dollars per month and two dollars per month additional on account of each of the minor children of said George Edward White until they reach the age of sixteen years;" on page 3, striking out lines 12 to 15, inclusive; and agree to the same.

H. C. LOUDENSLAGER,
WM. H. DRAPER,
Managers on the part of the House.

REED SMOOT,
CHARLES CURTIS,
ROBT. L. TAYLOR,
Managers on the Part of the Senate.

STATEMENT.

Statement to accompany report of committee of conference on disagreeing vote of the two Houses on the bill S. 6738.

This bill as it originally passed the Senate contained provisions granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the civil war and to certain dependent relatives of such soldiers and sailors, and was passed by the House with amendments. These amendments were disagreed to by the Senate and a conference held. After full conference the conferees agreed as follows:

That the Senate recede from its disagreement to the amendment of the House, on page 2, lines 6 to 9, inclusive, and agree to the same.

That the Senate recede from its disagreeemnt to the amendment of the House, on page 2, line 16, down to and including line 2, page 3, and agree to the same with an amendment, as follows:

"The name of Agnes White, widow of George Edward White, late of Company B, Twentieth Regiment Kansas Volunteer Infantry, war with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said George Edward White until they reach the age of 16 years."

That the Senate recede from its disagreement to the amendment of the House, on page 3, lines 12 to 15, inclusive, and agree to the same.

H. C. LOUDENSLAGER,
WM. H. DRAPER,
Managers on the part of the House.

Mr. LOUDENSLAGER also presented for printing under the rule conference report (No. 1562) on the bill S. 6073, an act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to certain widows and dependent relatives of such soldiers and sailors.

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill S. 6073, having met, after full and free conference have agreed to

recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House on page 1, striking out line 10 down to and including line 2, page 2, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House on page 5, striking out lines 14 to 23, inclusive, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House on page 5, striking out lines 14 to 23, inclusive, and accept the same with an amendment as follows: "The name of Charles H. Roth, late of Company A, Twenty-second Regiment United States Infantry, and pay him a pension at the rate of twenty-four dollars per month in lieu of that he is now receiving."

That the Senate recede from its disagreement to the amendment of the House on page 6, line 2, striking out the word "forty" and inserting "thirty," and agree to the same.

H. C. LOUDENSLAGER,
WM. H. DRAPER,
Managers on the part of the House.

REED SMOOT,
CHARLES CURTIS,
ROBT. L. TAYLOR,
Managers on the part of the Senate.

STATEMENT.

Statement to accompany report of committee of conference on disagreeing votes of the two Houses on S. 6073.

The bill as it originally passed the Senate contained provisions granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and to certain soldiers and sailors of wars other than the civil war, and to certain dependent relatives of such soldiers and sailors, and was passed by the House with amendments. These amendments were disagreed to by the Senate and a conference held. After full conference the conferees agreed as follows:

That the Senate recede from its disagreement to the amendments of the House, on page 1, line 10, down to and including line 2, page 2, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House, on page 2, lines 6 to 11, inclusive, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House, on page 5, lines 14 to 23, inclusive, and agree to the same, with an amendment as follows:

"The name of Charles H. Roth, late of Company A, Twenty-second Regiment United States Infantry, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving."

That the Senate recede from its disagreement to the amendment of the House, on page 6, line 2, and agree to the same.

H. C. LOUDENSLAGER,
WM. H. DRAPER,
Managers on the part of the House.

Mr. LOUDENSLAGER also presented for printing under the rule the following conference report (No. 1560) on bill S. 7229, an act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to widows and dependent relatives of such soldiers and sailors:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill S. 7229 having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment on page 2, striking out lines 18 to 22, inclusive.

That the Senate recede from its disagreement to the amendment of the House on page 1, striking out line 6, down to and including line 3 on page 2; and agree to the same.

That the Senate recede from its disagreement to the amendment of the House on page 2, striking out lines 8 to 14, inclusive, and agree to the same with an amendment as follows: "The name of Frank Rogers, late of Troop L, Ninth Regiment United States Cavalry, and pay him a pension at the rate of twelve dollars per month."

That the Senate recede from its disagreement to the amendment of the House on page 3, striking out lines 3 to 16, inclusive, and agree to the same with an amendment as follows: "The name of Ellen Waters, widow of David Waters, late of Company A, Seventy-first Regiment New York Volunteer Infantry, war with Spain, and pay her a pension at the rate of twelve dollars per month and two dollars per month additional on account of each of the minor children of said David Waters until they reach the age of sixteen years."

H. C. LOUDENSLAGER,
WM. H. DRAPER,
Managers on the part of the House.

REED SMOOT,
CHARLES CURTIS,
ROBT. L. TAYLOR,
Managers on the part of the Senate.

STATEMENT.

Statement to accompany report of committee of conference on disagreeing vote of the two Houses on S. 7229.

This bill as it originally passed the Senate contained provisions granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to certain dependent relatives of such soldiers and sailors, and was passed by the House with amendments. These amendments were disagreed to by the Senate and a conference held. After full conference, the conferees agreed as follows:

That the Senate recede from its disagreement to the amendment of the House, on page 1, line 6, down to and including line 3, page 2, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House, on page 2, lines 8 to 14, inclusive, and agree to same with an amendment as follows:

"The name of Frank Rogers, late of Troop L, Ninth Regiment United States Cavalry, and pay him a pension at the rate of $12 per month."

That the Senate recede from its disagreement to the amendment of the House, on page 3, lines 3 to 16, inclusive, and agree to the same with an amendment as follows:

"The name of Ellen Waters, widow of David Waters, late of Company A, Seventy-first Regiment New York Volunteer Infantry, war with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said David Waters until they reach the age of 16 years."

H. C. LOUDENSLAGER,
WM. H. DRAPER,
Managers on the part of the House.

J. MITCHELL GALVIN V. JOSEPH F. O'CONNELL.

Mr. KNAPP, by direction of Committee on Elections No. 1, presented the privileged report (H. Res. 792, Report No. 1565) on the contested-election case of J. Mitchell Galvin *v.* Joseph F. O'Connell, from the Tenth Congressional District of Massachusetts, which was ordered to be printed.

HENRY C. WARMOTH V. ALBERT ESTOPINAL.

Mr. KOPP, by direction of Committee on Elections No. 1, presented a privileged report (H. Res. 793, Report No. 1566) in the contested-election case of Henry C. Warmoth *v.* Albert Estopinal, from the First Congressional District of Louisiana, which was ordered printed.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 5167) to provide for an enlarged homestead.

The message also announced that the Senate had receded from its amendments to the bill (H. R. 22643) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1911, and for other purposes, Nos. 28 and 45, disagreed to by the House of Representatives.

The message also announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 149. Joint resolution to enable the States of Wisconsin, Illinois, Indiana, and Michigan to determine the jurisdiction of crimes committed on Lake Michigan.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13907) to provide for agricultural entries on coal lands.

ENROLLED BILLS SIGNED.

Mr. WILSON of Illinois, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 20686. An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 4179. An act authorizing the Omaha tribe of Indians to submit claims to the Court of Claims;

S. 5071. An act for the relief of William Frye White, owner of lots 103, 104, 105, and 106, square 754, Washington, D. C., with regard to assessment and payment of damages on account of changes of grade due to construction of the Union Station, District of Columbia;

S. 5167. An act to provide for an enlarged homestead;

S. 7285. An act to pay funeral and transportation expenses of certain Bois Fort Indians; and

S. 7409. An act for the relief of the First National Bank of Minden, Nebr.

ORDER OF BUSINESS.

Mr. TAWNEY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 26730, the general deficiency appropriation bill. Pending that motion I desire to ask unanimous consent that all Members of the House speaking on the general deficiency bill may be allowed to extend remarks in the RECORD, and that general leave to print be granted for a period of ten days after the passage of the bill in the House.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that all Members speaking on the general deficiency bill may be allowed to extend remarks, and Members otherwise be allowed ten days to print after the passage of the bill.

Mr. FITZGERALD. Mr. Speaker, I object. I want some limit to indefinite printing.

Mr. TAWNEY. I will modify my request, Mr. Speaker, and make it that Members speaking in general debate may be allowed to extend their remarks in the RECORD.

The SPEAKER. Is there objection?

Mr. FITZGERALD. Does the gentleman mean a Member speaking on the bill, or will it permit a Member to be recognized and then to print anything he pleases? If that is the intention, I shall object.

Mr. TAWNEY. Under the rules of the House, in general debate a Member is not limited to the appropriation bill, but can discuss any subject that he wants in Committee of the Whole. This is merely to allow them, where they have not time to conclude their remarks, to extend remarks in the RECORD.

Mr. FITZGERALD. Mr. Speaker, it has been the custom at this time, in the session just immediately preceding an election, to load up the CONGRESSIONAL RECORD with the greatest lot of political junk it is possible to collect. Nobody ever reads it, nobody ever uses it; it only gratifies some one's vanity and increases the cost to the Government. I object.

Mr. SMITH of Michigan. Mr. Speaker, I make the point of order that this is District day on the calendar.

The SPEAKER. It is District day, but this motion is in order. If the motion is voted down, of course the regular order would be District business. The question is on the motion of the gentleman from Minnesota that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the general deficiency appropriation bill.

The question was taken; and on a division (demanded by Mr. SMITH of Michigan) there were 95 ayes and 20 noes.

Mr. SMITH of Michigan. I make the point of no quorum.

The SPEAKER. The point is well taken. The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members. As many as are in favor of the motion will answer "aye," those opposed will answer "no," and those present will answer "present," and the Clerk will call the roll.

The question was taken; and there were—yeas 206, nays 31, answered "present" 25, not voting 128, as follows:

YEAS—206.

Adair	Bingham	Candler	Dalzell
Alexander, Mo.	Boehne	Cassidy	Davidson
Alexander, N. Y.	Bowers	Clayton	Dawson
Ansberry	Brantley	Collier	Denby
Anthony	Broussard	Cowles	Dent
Ashbrook	Burgess	Cox, Ind.	Denver
Barnard	Burleson	Creager	Dickinson
Barnhart	Burnett	Crow	Dickson, Miss.
Beall, Tex.	Byrd	Crumpacker	Diekema
Bell, Ga.	Byrns	Cullop	Dixon, Ind.
Draper	Hawley	Malby	Smith, Cal.
Driscoll, D. A.	Hay	Martin, S. Dak.	Smith, Iowa
Driscoll, M. E.	Heflin	Mays	Smith, Tex.
Durey	Henry, Conn.	Miller, Kans.	Snapp
Dwight	Henry, Tex.	Millington	Sparkman
Edwards, Ga.	Higgins	Mondell	Sperry
Ellerbe	Hill	Moon, Tenn.	Spight
Ellis	Houston	Morgan, Mo.	Stanley
Elvins	Howard	Morgan, Okla.	Steenerson
Englebright	Howell, Utah	Morrison	Stephens, Tex.
Esch	Howland	Morse	Sterling
Estopinal	Hughes, Ga.	Murdock	Stevens, Minn.
Fassett	Hull, Tenn.	Nelson	Sulloway
Ferris	James	Nicholls	Swasey
Fitzgerald	Jamieson	Oldfield	Talbott
Flood, Va.	Johnson, Ky.	Olmsted	Tawney
Floyd, Ark.	Johnson, S. C.	Padgett	Taylor, Ala.
Foss, Ill.	Joyce	Page	Taylor, Colo.
Fuller	Kelliher	Parker	Taylor, Ohio
Garner, Pa.	Kendall	Patterson	Thistlewood
Garner, Tex.	Kennedy, Iowa	Payne	Thomas, Ky.
Garrett	Kennedy, Ohio	Plumley	Thomas, N. C.
Gill, Md.	Kinkaid, Nebr.	Poindexter	Thomas, Ohio
Gill, Mo.	Kitchin	Pou	Tirrell
Gillespie	Kopp	Pray	Tou Velle
Glass	Küstermann	Prince	Turnbull
Good	Latta	Pujo	Underwood
Graff	Lawrence	Rainey	Volstead
Graham, Ill.	Lenroot	Randell, Tex.	Vreeland
Graham, Pa.	Lever	Ransdell, La.	Wallace
Grant	Livingston	Reeder	Watkins
Greene	Lloyd	Richardson	Webb
Gronna	Longworth	Roberts	Wheeler
Guernsey	McCredie	Roddenbery	Wickliffe
Hamer	McDermott	Rodenberg	Wilson, Ill.
Hamilton	McGuire, Okla.	Rucker, Mo.	Wilson, Pa.
Hamlin	McKinley, Ill.	Scott	Wood, N. J.
Hammond	McKinney	Shackleford	Woods, Iowa
Hanna	McLachlan, Cal.	Sheppard	Woodyard
Hardwick	Macon	Sherwood	Young, Mich.
Hardy	Madison	Sims	
Havens	Maguire, Nebr.	Sisson	

NAYS—31.

Austin	Gallagher	Langham	Olcott
Bennet, N. Y.	Haugen	McLaughlin, Mich.	Pearre
Booher	Hayes	McMorran	Pratt
Campbell	Helm	Miller, Minn.	Rothermel
Cary	Howell, N. J.	Moss	Smith, Mich.
Chapman	Hubbard, Iowa	Needham	Sulzer
Cooper, Wis.	Huff	Norris	Wiley
Coudrey	Lafean	Nye	

ANSWERED "PRESENT"—25.

Adamson	Cline	Hollingsworth	Loudenslager
Aiken	Currier	Hubbard, W. Va.	Martin, Colo.
Bartlett, Nev.	Davis	Hughes, N. J.	Murphy
Burke, S. Dak.	Douglas	Kahn	Small
Butler	Fairchild	Knapp	
Carlin	Foster, Ill.	Lee	
Clark, Fla.	Goebel	Lindbergh	

NOT VOTING—128.

Allen	Dodds	Humphrey, Wash.	Palmer, H. W.
Ames	Edwards, Ky.	Humphreys, Miss.	Parsons
Anderson	Finley	Johnson, Ohio	Peters
Andrus	Fish	Jones	Pickett
Barchfeld	Focht	Keifer	Rauch
Barclay	Foelker	Kinkead, N. J.	Reid
Bartholdt	Fordney	Knowland	Reynolds
Bartlett, Ga.	Fornes	Korbly	Rhinock
Bates	Foss, Mass.	Kronmiller	Riordan
Bennett, Ky.	Foster, Vt.	Lamb	Robinson
Borland	Foulkrod	Langley	Rucker, Colo.
Boutell	Fowler	Law	Russell
Bradley	Gaines	Legare	Sabath
Brownlow	Gardner, Mass.	Lindsay	Saunders
Burke, Pa.	Gardner, Mich.	Loud	Sharp
Burleigh	Gardner, N. J.	Lowden	Sheffield
Calder	Gillett	Lundin	Sherley
Calderhead	Gilmore	McCall	Simmons
Cantrill	Godwin	McCreary	Slayden
Capron	Goldfogle	McHenry	Slemp
Carter	Gordon	McKinlay, Cal.	Southwick
Clark, Mo.	Goulden	Madden	Stafford
Cocks, N. Y.	Gregg	Mann	Sturgiss
Cole	Griest	Maynard	Tener
Conry	Hamill	Moon, Pa.	Tilson
Cook	Harrison	Moore, Pa.	Townsend
Cooper, Pa.	Heald	Moore, Tex.	Wanger
Covington	Hinshaw	Morehead	Washburn
Cox, Ohio	Hitchcock	Moxley	Weeks
Craig	Hobson	Mudd	Weisse
Cravens	Hughes, W. Va.	O'Connell	Willett
Dies	Hull, Iowa	Palmer, A. M.	Young, N. Y.

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. GRIEST with Mr. RUCKER of Colorado.

Mr. TOWNSEND with Mr. ROBINSON.

Mr. WEEKS with Mr. LEGARE.

Mr. SHEFFIELD with Mr. MARTIN of Colorado.

Mr. MADDEN with Mr. RAUCH.

Mr. KRONMILLER with Mr. WEISSE.

Mr. KNAPP with Mr. SHARPE.

Mr. SOUTHWICK with Mr. MOORE of Texas.

Mr. GILLETT with Mr. SHERLEY.

Mr. GARDNER of New Jersey with Mr. GODWIN.

Mr. GAINES with Mr. HAMILL.

Mr. LOWDEN with Mr. FOSTER of Illinois.
Mr. FORDNEY with Mr. RHINOCK.
Mr. CAPRON with Mr. GILMORE.
Mr. DAWES with Mr. O'CONNELL.
Mr. MANN with Mr. JONES of Virginia.
Mr. CALDERHEAD with Mr. FOSS of Massachusetts.
Mr. BOUTELL with Mr. WILLETT.
Mr. BURLEIGH with Mr. CRAVENS.
Mr. JOHNSON of Ohio with Mr. CANTRILL.
Mr. BARTHOLDT with Mr. CLARK of Florida.
Mr. BARCHFELD with Mr. BORLAND.
Mr. HUGHES of West Virginia with Mr. ANDERSON.
Mr. LOUDENSLAGER with Mr. KINKEAD of New Jersey.
Mr. GOEBEL with Mr. COX of Ohio.
Mr. BURKE of Pennsylvania with Mr. SLAYDEN.
Mr. COOK with Mr. HUMPHREYS of Mississippi.
Mr. FOULKROD with Mr. CRAIG.
Mr. KEIFER with Mr. REID.
Mr. COCKS of New York with Mr. LAMB.
Mr. BROWNLOW with Mr. GORDON.
Mr. KAHN with Mr. CARTER.
Mr. HUBBARD of West Virginia with Mr. RUSSELL.
Mr. BURKE of South Dakota with Mr. SAUNDERS.
Mr. BUTLER with Mr. GREGG.
Mr. LANGLEY with Mr. BARTLETT of Georgia.
Mr. FAIRCHILD with Mr. HOBSON.
For the session:
Mr. AMES with Mr. AIKEN.
Mr. WANGER with Mr. ADAMSON.
Mr. SLEMP with Mr. MAYNARD.
Mr. BRADLEY with Mr. GOULDEN.
Mr. CURRIER with Mr. FINLEY.
Mr. YOUNG of New York with Mr. FORNES.
Mr. ANDRUS with Mr. RIORDAN.
For one week:
Mr. MCCALL with Mr. HUGHES of New Jersey.
For one day:
Mr. HEALD with Mr. KORBLY.
Mr. MOORE of Pennsylvania with Mr. SMALL.
Mr. MURPHY with Mr. CLARK of Missouri.
From June 1 to end of session:
Hr. HENRY W. PALMER with Mr. LEE.
From Wednesday noon to Tuesday, inclusive:
Mr. BATES with Mr. GOLDFOGLE.
From June 2 to June 16, inclusive:
Mr. KNOWLAND with Mr. BARTLETT of Nevada.
From June 10 to Thursday noon:
Mr. GARDNER of Michigan with Mr. CLINE.
Until Tuesday, June 14:
Mr. WASHBURN with Mr. PETERS.
Mr. MOON of Pennsylvania with Mr. CARLIN.
Until Thursday, June 16:
Mr. PICKETT with Mr. SABATH.
Mr. CALDER with Mr. LINDSAY.
From June 9 to June 15, noon:
Mr. TILSON with Mr. COVINGTON.
From June 9 to June 19:
Mr. BENNETT of Kentucky with Mr. HITCHCOCK.
From June 11 to June 19:
Mr. FOELKER with Mr. A. MITCHELL PALMER.
From June 11 to June 20, inclusive:
Mr. MOXLEY with Mr. CONRY.
Mr. MCCREARY with Mr. HARRISON.
From June 13 to June 20, inclusive:
Mr. LUNDIN with Mr. DIES.
From June 13 to June 16, noon:
Mr. FISH with Mr. MCHENRY.

Mr. HUGHES of New Jersey. Mr. Speaker, I desire to inquire how I am recorded?

The SPEAKER. In the negative.

Mr. HUGHES of New Jersey. Being paired with the gentleman from Massachusetts [Mr. MCCALL], I desire to withdraw my vote and vote "present."

The SPEAKER. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. HUGHES of New Jersey, and he answered "present."

The SPEAKER. Upon this vote the ayes are 206, noes 31, present 25—a quorum. The Doorkeeper will open the doors. The motion is agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the general deficiency bill, with Mr. LAWRENCE in the chair.

LEAVE OF ABSENCE.

By unanimous consent, Mr. COCKS of New York was granted leave of absence for three days, on account of death in family.

GENERAL DEFICIENCY APPROPRIATION BILL.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 26730, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 26730) making appropriations to supply deficiencies in appropriations for the fiscal year 1910, and for other purposes.

Mr. TAWNEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the first reading of the bill may be dispensed with. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. TAWNEY. Mr. Chairman, I yield forty minutes to the gentleman from Minnesota, my colleague [Mr. NYE].

Mr. NYE. Mr. Chairman, I shall attempt this morning to offer a few suggestions upon the general theme of patriotism and progress. If there is any deficiency in patriotism and progress, my remarks will be germane to the bill. I am altogether aware that what I may say will be imperfect in many respects, offhand as it will be, but I hope that what I may say may possibly be of some benefit to the House, as the subject is one in which all good patriotic people and all good American citizens are interested. The evolutionist attempts to tell us where we came from and the theologian where we are going to. Most of us have misgivings as to the conclusions of either of those distinguished leaders of thought, but one thing it is possible we may agree upon, and that is that we are here. [Applause.] We are here, and I believe we are here in the best century since the dawn of creation [applause]; the best decade, of course, in this century so far, the best year of the decade, the best day of the year, and the best hour of the day to men who can see it. [Applause.] However, the metaphysician says that there is some question about whether we are all here or not, and he tells us, with some color of truth, it seems to me, that the here and now are not the same to any two creatures or beings who move upon the earth. It seems to be all a matter of individual consciousness. No two men on a rare June morning in Washington can walk through the Botanic Garden and look upon the trees, flowers, and sky above them and up to the Capitol Dome with the same realization of the vastness and beauty of the universe in which it is our pleasure to live and have our being. The black and somber crow and the joyous lark fly through the same atmosphere under the same sky and alight on the same tree. The music of the nightingale and the hoot of the owl mingle in the common night.

The optimist and the pessimist speak from the same platform, but the auditor catches the words of one which bring to him a revelation of beauty and life and faith and hope, and all things seem to open to him serenely and he is in touch with infinity, while under the withering touch of the other the world seems to shrink and groan and all seems to portray death. We march together, the optimist and the pessimist, the man of hope and joy, the man of sorrow; one sings a hosanna, the other a dirge, all in the same locality geographically, all amid the same outward environment. These facts lead us to a study of the philosophy of life somewhat, and I have come to the conclusion that gratitude is the one great element of true and pure patriotism. Only a grateful man can be a real patriot; only a grateful people can be truly and sincerely patriotic. Optimism is the word. As a man thinketh in his heart, says the wise man, so is he; as that which is within projects the vision of that which is without, so men walk side by side in this world of ours, the one in heaven and the other in hell. It is all a question of our realization of the blessings that we have.

There is a great deal in politics that is sham and evanescent, and when we strip off the mask and get down to the subject of our country and what it is, one general sentiment of love pervades the common heart. A land blessed as no other since the dawn of creation, prosperous from sea to sea as it has ever been at least, with inequalities and injustice and wrongs it may be to right, as there have always been, but nevertheless there shines on our Starry Banner to-day every reason for hope, every reason for faith in our country, in our land, and even in the public servants of the country who are a target of criticism and often of denunciation. [Applause.]

It is a wonderful day and a wonderful age. We are heirs not only of the blessings which have come to us since the days of our fathers on this continent, but, more than this, we are

the heirs of all the rich and wondrous past. Every hero, every martyr, every scholar, every philosopher, every poet, and every musician comes to us and lays his wealth of genius and self-sacrifice at our feet in this twentieth century of our Lord, and we are the recipients of them all; blest as no other people of any other age.

We are not perfect. The Republican party is not perfect, and of course the Democratic party is not perfect. "If the righteous scarcely be saved, where shall the sinner and the ungodly appear?" They are all pretty good fellows. We are all here trying to do our duty from our standpoint of right and patriotism. If I can say anything to-day that will right ourselves with the world and our constituents, I will be glad to do it. I do not know as I can, and I do not know as I care much, so far as I am concerned personally. But there seems to be a duty and a debt which I owe in my conscience to the House and to the country to say that we have a lot of pretty good fellows in this House, and a Speaker who, to my mind, is not the worst man who ever drew the breath of life. [Applause on the Republican side.]

I notice in looking around over the world and its history how things shift and change. I know how prone we are to watch the weather vane, to shift and tack with every breeze that comes to us laden with the promise of votes. And it reminds me of what my friend from California [Mr. McKINLAY] said the other day. I thought it was about the wisest thing in a sentence I have heard for some time. He said that one of the things that ails the country the most to-day is that the average Congressman thinks too much of his job. [Applause.]

Well, now, when we come into the realm of political life the same principle of optimism and pessimism seems to pervade the country, the world, and the age. Thus far we have found it impossible to translate our ideas of government into life except through the instrumentality of parties. This is a government for the people, I believe. Our fathers gave us a country designed to be a government by the people. They could not give us a government by the people, however, except as the people exercise the functions of government. But through the instrumentality of political organizations slowly and by degrees, as we are uplifted in the centuries, we carry into effect imperfectly the views and the ideas and the ideals of government.

A great many people differ as to the functions of government. We hear it often said that no government should do anything for the individual which the individual can do for himself. This may be true. But the best government in a republic is the government which does the most for its people, that uplifts man toward liberty, toward a wider range of intelligence, toward a purer patriotism, toward grander and nobler ideals. Government for the people in its last analysis should open the avenues of infinite possibility to the individual. Some say that this Government was founded upon the idea of liberty.

But back of that, it seems to me, is the idea of the possibilities of the individual man. That is what I take it a government for the people is for. In the home and by the fireside we have our ideals of what the nation should be, of what laws should be, and government should be; but you have got to put an active, practical force out into the field to fight these battles and bring home as far as possible the fruit of these ideals in actual government. An inefficient party is no better than an inefficient army on the field of battle. Imperfect? Yes. The individual must constantly yield his views upon specific questions of legislation; but, nevertheless, with cohesive power the party must move together and accomplish the best results that are attainable. I do not want to make idle boast in a narrow and superficial way of my political party. I believe in it, however. I glory in its history; I glory in the thought that it was born in the night of human bondage and its first shout was a shout of human liberty and human rights. And I believe it has moved along in the line of progress with a fair degree of success for fifty years. [Applause on the Republican side.]

I will not attempt to say how far this great cohesive political organization has contributed to the growth and progress of this nation and the world, but it is a source of some pride, as I turn to the history of the past half century, note the marvelous growth and development and the triumph of American genius, and remember that those fifty years measure the lifetime of the Republican party and the almost unbroken history of its administrative policies and its constructive statesmanship. The experience which we have got from these fifty years is worth more than our national wealth. The genius of our national life seems to have quickened the pulse of the whole world and sent new blood to the brain of the age in which we live. How far the party of Abraham Lincoln has contributed to this I am willing to let history determine; but the good achieved in the past I believe warrants faith in the future and justifies a renewal of loyalty to this party of freedom which in the past fifty years has wrought so well and accomplished so much. [Applause.]

But what is the lesson of to-day? The lesson is that we must not stop to quarrel by the way. The lesson is that nothing is accomplished in true and enduring progress by bickering and quarrel, and distrust of our fellow-man, our Nation, or our party. Faith lies at the root and foundation of this Republic, and faith in good, faith in the good that is in man. I know the history of that marvelous and wondrous character whom we look to as the father of this great party, Lincoln; and I remember that that great, simple, democratic character had faith in man, faith in the good that is in man. When he came, even in disguise, to this great capital, almost spurned by the cultured East, bitterly denounced by the South, distrusted in a measure by the North, and almost unknown everywhere, when he came to the discharge of his great duties, this man had an unfaltering faith in the good which was in his fellow-men. "He spoke to the land, and an army marched to the defense of the flag and country; he spoke to the sea, and a navy crowned its waves; he spoke to the resources of the country, its credit, which was then almost gone, and even Wall Street responded." There is something almost invincible and irresistible in the man of faith, and humanity follows the man of faith, faith in the good that is in mankind. [Applause.]

Lincoln seems to have believed there was good in all men when you touch the right chord of their being, and so taught. The antithesis of this is suspicion. Suspicion is one of the greatest enemies of the race and of all progress. It is in the world about us; it is here in the House in a measure. To illustrate—and I do it with no criticism, for I assume that every man acts conscientiously and according to his best judgment—we had before us a few days ago the Senate railroad bill. We had a close fight on it; it was finally sent to a conference committee. It was opposed on the floor, and some men openly stated it was because the conference committee would not give us a bill as good as the Senate bill. That is legislation based upon suspicion. That is legislation based upon distrust. I prefer to assume that officials of this House, whether they are on conference committees or anywhere else, will act up to their highest sense of duty; and I predict that even in this case they will bring into the House a better bill than either the House or the Senate bill. [Loud applause.]

Here were two bills, with good provisions in each, with bad provisions in each. I would base my legislation upon faith in the officials who are in conference, believing that they will unite the better qualities and the better elements of the two bills and give us legislation that is in the interest of the country, and that the people really want. I believe, with Tennyson, a man better fail, better be betrayed, than to distrust everybody; better, as he says, "to have loved and lost than never to have loved at all."

Better trust our fellow-men rather than build up a legislative fabric upon the principle that men are enemies to good legislation and enemies of their country, and that officials will not do their duty. I do not believe in it. I believe we are all here trying to do the very best we can under all circumstances. I would rather trust men. Even if I should be here in the minority, I would try to trust the majority to some extent at least, for I believe that men do the best they can as a rule. Let us not stop to quarrel by the way.

Now, there are a lot of funny things, and some rather perplexing and disagreeable things, in the country. I have got an opponent now up in my district. He is canvassing and making speeches and is telling them that he is Uncle Sam's man and that NYE is Uncle JOE's man. [Laughter.]

There is lots of humor in the world. Now, he is a good fellow, and I am willing to concede he will make a lot of people believe that probably, and perhaps enough so that he will have a chance to come down here and save the country. [Laughter.] If he comes, I want you to use him as well as you have always used me. But what a difference there is in men's ideas and views of politics. As we are nearing the great natal day of the Nation we are reminded it is a noble thing to be an Uncle Sam man. I hope in the chamber of my thoughts and aspirations that my heart beats somewhat at least in accord with Uncle Sam. I do not say that his does not, probably as much and maybe more than mine, I do not know; but he has got a vision of things, that he can not be an Uncle Sam's man and be even a little bit of an Uncle JOE man. I, according to my view, can be an Uncle Sam's man and enough of an Uncle JOE man to do him justice, though the heavens should fall and the last spark of my political ambition be forever quenched.

[Applause.] I had rather do the right thing and the just thing by all men, and fail in a political race because of doing it, than to betray my conscience at such an hour and succeed. [Applause.]

How narrow is the view of some men. Pardon me if I say a word about Uncle JOE. He is not here; please do not send for him; but where is the man who in his conscience and his life, if he is a student of his country's history, will say that Uncle JOE is not an Uncle Sam's man? Who is there that will read the history of the past fifty years and say that he should be denounced as an enemy to progress, to patriotism, to good legislation, and good citizenship? I did not vote for him in the caucus. I believed that in the nature of things—age and all things considered—a change of leadership was desirable, and that new men should come to the front; but God forbid that I should despise all the wisdom of the past and denounce all the men who have been in the harness of public life for a third of a century, fighting the battles, not alone of their political organization and their political faith, but fighting the battles of America's true progress and true patriotism. [Applause.] I do not need to offer any defense. Long after Uncle JOE has gone many of us will need defense more than he. Judge not that ye be not judged.

And while I speak at this time more particularly to men of my political faith, let me remind you that fifty years ago this summer this man, then in the morning of his majority, went 50 miles across the prairies of Illinois and sat as a delegate in the Decatur convention that sent a delegation to the national convention who nominated the immortal Abraham Lincoln, the greatest man in our political history. [Applause.] He sat there with plain, homely, humble Abraham Lincoln, who was about to enter a path which would lead him to crucifixion and death. And for fifty years, let it be said to Uncle JOE's credit, he has been a Republican. [Applause.] That early day came when many of us were in our swaddling clothes, and when perhaps more of us were not yet born. He has seen great changes. He has seen us of the younger generation veer, wobble, and tack with every breeze, but he has moved in one course, toward one fixed star as he believed, of Republicanism and right, a star made luminous by the light of the immortal Abraham Lincoln himself. He has been honored by his country and by all parties, and I am always glad when men strip off the mask of party, and good Democrats as well as Republicans in this House rise to pay their respect to one who is crowned with 74 years of an active and useful life to his country and his people. [Applause.]

Mistakes? Yes, he has made them and so have we. I do not want to hear him say harsh things about anybody who does not agree with him; but when he leaves the public service I want him to leave it with the respect and the love that is due him from men who can lay aside prejudices and hates, and recognize men for their real worth. This is my view, not that I want to criticise or to champion the cause of anybody, but that I want to be just to everybody. Happy, indeed, may we be at the sunset of life if we have performed our duty and our service to our country as well as some of the older men whom we are so ready to denounce. [Applause.]

I do not know what the newspapers will think about this, or say, but I will bet $100 that there is not one in the country that will quote me right to-morrow. [Laughter.] But I want to say this, that it is not a matter altogether of length of service here in this House. Great deeds and great work, and true work, patriotic work in the line of enduring progress, does not necessarily depend upon length of years in this House nor in the other, or in office anywhere.

An old man came up from Mississippi—and I venerate him though I never knew him—and sat in the Senate, I think, for sixty days this winter, and when he left it he left a benediction upon our country, a message as fraternal as the sky that bends above us. That message will go deeper into the hearts of the American people, joining with stronger bonds the sections of our country than the work of men who may spend fifty or sixty years in this House or in the other.

It is not in length of service; it is in doing the thing that is right that will stand the test of time, of reason, and of conscience. What does it matter whether we are here two years or four years or six years or ten years or twenty years? It is of little consequence to the great country and its future and its real progress.

Vainly and madly ambitious, we strive to write our names to-day upon the sands of public distinction, and to-morrow the rising and shifting tide of public sentiment and perhaps passion and prejudice will sweep away both writer and inscription, and they are gone forever.

[The time of Mr. NYE having expired, Mr. TAWNEY yielded him ten minutes more.]

Mr. NYE. Many of us are writing, perhaps, on the sand, but only he who engraves his words and deeds in the hearts of his fellow-men, he and he alone, will live.

In this coming political conflict let us fight fair and in the open, face to face. A great judge, the chief justice of Wisconsin, one time said to the law students that, within certain limits, the lawyer on the wrong side of the case was ministering to justice the same, perhaps, as the man on the right side. The two elucidate the facts and the law and establish justice, and, within proper bounds, are ministers of justice. So a political campaign is much the same. It does not matter that our friends over there are on the wrong side of the table; they are trying to secure justice and right as they see it, the same as we. But let us fight openly and fairly; no bushwhacking in the field, no pettifogging, but honestly seek for a greater degree of justice, and, appealing to that which is best in our fellowmen, leave to them the question as to who can best serve them and the country and best minister to real progress and real patriotism.

Parties are but the human agencies of government and the servants of progress. Let us on this side unite under the old banner of Republicanism, laying aside personal differences, and march in solid phalanx to victory. This great party of liberty is no broken sword; but if it were, then I say in the words of that modern poet:

Fight ever on; this earthy stuff
If used God's way will be enough.
Face to the firing line, O friend;
Fight out life's battle to the end.

One soldier, when the fight was red,
Threw down his broken sword and fled;
Another snatched it, won the day
With what his comrade flung away.

I believe in human instrumentalities to accomplish God's work, the work of patriotism and progress. Let us go into it. Get on your armor over there. As far as the fight is honest and earnest, as far as we all present the case from our standpoint of patriotism, there can be no danger and no bad results.

No doubt there will be much of sham, probably on both sides, much that is effervescent and will pass away, but there will be enough that is earnest and honest so that when it is over the country will be better and stronger, the atmosphere purified, and a stronger and firmer faith will rest in the American heart in our country, in our institutions, and our people. So I say, "Rally, ye Republicans, under the banner of the glorious Lincoln and under the banner of progress."

Mr. Chairman, I am always delighted to hear the distinguished leader on the other side, the gentleman from Missouri [Mr. CLARK], when he addresses this House, and although he is a man with whom I am not intimately acquainted, I can not help but feel a strong personal attachment for him. A few days ago, in closing an address upon the tariff-board provision of the sundry civil appropriation bill, turning to his colleagues on that side of the House, he said, "Up, guards, and at them!" And I say to you here, on this side, friends of freedom, of progress, and of patriotism, "Get to your guns, and let them come on!" [Prolonged applause.]

Mr. TAWNEY. Mr. Chairman, before moving to go into the Committee of the Whole House on the state of the Union, I neglected to ask unanimous consent of the House that the time for general debate be controlled by the gentleman from Mississippi [Mr. BOWERS] on that side and by myself on this side. Inasmuch as that consent can be given only by the House, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LAWRENCE, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 26730, the general deficiency appropriation bill, and had come to no resolution thereon.

Mr. TAWNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the general deficiency appropriation bill, and pending that motion I ask unanimous consent that the time for general debate be controlled on that side of the House by the gentleman from Mississippi [Mr. BOWERS] and on this side by myself, and to be equally divided.

The SPEAKER. The gentleman from Minnesota moves that the House do resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the general deficiency appropriation bill, pending which motion he asks unanimous consent that the time to be consumed in general debate be controlled one-half by himself and one-half by the gentleman from Mississippi [Mr. BOWERS]. Is there objection?

Mr. LAWRENCE. Mr. Speaker, does the gentleman from Minnesota intend to have the time already occupied by the gentleman from Minnesota [Mr. NYE] charged to his account?

Mr. TAWNEY. I do.

The SPEAKER. The Chair hears no objection, and it is so ordered. The question is on the motion of the gentleman from Minnesota that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the general deficiency appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the general deficiency appropriation bill, with Mr. LAWRENCE in the chair.

Mr. BOWERS. Mr. Chairman, I yield two minutes to the gentleman from New York [Mr. SULZER].

Mr. SULZER. Mr. Chairman, that is long enough for what I want to say now. No doubt the optimistic speech of the gentleman from Minnesota [Mr. NYE] impressed favorably some of those assembled here to-day; but I observed that the good and faithful and patient school-teachers present in the galleries, who expected their bill for retirement to be brought up this morning and passed, did not, from their sad and disappointed appearance, evince very much enthusiasm over the speech. On the contrary, they seemed to take a most pessimistic view of the whole matter. And justly so, in my judgment. Why was their bill sidetracked? I for one voted against supplanting the District of Columbia Committee business to take up this appropriation bill, because I am in favor of the school-teachers having their day in court and their bill for retirement promptly considered. I was in favor of the school-teachers' bill for their retirement being considered to-day, and I was surprised that more Members did not vote as I did, so that it could be passed; and after our defeat I was not surprised at the appearance—the sad and the sorrowful and the disappointed looks—upon the faces of the school-teachers seated in the galleries as the gentleman from Minnesota was making his long speech on the grandeur of optimism. [Applause on the Democratic side.]

Mr. BOWERS. Mr. Chairman, I yield thirty minutes to the gentleman from Texas [Mr. BEALL].

Mr. BEALL of Texas. Mr. Chairman, I listened with great interest to the funeral oration of the clerical-looking gentleman from Minnesota [Mr. NYE], and, like most funeral orations, it proceeded upon the theory that concerning the dead it is not proper to say anything but good. [Laughter on the Democratic side.] Ever since I can remember the Republicans have been hiding behind the tombstones of some of the founders of that party, and I am growing a little suspicious, because I have noticed that when they praise their ancestors most they have their hands deepest in the people's pockets. [Laughter and applause on the Democratic side.] I can understand that they have much more ground to laud their ancestry than their ancestors would have if they were here to praise them.

If the Republican party was ever as good as the gentleman from Minnesota [Mr. NYE] insists, he must now be harassed with the reflection that it has constantly grown worse. On this side we are comforted with the knowledge that if our party was ever bad it is getting better. [Applause on the Democratic side.] There may be some who will say that it might be better than it is, but I dare say that there are very few who will say that the Republican party can ever be any worse than it is. [Applause on the Democratic side.] Now, I want to talk a little while about the corpse myself.

On April 8, 1908, Hon. James S. Sherman, then a Member of this House, now Vice-President, in a speech here, said:

> Mr. Speaker, the Republican party in this House, the Republican party in this Nation, is prepared to accept full responsibility not only for everything that is done, but for that which is not done, in the way of legislation and administration. [Applause on the Republican side.] We recognize the fact, sir, that this Government to-day is Republican in all its branches. We recognize that we have a Republican President, brave, wise, and courageous. We recognize that we have a Republican majority in the Senate, that we have a Republican majority in this House that is ready to resort to every legal, every proper, constitutional right to enact such legislation as it deems for the best interest for the greatest number of our people, and which is willing and ready to accept full responsibility for all those measures which are introduced here and which are not enacted into law. [Applause on the Republican side.]

Two months after this speech was made a Republican convention met, nominated Mr. Taft for the Presidency, Mr. Sherman for the Vice-Presidency, and adopted a platform. In the election of 1908 the Republican party was again successful, and I want to-day to put it upon trial, holding it responsible for what it promised and what it failed to promise, for what it has done and for what it has failed to do. As Mr. Sherman said, it must—

> accept full responsibility not only for everything that is done, but for that which is not done, in the way of legislation and administration.

[Applause on the Democratic side.]

The Republican party now, as then, has the Presidency, the Senate, and the House. In addition to these, it has the Cabinet, including Wickersham and Ballinger. [Applause on the Democratic side.] When the Cabinet was first formed the country wondered where the President found some of his Cabinet. Now it wonders why he found some of them. [Applause on the Democratic side.] Some wicked newspaper has suggested that it was possibly to impress upon the country that this was a "square" administration—that is, four "cornered"—a railroad corner, a sugar corner, an oil corner, and a steel corner. [Applause on the Democratic side.]

The Republicans adopted a platform and elected their candidates upon it. It offered to do certain things, and the people at the polls accepted the offer and the contract became binding. That platform declared in favor of postal savings banks, an amendment of the antitrust law, a more elastic and adaptable currency system, amendment of the interstate-commerce law to give railroads the right to make traffic agreements and to prevent the overissue of stocks and bonds, forbidding the issuance of injunctions without notice, for legislation reviving the merchant marine, for the conservation of natural resources, for a Bureau of Mines, for statehood for New Mexico and Arizona, and for tariff revision.

The administration elected upon that platform has been in power now for more than fifteen months. This Congress was in special session for nearly five months and in regular session for more than six months, and is now almost ready to adjourn. Is it unfair, then, to ask you at this time, "What have you done to redeem the pledges you made?"

As a result of eleven months' work a Bureau of Mines has been established and a tariff bill passed.

There has been no currency legislation and none attempted. The antitrust law has not been strengthened and will not be. No effort has been made in either House to secure consideration of any bill regulating the issuance of injunctions. A bill giving statehood to Arizona and New Mexico has passed the House, but has been given an anesthetic in the Senate. A ship-subsidy bill has been reported to the House, but its advocates fear to permit its consideration. No conservation measure has finally passed.

After a mighty effort the Senate laid a postal savings bill egg and it was sent to the House Post-Office Committee, and for many weeks and months they tried to hatch it out there, but without result. Finally it was put into the Republican caucus incubator, warmed up by a Republican rule, and at last it came out of the shell. Nobody is yet able to say with certainty whether it will grow to be a fowl or a reptile. [Applause on the Democratic side.]

The President, through his Attorney-General, tendered to the House and Senate a railroad rate bill, but not until it had received the approval of the railroads themselves. It at once went upon the operating table in both places. The Democratic and insurgent doctors held a consultation and agreed that all its vital organs were badly diseased and should be removed and new ones inserted. They removed some of these, but were not permitted to remove all. It is now in the conference hospital with the administration doctors around its bedside, wrangling among themselves about what should be done for the patient. [Laughter.]

So, Mr. Chairman, the record of unkept promises, of broken pledges, of calculating deception, and of unblushing hypocrisy is being made up against the Republican party. Admitting that currency legislation is needed to invigorate business, it is proposed that the country shall await the uncertain report of an unpopular commission. Demanding postal savings banks, the measure has been in as much danger of strangulation under the caresses of its pretended friends as of assassination at the hands of its avowed enemies. [Applause on the Democratic side.]

Attempting to deceive labor before the election by meaningless phrases, it has since insulted labor by proposing a measure which labor knows will legalize the abuse of the writ of injunction.

Declaring for railroad legislation, they have been forced to abandon every suggestion of their own platform with reference thereto.

Professing to favor the restoration of the American flag to the seas, they present a measure so obnoxious that even Republican consciences rebel.

Acknowledging the right of Arizona and New Mexico to statehood, the people of these two Territories are denied the advantages and benefits of self-government because the interests of the East fear the appearance of four Democratic or four insurgent Senators therefrom.

Applauding the conservation policies of Roosevelt, they scarcely waited until he was lost in the African wilds before they began to reverse these policies. They revoked his orders, canceled his

withdrawals, decapitated his lieutenants, restored power sites to be absorbed by monopolies, surrendered coal lands to speculators, and betrayed the cause of conservation. Mr. Pinchot says that you who now direct the course of legislation here have lost the confidence of the country because you no longer represent the people who elected you, but the special interests by which you are controlled. [Applause on the Democratic side.]

But the Republican party must assume responsibility not only for what was contained in its platform, but for its refusal to include certain other things.

The Republican platform contained no pledge to protect or respect the rights of the States. The Democratic platform did.

The Republican platform did not declare for the election of Senators by a direct vote of the people. On the contrary, by a vote of 886 to 114, it refused to so declare. The Democratic platform did. The Republican candidate must have been better than his party, because, in his speech of acceptance, he announced that he favored this proposition.

The Republican convention did not declare for an income-tax law or amendment. The Democratic convention did so declare. The Republican candidate, while a candidate, favored an income tax, saying that an amendment to the Constitution was not necessary. After he became President he opposed the income-tax legislation, saying that an amendment was necessary. It was, to say the least, an unfortunate change of opinion, because there may be some who will think that when his election was endangered he favored this legislation, but that when the incomes of the rich were endangered he opposed it.

The Republican platform contained no demand for publicity of campaign expenditures. The Republican convention, by a vote of 880 to 94, repudiated the proposition. The Democratic platform contained this demand. The Republican candidate repudiated the action of the convention that nominated him and announced that he would, if elected, recommend a publicity law.

The Democratic platform declared for publicity before the election. The Democratic candidate and the Democratic committee applied this declaration to the campaign then pending, and announced before the election the total sum contributed. The Republican candidate and the Republican committee refused to do so before the election. A Republican committee by now reporting, and a Republican House by now passing, a bill providing for publicity of campaign expenses before the election have been driven by an aroused public sentiment to pay an unwilling tribute to the righteousness of this Democratic demand.

The Republican platform contained no denunciation of extravagance and no promise of economy. It could not do either without convicting itself. It has been in absolute control of affairs in all departments since 1897. It found expenditures then $448,000,000 per year. At the end of seven years the annual expenditure had increased $200,000,000, and at the end of another seven years the annual expenditure had increased $400,000,000 more. Think of it! In fourteen years expenditures have increased from $448,000,000 per year to $1,440,000,000 per year. Is it any wonder that the Republican platform of 1908 was silent on the subject of economy? Is it any surprise that it contained no condemnation of extravagance? Yet who will deny that it exists, and who is reckless enough to claim that there will be any reduction of expenditures under a Republican administration?

Facing a Treasury almost empty, with a deficit in revenues of several millions, Mr. Taft issued an order for paring of estimates, but he is certainly an optimist who believes that the amounts appropriated and authorized for next year will be any less than the amounts appropriated and authorized for this year. Extravagance everywhere. Extravagance on land and sea; in the army and navy; in all the departments here; in the Senate; in the House; in the White House itself. Hundreds of employees in this Capitol, scores and scores everywhere, are eating the people's bread without doing the people's work.

Mr. SULZER. Will the gentleman permit an observation there?

Mr. BEALL of Texas. If it is short.

Mr. SULZER. Is it not a fact that the leader of the Republican party in the Senate said the Government could be run on business methods for $300,000,000 a year less than present expenditures?

Mr. BEALL of Texas. I am coming to that.

Waste, waste, waste everywhere; waste that is shocking, waste that is sickening.

On February 15, 1905, in this House, I said:

> It seems to me, Mr. Chairman, that in many respects, at least, the simplicity of the past is gone. Our Government to-day pays as much attention to ceremony, as much regard for pomp and display, as much deference to power as any government in the world. To flatter the pride and tickle the vanity of our President the ships of our navy are gathered together upon our eastern coast and pass in stately parade before him, greeting him with a royal salute at an estimated cost to our people of $150,000. You see about this city to-day preparations being made for inducting into the office of President him who is already President, and on inauguration day these streets will echo with the tread of infantry, the clatter of cavalry, the rumble of artillery; flags will flutter, swords will flash, bands will play, and cannon will roar, making an occasion as gorgeous in display as would mark the crowning of any monarch of the Old World. The simplicity of the olden time is gone.
>
> The economy of the fathers is no longer practiced. I do not believe I overstate the case when I say that we have to-day the most extravagant government the world ever saw. Compare our expenditures with that of other nations. Russia spends more than we, but Russia is a despotism, threatened by anarchy and despised by the world. * * * Great Britain, on a peace footing, annually spends less than we, despite the fact that she maintains a navy as great as that of any two other powers and has colonial possessions scattered throughout the world fifty times as great as ours, and in addition pays as interest upon her national debt $100,000,000 more than we pay upon ours.
>
> Germany, with her great military establishment of 600,000 men, so cursed with militarism that her people have fled to this land by the million, seeking here a refuge, spends annually $200,000,000 less than the United States.
>
> France has been swept by revolution and has waged bloody wars of conquest, and from these has inherited a public debt upon which she pays annually five times as much interest as we pay upon ours. She maintains a standing army eight times as great as ours, and at the present time has a navy second only to that of Great Britain, and yet we spend annually $100,000,000 more than France.
>
> * * * Mr. Chairman, the people of this country will after a while want to know the reason for this extraordinary condition—a bankrupt Treasury when revenues are abundant and the country prosperous—and sooner or later they will come to know the truth, that you gentlemen on the other side are spending the substance of the people in aping the vices and mimicking the follies of the monarchies of the Old World. * * *

I thank God, Mr. Chairman, that I can go back to my people and look into their honest faces and say to them that I have never aided in fastening this wicked extravagance upon them. [Applause.] If we have a Democratic House next time, as we hope and expect, its energies should be devoted to cleaning house here in Washington and throughout the entire country and the people relieved of this burden. The President has said that $100,000,000 should be saved annually. The leader of the Senate has said that if this Government could be run as a business man would conduct his business, $300,000,000 could be saved each year. With such a record and with such admissions is it any wonder that the Republican party did not make any professions toward economy and did not have the hardihood to condemn extravagance? [Applause on the Democratic side.]

The Republican platform contained no acknowledgment that this House had ceased to be a deliberative body; no criticism of the arbitrary power of the Speaker; no demand for the reform of its rules. They could not have done so without speaking their own condemnation, for back of every exercise of arbitrary power of the Speaker, back of every insolent assumption of authority, back of every wicked attempt to suppress free speech, back of every devilish device invented by the old Committee on Rules to control this House, to make its membership grovel at the feet of the Speaker, stood the Republican majority indorsing, applauding, approving. [Applause on the Democratic side.]

Mr. CANNON was elected Speaker at the beginning of the Fifty-eighth Congress. At that time and at the opening of the Fifty-ninth and Sixtieth Congresses, Democrats begged for a change in the House Rules. Democrats warned you that you were degrading this House, robbing it of its power to intelligently legislate, creating an oligarchy that would betray the people and defy their will, but you would not listen. In 1908 I said here:

> * * * The truth is that we in the House are in a state of double slavery—slavery to the Speaker and to the Committee on Rules.

No Democrat voted to adopt these rules in any one of these three Congresses and no Republican voted against them. It was the Democratic platform of 1908 that denounced these rules and made Cannonism one of the issues of the campaign and focused the attention of the country upon the iniquities prevailing here. "Cannonism" became a word of odium throughout the country, and the sentiment of the country became feebly reflected on the other side and insurgency was born. In the dying days of the Sixtieth Congress, to avert, if possible, the gathering storm, the Republican leaders were driven to change the rules for which they had vouched and voted, but it remained for the Sixty-first Congress to witness the old guard of Republicanism, hitherto dominant and defiant, hitherto arrogant and audacious, cringe and cower before the allied forces of Democracy and insurgency, and finally go down in inglorious defeat. [Loud applause on the Democratic side.] The doom of Cannonism and czarism, of Aldrichism and bossism, has been sounded. [Renewed applause.]

As a result of this contest and the betrayal of the people in so many other ways the Republican party has been dismembered. [Applause.] Like Gaul of old, it is now divided into three parts—regular Republicans, insurgent Republicans, and chameleon Republicans. [Laughter.]

The regular Republicans ride the elephant all the time [laughter]; the insurgent Republicans ride some and walk some [laughter], occasionally giving the poor old beast a savage kick, but always taking care to hold on to the tail as an evidence of their allegiance. The chameleon Republicans walk with the insurgents when it is popular and ride with the regulars when it is profitable. [Renewed laughter.]

The regulars have audacity, the insurgents sincerity, and the chameleons prudence. [Laughter.]

The regulars believe it is always better to be regular than right. The insurgents think it is sometimes better to be right than regular. [Laughter.]

The regulars always love their party best; the insurgents sometimes love their country best. [Laughter.]

The regulars say that the insurgents have betrayed their party. The insurgents say that the regulars have betrayed the people.

I am disposed to believe most that they say about each other [laughter], because they know each other far better than I know either. I must say, though, that my sympathies are largely with the insurgents. They are in a predicament. They are entirely too good to be Republicans and entirely too bad to be Democrats.

I look upon them as convicted Republicans—I do not mean legally convicted, but religiously convicted—and they need only an old-fashioned conversion to make Democrats out of them.

But neither regular nor insurgent can claim that there has been a redemption of the platform pledges of their party up to this time. The most they can now show is a Bureau of Mines which few opposed and a tariff bill which nobody defends. [Applause on the Democratic side.]

Most of their platform pledges are ready for the Smithsonian, to go side by side with the other dead things sent over by Mr. Roosevelt. [Laughter.]

But they did pass the Payne-Aldrich bill, and such a bill it was! It was the Payne bill in the House, the Aldrich bill in the Senate, and the trust bill in both places. [Applause on the Democratic side.]

It was conceived in sin and brought forth in iniquity—conceived in the House and brought forth in the Senate. [Laughter.]

If, moved by courtesy, one should be tempted to say that the House bill was better than the Senate bill, he is reminded that under the rules a Member here can not speak disrespectfully of the other body. [Laughter.]

The President said in New York:

> Nothing was expressly said in the platform that this revision was to be a downward revision.

The same statement has been made elsewhere by leading Republicans. We made this charge against you in the last campaign, but you sanctimoniously rolled your eyes toward heaven and held up your hands in horror at the suggestion and cried out that "Revision meant reduction." [Applause on the Democratic side.]

There is no need to tell the people now that revision did not mean reduction. They have learned through bitter experience that while all reductions are revisions, all revisions are not reductions. They know now that one genuine tariff reduction is worth a hundred fake tariff revisions.

The trouble with the Republican party is that it frequently pretends, but rarely intends. If it could conduct a business with its pretensions as its assets and its intentions as its liabilities, its dividends would put the steel trust to shame. [Laughter and applause on the Democratic side.]

The President did say in his New York speech that the platform was a promise for downward revision "by implication." That is just the kind of downward revision the country got—a reduction "by implication."

The country has had an opportunity to learn anew the lesson that the Republican party can promise like spendthrifts, but that they perform like misers.

But the President said at Winona—what a mellow sound that word has, W-i-n-o-n-a, Winona; that was the first frost line on the arctic trip the President took through the insurgent territory last year defending the tariff bill, when the warmth of his reception was measured by the length of the icicles—the President said at Winona, just before he poured on the head of the chairman of the Appropriations Committee the anointing oil, that, "On the whole, however, I am bound to say that I think that the Payne tariff bill is the best tariff bill that the Republican party ever passed."

In answer the consumer can well say: "*In* the hole, however, *I* am bound to say that the Payne tariff bill is the *worst* tariff bill *any* party ever passed." [Laughter and applause on the Democratic side.]

The President said that it was the best tariff bill ever passed by Republicans. That statement does not so much pay tribute to this bill as it reflects upon preceding ones.

But is it a good tariff bill? It was so bad that about 20 Republicans in this House voted against the passage of the bill as it came from conference. It was so bad that 7 Republican Senators voted against it. It was so bad that the President justifies his failure to veto on the ground of "party solidarity." It was so bad that a Republican state convention in Indiana did not let its name be mentioned in its platform. It was so bad that almost every great newspaper and magazine throughout the country has denounced its iniquities. It was so bad that the versatile gentleman from Illinois [Mr. BOUTELL] could not find one single New Year's hallelujah that contained a word of praise for it. It was so bad that it can not be successfully defended before the people of any part of this country. It was tried in Missouri. You know the result. It was tried in Massachusetts. You know the result. It was tried in New York. You know the result. [Applause on the Democratic side.] In view of these results and as an evidence of appreciation for your frankness in conceding the next House to us—which most of you would do privately—let me suggest that if you want to retain control of this House for the rest of this Congress it behooves you to look very carefully after your health during the summer vacation. [Laughter.]

But is the Payne bill a good bill? Just listen to what Gifford Pinchot says about it now, and tremble over what his friend Roosevelt may say about it when he reaches home a week from now. Pinchot says:

> The tariff under the policy of protection was originally a means to raise the rate of wages. It has been made a tool to increase the cost of living. The wool schedule, professing to protect the woolgrower, is found to result in sacrificing grower and consumer alike to one of the most rapacious of trusts.
>
> The cotton-cloth schedule was increased in the face of the uncontradicted public testimony of the manufacturers themselves that it ought to remain unchanged.
>
> The steel trust interests by a trick secured an indefensible increase in the tariff on structural steel.
>
> The sugar trust stole from the Government like a petty thief, yet Congress by means of a dishonest schedule continues to protect it in bleeding the public.
>
> At the very time the duties on manufactured rubber were raised the leader of the Senate, in company with the Guggenheim syndicate, was organizing an international rubber trust whose charter made it also a holding company for the coal and copper deposits of the whole world.

It seems to me that the gentleman from New York has become the rival of Mr. Roosevelt as a hunter of big game. Roosevelt is filling the magazines with stories about killing African elephants, while all the country is talking about how PAYNE has mortally wounded a Republican elephant. [Laughter and applause on the Democratic side.]

When I think about the Payne bill it seems to me that the only way for you to justify your disappointment and betrayal of the American people is to commit the sacrilege of blaming the Almighty by saying that while the people made you able to lift their burdens, God did not make you willing to do it. [Applause on the Democratic side.]

The country is beginning to know you better than you think. You have been fertile in inventing catch phrases and specious appeals in the past. In olden days you appealed to the generosity of the people in behalf of the "infant industries." It was successful until it became absurd. You then told them that the tariff was not a tax. They believed you for awhile. You then admitted that it was a tax, but you said the foreigner paid it. You were driven from that. You denied that it fostered the trusts until denials became useless. You scorned the suggestion that your stall-fed manufacturers were selling American-made goods in foreign countries cheaper than to our own people until proof was piled upon proof mountain high. You then said it was the surplus that was sold abroad, and now you brazenly and impudently boast of it as one of the virtues of protection that the profits made at home permit you to sell abroad without profit.

You have invoked the sacred name of labor and claim that for labor's sake you would continue this policy of plunder, although you know that the trusts are permitted to eat the meat while labor is compelled to gnaw the bones. [Applause on the Democratic side.]

You have attempted your conjurer's tricks with the farmer by putting duties upon the products of the soil that are exported and sold in a world market and in a world competition, while you have burdened him with a tax upon all that he buys. You must know that you protect the farmer in name only, but the manufacturer in fact. You must know that to the farmer you give the shadow, while to the manufacturer you are giving the substance. You know that by legislative decree you can enrich the manufacturer, but you know equally well that by no

legislative legerdemain can you make the rains fall, the sun shine, or the earth produce for the farmer's enrichment. You know that you do not make for, but take from, the farmer.

It seems that the people would learn that the Democratic idea is right—that the tariff is a tax, that it is paid by them, the only legitimate purpose of which is to support an honest government honestly administered, and that it should not be permitted to continue to be a system maintained by the Government for the enrichment of a favored few.

The citizen regards the tariff tax as an evil because it takes money from his pocket, while the manufacturer looks upon it as a blessing because it puts money into his pocket. [Applause on the Democratic side.]

The citizen submits to it because of his patriotism, while the manufacturer advocates it because of his greed.

The citizen would measure it by the necessities of the Government, while the manufacturer measures it by his own avarice.

The Democratic idea is that whenever imposed it should yield revenue, though it may or may not protect. The Republican idea is that it should be for protection, though it may or may not yield revenue. [Applause on the Democratic side.]

The Republican idea is that the interests will be potent to save a party that has served them, while the Democratic idea is that the people will be omnipotent to destroy a party which has betrayed them.

The Republican creed is toil and spoils—toil for the masses and spoils for the classes. [Applause on the Democratic side.]

The Payne tariff bill has shown that the Republicans are expert mathematicians; that they can add, subtract, multiply, and divide, all in one operation. They can add to the wealth of the rich, subtract from the substance of the poor, multiply millionaires, and divide themselves—all in one bill. [Laughter and applause.]

But the Payne tariff bill has also shown that the Republicans are poor spellers. All persons have appetites, even during this period of high prices. The people demanded that the tax be reduced upon the necessities that minister to and satisfy the human appetite. The Republicans responded to that demand by putting "apatite"—a kind of stone—on the free list. [Laughter.]

The Savior must have had Republicans in mind when He said, "Or what man is there of you, whom if his son ask bread, will he give him a stone?"

The world has changed some since His day upon earth. In that day "publicans and sinners" meant two classes of undesirable citizens. In this day, and especially when we think of Republican extravagance and of the Payne bill, we know that "Republicans" and "sinners" mean the same thing. [Prolonged applause on the Democratic side.]

Mr. BOWERS. Mr. Chairman, I yield thirty minutes to the gentleman from South Carolina [Mr. LEVER].

Mr. LEVER. Mr. Chairman, what I shall have to say in the limited time allowed me has not been said already, because I have been hoping that the House might have an opportunity to pass upon the bill reported from the committee of which I am a member, and with the preparation of which I had considerable to do—to prevent dealing in cotton futures where there was no intention to deliver or receive the cotton. This bill was reported to the House on April 8 and is now on the calendar. A few days after this the chairman of the committee [Mr. SCOTT] introduced a resolution, which was referred to the Committee on Rules, asking that committee to give a day for the consideration of this bill on its merits in the House. The chairman of the committee [Mr. SCOTT], Mr. BURLESON, of Texas, and I went before the Committee on Rules and sought to get favorable consideration of this resolution. After a long delay and no action, the gentleman from Alabama [Mr. UNDERWOOD] introduced a resolution, which on Tuesday of last week was refused favorable action by the Committee on Rules. This bill, known as the "Scott bill," supported by every farmers' organization of the South and West, indorsed by a majority of the mill men North and South, consideration for which was asked of the Rules Committee by a petition of 172 of the membership of this House, in my judgment—and I have given practically the whole of this session to its study—would effectually prevent the recurrence of the transactions to which I desire to call the attention of the House and the country. So long as there was hope for favorable consideration at this session of the Scott bill I deemed it good policy to remain quiet as to the propositions I shall now discuss. I was anxious to go to the root of the evil, but that, in my judgment, being denied us, for this session at least, I feel it my duty to speak out.

On April 19 last the producers and southern spinners of cotton, in fact, the entire cotton trade, were startled by the announcement that Attorney-General Wickersham had instituted proceedings before the grand jury of New York State against certain cotton operators and southern spinners alleged to have been in a pool to raise the price of cotton in restraint of trade. A number of cotton brokers were summoned under federal subpœnas to testify and give evidence against Frank B. Hayne, William P. Brown, and others, these "others" being certain large southern spinners. This action was begun against these men because, it was alleged, they had entered into an agreement to buy on the New York Cotton Exchange, and under the terms of its contract, 300,000 to 400,000 bales of cotton for delivery in March, April, May, June, July, and August, the agreement further stipulating that the parties to it should demand and receive delivery of the actual cotton and ship it out of New York.

The commercial papers of the country have likened this action of the Attorney-General to the throwing of a bombshell into the cotton market. The Federal Government never before has undertaken to prosecute men who were operating upon any kind of exchange—cotton, stock, or grain—though it is well known to everyone that hundreds of times, on all of these exchanges, men have combined to "buy up" or "sell down" the market abnormally and in the face of economic conditions. It will be remembered that only during the past few months the price of wheat, through market manipulations, was put beyond the reach of the man who eats bread, and yet this vigilant Attorney-General, who ferrets out a crime in the effort of men to raise the price of cotton, could see no crime in those who put the price of wheat beyond the reach of the average man. His action is literally unprecedented in the history of this country. It is the first time the Department of Justice, by its action, no matter what the intent, has rushed to the relief of a clique of reckless cotton gamblers, threatened with a disaster into which they had put themselves. It is the first time the Government ever permitted itself to become a party, whether wittingly or otherwise, to a scheme for reducing the value of a product of American labor. In the years to come, I suspect this interference by the Attorney-General in behalf of those who had combined to depress the price of cotton, and I shall demonstrate by every process of reasoning that such a combination did exist, as against those who may have combined to raise it, will be pointed to as one of the chief glories of this administration—this, and his prosecution of the tobacco growers of Kentucky and Tennessee, who in self-defense and when driven to the last extremity, combined to tear the grip of the tobacco trust from their throats and from the throats of their wives and little ones.

It is strange how active Attorney-General Wickersham becomes in suppressing "combinations in restraint of trade" when the farmer and the laboring man are involved, but it is more strange to observe how dead he is to the existence of a half hundred great trusts and combines which fatten at the expense of the American public. It strikes me that he has a fertile field in which to employ his own great ability and the machinery of his great department in breaking up the beef trust, the butter trust, the sugar trust, the steel trust, and other trusts, world without end. Why not try the temper of his steel upon these thick-hided old sinners? Why strain the law to bring in new victims when so many hundred old criminals, certain criminals, are going unwhipped of justice?

Mr. Chairman, I want to disclaim any intention of making any charge against the Attorney-General. I am willing to concede him to be the innocent victim of a plot. I am willing to presume that he has been unwittingly entrapped by wily representations into this action, the effect of which, however, was to pull the cotton "bear" gamblers out of a dilemma which threatened them with bankruptcy and ruin. I hold no brief for either the "bull" or "bear" gambler; the one is just as objectionable as the other, and both are unnecessary evils.

What I am trying to do is to impress upon the House that, assuming that both parties to these contracts were gamblers pure and simple, the Attorney-General had no business to poke his nose into their affair to the extent of lending the aid of the Government to the one as against the other. If the men who combined to buy this cotton violated any law of the United States, prosecute them, but it must follow, as a matter of reason, that the men who sold them the cotton stood in equal guilt of crime, for there can not be a buyer without a seller. Admit for the argument's sake that the Attorney-General is justified in his prosecution of those who are alleged to have agreed to buy cotton, and who I have no doubt did buy it, does it not follow as certainly as night follows day that he is derelict in his duty in failing to prosecute or investigate those who sold the cotton? If both parties to these transactions are guilty of a violation of the law, why should the Government make fish of one and fowl of the other?

Mr. Chairman, if these men under investigation are guilty of any criminal offense in the fact that they have combined to buy a specific amount of cotton under the contract of the New York Cotton Exchange, I do not believe there is a man in all of the South who will not commend the Attorney-General in his efforts to bring them to justice. The southern people and their representatives here are almost a unit in opposition to any and every form of gambling in cotton-future contracts, and there is not one of them, nor one of us, who will not willingly give "amen" to any effort of the Department of Justice to break up these operations, which have had and are now having such a disastrous influence upon the country and are costing it so many millions of dollars. I am certain I represent the people who sent me here when I state in the most emphatic terms that if these men under investigation are guilty of deliberately gambling in that great crop—the product of the brain and brawn of the South—I bid him godspeed in the purpose which actuates him. If this is but the commencement of the effort of the Attorney-General to lend the influence of his great department to the efforts now being made so strongly and earnestly to abolish by act of Congress dealing in contracts for the future delivery of cotton, he will receive the commendation of the good people of this country and the heartiest cooperation of the majority of the membership of this House.

I do not condemn him for the prosecutions he has brought against these men if he is able to demonstrate that they are guilty of a violation of the law. I do assert, however, that the Attorney-General should be fair in the matter and seek to ascertain from whom these alleged criminals bought their cotton, and whether these sellers were not in a combination to break the price of cotton, and equally guilty of crime. Let him feed all out of the same spoon, and let him be careful not to make the mistake of believing that high-priced cotton this year is criminal and that low-priced cotton is a kind of divinity to be protected and secured through the strong arm of the Government. If the Attorney-General has nothing more in view than appears on the face of it, if this is not a preliminary step to something bigger, this whole proceeding seems to me to be fraught with nothing of permanent good to the country. He may secure convictions of these men, but this will not break up the system under which they operate. If the Attorney-General wants to accomplish something real big, something pregnant with far-reaching results, something that will hand him down to posterity as one of the world's great benefactors, let him begin an investigation to ascertain if the operations of the New York Cotton Exchange are not in themselves an interference with the freedom of trade and a violation of the antitrust law.

Let him set in motion the machinery of his department in an endeavor to solve the problem whether the New York Cotton Exchange, which handles 80 per cent of the cotton produced in this country and buys and sells the entire cotton crop from eight to ten times over each year, is not in itself an institution falling within the terms of the law under which he is proceeding against this alleged "pool" of southern speculators and spinners. In my judgment, there is not an hour, nor a day, when the New York Cotton Exchange is open and doing business that its operations do not seriously interfere with commerce.

The Attorney-General should be able to get all the information necessary to the forming of a correct conclusion without any serious difficulty or great expense in the employment of special attorneys, for one of the members of his old law firm, Henry W. Taft, esq., a brother of President Taft, is at present the attorney for the New York Cotton Exchange and, I presume, familiar with all of its operations from the legal point of view.

I suspect a great change would come over the spirit of the dreams of the membership of the New York Cotton Exchange if Mr. Taft, its attorney, should announce one evening at the close of the market that he had been called to Washington to consult with Attorney-General Wickersham about the affairs of the exchange, its methods, whether its operations were of a gambling character, and that the Attorney-General had directed him to return to New York with a message to the membership of the exchange to the effect that he had made up his mind to put a stop to illegitimate trading in future contracts, and then if Mr. Taft would add, "Boys, I think you had better stop it; General Wickersham means business," I am positive in my belief that the New York Cotton Exchange would become either a real cotton exchange, fulfilling all of the functions of a real exchange, or it would go out of existence in twenty-four hours. Let the Attorney-General try his hand at the prevention of gambling transactions on the New York Cotton Exchange, either by this persuasive method or by beginning an investigation to determine whether its transactions are not in fact an interference with trade. General Wickersham, turn your big guns on big criminals.

Mr. Chairman, I said that I would demonstrate to any reasonable man that the bear speculators were in combination to "sell down" the price of cotton just as certainly as the bull speculators and southern spinners, under investigation by the Department of Justice, were in alleged agreement to "buy up" the price of cotton. If this demonstration can be made, no reasonable excuse can possibly be found for the action of the Attorney-General in investigating the bull pool and refusing to turn his hand to ascertain who it was who have been in combination to sell the price of cotton down and whether they were not also guilty of a violation of the antitrust law.

What was the statistical position of cotton in the early part of January when prices began to break?

We began the cotton season with only 140,000 bales brought over from the old crop—one of the very smallest surpluses in the history of the cotton business. The crop for the season 1909–10 is the smallest in almost a decade, the Government estimate on the 1st of December showing a production of only 10,088,000 bales—a shortage of the world's demand of us of more than 3,000,000 bales. In the meantime there has been no decrease in spindlage or loomage throughout the world; on the contrary, a steady increase has been going on.

The demand for cotton cloth has been good. The producer in his thorough organization, his system of warehouses, his more favorable financial condition, his more general independence of the buyer, and his more friendly relationship with the southern cotton manufacturers is for the first time in years in a position to demand an equitable price for his product. Every factor entering into the price of cotton demonstrates that the statistical strength of this great crop on the 1st of January is unprecedented. High prices seemed inevitable. In response to this inherent strength of cotton the price of the May option on December 30 sold for 16.46 cents per pound—the high mark for many years. This was to be expected; in fact, it could hardly be escaped. Now, then, what happened? Along about the 1st of January, with no new facts known to the cotton trade, no new developments, with the size of the crop known, with the demand known, with all the factors which figure in the making of prices known, with every reason for the price to go higher, there began a sudden decline in the price of future contracts on the New York Exchange. The New York Commercial, of January 5, makes these significant observations:

In the meantime interest centers on the coming ginners' report, which, it is believed, will tell the "clean up" throughout the South and justify the bureau's estimate of 10,088,000 bales.

Now listen to this:

There are four days of trading before that report is due, and under clever manipulation in New York and Liverpool the markets can be affected in a way to give the mill interests a lower buying basis.

Listen again:

Ring gossip was to the effect that the break was well planned, because the mills were in need of cotton and were willing to take it at a lower buying basis.

Note especially the phrase, "The break was well planned."

Listen again:

The raiders won signal success in the early hours of yesterday's trading, utilizing a weak Liverpool market to drive prices on this side to near the 16-cent level for the summer months. Note the expression "the raiders," as descriptive of those who were selling this contract phantom cotton at prices below which it could be bought in the South, and also note the suggestion that the Liverpool market was being utilized in this raid. This is an old trick of the New York Cotton Exchange, which, in fact, sets the pace for every other exchange in the world. Why did not the Attorney-General at this time, in the interest of the cotton producers, make an effort to find out something about this "well-planned break?" Why did not he endeavor to ascertain the names of those "raiders" who won signal success? Following closely upon this break of the 5th, the 7th saw another drop of $3 a bale, a total drop of $6 a bale from the season's high-price record of the 30th of December, and except for the strength of the spot markets in the South and the advance in the price of cotton cloth, the break on this day, as suggested by the New York press, would have been much more severe.

Mr. SIMS. Mr. Chairman, will the gentleman yield?

Mr. LEVER. Yes.

Mr. SIMS. If the Attorney-General has discovered that there is such a manipulation of the cotton market, whether with the object of putting it up or putting it down, that it is a violation of existing law, does the gentleman object to his enforcing the law?

Mr. LEVER. Not at all. All that I do object to is that he should make fish out of one class of gamblers and fowl out of another.

Mr. SIMS. The gentleman does not know in fact, I suppose, that this bear raid which he speaks of was manipulated in such a way as to be a violation of any United States law.

Mr. BURLESON. But if the same combination was entered into by those who wanted to depress the price of cotton, it would be a violation of law.

Mr. SIMS. I understand this to be the fact, that this bull pool has made a contract with spinners North and South by

which they agree to deliver cotton which they had on contracts at less than the market price prevailing, where the mills would otherwise have to be supplied.

Mr. LEVER. Yes; and I am proceeding to demonstrate and have been trying to demonstrate that these men who bought cotton could not have bought it except from a seller; that the men who sold this cotton during the month of January were in pool to sell the price of cotton down in order to get cheap cotton for the New England and English spinners.

Mr. SIMS. Therefore operating in restraint of trade.

Mr. LEVER. Yes.

On the 10th of January the market was uneasy, the ginners' report was to be published on the next day, which, if confirming the bureau's estimate of December, meant much higher prices; otherwise, lower prices.

The nearer came the hour for the government figures, the more dread prevailed that sensational things were likely to happen—

says one of the New York commercial papers. But during the day cotton rose slightly and the market zigzagged.

Says the New York Commercial of the 10th:

To some observers it appears that the mill interests did not get all the cotton they wanted on the dip, but they prefer to await later recession before giving orders for supplies. The tip from Boston that "New England fixed its buying figures" takes on greater significance as the days pass by.

Observe that the mill interests did not get all the cotton they wanted on the previous dip, and also the suggestion that the New England mills fixed its buying figures. The bureau's report of cotton ginned to January the 1st was published on the 11th, indicating that the December estimate, which showed a crop of over 3,000,000 bales less than the world's demand, was entirely too high. But I prefer to let the New York Commercial of January 12 tell this story:

The outlook was additionally encouraging because the federal census on cotton ginned to January 1 was to be announced at the opening of trading. When these figures were made public, they showed that of a crop estimated at 10,088,000 bales, a total of 9,646,000 bales had been ginned, leaving 442,000 bales to be accounted for in subsequent ginning reports. Students of cotton statistics declared that less than 160,000 bales remained in the South unginned, so that the actual yield would be far below the 10,088,000-bale estimate of the Department of Agriculture. Hence the bullish feeling.

Prices should have shot up toward the 20-cent mark. What did they do?

Instead of prices of futures climbing to new heights, a reaction set in, started by profit-taking longs. Then the big bears got busy, and, while they remained unidentified, their agents sold cotton which they didn't own, with the consciousness that they could buy it back later at handsome profits. The Brown and Hayne combination, in an effort to stem the decline, purchased liberally for a while and then quit in disgust. There wasn't a word of 20-cent cotton to be heard.

The cannonading of the bears continued until the close. They handled the affair well.

The volume of the day's trading passed all recent bounds, fully 1,000,000 bales having changed ownership.

Listen to the headlines of this paper, as they tell the story of this great "bear" raid:

One million bales traded in on $3.75 slump in cotton—Brown and Hayne campaign for 20 cents goes awry—Most aggressive bearish tactics since the days of Sully witnessed when longs start taking profits—Hurried call sent out by brokers for margins.

What caused this break? Every reason there was for higher prices—sensationally higher prices. Spot cotton in the South refused to drop very much. Every factor in the cotton business warranted higher cotton. Does anyone doubt for a moment that at this time there existed a bear pool to break the price of cotton in the interest of the New England and English spinner? Is this not shown in the guarded statements I have read already from one of the great financial journals of New York City, which has its representative on the floor of the New York Cotton Exchange at all times? This combination was trying to take advantage of the intimate relationship of spot cotton and future contracts to break the price of spot cotton in order that they might buy it from the producer at a price which was lower than prevailed in the southern markets at that time.

They reasoned that the announcement of such a sensational decline in New York, through the press, would frighten the cotton farmer into selling his cotton at a price below its intrinsic value. They expected the farmer in panic-stricken fear to rush his cotton upon the market, regardless of the price at which he might sell it. They little understood either the courage or the temper of the cotton grower. He no longer takes his orders and sells his crop at prices dictated by reckless and selfish New York gamblers; he no longer cringes to the whip of Wall Street; he is no longer the bent-backed, hopeless creature described in Markham's The Man with the Hoe. Thank heaven, he has money in the bank, his children at school and college, and in his breast a determination to demand of the world a just recompense for the products of his intellect and muscle. He did not rush his cotton to market; he did not become panicky; he did not cringe; he did not beg for mercy; he refused to sell his cotton except at prices warranted by the well-known laws of economics. [Applause.]

Where was Attorney-General Wickersham when these "well-planned raids" upon the price of the farmer's product, the Nation's most important crop, were going on? Any summons issuing from his office during these fateful days to bring this combination of value destroyers before a federal grand jury? Any recourse here to the antitrust law of the country? If not, why not? If to "pool" to "bull" the price of cotton is criminal, how does it happen that to "pool" to "bear" the price of cotton is sanctioned by the law as interpreted by Attorney-General Wickersham?

On the day following this raid of which I have been speaking another panic was precipitated by this same clique, and cotton dropped $4 a bale. On this day the "spinners are credited with buying liberally." This is the reason for the assault upon the market. The spinners of New England and England wanted low-priced cotton; they had planned it well.

On the 14th, the next day, came the great break of $5 a bale, as it is described "in a demoralized market." Let me read from the New York Commercial:

Buying by spot houses, the bone and sinew of the exchange saved the day. * * * Much of this buying was believed to be for Liverpool account and for the New England spinners. * * * They viewed the recent speculation with amusement, answering all inquiries that they would get more cotton at the same price whenever they wanted it. * * * The last hour of the day was long enough to effect the disaster.

In one hour's time, gentlemen, the value of the world's greatest crop was hammered down by this well-planned raid over $50,000,000, while for the entire raid covering the eleven days in which it went on the value of this crop was depressed nearly $140,000,000.

W. B. Thompson, president of the New Orleans Cotton Exchange, in a published statement, said of these transactions:

The New York raid is not a legitimate incident in the trade in spots or futures. It is as if a man or set of men, for the sake of gratifying a personal grudge or reaping a personal profit, should endeavor to stampede the occupants of a crowded building by the cry of "fire!" The issue raises the question as to whether a few manipulators shall demoralize a great trade system and go unpunished therefor.

This is the statement of a man who defends the system of trading in future contracts and who therefore speaks as with knowledge. Where was Attorney-General Wickersham with his summons, investigations, federal grand juries, district attorneys, and indictments? Did he want proof that a combination to depress the price of cotton during these eleven days existed? Did he seek the proof? Did he start any investigation? Did he raise his hand in the interest of the millions of farmers of the South, who have a right to a reasonable profit upon the capital, the brain, and the brawn invested in the production of cotton? Did he lift his voice to punish these raiders, whose reckless disregard of every law of economics was upsetting the calculations of those legitimately interested in the cotton trade? Could he wish stronger proof of the existence of a combination to "bear" the cotton market than is furnished by their success in breaking it $13.80 a bale in eleven days in the face of its strongest statistical position since immediately following the civil war?

Mr. Chairman, if ever there existed a situation which demanded the attention of the Department of Justice, this one afforded it; and yet Attorney-General Wickersham, so quick, so ready, so seemingly eager to institute proceedings against an alleged combination to maintain the price of cotton and the stability of the market, was as dead to it as an Egyptian mummy.

Now, Mr. Chairman, while these bear raiders were succeeding in breaking the price of the New York contracts for future delivery of cotton the price of spot cotton in the South was refusing to follow in parity, as is usual, the New York Exchange options, so that while on the 15th of January the May option on the New York Exchange closed at 13.90, spot cotton at Galveston could not be bought for less than 15 cents per pound, or a difference in favor of the Galveston spot market as against the New York future market of $5.50 a bale. The southern cotton spinner and a few shrewd southern cotton speculators saw in this disparity in the price of New York Exchange futures and of southern spot cotton an opportunity to buy cotton in New York cheaper than they could get it in the South. In fact, cotton on the New York Exhange at this time was cheaper than at any other place in the world.

The speculators and the southern spinners bought cotton, because they knew that the price of New York contract cotton could be had at a less price than the actual cotton which the spinners needed in their business. They bought the cotton under the New York contract, which, according to the sworn testi-

mony of the defenders of the New York Cotton Exchange, gives to the buyer the right to demand at the maturity of the contract the delivery of the actual cotton and obligates the seller of the contract to deliver the actual cotton upon the demand. It seems by an affidavit I shall presently read from that the alleged agreement between these bull speculators and southern spinners called for the purchase of not more than 400,000 bales of cotton, while, according to the testimony before the Agricultural Committee of the representatives of the New York Cotton Exchange, it frequently happens that more than 1,000,000 bales a day are traded in, and to trade in 500,000 bales a day is characterized by them as "an active day" only.

Mr. JOHNSON of South Carolina. Did not that paper the gentleman read from a moment ago say that 1,000,000 bales were sold that day of the break?

Mr. LEVER. It did, and that is not at all infrequent. The men who sold cotton to this alleged pool during these days of panic on the exchange did not dream that the delivery of actual cotton was to be demanded in specific fulfillment of the contracts into which they had entered. They expected a settlement on margins. They had no cotton to deliver upon the contracts; it was not to be had in New York; it was not to be had anywhere at such prices as they had sold their phantom cotton, and when notice day in February came and these men who had bought cotton with the expectation of getting actual cotton refused to make settlement on margins, but demanded the genuine article, which could be woven into cloth and used in consumption, these confident bears of January began to see the handwriting on the wall, and it spelled disaster, bankruptcy, and ruin. The situation in March was even more critical. The bull speculator and southern spinner again demanded a specific fulfillment of the contract. The situation got worse for them in May. The spinner and bull speculator continued to say, "We don't want your money; we bought cotton, and we want cotton, and we want it because we want to put it in the channels of trade, where it belongs."

The mill man said: "I need the cotton, the actual cotton, not the stuff you sold me in January, with which to keep my mills running, my capital busy, my labor organized and employed. I can not run a cotton mill on paper cotton such as you sold me. I demand my pound of flesh of you; you succeeded in breaking the price of cotton in January—the kind of cotton that your exchange deals in—but your contract which I bought gives me the right to demand actual cotton and I demand it and must have it."

The determination of the bull speculators and southern spinners to call for the delivery of actual cotton upon contracts threw the bear operators, who had sold them, into the utmost consternation. They had to meet the demand for real cotton as under their contracts they were bound to do for May, June, July, and August. They were up against the proposition of either being forced into bankruptcy, through their inability to deliver actual cotton, or of finding some way of recouping by forcing the price of the New York Exchange contract, which in the meantime had gradually risen, back to a point where they could get out with a profit. It is said the devil takes care of his own. Here is how he did it in this case: On March 7 one W. B. Tanner, treasurer of the Montgomery Cotton Mills, Montgomery, Ala., wrote to the firm of Craig & Jenks asking for confidential advice as to a matter in which he was interested.

In his letter, a copy of which I have seen, he details a plan of Messrs. Brown & Hayne and the southern cotton spinners to demand delivery of from 300,000 to 400,000 bales of cotton bought or to be bought through the New York Cotton Exchange. The firm of Craig & Jenks is one of the dozen spot firms subpœnaed by Attorney-General Wickersham to give evidence before the grand jury with respect to the alleged bull pool. This Tanner letter, in my opinion, is the first intimation that those who had sold cotton contracts had that there was some concerted effort upon the part of those who had bought them to demand specific fulfillment in each case. The alleged agreement set out in the correspondence between the firm of Craig & Jenks and Tanner—and after considerable correspondence by wire and letter the alleged agreement was sent to the firm of Craig & Jenks—gave them the opportunity of saving themselves and their bear friends from ruin. Evidently from what I shall presently read from the affidavit of Mr. Tanner, the bear operators, taking counsel among themselves, adopted the novel idea of inducing Attorney-General Wickersham to begin proceedings against the alleged bull pool. Their purpose was to affect sentimentally the contract price of cotton on the exchange and thereby bring about an opportunity of escape for themselves.

On the 18th of April the Attorney-General began the proceedings against the bull pool, with the effect upon the price of contract cotton anticipated by the bear operators, through whose influence I am certain the Attorney-General was brought into activity. The New York Journal of Commerce of April 19 has this comment:

> This action, though doubtless emanating from those opposed to the bull pool, and therefore demonstrating the stress in which they are, had the sentimental effect to drive the outside longs, who are not very heavily committed, out of the market. It is human nature to consider caution the better part of valor.

The actual effect of the proceedings instituted by the Attorney-General was to cause a break of from $1 to $1.50 a bale in the price of contract cotton immediately following the publication of them—just what the bear pool expected and wanted. I said, Mr. Chairman, that the bear interests on the New York exchange prevailed upon the Attorney-General to begin these proceedings. I not only expressed the belief which according to the New York newspapers of that time was held by the cotton trade, but I hold in my hand an affidavit by Mr. Tanner which I think conclusively demonstrates that fact:

> That upon deponent's return to the office of said Craig, the said W. R. Craig was there in company with a man introduced to deponent as Mr. Baldwin, and as the attorney of said Craig & Jenks; that the said W. R. Craig then stated to said Baldwin that he [Craig] desired Baldwin to state fully all matters in connection with the said grand jury investigation, and the use of the communications by said Craig; that thereupon said Baldwin stated to deponent that he represented said Craig & Jenks and several other cotton firms; that upon receipt of information from his clients above stated, the said clients had been subpœnaed to appear before the federal grand jury and present all papers that they had in connection with the alleged contract executed between certain southern mills and Haynes and Brown and others; said Baldwin stated that he had advised his clients that they must produce the said papers and submit them to the grand jury; that the said Baldwin then proceeded to state to deponent that the proceedings pending were very serious proceedings and involved very serious results to deponent and others who it was alleged had made a contract with said Brown and Hayne; that the result of said proceedings would be the imprisonment and fine of those connected with said contract, and that there would be to such parties very serious inconvenience as a result of said imprisonment and fine; that said Baldwin pictured in very strong terms all the degredation and humiliation that would fall upon the deponent and others and upon deponent's family as the result of said prosecution and punishment; that after speaking at some length and in extreme terms upon these lines, said Baldwin then stated that he [Baldwin] had been previously, for seven years, an assistant in the office of the United States district attorney, occupying the same position as that now occupied by the attorney conducting the investigation of these proceedings; that his [Baldwin's] relations with said office of district attorney and with Attorney-General Wickersham were very intimate; that he [Baldwin] knew said Attorney-General Wickersham intimately and that Attorney-General Wickersham was in possession of the name of deponent in connection with the alleged contract above referred to; that said Attorney-General Wickersham felt disposed to be lenient toward deponent; and had therefore authorized him, the said Baldwin, to say to deponent that if deponent would tell all that he knew in connection with the said alleged agreement, that he [Baldwin] was authorized to guarantee deponent immunity.

It will be observed that the Mr. Baldwin described in the affidavit is the attorney for Craig & Jenks and several other cotton firms, and that he describes himself to Mr. Tanner as having served for seven years as an assistant in the office of United States district attorney. He tells Mr. Tanner that his name was in possession of Attorney-General Wickersham as one of those involved in the alleged agreement. He impresses upon Mr. Tanner that he not only knew Attorney-General Wickersham intimately, but was very "intimate" with Attorney-General Wickersham. Of great significance is the statement of Mr. Baldwin that he has the authority of Attorney-General Wickersham to give immunity to Mr. Tanner if Mr. Tanner should be willing to tell all he knew about the alleged bull pool. Mr. Baldwin, in this connection, was not only representing the bears, but, by authority, Attorney-General Wickersham. In other words, Attorney-General Wickersham had, as completely as possible, placed himself at the disposal of these men who had sold cotton without having it to sell, and who were now caught in their own trap and were squealing for help. There is at least one pleasing feature in Mr. Tanner's affidavit, and it is that he refused, in the face of coercion, to become a traitor to his associates, and demonstrates that the good old word honor still remains in the vocabulary of southern business men.

It is clear to my mind that this Mr. Baldwin is the seductive agency which enlisted the aid of Attorney-General Wickersham in the effort of certain daring gamblers to get themselves out of a hole into which they had put themselves in a bootless effort to get the farmers' cotton for a price at which they were not willing to sell it.

Unprecedented as this action of Attorney-General Wickersham is, strange as it may seem that it is now to be held that to buy a commodity with which to keep the wheels of industry moving is a restraint of trade and a violation of the antitrust law, still no one would be willing to condemn the Attorney-General for his action if he on the other hand had given or would give any evidence of his willingness to begin proceedings against those men who sold cotton without having it to sell. While my charity is great I can not strain it to the point of believing that Attorney-General Wickersham has acted fairly

and for the best interests of the country until he has demonstrated beyond a doubt his intention to bring to justice those financial pirates who in January arrogated to themselves the right to repeal all economic laws in the hope of forcing the people I represent to hand over to them the fruits of their year's toil at a price below the cost of production.

Let the Attorney-General make the proceedings against this alleged bull pool but a preliminary step to a thorough investigation of the manner in which the great exchanges of this country—cotton, grain, stocks, and produce—conduct their business, and I am sure that he will find enough work to keep his office busy for the next twelve months prosecuting those who each hour of the day prostitute the laws of trade and bring ruin and misery into the homes of thousands of our people. Let him make up his mind that no class of criminals in this country shall receive immunity at his hands, let him scourge the temples of high finance, and he will find those of us on this side of the Chamber ready to uphold him. [Prolonged applause.]

Mr. CRUMPACKER. Mr. Chairman, there has been much criticism of the Attorney-General of the United States, in the House of Representatives and in the press of the country, because of an opinion he rendered last December, holding that certain limitations in relation to the sale of public lands contained in the organic act for the government of the Philippine Islands did not apply to the unoccupied lands that were purchased by the Philippine government from religious orders, and known as the friar lands.

These criticisms have been based upon a very superficial understanding of the situation that exists in the islands and a meager knowledge of the history of the acquistion of the friar lands and of the law and the policy of administration that has been established under the law. It is easy and safe to criticise public officials, particularly when their acts relate to a subject-matter that is 10,000 miles from the capital of the country. It is often difficult to disprove charges of maladministration and corruption under those circumstances, and there is frequently a great deal of rant and declamation indulged in in that kind of criticism.

The United States Government is not exploiting the Philippine Islands. Officers charged with the responsibility of administering the affairs of those islands are not exploiting their resources, but, Mr. Chairman, there are politicians in the United States that have been and are exploiting the islands for purely political purposes. There was very serious and stubborn opposition to the granting of free commerce between the United States and the Philippine Archipelago—a tardy act of justice that ought to have been extended years ago—and yet certain interests in this country opposed that policy stubbornly and persistently, and chief among those interests was the beet-sugar industry, in which the State of Colorado, perhaps, is the most prominent among all the States of the Union. I have but little patience with the sordid selfishness of American industries that will oppose the extension of a policy that is grounded upon common justice to the helpless and hapless people of the Philippine Islands. We have taken unto ourselves absolute sovereignty over the archipelago. Those people have no power to negotiate treaties of amity and commerce. They can not retaliate against exactions we impose upon their commerce by levying burdens upon ours.

We occupy the relation toward them of a guardian toward a ward, and by a common moral sense in the United States the law requires that when there is any conflict between the interests of a guardian and a ward the ward's interests must always be paramount. And yet these heartless industries have always been protesting and objecting to the extension of free trade in the American ports to the people of those islands. While I am not prepared to say that the beet-sugar industry in the United States is altogether responsible for the unjust and the unfair criticism of the Attorney-General for the decision referred to, I feel that it is altogether proper to refer to it at the opening of my remarks upon this question because of the frenzied denunciation of that official by the gentleman from Colorado [Mr. MARTIN].

In 1899, when the Paris treaty was pending before the Senate of the United States, Col. William J. Bryan, the national Democratic leader, laid aside his shoulder straps and came to the capital city and threw his powerful influence into the balance in favor of the ratification of the treaty under which American sovereignty was extended over the Philippine Archipelago. And I think I am safe in saying that if it had not been for the support and influence of Colonel Bryan that treaty would not then have been ratified, and perhaps it never would have been. If it had not been ratified, of course there would have been no American administration in the islands and no American officials there to find fault with. The very next year, in 1900, Colonel Bryan was the candidate of his party for the Presidency, and in the platform upon which he was nominated, and at his own suggestion, American occupation and administration of those islands was condemned in the strongest language, and "imperialism" displaced free silver as the paramount issue of that campaign. I believe in fair and decent criticism of public officials and policies in our politics, but I have no respect for criticisms that have no basis in truth or probability, but which are recklessly iterated and reiterated to excite prejudice against the administration for the purpose of securing temporary personal or party advantage.

The inhabitants of the Philippine Islands were strangers to us from almost every standpoint. They were people of a different race, a different language, a different history, and different traditions. They were put under our control by a fate that was destiny itself; and, naturally, they were solicitous of the result of control and administration by a people that was so little known to them as the people of the United States. We undertook a new and delicate mission when we assumed control of those islands, and the Government should have had the cooperation and sympathy of all the people in that undertaking. But there seem to be those in this country who are willing to make a political football of our administration of the islands and to deliberately misrepresent conditions for the purpose of exciting an unjust prejudice and suspicion on the part of the inhabitants of the islands against the purposes of this Government in the hope of discrediting the party in control of the administration.

It is believed that the cry of "imperialism" in the campaign of 1900 prolonged the conflict to establish peace and cost the lives of many brave Americans. Just criticism there and here is a wholesome thing, but unjust criticism is a crime against government and against society. It destroys confidence in the integrity of public officials, without which there can be neither progress nor patriotism. It is peculiarly reprehensible when it relates to our relations with the people of the Philippines, because our success there must depend in a large measure upon the confidence those people have in the justice of our intentions. Destroy that confidence and there will be insurrection and bloodshed.

THE ATTORNEY-GENERAL'S OPINION.

What was the Attorney-General's decision that has provoked so much criticism? He decided that the unoccupied friar lands of the Philippine Islands might be sold by the Philippine government without regard to the restrictions that are contained in section 15 of the organic act for the government of the islands, that applies to the disposition of what may properly be called the public domain. It was purely a question of law. Congress and the Philippine government determined all questions of policy in relation to the disposition of the public lands and the friar lands.

The Attorney-General had nothing whatever to do with the matter of policy. He gave an opinion upon a question of law, and I hope to demonstrate in my remarks not only that his opinion was absolutely right, but that no lawyer carrying the responsibility of that position, and sensible of the obligation of his oath, could have reached any other conclusion. I expect to show that it was not the intention of the House or the Senate, or the administration here, or the government in the Philippines, that the limitations contained in section 15 of the organic act relating to homestead lands should apply to the friar lands at all. In order to arrive at a proper interpretation of a statute, if there is any ambiguity in it or any doubt respecting the subject-matter to which it applies, it is necessary to know something about the history of the statute and the purpose for which it was enacted and the end it was made to accomplish.

I will briefly state the history of the friar-land transaction. When the treaty of Paris was ratified by the Senate of the United States, title to all the public lands in the Philippine Islands was vested in the United States Government.

There were about 65,000,000 acres of public lands in the islands, about 25,000,000 acres of which were agricultural lands, and 40,000,000 acres of forest and mining lands. There were only about 5,000,000 acres of land in all the islands in private ownership, and among those were about 400,000 acres that were owned in separate tracts by three religious orders. The friar lands were already in private hands; they were already exploited. They did not come to the United States Government by the treaty of Paris, as did the public domain. President McKinley appointed a civil government commission under the war power vested in him to administer the affairs of the islands, and the present Chief Executive of the Government was made president of that commission. He found that one of

the most troublesome questions, and one that stood most in the way of the maintenance of public order, was the friar-land situation. Before the war between Spain and the United States there was an outbreak in the islands against Spanish rule, growing out of the intense feeling on the part of the inhabitants against the friars. They were members of the Church of Rome; practically every civilized native of the islands was a communicant of that church. They were devoted Catholics. They found no fault with the priests on account of their religion; but under the Spanish régime the parish priests exercised large political power, and they were associated with Spanish despotism and tyranny. The priests had fled from their parishes and taken refuge in Manila, and this was the situation at the time this Government went into control. A large portion of the friar lands were occupied by tenants who repudiated their obligations to the owners of the land and refused to either give possession of the lands or pay rent for their use. There were over 60,000 people living on those lands, and they had paid no rent for several years. After order had been restored the friars insisted on possession of their property or the payment of rent for its occupancy, and the tenants refused to either surrender or pay.

The situation became critical, and a solution of the problem by the purchase of the lands was the only one that would avert insurrection and bloodshed.

The Philippine Commission urged Congress to authorize the insular government to purchase the friar lands outright and resell them to the natives, giving the tenants in all cases the preference in the right to purchase the tracts they occupied. The insular government was bound to enforce the rights of the owners of those lands and compel the tenants to pay rent or vacate the lands, which meant revolt and possibly civil war, with consequent destruction of life and property. It would mean the unsettlement of conditions throughout the archipelago, and it was made clear that from a financial standpoint alone, the Government had better buy the lands, for the suppression of a revolt at that time would probably cost more than the entire purchase price of the lands.

The Committee on Insular Affairs was very reluctant about reporting a provision so extraordinary in its character as that, and the gentleman from Virginia [Mr. JONES], who was then, as he is now, the ranking Democratic member of that committee, suggested the propriety of imposing an exceptionally high land tax in the provinces in which the friar lands were located, with the view of "squeezing" the friars out. Of course that suggestion was not seriously considered, for the faith of the Federal Government was pledged by the Paris treaty to secure inviolable the property rights of individuals and associations, ecclesiastical and secular. The committee finally reported the Philippine civil-government bill, and that bill authorized the insular government to buy those lands and to issue bonds to raise the purchase money. The lands were to be sold by the government, and the proceeds of the sale were to constitute a trust fund for the payment of the bonds.

A similar bill was reported to the Senate by the proper committee, and the Senate bill was passed first and sent to the House. The House substituted its own bill for that of the Senate, passed it, and it went to conference, where the disagreements were adjusted, and it became a law on the 1st day of July, 1902.

THE ORGANIC ACT.

That law covers the whole subject of American administration in the Philippine Islands. It deals with the public domain, amounting to about 65,000,000 acres. When I speak of the "public domain," I have reference to the public lands that came to the United States under the Paris treaty, the title to which was and still is in this Government.

Section 12 of the law placed the control of the public domain under the Philippine government to be administered for the benefit of the inhabitants of the islands. It does not grant the lands to the insular government, but creates that government the agent of the United States to administer the public domain.

Sections 13, 15, and 16 bear directly upon the sale, leasing, or other disposition of the public domain, and I will insert those sections in my remarks at this point:

SEC. 13. That the government of the Philippine Islands, subject to the provisions of this act and except as herein provided, shall classify according to its agricultural character and productiveness, and shall immediately make rules and regulations for the lease, sale, or other disposition of the public lands other than timber or mineral lands, but such rules and regulations shall not go into effect or have the force of law until they have received the approval of the President and when approved by the President they shall be submitted by him to Congress at the beginning of the next ensuing session thereof and unless disapproved or amended by Congress at said session they shall at the close of such period have the force and effect of law in the Philippine Islands: *Provided*, That a single homestead entry shall not exceed 16 hectares in extent.

SEC. 15. That the government of the Philippine Islands is hereby authorized and empowered, on such terms as it may prescribe, by general legislation, to provide for the granting or sale and conveyance to actual occupants and settlers and other citizens of said islands such parts and portions of the public domain, other than timber and mineral lands, of the United States in said islands as it may deem wise, not exceeding 16 hectares to any one person and for the sale and conveyance of not more than 1,024 hectares to any corporation or association of persons: *Provided*, That the grant or sale of such lands, whether the purchase price be paid at once or in partial payments, shall be conditioned upon actual and continued occupancy, improvement, and cultivation of the premises sold for a period of not less than five years, during which time the purchaser or grantee can not alienate or encumber said land or the title thereto; but such restriction shall not apply to transfers of rights and title of inheritance under the laws for the distribution of the estates of decedents.

SEC. 16. That in granting or selling any part of the public domain under the provisions of the last preceding section, preference in all cases shall be given to actual occupants and settlers; and such public lands of the United States in the actual possession or occupancy of any native of the Philippine Islands shall not be sold by said government to any other person without the consent thereto of said prior occupant or settler first had and obtained: *Provided*, That the prior right hereby secured to an occupant of land, who can show no other proof of title than possession, shall not apply to more than 16 hectares in any one tract.

Section 13 provides that the Philippine government shall classify the public domain into timber, mineral, and agricultural lands, and provide for their sale, other disposition, and report rules and regulations therefor to the President and Congress, but that no single homestead shall exceed 16 hectares. A hectare is a trifle less than 2½ acres, and 16 hectares amount to 39 and a fraction acres.

Section 15 authorizes the Philippine government to grant or sell and convey the agricultural lands, on such terms as it may prescribe by general law, not exceeding 16 hectares to any one person and not exceeding 1,024 hectares to any corporation, and it provides that the purchaser or grantee shall occupy, cultivate, and improve the land for at least five years, whether the purchase money is paid or not, and during that period he shall not sell or encumber the land or the title thereto.

Section 16 secures to actual occupants and settlers of the land the preference in the right to enter or purchase.

It will be noted that these lands are designated in the sections quoted as "lands of the United States." They are not lands of the Philippine government or the Philippine people. The law clearly contemplates homesteading the public domain. Its manifest policy is to encourage the inhabitants of the islands to go upon the soil, to become farmers and farm owners. It expressly authorizes the Philippine government to establish a homestead policy and to sell or give to any citizen a homestead not exceeding 40 acres on condition that he locate upon it, improve it, and continue to live on it, and not sell or encumber it for a period of five years. He can not obtain the land for investment or speculation, but to use and occupy as a homestead. If any price was to be fixed for the land, it was to be merely nominal. No one could afford to pay the actual value of the land and take it with the conditions and limitations provided in the law. The law also provides that no corporation or association of individuals shall enter or purchase more than 1,024 hectares—about 2,500 acres—and every corporation that enters or buys land must occupy it and cultivate it for a period of five years, during which time the land can neither be sold nor encumbered. The bill as it passed the House fixed the amount of land that could be entered or purchased by a corporation at 2,000 hectares—about 4,950 acres.

Mr. SULZER. Has that provision been violated?

Mr. CRUMPACKER. Which provision?

Mr. SULZER. That corporations shall not buy more than 2,500 acres.

Mr. CRUMPACKER. No; indeed.

Mr. SULZER. It has not been violated at all?

Mr. CRUMPACKER. It has not been violated at all.

Mr. SULZER. The gentleman knows it positively?

Mr. CRUMPACKER. I know it as well as I know anything. There is no record of any sale to a corporation in excess of the area fixed by the law.

In addition to the limit fixed in section 15, section 75 of the law provides that no corporation shall own or hold more than 1,024 hectares, without regard to the source of its title, whether it gets the land from private owners or from the public.

It is also provided in section 75 that no member of a corporation engaged in agriculture or mining shall be in any wise interested in any other corporation engaged in agriculture or mining.

Mr. TAWNEY. Will the gentleman yield for a suggestion?

Mr. CRUMPACKER. Certainly.

Mr. TAWNEY. Further answering the inquiry of the gentleman from New York, I will say that as evidence that this provision has not been violated is the fact that under the law a pur-

chaser could not obtain a valid title to more than the amount of land fixed by the law.

Mr. CRUMPACKER. The excess would be subject to confiscation.

Mr. SULZER. I am glad to have the matter go out to the country, because I think a great many people are under the impression that this provision of the law to which the gentleman from Indiana refers had been violated.

Mr. CRUMPACKER. Section 17 of the law requires all the moneys received from lease or sale of any part of the public domain to go into the insular treasury. Now, that is the scheme for the sale and disposition of the public lands; that is, the lands that belong to the United States and are being administered by the insular government for the benefit of the people. The sections I have referred to clearly outline a homestead policy. The conditions and limitations contained in section 15 pertain to the policy of giving public lands in small areas to actual settlers, or of selling lands to them at a nominal price. They were placed in the law to induce inhabitants to become farmers and farm owners with the view of promoting the general welfare of the people. The consideration of homestead grants is not the purchase money, but the prosperity of the occupant.

These limitations were wise and proper. This Government had the right to impose them because it was giving the 65,000,000 acres of public land that legally belonged to the people of the United States, the same as the public lands in the Territories do, to the Philippine government to administer, not for the benefit of the people here, but for the benefit of the people of the islands exclusively. This Government had the moral and legal right to stipulate conditions under which the natives of the islands could secure homesteads.

THE FRIAR LANDS IN THE LAW.

I now come to the provisions of the organic act that provide for the purchase and sale of the friar lands. These provisions are all contained in sections 63, 64, and 65 of that act, and I will insert them in my remarks at this point:

SEC. 63. That the government of the Philippine Islands is hereby authorized, subject to the limitations and conditions prescribed in this act, to acquire, receive, hold, maintain, and convey title to real and personal property, and may acquire real estate for public uses by the exercise of the right of eminent domain.

SEC. 64. That the powers hereinbefore conferred in section 63 may also be exercised in respect of any lands, easements, appurtenances, and hereditaments which, on the 13th of August, 1898, were owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels and in such manner as in the opinion of the commission injuriously to affect the peace and welfare of the people of the Philippine Islands. And for the purpose of providing funds to acquire the lands mentioned in this section said government of the Philippine Islands is hereby empowered to incur indebtedness, to borrow money, and to issue, and to sell at not less than par value, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands, upon such terms and conditions as it may deem best, registered or coupon bonds of said government for such amount as may be necessary, said bonds to be in denomination of $50 or any multiple thereof, bearing interest at a rate not exceeding 4½ per cent per annum, payable quarterly, and to be payable at the pleasure of said government after dates named in said bonds not less than five nor more than thirty years from the date of their issue, together with interest thereon, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands; and said bonds shall be exempt from the payment of all taxes or duties of said government, or any local authority therein, or of the Government of the United States, as well as from taxation in any form by or under state, municipal, or local authority in the United States or the Philippine Islands. The moneys which may be realized or received from the issue and sale of said bonds shall be applied by the government of the Philippine Islands to the acquisition of the property authorized by this section, and to no other purposes.

SEC. 65. That all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed, or leased temporarily for a period not exceeding three years after their acquisition by said government on such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in this act: *Provided*, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of principal and interest of the bonds authorized to be issued in payment of said lands by the preceding section, and said deferred payments shall bear interest at the rate borne by the bonds. All moneys realized or received from sales or other disposition of said lands, or by reason thereof, shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity. Actual settlers and occupants at the time said lands are acquired by the government shall have the preference over all others to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said government.

Section 64 contains authority to purchase lands that on the 13th day of August, 1898, were held by associations, corporations, communities, religious orders, or private individuals "in such large tracts or parcels and in such manner as in the opinion of the commission injuriously to affect the peace and welfare of the people of the Philippine Islands." These lands were not required for homesteads, for out of 70,000,000 acres in the archipelago only 5,000,000 acres were in private ownership. Aside from the timber and mineral lands there were at least 25,000,000 acres of agricultural land in the public domain eligible for homesteads. I have explained the reasons that prompted Congress to confer authority on the Philippine Commission to buy these lands. It was not on account of the large area of the holdings, because there is no limitation in the law upon the amount of land that may be held in the islands by an individual or by a religious or charitable corporation, and there never has been. It was on account of the manner in which these lands were held as affecting the peace and welfare of the people of the islands. Their purchase was authorized to establish and maintain peace and order and for no other purpose. The commission had no authority to purchase lands simply because they were owned in large tracts, nor to purchase a small parcel simply to get rid of an undesirable citizen. But it was authorized to purchase land held in large tracts in such a manner as to threaten the peace and welfare of the people.

That section also authorizes the Philippine government to issue bonds for the purchase of the lands, and provides that the proceeds of the bonds shall be used for no other purpose.

It is insisted that provisions of section 65 require the friar lands to be sold subject to the limitations contained in section 15 relating to the creation of homesteads upon the public domain. An analysis of section 65 will show that contention to be utterly groundless. That section provides—

That the lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of government of the Philippine Islands.

Of course they would constitute a part and portion of the public property of the government of the Philippine Islands, because they were to be bought with public money borrowed by that government, which was to be repaid by the taxpayers. The lands were to be public property of the Philippine government in the same way that public buildings and public grounds and reservations are public property of the government.

Now note in sections 12, 13, 14, 15, and 16 of the organic act the public domain is described as land belonging to the United States, which is put in control of the insular government, to be administered for the benefit of the inhabitants of the islands, and we fixed certain limitations and conditions upon the disposition of those lands. It was the clearly expressed intention of the Government of the United States in turning the public domain over to the insular government for administration to provide for the creation of homesteads, and the conditions and limitations contained in the sections of the law relating to the public domain were peculiarly adapted to homesteads.

Section 65 again:

And may be held, sold, and conveyed or temporarily leased for a period not exceeding three years after their acquisition by said government, on such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in this act.

The last clause read has given rise to all the controversy—"subject to the limitations and conditions provided for in this act." What does it mean? Reading on:

Provided, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of principal and interest of the bonds authorized to be issued in payment of said lands by the preceding section, and said deferred payments shall bear interest at the rate borne by the bonds.

The payments shall be made in the same kind of money provided for in the bonds, gold or its equivalent, and the deferred payments shall bear interest at the same rate that the bonds bear, 4½ per cent.

All money realized or received from sales or other disposition of said lands, or by reason thereof, shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity. Actual settlers and occupants at the time said lands are acquired by the Government shall have the preference over all others, to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said government.

Now, the question is what limitations and conditions are applicable to the sale of the friar lands. Here are about 400,000 acres that are to be purchased with a view of ridding society in the islands of a troublesome political and agrarian question. It was an investment on the part of the Philippine government to establish and maintain peace and order, and thereby avoid a much larger expenditure in the way of putting down insurrection. It is manifest from the provisions of the law that the people of the islands, who were to burden themselves with a debt, as they did to the extent of $7,000,000 for the purchase of the lands, were to depend upon the sale of the lands to pay the debt. It is provided that the insular government may sell or lease the lands upon such terms and conditions as it may prescribe under the conditions and for the purposes mentioned in the section authorizing the sales.

Mr. MARTIN of Colorado. Will the gentleman yield for an interruption?

Mr. CRUMPACKER. Yes; for a question.

Mr. MARTIN of Colorado. I am sorry I did not get to hear the opening of the gentleman's remarks, because I have been very much interested in this subject during the session. There are no limitations in the friar-land sections upon the sale of those lands, except such as must be read into them from other portions of the act. I want to ask the gentleman what is the meaning and what was the purpose of inserting the limiting clause, the words "subject to the limitations and conditions provided for in this act," if it was not to apply and cause to be read into those sections the quantity limitations to be found elsewhere in the act, and particularly in section 15?

Mr. CRUMPACKER. Mr. Chairman, I am discussing that question now. The gentleman says there are no conditions or limitations in the section I have just been reading. There are five separate and distinct conditions and limitations in that section relating to the sale or lease of the friar lands.

Mr. MARTIN of Colorado. I heard the gentleman read them.

Mr. CRUMPACKER. I will read them again. The gentleman, it seems, did not get them fixed in his mind.

Mr. MARTIN of Colorado. Oh, I have read them several times.

Mr. CRUMPACKER. It may require several readings yet to convince the gentleman.

That the lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands.

As I explained a moment ago, the law treats the other public lands as the property of the United States.

They may be leased temporarily for a period not to exceed three years.

Is not that a limitation?

Mr. MARTIN of Colorado. That is a limitation in the section.

Mr. CRUMPACKER. It is a limitation of the power to lease. Is that in section 15 providing for the disposition of the public lands? No. In making section 65 Congress was engaged in fixing limitations for the disposition of friar lands, and to emphasize the purpose that these lands should be sold as soon as practicable, the period of leasing was fixed at the short term of three years, so that if an opportunity arose to sell any portion of the land, no long-term lease would stand in the way of the sale. The insular government has leased lands in the public domain for terms of twenty-five years. There has not been a single lease of friar lands for more than three years. That is our limitation there, and there are a number of others.

Mr. MARTIN of Colorado. I do not ask the gentleman to consume his time in reading those other provisions.

Mr. CRUMPACKER. I am going to discuss them. I will show the gentleman that the question of fixing a limitation upon the area of friar lands that could be sold to any one person was discussed in the House when the bill for the organic act was pending, and the House refused to fix any limitation at all. The Senate also refused to do it. I will refer the gentleman to the debates in the House upon that question in the first session of the Fifty-seventh Congress. I will refer to them again later on.

Mr. MARTIN of Colorado. I just want to interrupt on that point right there.

Mr. CRUMPACKER. I beg the gentleman's pardon. When I say I do not want to be interrupted, I hope the gentleman will respect my wish, because I am making this speech. I do not want to be discourteous, but I do insist on the right of making my own speech.

Mr. MARTIN of Colorado. You will not let me read what the RECORD says?

Mr. CRUMPACKER. I insist that the gentleman shall observe the rules of debate in the House. They are made for gentlemen to observe, and I hope the gentleman from Colorado will keep that fact in mind. [Applause.]

Mr. MARTIN of Colorado. Mr. Chairman, I wish the gentleman would come forward here with his applause.

Mr. VREELAND. I am the gentleman who applauded.

Mr. CRUMPACKER. Mr. Chairman, I insist that the gentleman from Colorado is not in order.

Now, I have read in answer to the request of the gentleman from Colorado one specific limitation in respect to the leasing of the friar lands. It must be borne in mind that the Philippine government is to sell, lease, or otherwise dispose of those lands upon such terms as it may prescribe, subject to the limitations and conditions provided for in the act. Limitations and conditions upon whom? Upon the Philippine government. Deferred payments for the purchase price and the interest thereon shall be made in the same kind of money provided for the payment of the bonds. That is condition No. 2 attached to the sale or disposition of the lands.

Then the deferred payments shall bear the same rate of interest borne by the bonds. That is condition No. 3. All the money derived from the lease or sale of the lands shall constitute a trust fund for the payment of the bonds and the interest thereon. That is condition No. 4. Actual settlers and occupants of the lands shall have the preference over all others in the right to lease or buy the lands they occupy. That is condition No. 5.

Here are five separate and distinct limitations and conditions in section 65 relating to the disposition of the friar lands, a conclusive answer as to what was intended by the clause, "subject to the limitations and conditions provided for in this act," contained in that section.

Where a legislative body fixes specific conditions and limitations in direct connection with authority to sell public lands, the presumption is that no other conditions and limitations were intended. The enumeration of some is held to mean the exclusion of all others. That is a very common principle in the interpretation of laws. If we were to go back to section 15 for limitations and conditions, why, let me ask, was it necessary to stipulate in section 65 that actual occupants and settlers should have preference in the right to lease or buy? That provision is in section 15 also.

So it seems to me that it is too clear for argument that the conditions and limitations contained in section 65 of the law were the only conditions and limitations that Congress intended to impose upon the sale and disposition of the friar lands. It is shown by the sections treating of the friar lands that it was the purpose of Congress that those lands should be sold to accumulate a fund with which to pay the bonds that the government issued to buy the lands. That purpose is emphasized in a number of provisions of the law. The original bill as it passed the Senate provided that no tract or parcel of the friar lands should be sold for less than the price paid for the particular tract or parcel by the government.

That provision was stricken from the bill in conference because it was considered of vital importance that the lands be purchased, even at a price above their value if it was necessary, and a rigid provision fixing the minimum selling price at the amount the Government was required to pay might defeat sales altogether. It was decided to leave the selling price of the lands to the Philippine government in the belief that they would be sold at the highest price and upon the best terms obtainable under the conditions fixed in section 65 for their disposition. That government provided by law that none of those lands should be sold below the cost price plus the accumulated interest at the rate fixed in the bonds, and no tract or parcel has been sold for a less amount.

DISTINCTIONS BETWEEN THE PUBLIC DOMAIN AND THE FRIAR LANDS.

Now, we have the two provisions—one for the administration of the public lands by the Philippine government for the benefit of the people of the islands, with a view of providing for homesteads. The title and ownership of that land was and is in the United States. Congress fixed conditions and limitations for the disposition of those lands that were peculiarly adapted to a homestead policy, where the chief consideration is to encourage citizens to settle upon and cultivate farms, and the pecuniary considerations in granting the lands, if any should be exacted, were incidental and secondary. The quantity of land that any individual could obtain was limited to 16 hectares, and the entryman was required to live upon the land, improve and cultivate it, and he was forbidden to sell or encumber it for a period of five years. All of these conditions are contained in section 15 of the organic act.

The other provision of the law relates to the purchase and sale of the friar lands. I have explained that the purchase of those lands was authorized to relieve the situation in the islands of a problem that threatened the peace of society and the maintenance of order. Those lands were not purchased for homestead purposes. The taxpayers of the islands incurred a debt of $7,000,000 to pay the purchase price, and, as I have shown, the law established limitations and conditions for their sale designed to secure a fund with which to pay the debt incurred in buying them. The money consideration in the sale of those lands was made paramount.

The limitations and conditions contained in section 15 of the law relating to homesteads are wholly inapplicable to the sale of the friar lands when the pecuniary proceeds of sales was the chief aim. I say it is improbable that Congress intended that section 15 should apply to the friar lands, when it is clear from every provision of the law that it was the purpose of Congress to authorize the Philippine government to sell those lands for money with which to relieve the taxpayers of the debt they had incurred for their purchase. The friar lands never belonged to the United States. The United States never had

any proprietary interest in them. If they were required to be sold under the conditions and limitations contained in section 15, they would not bring half the purchase price. Who would buy land at its fair value and bind himself to live on it and cultivate it for a period of five years, during which time he could neither sell nor encumber it? Besides many of the tenants on those lands had under lease and were in the actual occupancy of much more than 16 hectares. The law gives the tenants the preferential right to buy the tracts they occupied, showing conclusively that the 16-hectare limit was not intended to apply to those lands.

THE PURCHASE OF THE FRIAR LANDS.

President Taft, who was then the governor of the islands, conducted the negotiations for the purchase of the lands on behalf of the Government. The San Jose estate in the island of Mindoro, containing about 55,000 acres, and the Isabela estate in northern Luzon, of about the same area, were wholly unimproved and unoccupied. Those estates were not the subject of any friction or uneasiness, and at the outset Governor Taft declined to include them in the purchase for that reason, but the representative of the monastic orders peremptorily refused to sell the occupied lands unless those two estates were taken also, and so they were included in the purchase. Each separate tract was appraised and the purchase price was based on the appraisement.

Mr. GARRETT. Will the gentleman yield there for a moment?

Mr. CRUMPACKER. For a question.

Mr. GARRETT. But, as a matter of fact, they did not buy them all, did they?

Mr. CRUMPACKER. Well, substantially. There were two or three small tracts, perhaps 8,000 acres, that were not included.

Mr. GARRETT. Then they were not all bought?

Mr. CRUMPACKER. They were not all purchased. The wild lands in Mindoro and Luzon, however, had to be bought in order to secure the occupied lands. The purchase of those lands relieved the stress and completely settled the friar question.

Mr. GARRETT. I understood the gentleman to say that Judge Taft stated that he had to purchase them all or none.

Mr. CRUMPACKER. I made that general statement, but I meant the unimproved and unoccupied estates in Mindoro and Isabella that were yielding no income. The opinion which Attorney-General Wickersham gave and which has been made the subject of attack related to the San Jose estate in Mindoro.

Section 13 of the organic act authorized the Philippine Commission to make rules and regulations for the sale or other disposition of the public lands and report such rules and regulations to the President for his approval, and, if he should approve them, they should be submitted to Congress at its next session, and if Congress did not disapprove the rules and regulations during that session of Congress they should become law. The commission had the public lands surveyed and adopted a code of rules and regulations for their disposition, which were submitted to the President and were approved by him, and they were reported to Congress, and, not having been disapproved by Congress at the ensuing session, they became law. They were proclaimed as in operation in July, 1904, and constitute what is known as the Philippine public-land act.

That act does not provide for the disposition of the friar lands. As illustrating that the Philippine Commission did not consider the restrictions and conditions in the law relating to the public lands had any application to the friar lands, in April, 1904, it enacted an independent law for the sale and disposition of the friar lands. That law was not submitted to the President for his approval, but contained an emergency provision putting it into effect without delay. The preamble to that law declared that the friar lands were not "public lands" in the sense of the law, and could not be sold under the limitations and restrictions of the public-land act. The preamble is as follows:

> Whereas the said lands are not "public lands" in the sense in which those words are used in the public-land act, No. 926, and can not be acquired or leased under the provisions thereof, and it is necessary to provide proper agencies for carrying out the terms of said contracts of purchase and the requirements of said act of Congress with reference to the leasing and selling of said lands, and the creation of a sinking fund to secure the payment of the bonds so issued: Now, therefore,

The Philippine organic act requires all acts of the Philippine legislature and of the commission to be reported to Congress, and Congress has the right to disapprove them. The friar-land act was reported to Congress in December, 1904, but not a word of objection was uttered against it. The friar-land act, however, provided that those lands should be sold under the restrictions contained in chapter 2 of the public-land act, which, among other things, limited the quantity of land that could be sold to any one individual to 16 hectares. That provision was put in the act by the Philippine Commission at its own volition.

After several years of effort it was found that the San Jose estate and the Isabela estate were utterly unsalable under the 16-hectare limitation. Those lands were wild and in sparsely settled provinces, and no citizen would buy a 40-acre tract of either estate. They yielded no income, they were not taxable, and the people of the island were paying interest on the purchase money at the rate of 4½ per cent in gold. It was simply impossible to dispose of the lands to the natives. Hon. BENITO LEGARDA, one of the Resident Commissioners of the Philippine government, stated before the Committee on Insular Affairs that it would be centuries before the natives of the island would develop Mindoro and settle the San Jose estate. The Philippine legislature held its first session in 1908, and the friar-land situation received attention.

Mr. MARTIN of Colorado. How about the Calamba estate, right near Manila, the estate that caused the Philippine revolution in 1896?

Mr. CRUMPACKER. I do not know about that. We will settle this question first, and when we get through with it I doubt if the gentleman will mention any more estates or any more irregularities in relation to the sale of friar lands in the Philippine Islands.

Mr. MARTIN of Colorado. Yes; but the gentleman will not permit me to interrupt him.

Mr. CRUMPACKER. Certainly not. I am making this speech, and when one is endeavoring to make a consecutive legal argument the gentleman knows that a continual rapid-fire process of interruption will largely destroy the connection of thought and the force of the argument.

Mr. MARTIN of Colorado. Just let me quote the Senate RECORD, when the limitations were put into the friar-land act.

Mr. CRUMPACKER. If the gentleman will just possess his soul in patience, I will do that. I know all about it. The clause in section 65, "subject to the limitations and conditions provided for in this act," was put in the Senate bill on the floor of the Senate on motion of Senator LODGE. There was not a word of explanation or debate of the provision.

Mr. MARTIN of Colorado. It was put in, though.

Mr. CRUMPACKER. Yes; it was put in, but it could not have been intended to apply to limitations and conditions in section 15, because there was no such section in the Senate bill. The Senate bill did not provide for the sale of the public lands at all, but turned that whole subject over to the Philippine government, with the only condition that a single homestead should not exceed 40 acres. At the time that clause was put in section 65 there was not a single limitation or condition upon the sale of public land or public property in the bill, except those that were contained in section 65, and the Senate necessarily intended that provision to relate to the conditions and limitations in that section and those alone.

And in this connection, while I am on that subject, I call the attention of the House to the fact that the House bill for the organic act contained no limitations or restrictions whatever in relation to the quantity of unoccupied friar land that could be sold to a single individual. When the bill was under consideration in the House the gentleman from Virginia [Mr. JONES] insisted that there ought to be some limit upon the acreage that any one person could buy, and he proposed an amendment fixing the amount at 40 hectares, two and a half times the limit fixed in section 15 for a homestead. After considerable discussion the amendment was voted down. It was announced in the debate that it was the policy of the bill to fix no limitation upon acreage, but to leave that question to the insular government.

The gentleman from New York [Mr. SULZER] proposed an amendment declaring that the friar lands should be held in trust for the purposes of homesteads for the citizens of the islands, but the House took the position that in view of the existence of 65,000,000 acres of other public lands in the islands, much of which was suitable for homesteads, it would be more in the interest of the people to sell the friar lands, pay off the bonds for the purchase money, and stop the payment of interest as soon as practicable, and the Sulzer amendment was defeated. Neither the Senate nor the House had any intention of fixing any limit upon the quantity of unoccupied friar land that could be sold to a single individual.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. MARTIN of Colorado. I am sorry, Mr. Chairman, I interrupted the gentleman; I thought his time was unlimited.

Mr. CRUMPACKER. I would like a little more time.

Mr. MALBY. I will yield the gentleman fifteen minutes, and then ascertain whether the chairman has any more time to spare.

Mr. CRUMPACKER. The Philippine legislature concluded that the Government could never dispose of these large unoccupied friar estates located, as they were, where there were no settlements, unless the limitation the commission had imposed respecting the area of the land sold was repealed and the legislature enacted a law abolishing that limitation altogether, in so far as the unoccupied lands were concerned. That law was reported to the Secretary of War and to the President, and was submitted to Congress in December, 1908, for its information, almost a year before any controversy arose about this question.

Not a single word of objection was made to the law by either House of Congress. That law was enacted by the representatives of the people in the islands, who were best informed respecting the wishes and needs of their constituents, and it was sent to Congress for approval or disapproval. It was not done under a bushel. The people were tired of paying interest on the purchase price of the unoccupied friar lands, and their legislature authorized the director of lands to sell them to anyone who would pay the original purchase price and accumulated interest, without regard to limitations as to area. In September or October of 1909 the director of public lands in the islands received an offer for the entire San Jose estate of a sum sufficient to cover the original purchase price of the land and all interest paid thereon, and the offer was accepted. The proposed sale was to an individual and not to a corporation. A question was suggested respecting the power of the Philippine government to sell more than 40 acres of the land to one person, and the attorney-general of the insular government, who is a native of the island of Luzon and an able lawyer, gave an official opinion, holding unqualifiedly that section 15 of the organic act did not apply to the friar lands and that there was no limitation upon the area of unoccupied land that could be sold to an individual. That was the opinion of the Philippine Commission originally when it made the independent act for the sale of the friar lands, and it was the opinion of the Philippine legislature when it repealed the restrictions which the commission had put on the friar lands in respect to area.

Before the transaction involving the sale of the San Jose estate was finally closed the opinion of Attorney-General Wickersham was sought respecting the validity of the proposed sale. He held that the Philippine government had the right to sell unoccupied friar lands to an individual without restriction as to area, that section 15 of the organic act had no reference to the friar lands. His opinion was in harmony with well-settled principles for the construction of laws and in accord with the view of the Philippine Commission, the Philippine legislature, the Philippine attorney-general, and every other officer of the insular government who had anything to do with those lands. It will have the unqualified approval of every lawyer who gives the question thoughtful consideration.

Viewed purely from the standpoint of policy, the sale of the San Jose estate was wise. It would have taken a century to have sold that estate in 40-acre tracts, situated as it was. This was the judgment of Resident Commissioner LEGARDA. The land brought no income; it was not taxable, and the interest on the purchase money had to be paid every six months. By the sale it will be improved and be taxable and will be a source of revenue rather than a drain on the Public Treasury. The conditions respecting the Isabela estate are substantially the same as the San Jose estate. The Isabela lands are located in the wilds of northern Luzon. They are unoccupied and return no revenue, and the bonds for their purchase are unpaid. If these two tracts were disposed of, the administration of the rest of the friar lands would be comparatively easy, for they are mostly occupied and cultivated and are very productive. I will read a letter from Hon. Dean C. Worcester, secretary of the insular government, written to Gen. Clarence R. Edwards, Chief of the Bureau of Insular Affairs, in the War Department, on the 21st of October, 1909, respecting the sale of the San Jose and Isabela lands:

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
DEPARTMENT OF THE INTERIOR,
Manila, October 21, 1909.

The CHIEF OF THE BUREAU OF INSULAR AFFAIRS,
Washington, D. C.

MY DEAR GENERAL EDWARDS: Two gentlemen who are contemplating the purchase of considerable tracts of the San Jose friar estate called at my office the other day, and in the course of the interview which followed stated that they had been informed in Washington, at the Bureau of Insular Affairs, that the sale of friar lands was subject to the same limitations as that of public land.

It is true that this was the case in the friar-land act (No. 1120) as originally passed, but act No. 1147 was passed for the express purpose of doing away with the numerous difficulties which arose in consequence.

We should, of course, have gotten into endless trouble with tenants desiring to purchase if the amount of land we could sell to any one of them was limited to 40 acres, while if we are ever to dispose of the San Jose and Isabela estates, both of which are practically without tenants and are situated in remote and comparatively inaccessible regions, it will be necessary to sell the land in tracts of considerable size.

You will, I think, note that act No. 1120, as amended by act No. 1847, leaves the director of lands entirely free to offer unoccupied friar lands for sale in such tracts as may seem to him wise. I am hoping very much that we shall be able to sell some of this land to the gentlemen in question and that they will start a good up-to-date sugar plantation.

If we can only unload these two large estates, the friar-land problem will, according to present indications, be solved quite readily.

Sincerely, yours,

DEAN C. WORCESTER,
Secretary of the Interior.

Received in Bureau of Insular Affairs December 13, 1909.

THE PURCHASER.

A lot of rant has been turned loose upon the public respecting the purchaser of the San Jose tract. A man named E. L. Poole bought the land, but it is asserted that he is the agent of the sugar trust. He bought as an individual and took the title as an individual. If he should dispose of the land in violation of law or hold it in an unlawful manner, the insular government wil apply an appropriate remedy, doubtless. It has also been asserted that one Horace Havemeyer is interested in the land. Possibly he is; I do not know. But the law does not say that Horace Havemeyer shall not buy land. He has not been outlawed nor declared unclean. There has been no bill of attainder against Horace Havemeyer, rendering him incapable of holding title to land. I suppose he can buy and hold land even in Colorado. I suppose even a man who owns stock in the American Sugar Refining Company may buy land in the Philippines, or in the United States, for that matter. It was not for the Attorney-General to investigate the purchaser and determine whether he was a desirable or an undesirable citizen. He decided a question of law. All matters of policy pertaining to land in the Philippine Islands belong to Congress and the insular government.

Mr. Chairman, the Government of the United States has had control of the Philippine Islands for something over ten years, and during that time many new problems have been met and solved. Peace and order have been established throughout the islands on a more permanent basis than ever existed before. There is now safety to life and property in all parts of the archipelago. Roads have been built, and the facilities of intercourse among the people of the various islands and the different tribes in the same island have been greatly increased, thereby laying the foundation for political and social solidarity and the upbuilding of a national spirit. The progress the insular government has made in education and sanitation is very gratifying. The people of the islands have a large share in making and administering their own laws and in levying and expending their own taxes.

The conservative wisdom of the popular legislative assembly is a vindication of the policy of establishing it. Gratifying progress is being made along all lines of Philippine administration. It will require time, patience, and sympathetic cooperation on the part of the people here and there to work out all the problems that confront those in charge of affairs in the islands. That work can be greatly retarded by captious fault-finding and unfair criticism. Every American citizen ought to feel a personal interest in our insular affairs and contribute what he reasonably can to promote good results. America in the Philippines should be more unselfish than England in India, or the Netherlands in Java, or Belgium in Africa. Our chief concern should be to conduct the affairs of those islands in the interest of the people there. President Taft made his name immortal by the great work he did at the head of the Philippine Commission, in establishing peace and order and laying the foundation of civil government upon principles of justice, liberty, and humanity. [Applause on the Republican side.]

Mr. BOWERS. Mr. Chairman, I yield one minute to the gentleman from North Carolina [Mr. WEBB].

Mr. WEBB. Mr. Chairman, I want to make a little talk on ship subsidy, a question I have never before discussed, as it relates to the conditions in my district, and I ask unanimous consent to extend my remarks in the RECORD rather than to inflict them upon the committee.

Mr. MALBY. I understood that no agreement had been reached.

The CHAIRMAN. The gentleman from North Carolina [Mr. WEBB] asks unanimous consent to extend his remarks in the RECORD.

Mr. WEBB. I will say to my friend from New York [Mr. MALBY] that there is no objection on this side to extending remarks in the RECORD. Objection has been made to general

leave to print, as I understand, by the gentleman from New York [Mr. FITZGERALD], the gentleman from Mississippi [Mr. BOWERS], and the gentleman from Pennsylvania [Mr. OLMSTED].

Mr. MALBY. If the gentleman from New York would explain the nature of his opposition, we would understand it.

Mr. FITZGERALD. Mr. Chairman, I objected to the request that all Members of the House have leave to print for ten days. I have no objection to a Member who has a speech he has prepared, or intends to prepare, having leave to put it in the RECORD, but I think the House is entitled to some information. My objection is due to the fact that in the past, after Congress has adjourned, under such leaves as were requested, gentlemen have put in the RECORD, under the guise of speeches, publications that they never had anything to do with, merely as political campaign documents. I think that is an abuse, and I will object to it.

Mr. MALBY. Mr. Chairman, I do not think there is any objection on this side of the House to gentlemen extending their remarks in the RECORD if it is going to lessen the hours of debate; but I did understand this morning that there were certain objections made to having remarks that have been made extended in the RECORD, although I may be mistaken. I want the rule simply to be uniform on both sides.

Mr. FITZGERALD. I have not objected, and do not object, to any gentleman on either side of the House extending his remarks on some speech that he has made. This was an indefinite authority to Members to print anything they pleased. I do not think that under the guise of general debate gentlemen should be permitted to print arguments on some other matter and have some other Member feel it incumbent upon him to reply.

Mr. OLMSTED. Mr. Chairman, a little while ago, when the gentleman from South Carolina was preferring the same request, I did not object, but simply stated, in the absence of the gentleman from New York, that if I understood the objection was to be made to every such request on this side I thought it was hardly fair. The position the gentleman now states is entirely different from that. I have no objection to gentlemen extending their remarks.

Mr. FITZGERALD. The request made by the gentleman from Minnesota was that general leave to print for ten legislative days be given.

Mr. OLMSTED. Well, objection was made by the gentleman from New York; and, as I recall, the gentleman from Minnesota modified that to apply to those who spoke in general debate and addressed the Chair.

Mr. FITZGERALD. I do not recall that that was the request. I never object to any individual Member's request for leave to extend his remarks.

Mr. MALBY. I hope there will be no objection to this particular request; but if another case comes up in the future which requires the invocation of a different rule, that can be done.

Mr. FITZGERALD. I assure the gentleman that I have no objection to any gentleman extending his remarks.

Mr. OLMSTED. I would like to ask that the gentleman from Indiana may have permission to extend his remarks. He has been speaking on a subject in which the House is interested, and many of us are trying to get some information. I would like to couple that request for the gentleman from Indiana.

The CHAIRMAN. Is there objection?

Mr. MARTIN of Colorado. Mr. Chairman, I think there ought to be some general understanding, and not have this favor extended in particular cases. I hope to get a few minutes, if only five, during general debate, and would like leave to extend my remarks in the RECORD. I propose to address the House on the subject discussed by the gentleman from Indiana just now.

The CHAIRMAN. The Chair hears no objection. The Chair would state that the Chair is not in control of the time. That has to be yielded by the gentlemen who have charge of it. Is there objection to the request with respect to the gentleman from Indiana? [After a pause.] The Chair hears none.

Mr. MALBY. Mr. Chairman, I think there will be no objection on this side of the House to any favor in extending remarks, but if there is objection to anyone on this side we shall feel like invoking the same rule that they invoke on their side. I have no objection to any gentleman extending his remarks.

Mr. FITZGERALD. There are some speeches which should not be printed in the RECORD. They should be delivered on the floor, speeches which purport to answer certain speeches of gentlemen.

Mr. MALBY. Well, of course, I have not in mind such a speech. I do not know how we could tell when they should go in the RECORD unless delivered. So far as I know there is no objection on this side of the House.

The CHAIRMAN. The Chair hears no objection.

Mr. WEBB. Mr. Chairman, I wish to discuss for a little while the subject of ship subsidy. Some Republicans are now throwing out this issue as a bait to suffering manufacturers, who, like drowning men, are expected to catch at this straw. Our cotton manufacturers are intelligent people and will scrutinize this bait for a long time before they will swallow such a morsel. A few years ago the Republicans told the cotton manufacturers that all they needed was a high protective tariff. We have had a high protective tariff for thirteen years, and the cotton-mill industry is suffering more to-day than ever before in the history of the United States. Now they come forward with a new remedy for the stagnation that has overtaken us. They call this new remedy "ship subsidy" and expect the cotton-mill people to be gulled into voting the Republican ticket.

NOT A PARTY ISSUE.

The Republican party has never in its history declared for ship subsidy; and, if it is such a good thing, why do they not pass a subsidy bill that will suit them, for they have had from 30 to 114 majority in the House of Representatives for the last thirteen years? In every national Republican convention for the last twelve years the proposition to indorse ship subsidy was voted down. The Republicans do not themselves know what they stand for in this matter, for a new and different bill has been presented in every Congress since 1896. There is a ship-subsidy law on the statute books now, passed in 1891, and giving vessels of certain tonnage $4, $2, and $1 for every mile sailed on each outward voyage to foreign countries. For instance, a vessel carrying the American flag and sailing from San Francisco to China, with or without cargo, could receive $32,000 bounty from the Public Treasury under the present law; but the beneficiaries of this subsidy are not satisfied and have come to the present Congress asking that the rate of bounty be doubled and their hands run deeper into the Public Treasury. Subsidies of this kind are to a merchant marine like the injection of saline solution into the veins of a dying man—life is prolonged for a little while, but the end must inevitably come.

Under the existing subsidy law the Government has paid out to shipowners during the last nineteen years $25,000,000, which amount would have built for government use, for carrying mail and freight, 50 fine steamships of 5,000 tons each, with a speed of 16 knots per hour; and yet, with all this subsidy we still have no merchant marine, and in fact it is in worse condition now than nineteen years ago. About 90 per cent of this enormous amount was paid to just two corporations which are one in interest.

ALL WANT GREAT MERCHANT MARINE.

What the manufacturers of this country want and need is not ship subsidy for the benefit of two or three shipowners, but a great merchant marine, such as we had in 1860. There is no man more anxious than I to see a general rehabilitation of our merchant marine on broad American lines—the restoration of our American policy. I believe every patriotic citizen desires this, and the only difference between us is as to the best method of obtaining it. One of the proudest portions of Democratic record is the splendid merchant marine that was built up and maintained under Democratic rule. The Democratic party is the father of the most magnificent merchant marine the world ever saw up to 1860, and I say kindly but firmly that the Republican party and its policies have destroyed this great marine. The truth is, to-day the Democrats stand for the only policy that has ever built up our merchant marine—that is, discriminating tariff duties in favor of cargoes brought in American bottoms.

Such duties will help every person, large or small, who wants to fly the American flag; they will not confine their benefits to the shipping trust and a half dozen vessels. Under this system of discriminating duties, inaugurated by the Democrats, American vessels flying the American flag carried 90 per cent of our exports in 1859, when the Democrats laid down the reins of government. Since that time the Republican party has been in practically continuous control of the Government, but under its policies our magnificent merchant marine has been driven from the seas and American ships now carry only a pitiful 8 per cent of our exports; and yet Republicans have the hardihood to profess that they are in favor of building up a merchant marine. A distinguished Republican Member of Congress from New York said some time ago that our merchant marine has been sacrificed on the altar of a protective tariff, and this statement has recently been repeated by Representative HUMPHREY, a Republican, and author of the pending Humphrey subsidy bill.

DISCRIMINATING DUTIES.

The Republican platform of 1896, on which Mr. McKinley was elected President of the United States, declared, "We favor restoring the American policy of discriminating duties for the upbuilding of our merchant marine and the protection of our shipping in foreign trade;" but the Republican party since that time has never enacted such a law, nor even presented one for passage, although elected on that platform and though they have been in power ever since. Some one has objected that discriminating duties might violate some of our treaties. This is a stock argument advanced by the subsidy advocates, but it is groundless.

Congress can enact a law setting aside or nullifying any treaty with any country, if it is deemed necessary, but in this case there would be no discrimination as against one country in favor of another. Senator Edmunds, one of the greatest Republican lawyers in the United States, said not long ago before the Senate Commerce Committee:

We are in the attitude of being able, without any breach of treaty obligations, to resort to discriminations in respect of our vessels in commerce, after giving the requisite notice, and after the lapse of time referred to.

WHAT DEMOCRATS STAND FOR.

We Democrats also stand for the right of an American citizen to buy his ship anywhere he can buy it cheapest, and register it in the United States, and fly on it the American flag. Any foreigner can buy ships wherever he pleases and bring them to our harbors, and haul our goods away, but the American citizen is not allowed to buy his ship wherever he pleases and haul our goods away, flying his country's flag. Ours is the only country in the world that has such a law, and the Republicans refuse to repeal it. In this matter the American shipbuilding trust has the American citizen by the throat, and the Republican party sees to it that the hold is not broken. The greatest vessel in the German marine was recently built in England. If our citizens had this privilege, together with the advantage of discriminating duties, our marine would spring up again as if by magic. Our out-of-date and unjust shipping laws compelling the American to have his ship built in the United States if he wants to fly the American flag, are hurting our marine, as was admitted by the Republicans in their platform of 1884, which declared:

We call upon Congress to remove the burdens under which American shipping has been depressed so that it may again be true that we have a commerce which leaves no sea unexplored.

Twenty-six years have passed since this platform declaration, and yet the Republican party has never attempted to repeal or amend these antiquated laws so as to allow American ships to sail on every sea. The Democratic bill now before Congress provides discriminating duties in favor of American ships, and the right to buy ships anywhere and fly on them the American flag, but it is doubtful whether many Republicans will vote for it.

The reason that the ship-subsidy advocates want the subsidy for a few vessels is, they say, that foreign vessels are now too numerous and the freight rates made by foreign vessels for our exports are too low for the American ships to compete with them. No one contends or ever has contended that any amount of subsidy will decrease our freight rates, but will only aid American vessels to compete with other vessels for the trade at the expense of the taxpayer.

There are plenty of ships now to carry our goods to every country on earth. They do not happen to fly the American flag, but many of them are owned by American citizens, there being $100,000,000 of American money invested in ships that do not fly our flag, and our exports have been constantly increasing for the past thirty years. Subsidy advocates appeal for support on the claim that we have no shipping facilities to South America. This is a sample of the false logic circulated by the recipients of the subsidy. The fact is that there are at present five lines from New York going direct to Brazil with regular departures, and of sufficient number and speed to transact all our mutual dealings. There are seven lines running to Argentina, with six and eight departures each month, which furnish more than ample accommodation for our trade. To both Brazil and Argentina the freight rates are lower than those available by European competitors, and no cargo of freight is shipped from the United States via European ports to either Brazil or Argentina. Northbound from both countries, the freight rate to the United States is lower than that to any other country.

INCONSISTENT ARGUMENTS.

Republicans claim that our manufacturers can not compete with foreigners, either here or abroad, and hence must have a high protective tariff to shut out foreign competition; and that we can never sell our goods abroad, but must depend on our home market. In the next breath they advocate more ships to carry our goods into those very markets where they say we can never hope to compete. The two arguments are absolutely inconsistent. We either can compete with the foreigner in his markets, and therefore need plenty of ships to carry our goods to those markets, or we can not compete with the foreigner in his market, and therefore need no ships to carry our goods to such markets. The Republicans should take one horn of this dilemma. I contend that we can compete with foreigners, as we have been doing for years and must continue to do if our cotton mill industry is to be sustained, and I am therefore in favor of building up the finest over-sea merchant marine in the world. More foreign markets are absolutely essential to the life of our cotton mills, and if we have to depend on our home markets alone, as a high protective tariff compels us to do, the mill business is doomed, for our home market is already glutted and stagnation abounds. Subsidy advocates tell us that we should give the shipping industry government aid, because it can not compete with foreign vessels. They claim that manufacturers can now ship their products too cheaply, and if they could be made to pay higher freight rates, then the American ships could afford to haul them. I submit that if it is thus right to aid a failing industry, it would be more proper still to give our languishing cotton mills government aid to the extent of the difference between what their goods can be bought for and what they can afford to sell them for. For instance, if the price of cloth on the market is 5 cents per yard, and our mills can not sell it at a profit for less than 7 cents a yard, then why not let the Government give each mill a subsidy of 2 cents out of the Treasury on every yard of cloth and pound of yarn they manufacture? This would help our mills more quickly and far more extensively than all the ship subsidies in the world, and yet you can not find a cotton-mill owner in our entire district who would ask such government favoritism; but the mill man and the farmer are seriously urged to give such bounties and even greater ones to the shipping trust of the country and permit themselves and their crippled mills to be taxed for this purpose.

THE COTTON MILLS.

Mr. Chairman, I yield to no man in his loyalty and his love for his people. I would gladly make any reasonable sacrifice to promote their welfare and advance their prosperity, and the fact that one of the greatest industries in the South, the cotton-mill industry, is languishing nigh unto death, grieves me more than I can express. The business was never before in the history of the United States in such a deplorable condition. More spindles are idle, more children, men, and women out of employment or working on short time, than was ever before known. The condition is actually so bad that it can not grow any worse. Some kind mill owners are running their factories at a loss rather than turn their help away without employment.

In the midst of this fearful stagnation which has been on our people for the last three years, more or less, I find that my friend, Hon. JOHN M. MOREHEAD, Congressman from the fifth North Carolina district, has sent a two-page typewritten letter to the cotton-mill owners and bankers in the Ninth Congressional District, which I have the honor to represent, urging these manufacturers and business men to vote the Republican ticket in the coming election. I can not understand why he should go over into my district and attempt to defeat me in this manner.

If victory were assured to the biggest pocketbook and the richest candidate, I should now feel constrained to withdraw from the coming contest, for Mr. MOREHEAD is said to be a very rich man, while I can not make any such proud claim. But, sir, I have always contended, and shall ever contend, that true riches consist in a wealth of good friends, and measured by this standard I make bold the claim that I am as rich as any man in the Ninth Congressional District. I prize my good friends far more than I would nuggets of gold or precious stones, and they will not permit me to be sacrificed in the coming election on the altar of political mammon.

But to return to my friend's letter. He makes a shrewd appeal to southern cotton-mill owners to vote for a southern Republican to come to Washington and defend the textile interest against a visionary assault which Republican New England and the Republican West are expected to make. This is a strange argument. New England has about twice as many cotton-mill spindles as the South, and yet my friend deliberately argues to intelligent people that New England is so anxious to hurt the South that she would be willing to seriously harm herself in order to do so. If I mistake not, Mr. MOREHEAD voted with the Republicans from New England on practically every

vote cast during the framing of the tariff bill a year ago. He says in his letter that—

New England, with her proverbial shrewdness, has grasped the opportunity presented by the demand of the Middle West for free lumber, coal, iron, wood pulp, and has made common cause with these people, adding to their demand free hides for the benefit of the eastern shoe industry.

How strange that Mr. MOREHEAD should fear New England chicanery when he voted with New England for free hides and with New England against free lumber. If other Republicans from the South are going to follow New England, as Mr. MOREHEAD has done, and New England's example is so bad, how can the South be benefited by the election of such Republicans? Yet Mr. MOREHEAD seems to fear that even now, at this very hour, New England on account of her stand for free hides and a duty on lumber is plotting to destroy and lay waste the textile industries of the sunny South.

Mr. Chairman, the Republican party has been in control of the Government and its policies for nearly fourteen years, and the cotton-mill business at present is so stagnant and demoralized that the wisest and bravest cotton-mill men, pioneers in the business, look upon the future of the industry with a feeling kindred to despair. I hope and pray that relief may come to them, and that the hideous specter, bankruptcy, may never overtake one. I say it with a feeling of deep pride that practically every cotton-mill man in the Ninth Congressional District is my personal friend, and every one of them knows full well that I am willing and anxious to do everything in my power, both in a public and private capacity, to relieve the present distress that overwhelms them. In the midst of this cotton-mill panic, under Republican rule and policies, what an incongruous thing it is to ask a suffering cotton-mill man to vote the Republican ticket and continue a policy under which he finds his business almost destroyed!

It may be argued by the Republican politician that the depression in the cotton-mill business is only temporary and in no way chargeable to the Republican administration. The present stagnation has been upon us for the past three years. And, Mr. Chairman, we have only to turn to conditions which existed among cotton mills so far back as 1901 to find that the prosperity of which the Republicans boast has been a delusion and a snare to the manufacturers of cotton. In 1901 a number of prominent cotton-mill owners made statements under oath as to the cotton-mill business at that time. No one who knows these gentlemen will for a moment question the truth of their assertions, for besides being men of honor they are among the largest cotton manufacturers, not only in North Carolina, but the entire South:

Hon. Ashley Horne, of Clayton, president of the mill and bank and a successful business man, known all over the State, says he is of the opinion, from what he knows and from correspondence and conversation with cotton-mill owners in the State, that the year, beginning October 1, 1900, was, perhaps, the most disastrous North Carolina mills have ever known.

Mr. James W. Cannon, of Concord, says that he is now, and has been for thirteen years, engaged in the manufacture of cotton; that he, "from experience and observation and from information obtained from the cotton manufacturers in this State, has no hesitation in saying that the last year has been the worst, most disastrous to such business he has ever known."

Mr. George B. Hiss, the Republican candidate for Congress in the ninth district, says that he resides in Charlotte, county of Mecklenburg, and State of North Carolina; that he, from observation and information obtained from the cotton manufacturers in this State, has no hesitation in saying that the last year has been the worst, most disastrous to such business he has known in recent years.

Mr. J. P. Wilson, of Charlotte, a successful manufacturer, says he has no hesitation in saying that the last year has been the worst, most disastrous to such business he has ever known.

Mr. L. Banks Holt, of Graham, who is well known to all North Carolinians as being one of the very leaders in the cotton-mill business and as a man whose simple word is taken anywhere, made an affidavit, in which he said that he, "from his own experience and observation, and from mills in which he owns stock in said State, and from statements from other mill owners and managers of said State, has no hesitation in saying that the last year (1901) has been extremely hard for the manufacturer, with a possible exception of some short-lived season goods, and that the year will stand as one of the hardest years in the manufacture of cotton fabrics, to a majority of the mills, since the war."

Quite a number of cotton-mill owners and bankers have answered Mr. MOREHEAD's letter, and their replies describe the awful state of the cotton-mill business at present better than I can do it here. These gentlemen are prominent, honorable, and high-class cotton-mill owners who know the condition of the mill business most thoroughly.

[From the Gastonia (N. C.) Gazette, June 10, 1910.]

A BOOMERANG—A SAMPLE OF THE REPLIES CONGRESSMAN MOREHEAD IS GETTING FROM NINTH DISTRICT MILL MEN TO HIS LETTER BOOSTING MR. M'NINCH.

The letter which Congressman JOHN M. MOREHEAD has been sending out so freely to manufacturers and business men all over the ninth district urging them to support S. S. McNinch for Congress will probably not only fail of its purpose, but is likely to prove a sort of boomerang and work to the detriment of Mr. McNinch's vote in this district. The letter has been sent to many cotton-mill men who are not exactly pleased with the type of prosperity which is coming their way under the present administration and numbers of them are sending Mr. MOREHEAD some replies that will cause him to do a little "pondering" over the situation in the ninth. The following is a copy of the reply mailed to Mr. MOREHEAD by Mr. A. H. Huss, of Cherryville, secretary and treasurer of the Howell Manufacturing Company:

CHERRYVILLE, N. C., *June 7, 1910.*

Hon. JOHN M. MOREHEAD, M. C.,
Washington, D. C.

DEAR SIR: Your lengthy communication of the 30th ultimo received. In reply thereto I have this to say: That if our ninth district people were assured that Mr. S. S. McNinch can bring about the coveted conditions promised by the Republicans two years ago, and outlined again in your letter, they would elect him most enthusiastically. We wouldn't mind much to promote him to President Taft's place, as seemingly the whole Republican business have failed to make good their flattering promises of two years ago, notwithstanding their majority in both Houses.

Candidly, however, I can not see how any Republican can hope for much encouragement with the past few years' experience in the textile business in this country. You will have to admit that they have fallen down badly and have utterly failed to deliver the goods as promised. I can not see how the Republicans can come again to our people, who are intelligent, and ask for their support.

Assuring you that this is only the state of affairs as I see them.

Yours, very truly, A. H. HUSS,
Secretary-Treasurer Howell Manufacturing Co.

[From Lincoln County News.]

Mr. J. M. Roberts, one of the best-known mill men in this section, received one of these letters and his answer will, no doubt, be of interest. His views will be indorsed by practically every mill man and banker in this section:

JOHN RUDISILL MANUFACTURING COMPANY,
MANUFACTURERS OF COTTON YARNS,
Lincolnton, Lincoln County, N. C., June 1, 1910.

Hon. JOHN M. MOREHEAD,
Washington, D. C.

DEAR SIR: I have your favor asking me to support McNinch, of Charlotte, for Congress in the coming campaign. Your letter is couched in courteous language and deserves a courteous reply, but I must say that I can not see for the "life of me" why any man of intelligence would support a Republican for Congress this coming election of all elections.

With spindles and looms standing idle and thousands of workingmen out of employment, and nearly all the manufacturing industries losing money for three years or more under a protective tariff and a Republican administration, there is nothing to lead us nearer to but much to drive us farther from the support of any Republican to represent this section in Congress.

It is my opinion (asking your pardon for saying it) that Mr. WEBB will be reelected by a larger majority than ever.

Very respectfully,

J. M. ROBERTS, *Secretary and Treasurer.*

SHELBY, N. C., *June 15, 1910.*

Hon. JOHN M. MOREHEAD,
House of Representatives, Washington, D. C.

MY DEAR MR. MOREHEAD: Your communication of recent date, setting forth your views on the political situation in the South in general, and in North Carolina in particular, was received in due course.

On account of the very high regard that I entertained for you personally, having known you for many years, I read your circular letter with more interest than I usually do partisan cam-

paign documents. I have carefully considered all you have to say in appealing to those engaged in the textile and other manufacturing industries in the ninth district to support Mr. McNinch for Congress, and I must frankly tell you that I have not been able to discover any good reason presented by you why it would be to the best interests of those engaged in my line of manufacturing, or of anyone else, to support Mr. McNinch over our present able Representative from this district.

The protective policy of the Republican party, so strenuously advocated by you in your letter, is now, and has been for many years, in force, as you are aware, and I can not see anything in the textile or other manufacturing situation that your party can feel very proud of or can "point to with pride," but, on the contrary, all our industries are in bad shape, and, as you well know, the textile industry is in a most distressing condition, and has been getting worse for the past two or three years under the protective policy. I have been unable to find anything in your argument to cause me to break away from the "bias of habit and the shackles of tradition" and cast my vote for Mr. McNinch. I very seriously doubt the correctness of your reasoning, and shall therefore continue to follow the teachings and leadership of such wise and good men of our good old Commonwealth as Jarvis, OVERMAN, SIMMONS, Aycock, KITCHIN, and WEBB, and in doing so I feel perfectly safe.

In conclusion I beg to say that I will cast my vote for, and use my best efforts to reelect that splendid gentleman and able and influential Representative, Hon. E. Y. WEBB.

With kind regards, I am,

Yours, truly, and so forth, J. C. SMITH,
Secretary-Treasurer Shelby Cotton Mills.

NEWTON, N. C., *June 6, 1910.*

Hon. JOHN M. MOREHEAD,
Washington, D. C.

DEAR SIR: Your letter of May 30 has been received, asking me to vote for S. S. McNinch for Congress in order that the mill business may be helped by his election, and in reply beg to ask you how you expect him to help our business and in what way he will be able to help it?

You are aware of the fact that the Republican party has had full control of the Government for the last fourteen years, and at this time the cotton-mill business is in the worst condition it has been, and it is growing worse all the time, with the mills all over the South running on short time, and would be closed altogether if it was not for the laborers who we can't turn out to suffer.

Only two years ago your party nominated John A. Smith for this congressional district, and I was in the court-house in this town to hear his speech, and he stated at the time that there was no panic and that some of our mills were running short time for some unknown reason to him; that he owned two mills at Bessemer City, N. C., and that they were running on full time and making money, yet in a few months from that time one of his mills failed and some time later the other mill broke, and Mr. Smith is out of the mill business, and yet your party asks us to vote for him to help the mill business, and had we followed his way of running we might all be out of the business.

Again, the cotton-mill men were called to meet in Greensboro, N. C., about two months ago to discuss the mill situation and to devise some way by which the mills might be run at a profit, and this meeting was attended by the best and largest mill owners in the Carolinas, and the situation was thoroughly discussed, but they failed to mention Mr. McNinch as a cure for our troubles; also the American Cotton Manufacturers' Association held their annual meeting on May 17 and 18 in the city of Charlotte, N. C., the home of Mr. McNinch, and yet in all their discussion of the deplorable condition of the mills not one word was mentioned in regard to Mr. McNinch as a remedy.

If you will go over this congressional district and visit the mill officers and talk with them, you will find that it will take more than a near Republican to help our awful condition, that if your party has tried to do anything for the cotton mills they have made a miserable failure, and that if a Republican Congress has done nothing for us we would like to know how a near Republican could help us. I am informed that near beer is a very poor substitute for the genuine article, and I believe a near Republican will be a very poor substitute for a real one. In fact, I know of no Democrat in the cotton-mill business who will vote for Mr. McNinch, and the Republicans in the business are so sick at this time that it is doubtful if they can swallow the near goods.

I have the greatest confidence in Hon. E. Y. WEBB as a business man, and also know that he is a friend to all the mill men of all parties and has as much sympathy for the laboring man as any man in the Ninth Congressional District, and will watch our interests and do all in his power to help us when there is any chance to do so. I shall take great pleasure in voting for Mr. WEBB, and believe he will be elected by an increased majority, and hope that it will be unnecessary for him to go out of his district to get help, as I believe he is able to run his own campaign, and that if a letter is necessary he can write it himself and will not have to call on the fifth district for help to do so.

Yours, very truly, JNO. P. YOUNT,
President Catawba Cotton Mills.

Mr. Yount is one of the most successful cotton manufacturers in this Piedmont milling section. He was one of the first of the business men of Newton to receive one of MOREHEAD'S letters. In addition to being a level-headed and successful business man, he has a fine sense of humor, and was quick to see the ridiculousness of the claim that McNinch's election would be beneficial to the cotton milling or any other business in the South. The Republicans have had the President and both Houses of Congress for fourteen years. They have had everything in their own hands and have had a fair chance. Business has been steadily growing worse, and the last four years have been the hardest ever experienced by cotton manufacturers. The panic years from 1892 to 1898 were good years compared with 1907–1910. To ask the cotton manufacturers of the ninth district to vote for a Republican candidate for Congress as a means of reviving business is the cheekiest and most absurd proposition ever made to the voters of North Carolina.

Mr. MOREHEAD must be a stranger to the ninth district citizenship. He certainly pays the manufacturers and business men a poor compliment when he assumes that they are neither abreast with the manufacturing situation nor capable of managing their own political and business affairs.

If Manufacturer MOREHEAD does not know it, the manufacturers of this district know to their sorrow that "spindles are idle all over the South, and have been for months in this glad era of 'Taft prosperity.'" Men are walking the streets of mill villages out of work. Here in this district there are hundreds of mill hands out of employment. Employers and employees alike know that these deplorable conditions are easily traceable to the Republican administration now in power.

[From Cleveland Star.]

The Star is privileged to publish herewith the answer, crushing in its logic and statement of fact, of Mr. S. N. Lattimore, secretary and treasurer of the Buffalo Manufacturing Company, a prominent young Cleveland County manufacturer, who received one of Mr. MOREHEAD'S "franked" letters.

Here it is, and it is a surbinder, too:

STUBBS, N. C., *June 4, 1910.*

Hon. JOHN M. MOREHEAD, M. C.,
Washington, D. C.

DEAR SIR: Your circular letter advocating the election of Mr. S. S. McNinch for Congress from the Ninth Congressional District has been received. I have ample and abundant opportunity to answer at this juncture; in fact, I have nothing else to do. I ought to be busily engaged in my cotton mill, and am deeply troubled over my enforced idleness, not only for myself, but for a large number of men, women, and children who, like myself, are dependent upon the textile industry for our support. The cotton mill for which I am secretary and treasurer has been standing idle for six weeks, with a large accumulation of stock yarn on hand, for which I am unable to find a living market. Since 1907 we have faced unprecedented dullness; the financial and physical suffering has been fierce.

I have always heard from Republican orators that the Democrats were responsible for the hard times of 1893, and, applying this same reason, how can your party escape the charge of responsibility for the evil hours that now apparently overwhelm us?

"All of which being applied," means to convey the accurate information that I am for the Hon. E. Y. WEBB for Congress and shall do all I can in every honorable way to increase his accustomed majority.

Mr. WEBB is not and never has been hostile to the textile industry, and your appeal to forsake him now is couched in elegant language, but hungry faces speak more eloquently than campaign promises.

In conclusion, we feel that Hon. E. Y. WEBB has our interests at heart; that he is an active, energetic Member of Congress, with prestige and influence; and we know his character and the texture of his mind, the honesty of his heart, and that every instinct and aspiration of his nature is consecrated to the splendid service of his constituency.

"If this be treason, make the most of it." With a further apology for my lengthy communication, but with the hope that it may in some faint measure convey my views on this important matter, I am,

Very respectfully,
S. N. LATTIMORE,
Secretary and Treasurer Buffalo Manufacturing Company.

Mr. M. A. Stroup, a prominent young farmer of Cherryville, in Gaston County, wrote Mr. MOREHEAD, among other things, as follows:

Now, Mr. MOREHEAD, I have a few words to say concerning the recent speeches sent me, made by Mr. MCKINLAY. I have utmost confidence in you as a man, but if you do not cease sending out those Republican fallacies, I am going to place you on the list with those other "Republican grafters" up there. That speech, or a part of it, is one of the most misleading statements ever devised by the ingenuity of a fair-minded man. I haven't time to mention all the errors. * * * We know almost as much about the condition you left the tariff in as you. You need not attempt to make it appear that you revised the tariff downward when we know that you revised it upward. You need

not try to convince the people that it is the best tariff law ever enacted, when they are overwhelmingly convinced that it is the worst. You remember what Jefferson said: "The mass of mankind was not born with saddles upon their backs, nor a favored few booted and spurred ready to ride them legitimately, by the grace of God." Why do you still try to push down the people's throats "Republican prosperity," when you only have such examples as a suffering people loaded with high tariff and a bankrupt Treasury to prove that such prosperity exists? By a continuation of Republican policies for twelve years we find almost 50 per cent of the mill people living in poverty. The public will not swallow "Republican prosperity," broken promises and pledges any longer. The time is near at hand when the Republican party will have to wear the stripes of its iniquity.

Wishing you success, I remain,

Your friend, M. A. STROUP.

The following is a letter written Mr. MOREHEAD by a prominent business man:

SHELBY, N. C., *June 4, 1910.*

Hon. JOHN M. MOREHEAD,
Washington, D. C.

DEAR SIR: No one is more deeply interested in the promotion and advancement of the industrial and commercial progress of the South than myself.

From your recent letter I naturally draw the conclusion that southern industrialism is coextensive with the continuance of the Republican party in power, and that you consider it the duty of every patriotic citizen in the Ninth Congressional District to cast his influence and his vote for Mr. S. S. McNinch for Congress. I can not, and will not, follow your advice. My sympathy, as above stated, is for the fullest development of this section and the whole South, but I am totally unable to see how this development is linked and bound in any possible manner with Republican policies.

I am engaged in the banking business and partially engaged in the cotton-mill industry, and the textile industry to-day, under your party's theory of protection, was never in its history more thoroughly demoralized, and dismay and despair confront the mill man on every side. Your party has been, and is now, in full control of the Government. If you can not relieve the present distress, with what process of reasoning do you anticipate such a bright future by the election of Mr. McNinch? Is Cleveland's administration responsible for the miserable condition of the mills, and what can Mr. McNinch make his party do that you and other Republican Congressmen have failed to accomplish?

You are a Republican and a Member of Congress from North Carolina, and I understand that the mill industry in your district is in as deplorable condition as can be found in the South. Is Mr. WEBB, our present Congressman, responsible for the idle operatives and stagnant markets of the world? Has YATES WEBB paralyzed the commercial arteries of the Nation? Are the Democrats the cause of the poverty and wretchedness of the mill hands to-day, and what can Mr. McNinch do to relieve their distress that you have failed to do?

Mr. McNinch, or no other Republican, is more wrapped up in the destiny and prosperity of this section than is Congressman E. Y. WEBB. He has ever been alert, aggressive, and ambitious to advance the welfare and promote the growth and development of this district, but has never allowed his service to the industrial interests to contravene his loyalty and zeal for the masses. He has stood, and now stands for a square deal in every business occupation and profession in his district.

I shall therefore, without appearing to be discourteous, continue to contribute my influence for the election of Mr. WEBB for Congress, firm in the belief that he stands for equal rights to all and special privileges to none, and a Jeffersonian Democrat.

Mr. Chairman, I desire to insert at this point a colloquy which is said to have taken place in one of our mill towns not long ago between an intelligent cotton-mill operative and a Republican politician:

MILL WORKER. I am very sorry Bryan was elected President in 1908. Ain't you sorry, too?

REPUBLICAN POLITICIAN. What do you mean? Bryan was defeated and Taft was elected.

MILL WORKER. You are bound to be mistaken. Didn't you tell us at the mills in October, 1908, that if Taft won we would have the greatest era of prosperity ever known, that mills would run on full time, and that mill owners would make so much money they would be glad to increase wages?

REPUBLICAN POLITICIAN. Yes; I told you that and it will happen, but——

MILL WORKER. You may tell me all you please that Taft was elected but I do not believe it. I believe Bryan was elected because everything has happened that you predicted would happen if Bryan should be elected. Times are hard, prices are so high that mill people have a harder time to live than in 1894–1896 under what you call "the Cleveland panic," and the mills can not sell their goods; we can get work only three or four days in the week, and as these are the very things you predicted would happen if Bryan should be elected, I choose rather to believe that Bryan is now in the White House than to believe you are a liar and knowingly deceived us.

REPUBLICAN POLITICIAN. But you must have patience. You must——

MILL WORKER. No; we must have bread and a chance. The Republican Congress passed a tariff act that increases all we have to buy, the mills can not sell what they make, and either Bryan is President or the Republicans made us promises they knew to be false.

REPUBLICAN POLITICIAN. Don't be too hasty. You should remember——

MILL WORKER. Yes; I do remember all the promises. We find they were pie crust, and we are done with the Republican party.

These men now see that they trusted in false promises, and that instead of better times, the mill workers under Taft's prosperity get work at the old scale of wages only four days in the week, and that millowners are making no money. They will have no more of that sort of prosperity. At the same time they see the tobacco trust and the steel trust and other trusts making more money than ever before. That is the fruit of Republicanism under Taft.

[From the News-Herald.]

"NOT ON YOUR TINTYPE."

We do not feel that we are violating any confidence in referring to a letter received by the editor of the News-Herald on Tuesday from Hon. JOHN M. MOREHEAD, Congressman from the fifth North Carolina district, asking our support for Mr. S. S. McNinch, a very nice fellow, whom the Republicans have put up for Congress from this the ninth district, to be easily knocked down by YATES WEBB.

After giving at length what he thinks are good reasons for our going over to the Republicans, he asks us "to consider whether we will continue voting through force of habit and tradition" the Democratic ticket, or with the party which he is pleased to say will be for our betterment all around. He is also kind enough to say that not only do we "need the Republican party and its principle of protection," but that the Republican party needs us.

Now, JOHN, we are surprised at you. You will excuse the editor of the News-Herald for calling you plain JOHN, for he does it from "force of habit." He got used to calling you JOHN when you and I played together, when boys, in the branch and romped the hills. Well do I remember how you talked of the principles of the grand old Democratic party and of your ancestors who were honored leaders in it. In fact, you helped to make us a Democrat. And now, after we have voted the Democratic ticket for twenty-odd years and are still satisfied, you try to get us to quit the old ship and go with you to the Republicans.

Well, you are a Congressman and we are still only a plain country newspaper man, but we wouldn't exchange places with you if we had to change our politics.

No; we can not support Mr. McNinch, although we have a high regard for him and love you, JOHN. You are both on the wrong side. With the mills all over the country running only part of the time and many of them not at all, the high prices of all commodities, the tightness of money, hard times in general—and then you ask us to join the party that is responsible for these conditions?

"Not on your tintype," JOHN.

Mr. Chairman, aside from all this evidence against the Republican party's management of national affairs, there is a more authoritative reason, from the Republican viewpoint at least, why North Carolinians should not take my friend MOREHEAD'S advice and vote the Republican ticket. It will be remembered that Mr. Taft while Secretary of War spoke in Greensboro. Among the many things he said there was the positive declaration that it were better, under the circumstances—and I hold that they have not changed since—that the federal offices in North Carolina should be held by Democrats. What greater indictment could be brought against that party than this charge, that they are both incompetent and unfit to receive federal patronage?

Immediately after becoming President, Mr. Taft proved this assertion to be his conviction still by elevating a Democrat to the federal judgeship over the heads of various Republican candidates, all of whom were recognized as worthy representatives of the make-up of that party. That his action in that matter can be construed only as evidence of his distrust of North Caroline Republicans can be proven by the utterances of leading Republicans as soon as the appointment was announced. The President not only was severely criticised, but by some was roundly denounced. It will be recalled that Hon. Romulus Z. Linney referred to him in hot and biting language, while Judge W. S. O'B. Robinson called him names I would not like to put in the RECORD. Hon. Virgil S. Lusk, of Asheville, known as the Republican war horse of western North Carolina, and one of the old-line Republicans, delivered himself of the following classic words in a letter to Chairman Spencer B. Adams as to this appointment of a Democrat:

Colonel Lusk's letter to Republican State Chairman Adams:

"I am going to ask you in the name of the Republican party, in the name of 114,000 Republicans who voted for Mr. Taft last November as the official head of the party, to convene the Republican state executive committee at Greensboro or Charlotte, if you like, and invite every Republican in the State to be present, to the end that some official action may be taken to right the wrong inflicted upon the party in the appointment of a Democratic judge for the eastern district. This may not be the time to enter a protest as to the murderous assault upon the party in this State, but my duty as a Republican compels me to say that if something is not done to counteract the bad effect produced by the appointment of Judge Connor we had just as well hang up the fiddle and quit the frolic. Individual protests will not remedy the evil. Our silence will be construed as consenting to the outrage that means party damnation. We must repudiate the act or become particeps criminis to the insult. We can not indorse the President's action in this matter without acknowledging ourselves a party of 114,000 fools. That out of that 114,000 there is not a single man fit to hold the office of judge of the federal court. The declaration is not only insulting but humiliating to every Republican in the whole State. Who among us have the brass to go before the public and ask for honest voters to trust the management of the affairs of the Government in the hands of a party of fools? During my forty years' experience as a politician I have faced many embarrassing situations, but this is the first time I have ever had the prospect of facing a situation like this."

Ex-Congressman Richmond Pearson, of Asheville, who after his retirement from Congress was minister to Persia and later to Greece, one of the Republican leaders of the State, said, in an interview with a Gazette-News reporter, with respect to the appointment of Judge Connor:

It has hurt, and will hurt, our feelings; and the manner, more than the fact, of the appointment wounds but will not break the spirit of the party. I fail to understand why the President felt called upon to proclaim to the world with the widest possible publicity that he would

appoint a Republican to this position if he could find one possessing the requisite character and ability, and after diligent search he abandons the quest as hopeless, leaving the unavoidable impression that the Republicans of character submitted for his selection were lacking in intellect, while the men of intellect were devoid of character sufficient to measure up to the critical and exacting standard.

Mr. Zach McGhee, one of the best-known newspaper men in the United States, spent some time during the summer and fall of 1909 in England and other European countries, where he made a thorough study of the cotton-mill situation as compared with that in our own country, particularly in the South. At my request Mr. McGhee has written a brief letter, giving the result of his investigations. It will be seen by the letter, which I insert at this point, that in low-tariff England, where there has been no protection for more than half a century, the operatives are paid better wages and can buy more with those wages than in this country, and that instead of stagnation there is steadily growing prosperity in the cotton-mill industry in all sections.

COMPARISON OF CONDITIONS OF COTTON-MILL OPERATIVES IN LOW-TARIFF ENGLAND AND HIGH-TARIFF AMERICA.

WASHINGTON, D. C., *June 15, 1910.*

Hon. E. Y. WEBB,
House of Representatives, Washington, D. C.

DEAR MR. WEBB: You wish to know more about my trip through the cotton-mill section of England.

I spent last August and September making an intimate study of the life and conditions of the working people of England, Scotland, and Ireland. It was not to study statistics or theories, governmental papers, or even newspapers dealing with the subject that I went, but to learn at first hand how the people lived, what wages they got, and how much they got for their wages.

And taking a bicycle trip, loitering along the road, stopping in the people's houses, and talking with them, spending the nights in the workingmen's cottages, and visiting them while at work in the mills, I think I found out something about them. Having also lived a long time in the cotton-mill districts in South Carolina; spent some time, too, in Charlotte, where I used to walk about much in the factory districts, I know something about the conditions among our own cotton-mill people. As I suggested in some of my letters, I wish our operatives could have the advantages and the comforts those English operatives enjoy. Their wages are higher than those paid in our southern mills, estimated in purchasing power, and they seem able to save more. In a letter from Burnley, Lancashire, dated August 24, which letter in full I commend to you, it was clearly shown from figures given me by cotton-mill people themselves—two women keeping house in cotton-mill families, one in Burnley, England, and the other in New Bedford, Mass.—that the English family of the same size, with the same number and kind of workers, had more money at the end of the week than the American family. This American family was in New Bedford, where I believe the wage scale is something like one-third higher than that in Mecklenburg.

The cotton-mill operatives in England fare better, because, on account of having no protection tolls added without their knowledge to everything they buy, living is much cheaper. They wear tailor-made clothes, because they can get a good worsted suit made to measure by a tailor from $7.50 up. I have on one right now, tailor made, which cost me $10. Here it would cost me $25 or $30. Meat is about the same in price, but my! how much better is their roast beef than our mutton. Everything they buy is far cheaper than ours, and they have so many pleasures and recreations, which are too expensive for our operatives unless they spend all their money.

One of the most interesting things I found was the holiday principle in England and how it extends to the cotton-mill operatives. While a number of the mills in Lancashire close down for several weeks in the summer to repair their machinery, a number of operatives and their families go to the seashore, the mountains, and other summer resorts.

The English operative, able to save a good deal of his wages, invests it like other people. It was somewhat of a surprise to me to learn that many of them own their own homes. In one town, Oldham, I found 12,000 cotton-mill operatives owning their own homes, neat and comfortable, well-appointed brick cottages.

The mills in England, in any case, do not own the homes of the operatives. Those who do not own their homes rent them from private individuals or real-estate companies; and you will find from figures which I gave in several of my letters from there that the houses are generally of a much better class than any I have ever seen about Charlotte. All of the workmen's houses in England are either of brick or of stone. In Lancashire they are practically all of stone. The following is a description from one of my letters of a workman's cottage in which I spent the night, being exactly like thousands of them in the same vicinity:

"The house is just like nearly all the workingmen's houses in this part of England. It is built of brick, with stone veneer. There are four rooms, two downstairs and two upstairs, each 12 by 14 feet. There are no passages except the narrow one for the staircase. You pass through the front room, used for parlor, library, etc., into the dining room, kitchen, 'living room,' all in one. There is no bathroom, but a water-closet, sink with hot-water heaters, open grate, and some other conveniences belonging to the house. Every room has a fireplace, and, although 4 miles from town, the house is lighted by gas. The walls are all neatly papered. One of the rooms downstairs has a stone floor, but it is carpeted. There is a cellar, nicely cemented, underneath one of the rooms. The walls are full of pictures—not expensive, but tasty ones; the furniture is good and substantial looking—two iron beds, a neat table, several chairs, and an immense chiffonier in this room. I don't know how I am to get my face washed in the morning, but I suppose they will lead me to the sink downstairs. There is this about the furniture, including the big clock on the mantel, that while everything is plain, with here and there some slight ornamentation, there is not the appearance of shoddiness and cheapness so characteristic of the houses of the same class of people in America."

Besides this, it is common to find cotton-mill operatives owning stock in mills. In some cases a number of operatives leave their mill and start one of their own, because, owing to the cheapness of building material and mill machinery, it does not take anything like so large an amount of capital to start a mill as it takes in this country.

In the county of Lancashire—about one-half the area of the Ninth Congressional District—there are 1,977 separate cotton-mill firms or corporations. And they are still building them. In 1889 there were in Lancashire 41,417,379 spindles; in 1899 there were 42,190,910; in 1909 there were 57,029,122. That means in the last ten years more than 15,000,000 spindles have been installed in the county of Lancashire. Since for about sixty years now there has not been one cent of protection in England, it does not look as if free trade has succeeded in causing any general stagnation in the growth of cotton manufacturing.

I wrote so much about conditions among these people, and there is much more that I could write, but from this you may be able to get a general idea. From the extracts from my letters to a number of American newspapers last summer, which I append, you or those interested may be able to get some further facts and a fuller impression.

Sincerely, yours, ZACH MCGHEE.

Mr. BOWERS. I yield to the gentleman from Tennessee [Mr. HULL].

Mr. HULL of Tennessee. Mr. Chairman, two-thirds of the world's supply of cotton is produced in twelve of our Southern States. Two-thirds of the cotton produced in this country is shipped and sold abroad.

The year ending December 31, 1909, only showed a balance of trade in our favor of $252,000,000. Our total imports for 1909 were only $52,000,000 greater than for the year 1907, while our exports for 1909 were $195,000,000 less than for the year 1907. If the present rate continues the balance of trade will be against the United States at the end of this year, and our people will be buying from other nations more than they sell. The United States has only been enabled to secure and thus far maintain a trade balance in its favor by the sale of cotton—this country's greatest and most valuable export. In 1909 our imports were $1,728,000,000 and our exports amounted to $1,475,000,000. Of this sum the exports of cotton and its commercial by-products approached, if they did not exceed, $500,000,000; for in 1907 they amounted to $541,000,000. For more than twenty years our cotton exports have uniformly held the balance of trade in favor of this country in amounts ranging from $192,000,000 upward. Furthermore, it maintains our gold supply by bringing annually from foreign nations hundreds of millions in gold in return for our cotton.

More than three-fourths of our cotton exports are purchased by the United Kingdom, France, and Germany, yet, Mr. Chairman, while the United Kingdom purchases annually $180,000,000 worth of our cotton, we only have one subordinate consular official appointed to that country from the cotton States. While France annually purchases $73,000,000 worth of our cotton, we only have three subordinate consular officials stationed in that country who were appointed from the cotton States. While Germany annually purchases more than $128,000,000 worth of

our cotton, we only have two consular officials occupying unimportant stations in Germany who were appointed from the cotton States. Consular officials appointed from other sections of this country, no matter how efficient and suitable in other respects for the performance of their duties, in the very nature of things know little or nothing about the production, prices, and uses of cotton, and hence their services in extending our cotton trade in Europe would necessarily be limited and not at all satisfactory.

Mr. Chairman, early last year I offered a resolution in this House calling on the Secretary of State for all available information relative to the representation then allowed what is known as the cotton-growing States in our diplomatic and consular service. During last winter I again offered a resolution in similar, though more elaborate, terms. On February 11, 1910, I submitted some remarks on the floor of the House in which I endeavored to point out and emphasize the fact that the twelve States known as the cotton-growing States of this country were being denied, and for many years had been denied, just and fair representation in the diplomatic and consular service, particularly in those countries that buy our cotton. I did not undertake to furnish the real reason or pretext, if such it was, for this neglect and manifestly unfair treatment. My purpose in what I have said and done in this connection has been to sharply direct attention to a condition of affairs that loudly calls for a remedy. I did not then know what the plans and purposes of the State Department were, or would be in the future, in dealing with this serious complaint and earnest demand upon the part of the States I have named for just recognition at the hands of the State Department. Some days later, however, early in March, I went in company with the subcommittee of the House Committee on Foreign Affairs to the State Department, when these matters of complaint and controversy were taken up and considered at some length and during the course of which the department officials frankly agreed that until within recent years politics controlled the selection of officials for service as diplomats and consuls, without any particular regard to fitness or qualification for the satisfactory performance of the official duties they were to assume. It was also agreed that these appointments had for many years been made without regard to proportionate representation among the different States or sections of the country. Attention was called at the same time to a number of important steps undertaken, commencing with the year 1906, having in view a general and complete reorganization of the diplomatic and consular service, to the end that each appointee should thereafter possess all the requisite qualifications for efficiency in the service, and that only Americans should thereafter be appointed, especially in the higher grades, and that such course in making appointments would be pursued as would ultimately result in fair and proportionate representation to the various States in this service; also what purported to be a fair system of promotion was devised. I hold in my hand a letter, with accompanying memoranda, from the Secretary of State, in which are set out and described in detail the efforts recently made and now being made by the State Department to improve our foreign service and to correct the rank discrimination heretofore practiced against a large number of States, including those that produced cotton. I desire to offer some brief comment upon this communication from the Secretary of State, which I here insert in the RECORD as a part of my remarks, in justice to the State Department and to the end that every phase of contention, as well as the progress that has been made by the State Department in its attempt to improve the service, may be laid before the House:

LETTER OF THE SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, March 12, 1910.

MY DEAR MR. HULL: In compliance with your suggestion when you visited the department a few days ago, I now take pleasure in confirming the statements made to you in regard to the efforts which have been and are being made to improve the diplomatic and consular service and to bring about proportional representation therein of all the States and Territories, including the cotton-producing States.

Formerly our diplomatic and consular officers were chosen largely for political reasons, and, with the exception of a few classes of consuls, no adequate test was made of their intellectual or personal fitness for the discharge of the duties thereafter to devolve upon them. No effort whatever was made to distribute appointments to the foreign service proportionally among the several States and Territories, and the result was that a few States furnished most of the candidates, leaving the other States, and especially those of the South, with little and often no representation.

It is not to be denied that even with that unsatisfactory method of selecting men for appointment this Government was represented abroad by a number of efficient and creditable diplomatic and consular officers. But as a whole the foreign service was sadly lacking both in organization and in uniform efficiency of the individual officers, and was utterly unequal to the task of properly safeguarding and promoting our commercial and other interests abroad.

With a view to changing these conditions in so far as they related to the consular service, Congress passed the act of April 5, 1906, which provided salaries for all consuls-general and consuls, and required them to devote all their energies to their official duties by prohibiting them from engaging in private business and from receiving any compensation other than that regularly paid them by the Government. The act, moreover, sought to Americanize the service not only by requiring all consuls to be Americans, but by causing all except the lower grade clerical positions to be filled by American citizens, and it also provided that the various consulates should be inspected once every two years by officers chosen from among the most experienced consuls-general and consuls in the service, who should forward full reports of the inspection direct to the Secretary of State.

The classification of the various consulates according to their relative importance made possible for the first time the promotion of consuls as a reward for efficient service, thus offering an incentive for them to devote their best efforts to the discharge of their official duties. In order to make this portion of the act effective, as well as to provide for an adequate test of the fitness of candidates for appointment to the consular service, the President issued an order on June 27, 1906, requiring that all new appointments thereafter be made to the two lowest grades of the service, and that posts in higher grades be filled by the promotion of officers in the lower grades who had discharged their duties with a high degree of efficiency. The order expressly stipulates that—

"No promotion shall be made except for efficiency, as shown by the work that the officer has accomplished, the ability, promptness, and diligence displayed by him in the performance of all his official duties, his conduct, and his fitness for the consular service."

This rule has been and is being followed with the utmost strictness, and to aid in the effective application of it a careful and detailed record is kept of the work of each officer, and that record forms the basis of action with respect to promotions as well as removals.

The order further requires that the qualifications and fitness of candidates for appointment to the consular service shall be determined by an examination before a board of examiners of which the Chief Examiner of the Civil Service Commission is a member. Among the subjects which are embraced in the examination are one foreign language, the natural, industrial, and commercial resources and commerce of the United States, especially with reference to the possibilities of increasing and extending the trade of the United States; political economy; elements of international, commercial, and maritime law; and political and commercial geography. Besides the educational test, an oral test is given for the purpose of determining the candidate's business ability as revealed by his past occupation and conduct, his alertness, general information, natural fitness for the service, including moral and physical qualifications, and his character and address.

The thoroughness of these examinations is shown to some extent by the results. Since the promulgation of the executive order of 1906, 262 persons have been examined for the consular service, of whom 126 have passed and have been certified as eligible for appointment. The high type of men appointed under this system, and the superior character of the work they are doing, has shown conclusively the wisdom of requiring a comprehensive and practical test of eligibility for appointment.

Among the other provisions of the order mentioned there is one which touches directly upon the subject of your inquiries, namely, the requirement that—

"In designations for appointment subject to examination and in appointments after examination due regard will be had to the rule that as between candidates of equal merit appointments should be so made as to secure proportional representation of all the States and Territories in the consular service; and neither in the designation for examination or certification or appointment will the political affiliations of the candidate be considered."

In the enforcement of this rule no reasonable effort has been spared to bring about more adequate representation of the Southern States in the consular service. While as a rule there have been many candidates from the Northern States, there has been real difficulty in obtaining a sufficient number of well-qualified candidates from the Southern States. With a view to interesting the young men of the South in the foreign service the department has from time to time addressed letters to heads of educational institutions as well as to the Senators from the Southern States. In September, 1906, the following letter was sent by the department to colleges throughout the South:

"I inclose herewith circulars in reference to an examination which is to be held at this department on October 1 next, to fill several vacancies in the position of student interpreter, and request that you allow them to be distributed among your students. Any number may take the examination."

In May, 1909, the attention of the Senators from a number of the Southern States was invited to the lack of representation of those States in the foreign service. One of these letters reads in part as follows:

"Texas is much below her proportional representation in the foreign service of the country, and there should properly be some appointments made from that State in accordance with the effort which the administration is now making to have the foreign service fairly representative of all sections of the country, instead of having its members drawn from a comparatively few States.

"I should be very glad of any information or suggestion which you may feel disposed to make upon the question of designating * * * for examination with a view to appointment."

Another of these letters is in part as follows:

"MY DEAR SENATOR: You will recall that in accordance with paragraph 12 of the executive order of June 27, 1906, both designations for examinations for the consular service and subsequent appointments therein are being made with a view to equalizing the representation of the different States in the service in proportion to their population and without regard to political affiliations.

"Inasmuch as your State's representation in the consular service is now below its proportional quota, some consular appointments can be made from it if only some well-qualified candidates will apply to be designated for examination. Of course it is essential that candidates for this service be men of a fine type and of real fitness, worthy to exemplify their countrymen abroad. It is hoped that such will offer themselves from underrepresented States since they must be sought, in the end, wherever they can be found.

"Venturing to hope that you are interested in the improvement of the consular service, I have pleasure in informing you of the results so far accomplished in pursuance of the President's order of June 27, 1906, in relation to appointments and promotions.

"The first examination to test the eligibility of candidates for the consular service held under the order took place on March 14 and 15 last. Of the 23 persons designated for examination from States below their proportionate representation in the service, 18 appeared and were examined, with the result that 10 received the required mark of 80 and were certified by the board of examiners as eligible for appointment. The ages of these eligibles range from 26 to 43, four being above 35, three between 26 and 30. Six of the eligibles have had practical business experience and 4 have had professional or journalistic training. Seven of the successful candidates have already been appointed to lower grades of the service.

"I inclose for your information a pamphlet containing the executive order, the rules governing examinations, a brief outline of consular duties, and the list of questions used in the first examination, together with a note as to the nature of the oral examination.

"There remains a considerable number of vacancies in consulates, in consular clerkships, and in the corps of student interpreters in China and Japan. With a view to filling these vacancies, the next examination will be held here on July 9."

As a result of these efforts, 131 men have been designated for examination from the Southern States. Of these, only 81 reported for examination, 30 passed the examination, and up to the present time 25 of the successful candidates have been appointed, while the names of 4 remain on the eligible list awaiting appointment. For convenient reference the following statement of the results of these examinations and their relation to the resolution introduced by you is inserted:

	Total number.	Total number and percentage from the 12 States named in the resolution.
Designations	396	131, or 33+ per cent.
Examined	262	81, or 30— per cent.
Passed	126	30, or 23.8 per cent.
Failed	136	51, or 37.5 per cent.
Appointed	90	25, or 27+ per cent.
On eligible list	31	4.
Who declined appointment	2	0.
Disqualified	1	1.

Total number of places apportioned	360
Total number of places due the 12 States named in the resolution	92.88
Percentage of places due the 12 States named in the resolution	25.8—

The order governing appointments and promotions in the consular service has proved so satisfactory that President Taft issued a similar but somewhat more comprehensive order on November 26, 1909, regulating the examination, appointment, and promotion of secretaries of embassy and legation in the diplomatic service, and expressly requiring, notwithstanding that the principle had already been applied in practice, that as between candidates of equal merit appointments should be so made as to tend to secure proportional representation of all the States and Territories in the diplomatic service.

But the department has not been successful in obtaining many suitable candidates from the Southern States for the diplomatic service. So far only nine candidates have been designated for examination, and of these only six appeared for examination. Four passed the examination and have been appointed secretaries of legation. The following is a full statement of the results of the examinations for the diplomatic service:

	Total number.	Total number and percentage from the 12 States named in the resolution.
Designations	50	8, or 16 per cent.
Examined	45	6, or 13⅓ per cent.
Passed	32	4, or 12½ per cent.
Failed	13	2, or 15 per cent.
Appointed	29	5, or 14— per cent.
On eligible list	3	0.

Total number of places apportioned	108
Total number of places due the 12 States named in the resolution	27.86
Percentage of places due the 12 States named in the resolution	25.8—

As shown by the foregoing statements, the South has to-day a total of 49 men in responsible posts in the foreign service as compared with only 29 in 1901. Eight of these men are in the diplomatic and 41 in the consular branch of the service. Moreover, 18 candidates for the consular service from the Southern States have already been designated for examination in June of this year. It would thus appear that the South is obtaining its proportional representation in the foreign service as rapidly as is consistent with the qualifications of the candidates and the proper administration of the service.

With reference to your inquiry in regard to the assignment of diplomatic and consular officers from the Southern or cotton-producing States to posts in cotton-purchasing countries, it is proper to point out, first of all, that the foreign service deals with American interests in foreign countries of every character and affecting every section of the United States. The efficient discharge of all the work devolving upon officers of the foreign service in the proper promotion and protection of the interests and trade of their countrymen in the North as well as in the South demands that their assignments to particular posts should be based primarily upon their ability to discharge efficiently all the duties of those posts rather than upon geographical considerations. The special knowledge which officers may possess of the products of the States from which they are appointed is not overlooked, however, in assigning them to duty, and is given such weight as may be consistent with the best interests of the whole country. That the interests of the cotton-producing States in respect to manufactured as well as unmanufactured cotton have been borne in mind in the assignment of the members of the foreign service will, I think, be shown by the following table:

Principal exports of American cotton for twelve months ended December, 1909.

Countries to which exported.	Amounts.		Diplomatic and consular officers from Southern States.
	Unmanufactured.	Manufactured.	
United Kingdom	$179,548,271	$400,604	
Belgium	8,604,372		
France	73,215,186		3
Germany	128,434,962	9,670	2
Italy	27,360,613	23,965	2
Netherlands	884,407		1
Russia	4,123,305		
Spain	11,105,843		1
Other Europe	8,513,214	212,704	2
Canada	8,255,442	859,357	5
Mexico	3,407,035	164,418	6
South America	44,239	2,658,936	4
Japan	8,207,707	23,965	1
Aden		877,331	1
Turkey		151,310	1
British East Indies		705,192	2
Central America		1,610,176	1
China		9,071,601	1
Africa		611,990	6

It is true that at present the only consular officer from the Southern States stationed in the United Kingdom, which purchases so much of our raw cotton, is the vice-consul at Glasgow; but it may confidently be expected that with the increase of the number and the advancement to higher posts of consuls from the South this condition will gradually change. The interest of the cotton growers in the English markets was recognized two years ago, when the consul at Manchester was specially detailed to attend the cotton convention at Atlanta for the purpose of acquainting himself with the needs of America cotton producers, and thus be able more efficiently to promote their interests in Manchester. It may also be remarked here that within the past few months another consular officer from another cotton purchasing country has been in the South for a similar purpose.

In view of all the foregoing, I think you will agree that in the earnest effort to develop the efficiency of the foreign service to the fullest extent in the promotion and protection of the interests of the whole country, and to bring about proportional representation of all the States and Territories in that service, the just claims of the cotton-producing States have not only not been overlooked, but are being met as rapidly as the best interests of the service and the qualifications of the candidates for appointment permit. For your information, in the event that you desire to examine some of the results of the work of the foreign service, as well as the cost of it, I inclose a memorandum on these subjects.

Yours, very sincerely, P. C. KNOX.

The Hon. CORDELL HULL,
House of Representatives.

SOME OF THE RESULTS ACCOMPLISHED BY THE DIPLOMATIC AND CONSULAR SERVICE.

1. When the dispute between Germany and France regarding the right of control in Morocco threatened to involve all Europe in war, and a conference was called at Algeciras January 16, 1906, the representative of the United States played a great part in bringing about a peaceful solution of the difficulties, as indicated by the following remarks of the German minister for foreign affairs in the Reichstag:

"It was a great service which America rendered to the peace of the world, because the failure of the conference at Algeciras would not only have broken the relations between Germany and France, but would have disturbed the general political situation of the world. This was the second great service which America rendered to the peace of the world."

2. The final agreement to submit to arbitration within the next few months the differences between the United States and Great Britain growing out of the northeastern fisheries, which questions have occupied the attention of our diplomatic representatives in London, as well as of the department, almost from the foundation of the Government.

3. One of the most conspicuous of the recent achievements of the diplomatic service was the award to American shipbuilders of a contract to construct two naval vessels for the Argentine Republic to cost $22,000,000, and the further award to an American manufacturer of a contract to supply armament to the value of about a million dollars. The work leading up to these awards covered a period of many months and required the most careful attention and great activity on the part of the department and of two of our diplomatic missions. Except for these efforts the contracts would almost certainly have gone to the shipyards of other nations. The award to our own people means the expenditure in this country for labor and materials of practically $23,000,000.

4. The Hukuang loan.—From purely commercial and political motives the present administration has given the strongest support to the securing to American interests of a one-fourth share in this very important railway loan in which Great Britain, France, and Germany participate. The pledging of likin as security relates this loan to the provision of the treaty between the United States and China which looks to the abolition of likin. The nationalities which supply the loan are to be favored in the purchase of all materials. This Government has, therefore, absolutely insisted upon equality of opportunity for American materials in all privileges and preferences connected with the contract. American participation seems now happily assured. The importance of this lies in the fact that it is a practical, material application of the principle and the theory of the open-door policy.

5. Manchurian Railway neutralization.—Some time ago the Department of State was informed that British and American interests had made a contract with the Chinese Government to construct, with

American and British capital, a long railway line from Chinchou through Tsitsihau to Aigun. This project for many reasons seemed worthy of the diplomatic support of the British and American Governments. Owing to the relations between the different railways of Manchuria and to the fact that large railway interests in Manchuria are in operation by Russia and Japan under a concession of 1896, and in the case of Japan under the Portsmouth treaty and of the Japanese-Chinese Convention of 1905, it seemed proper before proceeding further fully to consider the bearing of these facts. The repurchase by China of the railways now operated by Russia and Japan would not normally occur for a period of years, but it was thought that if it were agreeable to the powers concerned and convenient to China the nations having the most important interests in China might jointly lend to the Chinese Government a sufficient sum for such repurchase and for the construction of other lines, and thus bring about an economic and scientific operation of the whole railway system of Manchuria. This plan of possible neutralization was accordingly proposed to the British Government, which has indicated a favorable disposition to the project, subject, of course, to the disposition of the powers at the present time most directly interested, and which would naturally take a large share in the loan. This plan, known to and very favorably viewed by the Chinese Government, was thereupon laid before the Governments of Japan, Russia, France, and Germany, and is receiving the deliberate consideration which its scope suggests. These railways being specifically for commercial purposes, it would seem natural that the plan should commend itself in whole or in part to all the governments concerned as a broad application of the principle of equality of opportunity and the preservation of the integrity of China.

6. Equal opportunity in mining rights in Manchuria.—The Department of State lately obtained from the Chinese and Japanese Governments definite assurance that no monopoly was intended or resulted from the recent Chinese-Japanese conventions relating to Manchuria.

7. The Harbin question.—The present administration has conducted negotiations begun two years ago, standing upon the proposition that the concessions for the railway in Manchuria carried with it only corollary rights naturally associated with business management, and bestowed no political rights in derogation of the treaty rights of the United States and the other powers. The United States has therefore insisted that the town of Harbin, on the railway company's line, should be administered in a manner consistent with the extraterritorial rights of the treaties, and not by any control which would carry in principle special privileges.

8. The Emery case.—Twenty-seven months prior to March 4, 1909, the Government of Zelaya had promised the Government of the United States to arbitrate the Emery case, one growing out of the arbitrary treatment of an American company engaged in the exploitation of a timber concession. This long period had been consumed by Zelaya's Government in efforts by an extended and futile correspondence to obscure the issue and to evade the carrying out of its undertakings. The case then came before the present administration in the above-mentioned situation. The next step obviously was to bring to bear such pressure as would insure an equitable settlement or an impartial arbitration. It thus became the duty of the Secretary of State to bring strong pressure to bear upon the Government of Zelaya. Happily the case was settled last spring.

9. Claims against Venezuela.—All but one of the claims against Venezuela have been settled, and the last one is about to be arbitrated at The Hague. This is a result of recent negotiations upon the basis of the protocol of last February.

10. The elimination of Castro.—The removal of these vexatious claims as an obstacle to the good relations of the United States and Venezuela brought the present responsible Government of that country into very cordial relations with the Government of the United States, which was thereby enabled to contribute its influence toward preventing the return of ex-President Castro, whose sway had for so long made good government impossible to the people of Venezuela.

11. Honduras debt-funding negotiations.—For some years the large foreign debt of Honduras and the chaotic condition of Honduranean finance had been known to be the principal factor in the weakness of that Republic which made it a frequent battle ground in the tumultuous course of Central American affairs. It had been recognized that to have an American syndicate fund the whole Honduranean debt upon a just basis and make provision for railway extension and other progressive improvements would be as great a factor as could be found in the search for means to insure tranquillity to these Republics. The department has now elicited Honduras's appreciation of these facts. An American syndicate has undertaken the work, one in which the Government, for political and commercial reasons, is interested. Lately the representatives of Honduras have been in the United States engaged upon these negotiations. There has thus been brought about a situation where there is every hope of an arrangement long looked upon as one of the most desirable in the interest of peace in Central America.

12. The elimination of Zelaya.—Every friendly student of Central American affairs has long realized the elimination of Zelaya.

13. International prize court.—At the Second Hague Peace Conference in 1906 there was adopted ad referendum a provision to institute a permanent international prize court. One difficulty encountered was the unsettled condition of the rules of international law on this subject and a similar condition of even the ideas prevailing in the various countries as to precisely what principles of municipal law and equity it was appropriate to apply. The desire to overcome this obstacle was so strong as to result in the International Maritime Conference, at London, in 1908. This conference, at which were represented the principal maritime powers, adopted for reference to the respective Governments a series of rules for the government of maritime warfare, the determination of neutrals' rights, and the settlement of other questions, thus setting down sufficient principles for the guidance of the proposed prize court. This set of rules is now before the respective Governments for ratification.

It proved impracticable at the last Hague conference to adopt a convention to establish an international court of arbitral justice and general jurisdiction. The delegates confined themselves to a resolution signifying the desirability, in principle, of such a court if its establishment could be found feasible.

Assuming that the international prize court, with the rules of the London conference, will become an actuality, the Government of the United States seized upon this fact to propose to all the powers in a long circular that the jurisdiction of the prize court should be extended in order that it might be competent to hear international cases of any kind. This project is now being considered by the different Governments, and there would seem to be considerable hope that in this manner the aspiration for a permanent international court of arbitral justice, actually constituted and always ready to hear cases, may finally come into being.

14. Peru-Bolivia controversy.—By insisting upon the ability of the two republics immediately concerned themselves to settle their differences, and upon the desirability of such a dignified consummation, the Government of the United States, while scrupulously avoiding any semblance of interference, was able to exert an influence which assured the happy conclusion of a situation which at one time actually threatened to involve several republics and to break the peace of Latin-America.

15. Pan-American bank.—Certain banking interests have responded to the wish of this Government that American trade in Latin-America should have the support and the facilities of good American banking connections, and as a result it is understood that such a bank is about to be established throughout Latin-America. This innovation should contribute greatly to the expansion of our trade in this hemisphere.

16. The claims against Panama.—Many months prior to March 4 some men and officers of the navy were roughly handled by the Panamanian police. One man was, in fact, killed. Naturally, indemnity for the relatives of those injured had been demanded of the Government of Panama. It was also demanded that such steps should be taken as would make impossible the recurrence of a similar outrage. In continuance of this negotiation the present administration was compelled to make it clear to the Government of Panama that these measures must be taken. As a result the indemnity was paid, and Panama also showed its sincerity by employing an American army officer as instructor of police.

17. Commercial treaty relations with Cuba.—The Secretary of State lately obtained from the Government of Cuba definite assurance that no further commercial agreements would be negotiated without prior consultation with the Government of the United States. This was especially desirable, owing to the continuance by the Congress of the reciprocity agreement with Cuba, and also in view of the frequent rumors of Cuban negotiations as to tariff treatment with other foreign governments.

18. The Alsop case.—The Alsop case had its origin about a quarter of a century ago. The effort to settle it was suspended for a few years, ending in the early nineties, owing to the consideration of this Government for the then embarrassments which beset Chile. In recent years the negotiations had been carried on with increasing energy. The 4th of March found them in their final and necessarily most delicate and difficult stage. Chile had made no denial of the merits of the claim. The new administration had then these alternatives: Either to nullify the negotiations of the previous administration and to abandon a just case and recede from the position of protecting large American interests, or else to take the next and logical step, i. e., to press for impartial arbitration or an equitable cash settlement. Naturally the latter course was adopted. Happily there has resulted from a very difficult and extended negotiation the submission of the controversy to the King of England for definitive decision. Thus ends a case which has long disturbed the relations between the United States and Chile, and thus has been made possible the cultivation of real friendship with the Chilean Government.

The committee was not unnaturally somewhat appalled at the number of continuing small international money obligations arising from participation in various conventions, conferences, etc. For the convenience of the committee there are grouped together under this heading a large number of small appropriations. Almost every one of these items is included in the interest, not of the foreign service, but of some department or office of the Government or some section of the public service which has taken a scientific or technical interest in the subject-matter. The Department of State is in most cases concerned solely as responsible for the interests of the United States in the obligations of its foreign relations. The obligation of the United States in each case rests upon the Congress itself, either because of ratification by the Senate or an international convention which shows on its face that withdrawal was impossible within a certain period of time, or through an initial appropriation made with full cognizance of the fact that such initial appropriation and the adhesion which it made mandatory involved on its face the obligation not to withdraw within a certain period of time. There are enumerated below the majority of these financial obligations, with a notation of how each arose and what in the opinion of those interested in each maintain is its use, also a brief account of the manner in which this Government could withdraw, and what the annual expense is. There is also included a tabulated statement of appropriations of this character for the fiscal years of 1905 to the present.

INTERNATIONAL BUREAU OF WEIGHTS AND MEASURES.

When the Boxer outbreak occurred in China in 1900 American missionaries were scattered throughout the country at the mercy of the hostile natives. Scores of them owe their lives to the prompt and efficient efforts of our consular officers to bring them to places of safety. One consul, on his own responsibility, chartered a vessel and brought not only his fellow-countrymen, but missionaries of other nations from the interior of the country to a protected port on the coast. Other consular officers, through personal intervention with the responsible authorities and independent efforts of their own, succeeded in saving the lives of their countrymen in other parts of the Empire.

As to some of the practical results of consular activity, it may be mentioned that a confidential report of one consul recently led to the construction of a $500,000 bridge by an American firm; another report resulted in the sale of 16 carloads of American machinery; another in the creation of a market for American agricultural implements in a developing agricultural region. The list might be greatly extended, but these few specific instances are mentioned to indicate some of the work that is being accomplished. One American manufacturer wrote a few months ago that he had increased his business 80 per cent as a result of help received from the consular service, and another that the cooperation of consuls was worth to his firm more than thousands of dollars spent in foreign advertising.

The outlay for the diplomatic service last year was $930,731.61, and for the consular service $1,835,078.06, of which amount that service paid into the Treasury in actual money, by way of fees collected, $1,586,047.14, making the actual outlay for that branch of the service the small sum of $249,030.92, and the net cost of our entire foreign establishment only $1,178,374.86, about one-tenth as much a year as the cost of building a battle ship. Although there is no way of determining even the approximate amount, the activity of the foreign service must result in annual returns to our people of many times the outlay by the Government, to say nothing of the great influence of our foreign service in maintaining peaceful relations with all the nations of the world.

Mr. Chairman, it will be noted upon a reading of the letter of the Secretary of State that the view is virtually urged as a reason for the failure of the twelve States I speak of to secure better representation that suitable candidates have not presented and qualified themselves for the service, save in small and inadequate numbers. There must be a reason for this, although the State Department does not suggest any, and I have heard none suggested from other sources; but I think it reasonable to conclude that the alleged dearth of suitable candidates is due to the common knowledge and understanding that has existed for a generation, and until recently at least, to the effect that the section complaining would not receive recognition in this service save, perhaps, in a small and unimportant capacity, and that therefore young men who were qualified, or by a little preparation could easily have qualified themselves for successful examination, declined to make any effort to secure consular recognition. Certainly it can not, and I think would not, be seriously contended by anyone that there are not hundreds of intelligent, energetic young men in every State who, if not qualified already, could easily qualify themselves for this service.

It may also be remarked, Mr. Chairman, that another possible reason for the alleged failure of young men from the South to qualify and apply for these consular positions was the belief on their part that others on the eligible list might be given preference, or, if appointed, they would probably be placed in the lower or lowest classes of the service and upon salaries below living expenses and assigned to some isolated post of little or no business or other importance, without knowing when they would receive deserved promotion, if at all, or when they could be transferred to a more desirable post in the same class to which they might belong. Suffice it to say that these twelve States, during their entire history, have not failed to furnish their full quota of men—honest, patriotic, and in all respects capable and efficient—to promptly meet all the duties, needs, and requirements arising and resting upon those States. Nor do I believe they will fail in this instance when it becomes fully understood that the old methods of politics and favoritism have been abandoned and a progressive, modernized system has been substituted which assures fair treatment and equal chances of recognition to all applicants according to qualification and merit and without regard to their politics, station in life, or section from which they come. The State Department stoutly insists that it is earnestly endeavoring to, as speedily as possible, place the administration and conduct of this entire service upon this latter high plane. I heartily commend the State Department for the good it has thus far accomplished in its efforts to build up and improve the diplomatic and consular service. It is not to be denied that during recent years the standard of efficiency has been considerably raised, the appearance of political and other kinds of favoritism is less apparent; the rule as to promotions is a sensible and salutary one, and our present diplomatic and consular officials have many valuable accomplishments to their credit.

But, Mr. Chairman, while I give the State Department the fullest credit for the good already done, and also for good intentions and earnest effort to elevate and improve this service, I do respectfully, but earnestly, dissent from some of its views as to the best means of accomplishing this desired end, and I must also call attention to an omission due either to oversight or plain dereliction that is not at all in harmony with the professed efforts of the department to reorganize this service along lines calculated to secure the best service and the most profitable results to the American people. Now, as to the first proposition about which we differ, the following statement is found in the letter of the Secretary of State: "The foreign service deals with American interest in foreign countries of every character and affecting every section of the United States. The efficient discharge of all the work devolving upon officers of the foreign service in the proper promotion of the interests and trade of their countrymen in the North as well as in the South demands that their assignment to particular posts should be based primarily upon their ability to discharge efficiently all the duties of those posts rather than upon geographical considerations." I subscribe entirely to the view herein expressed, but I strongly dissent from its application by the department thus far. I might quote one sentence in this statement as expressing the very rule of practice I have invoked in support of my contention that the cotton States are without adequate representation, and without practically any represenation in the great cotton-purchasing countries, viz, "the assignment of these officers to particular posts should be based primarily upon their ability to discharge efficiently all the duties of those posts rather than upon geographical considerations." This is the very rule that has been heretofore violated. I contend that "geographical considerations" have heretofore controlled rather than efficiency according to the very table embraced in the Secretary's letter. This table shows that the United Kingdom and Germany purchase annually over $300,000,000 worth of our cotton, and yet there are only two or three minor officers from the cotton States and who know something about cotton in the service, stationed at small posts in these two countries. Agriculture, manufactures, and commerce are common to all the States of the Union, and so measurably understood by our consuls from whatsoever section selected. But cotton is a phase of agriculture known and understood only in the South, and, hence, by consuls and diplomats appointed from that section. Cotton and its commercial by-products comprise more than one-third of our total exports, and yet comparatively none of the officers of our diplomatic and consular service stationed in the countries that buy most of our cotton are from the cotton States or would recognize growing cotton should they see it. It is plain, therefore, that this rule is being clearly violated.

Mr. Chairman, I might easily amplify and fortify this argument by the citation of numerous other facts and conditions, but having pointed them out heretofore, I close this phase of the discussion with the statement that if the rule promulgated by the department and which I have just read, should be closely adhered to and correctly applied, the countries that buy our cotton would speedily have—and we would have—the benefit and valuable aid of consuls stationed within them who would be entirely familiar with this great staple product.

In my judgment, the failure of the State Department, from whatever cause, to thus far secure greater consular representation in the larger cotton-purchasing countries composed of men who are familiar with the cotton trade, and who could therefore be of vast service in extending this class of our foreign trade, is a palpable injustice to the cotton grower and in a measure unjustifiable from any standpoint. I have urged upon the department the expediency and sound policy of transferring officials now in the consular service from cotton States to at least some of those posts in Europe where large quantities of our cotton are purchased, belonging to the same class in the service as the posts from which such consular officials might be transferred, the grade and the salary being the same, but I regret to say that I have thus far received no satisfactory encouragement. From statements issued by the State Department I gather the following interesting data, which unmistakably shows the existence of 55 positions available in Germany, France, and England in classes below $5,000 and down to $2,000, while it clearly appears at the same time that 34 appointees from Southern States occupy positions in other countries that correspond with those 55 positions I have just named, as to both class and salary, while as a matter of fact only 7 of the 34 consular officials I have named occupy consular positions in Germany, France, and England, and these posts in the main are far removed from the cotton-trade centers of these three countries. I here submit the tables prepared:

Number of positions available in Germany, France, and England in classes below $5,000.

$5,000	4
$4,500	6
$4,000	7
$3,500	7
$3,000	11
$2,500	15
$2,000	5
Total	55

Number of men from Southern States in these various classes stationed elsewhere.

$5,000	3
$4,500	—
$4,000	1
$3,500	2
$3,000	6
$2,500	9
$2,000	13
Total	34

Number of men from these States in the various classes stationed in these three countries.

$5,000	2
$4,500	—
$4,000	—
$3,500	1
$3,000	1
$2,500	1
$2,000	2
Total	7

I call attention to this condition of affairs in the hope that the State Department may yet find it consistent to transfer others of these 34 consular officials to posts in the three countries I have named, of similar importance. These tables show that there are 11 $3,000 posts in France, Germany and England; that there are six men in this class from the cotton

States but that only one has been stationed in one of these large cotton-buying countries. The $2,500 class has 15 positions available in these three countries; there are nine men in the service from the cotton States available for transfer to some of these 15 positions, yet there is only one holding such position in any of these three countries. These comparisons are sufficient to illustrate the point I am making, though they could be greatly extended. Notwithstanding these inviting opportunities to give adequate representation, as I have been urging, I notice with regret and disappointment that in making recent appointments and shifts in the service I fail to discover any serious effort to give the section complaining any material additional representation in the cotton-purchasing countries, either by appointment or transfer. I hope that, at any rate, none of those applicants on the eligible list from Southern States are being overlooked but are receiving appointments in the proper order in which they stand on the list. I understand, with apparent reliability, that one applicant from Tennessee was recently appointed to a position in the service after having been on the eligible list for a period of three years. I hope this is not true. The fact that the Government deemed it wise to bring two consular officials from their foreign posts to the South for the purpose of securing a knowledge of cotton, its usage, and prices, constitutes an admission that all or most of our consular officials, who are stationed at those posts in Europe to which cotton is our chief export, should be officials thoroughly familiar with every phase of the cotton industry.

Mr. Chairman, I am making this earnest plea, not in the interest of any particular individual or individuals who may desire official recognition, not altogether in the interest of the section that grows two-thirds of the world's supply of cotton and ships and sells two-thirds of this annual growth to foreign countries, but I speak with a view to the best interest of the entire country, for I assume that there is no citizen willing for this country to surrender the balance of trade that has so long been in our favor, or would care to see our greatest export handicapped by the lack of consular officials with sufficient knowledge of this staple to bring to our country the largest volume of cotton exports. I have spoken with no purpose to indulge in unfair or captious criticism of any department of the Government, but prompted by the crying necessity of improving the diplomatic and consular service along the lines pointed out. I have felt impelled to once again urge upon the appointive power here the very great importance of remedying the conditions described.

Mr. BOWERS. I yield to the gentleman from Ohio [Mr. SHERWOOD].

Mr. SHERWOOD. Mr. Chairman, since my speech of January 29, 1908, in favor of a dollar-a-day pension for the veterans who stood behind the guns over a hundred thousand of those once stalwart sons of the armies of the Union have gone to the other shore. They are now where cold neglect and stolid indifference will no longer vex their spirits. And now, in the closing days of the second session of the Sixty-first Congress, I am here again to say a few words more for that rapidly diminishing army, marching with faltering steps, every day nearer life's gloomy sunset.

I am here to say a few words for the bill known as the Warner-Townsend bill, which is intended to give a few dollars to the veteran officers of the Union army, after they have passed the threescore years and ten milestone (70 years), and which also provides for certain disabled veterans of the rank and file at $1 per day. As I said in my reply to Gen. Charles Francis Adams, of Massachusetts, on May 24, this bill does not do adequate justice to either the private soldiers or the officers who are to be beneficiaries, but it is the best we could get, and for that reason commands my support. My dollar-a-day pension bill still slumbers with the Committee on Invalid Pensions, and the friends of this humane measure have not been able, up to date, to get a vote in the committee.

Section 5 of the Warner-Townsend bill is my amendment, and it refers exclusively to enlisted men. If enacted it will pay every disabled soldier who served ninety days or more, and whose disability is such as to require the occasional aid of another person, $360 per year; and the bill takes care of all of the disabled and helpless, whether said disability was contracted in the war or since the war. The bill, as now amended, contains no age limit for enlisted men. All disabled soldiers of the rank and file will, if the bill becomes a law, be entitled to $30 a month during life, without regard to age. The age limit of 70 years—which should be reduced to 64 years—only applies to officers.

If passed, this bill will include in its provisions probably 30,000 enlisted men and 10,000 officers. In order to secure the full measure of benefit, an officer must have served two years. No officer who served less than six months will get any benefits whatever unless wounded or disabled in the service. In my speech of May 24, entitled "The case of Adams *v.* Adams," I explained in detail the provisions of this bill, hence will not repeat now. A comparison of the provisions of the Warner-Townsend bill with existing laws shows how niggardly the volunteer officers and soldiers of the civil war are provided for in comparison with the officers of the Regular Army. Regular Army officers—not 2 per cent of whom see any battle service—are retired at 64 on three-fourths pay for life. The Warner-Townsend bill retires officers at 70 on only one-third pay, all of whom have service records at the front and many of them in forty battles. The rate of pay now for officers in the Regular Army is as follows:

Lieutenant-general pay, $11,000; retired pay, $8,250. Major-general pay, $8,000; if retired, $6,000. Brigadier-general pay, $6,000; if retired, $4,500. Colonel pay, $4,000; if retired, $3,000. Lieutenant-colonel pay, $3,000; if retired, $2,650. Major pay, $3,000; if retired, $2,250. Captain pay, $2,400; if retired, $1,800. First lieutenant pay, $2,000; if retired, $1,500. Second lieutenant pay, $1,700; if retired, $1,275.

Private soldiers in the Regular Army are now paid, according to the official pay table of the Paymaster-General for 1908, as follows: At first enlistment, $15 per month. By the pay table of 1906 the pay was $13 per month. The Congress which ended March 4, 1909, increased the pay of the Regular Army, in the aggregate, over $10,000,000. And how was that increase distributed as between officers and enlisted men? Let us see. While the pay of the private was increased $24 a year, the pay of a major-general was increased $500 per year and a brigadier-general $500 per year and a colonel $500 per year and a major $500 per year and even a second lieutenant was increased $300 per year. In other words, the pay of a second lieutenant is now more than ten times as much as a private, and a captain's pay is twelve times as much, a colonel's is twenty-three times as much, and a brigadier-general's thirty-six times as much, and a major-general's forty-nine times as much. And not 2 per cent of any of these officers ever see any battle service, because, thanks to a beneficent Providence, we have no battles to fight and no prospect of any. And with the above statements from official records, showing the great inequality of salaries in the Regular Army, Members of Congress who voted to increase the pay of the private soldier $24 per year, while a brigadier-general's pay was increased $500 per year, did not protest against the great inequality. Now, when a bill is pending that provides for a payment to a disabled private soldier of $30 per month, or double what is now paid a private in the Regular Army, and also provides only one-third pay for officers 70 years old or over, several Members who voted for the enormous $10,000,000 increase in the Regulars' pay in 1908 are protesting against the claimed inequality of the pending bill and threatening to defeat it.

How can they explain their hostility to this patriotic and humane measure on the ground of inequality of money distribution between privates and officers when confronted with their own record of only two years ago? They voted then to pay a private soldier $180 per year and a major-general $8,000 per year. How will they explain to their patriotic and justice-loving constituents their votes for squandering $10,000,000 of our hard-earned tax money to increase the pay of the army, that had stood unchanged for over forty years, on the ground of the increased cost of living, and now, when the cost of living has increased at least 25 per cent (since 1908), refuse to give 30,000 old soldiers, worn out and crippled with the infirmities of age, $1 a day? What answer will they make when confronted with the record vote of 1908, when major-generals, with nothing to do but glorify resplendent uniforms in idle dalliance, were voted an increase of salary from $7,500 a year to $8,000 and brigadier-generals from $5,500 to $6,000, while the privates were voted an increase of only $24 per year?

Should the Warner-Townsend bill become a law, a disabled private soldier who served ninety days will get $360 per year, while a second lieutenant who served two years would draw $566 per year. And yet some of the preposterous patriots (Members of Congress) who voted in May, 1908, to pay a private of the Regular Army $180 per year and a second lieutenant $1,700 per year and a major-general $8,000 per year are opposing this just and humane measure on the ground that it favors the officer over the private. The above figures show the utter falsity of this claim.

The average pension of all the soldiers of the Union is now about 55 cents per day. The purchasing power of this pension now as compared with fifteen years ago is about 30 cents per day.

Congress increased the salary of Members from $5,000 to $7,500 on account of the increased cost of living. It added (including traveling expenses) $50,000 to the salary of the Presi-

dent. It added in one bill $6,000,000 to the salary of the navy. The Vice-President, the Speaker, the Cabinet, have all been granted largely increased salaries. But the old soldier has been entirely neglected, if not forgotten. And yet the old soldier must buy his living in the same market with these high-salaried officials. Do not forget that the patient and industrious hen makes the same effort to produce an egg for an old soldier on his last legs as for a millionaire Senator or Congressman.

Thousands of the old veterans, staggering to a near-by grave, are asking for this bill now, and I am very sad to state that some Members who were soldiers, and soldiers with good records, are now making protest against the bill. Some of the best friends of the Warner-Townsend bill are not soldiers, notably the author of the bill, the able and distinguished Member from the Second Michigan District [Mr. TOWNSEND], also the capable and experienced gentleman from Illinois [Mr. PRINCE] in charge of the bill.

I have never on this floor or elsewhere complained of the indifference or hostility of the present Chief Executive to further pension legislation, but the recent summary discharge of so many old soldiers from the departments in Washington has been interpreted by the soldiers and the friends of the soldiers as an indication of hostility. I was in Congress when General Grant was President, in 1872, and thousands of these veteran soldiers who loved their country better than life in that terrible struggle of four years that made Grant the foremost man of all the world were given places in all the departments during Grant's first term, from March 4, 1869, to March 4, 1873. Many of them have been there ever since, through the administrations of nine Presidents.

But only a few days ago a startling order sent them adrift, many of them penniless, to the cold charity of an indifferent world. The Washington papers made pathetic mention of a sad meeting in G. A. R. Hall of these old veterans. It was an indignation meeting. Nearly all these old soldiers are Republicans, and when young and vigorous, a decade or two ago, were the most potent force in the political campaigns out in the States. Now they are turned out to make places for younger men who, in addition to their clerical duties, can do political work. "Private" Dalzell, a government clerk in the Treasury Department, a well-known Republican stump orator of Ohio, a political writer, and former member of the Ohio legislature, a long-service veteran, from 1861 to 1865, and probably the best known private soldier in the United States, was one of the speakers at this indignation meeting of the discharged veterans. In the Washington papers I find "Private" Dalzell quoted as follows:

The loyal and patriotic people of this country are taking a deep, intense interest in the proposition to throw out on the streets as worthless beggars the men who saved the capital of the Nation. I am a Republican, helped rock the cradle in which the party was born. In the name of God and my country, I demand that all these degradations of my comrades must cease and cease at once. If it does not, my country will take up our cause and make a fearful reckoning for our persecutors and defamers at the polls in November.

So far as this administration is concerned, it is evident to all that the old soldier will have to go. And yet in the campaign of 1908 the old soldier was conspicuous on the platforms and in the spectacular parades. He was also "promised" in the national Republican platform. President Taft has uttered much in public speeches and official messages about keeping all the pledges in the party platform, even to ship subsidy, injunction, and "economy." Hence I quote from the Republican national platform of 1908:

Another Republican policy which must be ever maintained is that of generous appropriations for those who have fought the country's battles and for the widows and orphans of those who have fallen. * * * To the end that the people's gratitude may grow deeper as the memories of the heroic sacrifices grow more sacred with the passing years.

How about this sacred party pledge in the platform? If there was to be no further patriotic consideration of the old soldiers, why were those words of promise uttered? Do "the heroic sacrifices grow more sacred with the passing years," when faithful old soldiers, who have given all their best years to the service, are turned out to buffet with "the slings and arrows of outrageous fortune" like a worn-out dray horse?

President Taft, as I learn, has made, since his inauguration, some 400 speeches, and he has never even referred to the pledge in the national platform on which he was elected, about "sacred memories" and "heroic sacrifices." So far as I can learn he has never even mentioned anything about the claims of the old soldiers. He has never even referred to the banner that was stretched across Pennsylvania avenue that immortal day when the Volunteer Army of the Potomac made its last grand march. "Lest we forget," I will tell how that banner read:

"WE CAN NEVER PAY THE DEBT WE OWE THESE MEN."

Alas, it has changed now. The motto of those who rule and rob us is, millions for a vast idle army of political parasites, while the white-haired soldiers of patriotism are booted into the street.

There was no plank in the national Republican platform of 1908 upon which President Taft stood in favor of two more battle ships, and yet the President sent a demand to this Congress for two more of these great sea monsters. Not only are we to have two more useless battle ships, but two colliers and six submarines, all to cost probably $35,000,000. I have heard of no demand anywhere among the people for wasting $35,000,000 on more battle ships—money wrung from a long-suffering and patient people by onerous and unjust tariff taxes—no demand, except from the steel trust and the armor-plate combine.

Since by dollar-a-day pension bill was introduced in December, 1908, I have received the largest array of indorsements from veterans of the war and patriotic citizens and petitions and approving orders of Grand Army posts ever before received for any measure in Congress. Approving letters up to date number about 6,750. Indorsements of Grand Army posts and veteran societies run into the thousands. On the 26th of February, 1908, I presented the largest number of petitions for the dollar-a-day bill ever seen on the floor of the House. I quote a paragraph from my speech made that day, and this statement has never been contradicted or even questioned:

I have here now seven great rolls of petitions, each 500 feet long, from soldiers who fought the battles of the war. These petitions were prepared by the old soldiers themselves in their humble homes. Some have twenty names, some have thirty, some have forty, and some have a hundred. There are only a few of these old stalwarts left in any locality. I have strung these local petitions together, and I will ask my friends to assist me in unrolling only one of them. You can see they are all headed differently and all prepared at home. Many of them are on cheap paper, written by trembling hands, in pencil. No two are alike. This, you see, is only one of seven of these great petitions. It has been unrolled and stretches up the aisle here to the back of this Hall, around the railing, and back down another aisle. On both sides of this petition are the names of the old veterans of the war, who fought the fiercest battles the world ever saw in the greatest war of all history. This petition and seven others like it bear the names of the men who enlisted under the call of Abraham Lincoln, whom we heard lauded to-day by the gentleman from Pennsylvania [Mr. DALZELL]. These are the heroes who made Abraham Lincoln great, and who unified this Nation.

The cost of this bill, if enacted, is insignificant compared with its benefits. After a critical examination of all its provisions and examination of the records in the Pension Office, the aggregate cost is estimated at $9,552,680. This is a trifle over half the cost of one of those useless, barbarian battle ships. Turn from this wicked and criminal waste of public money to the humane side, and reflect that this $35,000,000 appropriated to exploit the barbarities of militarism would have made comfortable for a whole year 97,222 disabled veterans at $1 a day.

In order to dissipate any doubt as to the demand of representative soldiers for more adequate pension legislation now, I take the liberty of quoting extracts from a few of the thousands of letters I have received from comrades. All these letters are voluntary and were evidently written with a full knowledge of all the provisions of the Warner-Townsend bill:

Letter from Capt. Orville T. Chamberlain.

LOS ANGELES, CAL., *June 5, 1910.*

Gen. ISAAC R. SHERWOOD,

DEAR COMRADE: I have read with great pleasure your reply to Charles Francis Adams. If I remember correctly, John Quincy Adams recommended retired pay for Revolutionary officers in one of his presidential messages. And I think John Quincy Adams, as President, signed and approved the bill giving those officers their retired pay.

I thank you deeply and sincerely for all the many things you have done, and are doing, for the old boys. And I hope you may long be kept right where you are. I am a radical Republican of the days of old, and other things being equal I am for a Republican every time, but such Democrats as you, and SULZER, and BARNHART—from the Indiana district, where I formerly resided—and some others are good enough Republicans for me, and I hope every old soldier in your respective districts will vote and work for you as long as you are willing to go to Congress.

In the brigade to which I belonged, Third brigade, Third division, Fourteenth Army Corps, were the Fourteenth and Thirty-eighth Ohio Regiments; some of the members of those regiments reside in your district. I hope every one of them will vote for you.

Yours, in F. C. and L.,

ORVILLE T. CHAMBERLAIN,
Formerly Captain Company G, Seventy-fourth Indiana Volunteers, and Acting Regimental Adjutant.

Comrade John Allen Bigelow, a hero among heroes in the heroics of battle from 1861 to 1865, writes me a pathetic letter from his home in Birmingham, Mich. Read an extract and then do some patriotic thinking:

Thanks for your speech of May 24.

Now, take my own case for reference. In 1861–1865 I participated in over eighty battles; was wounded five times; finally lost my arm at Winchester, under Sheridan and Custer; and suffered three amputations; and to-day make my living by doing insurance, added to my pension. Yet to place us lower than the Regulars is not fair. We earned three-fourths retired pay. My service was in the First and Fifth Michigan Cavalry, three years and eight months.

Capt. Stephen I. Truman, of Cambridge, Mass., writes:

The Boston Globe of May 27, 1910, printed abstract of Gen. ISAAC R. SHERWOOD'S speech on pensions. Please send me a copy of your manly and eloquent speech. I want to read it and pass it to other comrades. I thank you heartily for your eloquent and truthful words in our behalf.

Gen. Edwin S. Greely, late brigadier-general, United States Volunteers, writes from New Haven, Conn.:

I wish to thank you for the splendid speech you delivered in the House of Representatives May 24 advocating the passage of the bill now pending in Congress, and more especially for your courageous attack upon the letter written by Gen. Charles Francis Adams, who has so disgraced an honorable name by the hasty and venomous attack upon the bill above referred to.

Writing from Los Angeles, Cal., June 10, 1910, Capt. E. H. Parsons says:

I wish I could command language to express my appreciation of your speech in the House on the 24th of May. I am an Ohio soldier, Forty-sixth Infantry, and had 37 battles on my discharge, passing through all the grades from private to captain. I wish to thank you also for your earnest support of the bill.

Col. Edward Anderson, colonel of the Twelfth Indiana Cavalry, writing from President's Hill, Quincy, Mass., says:

I have gratefully received your speech in the House on "Adams *v.* Adams," and feel that you have made a masterful reply to the man who, in spite of his splendid work on "Three Episodes in New England History," has made a very small showing in the matter of the volunteer retired list.

Capt. M. P. Thatcher, a war captain, of Second Michigan Cavalry, a soldier of seventy battles and skirmishes, writes me from Oxnard, Cal., these significant sentiments, well worth pondering:

Your speech of May 24 came to-day, and I want to thank you for the clear-cut, masterful presentation of the facts which are defrauding so many of us of our just dues. We fought the most terrible war of all history, and were paid off in money worth 63 cents on the dollar.

Col. John B. Brownlow, commander of Ninth Regiment Tennessee Cavalry, writes from Knoxville, Tenn., as follows:

I have read with so much pleasure in the CONGRESSIONAL RECORD of the 24th instant the deserved excoriation you have given the Massachusetts Charles Francis Adams that I can not refrain expressing to you my thanks for the same, and I am sure I express the feeling of the survivors of the 35,000 soldiers of the Union Army from Tennessee.

I should be glad to be a citizen of your district long enough to show my appreciation of your course by voting for you.

I do not remember to have written any other letter on this subject, though I supported Hon. R. W. AUSTIN, Republican Member of Congress from this district, and have a cousin, W. P. BROWNLOW, Republican, from the adjoining district.

Capt. James H. Durham, Cape Vincent, N. Y., writes as follows:

I am now 89 years old, but I am interested in your bill. You and I were comrades together in the first battles of the war in West Virginia, at Philippi, Laurel Hill, and at Carricks Ford, you in the Fourteenth Ohio, I in the Ninth Indiana. I am just proud of you. You gave General Adams a part of what he deserves.

Col. C. H. Felton, of Felton, Del., writes:

Nothing of late years has afforded me more pleasure than in reading your admirable and vigorous speech of May 24. It is more astounding and an infernal outrage, and, in my estimation, a heartless thing for him to address his cold-blooded ideas on the subject to each Member of Congress. Seems to me a pity that other Members do not get up and denounce him as vigorously as you have done.

Col. Henry M. Kidder, Capt. C. S. Bentley, and Capt. James M. Eline, all of Chicago, send greetings. Colonel Kidder says:

I want to thank you for such a forcible arraignment of the so-called General Adams. While I belong to the class who do not need the pension, I am sure that of all the old veterans of my acquaintance there are not 5 per cent who do not need and deserve it. From a private in 1862 to a lieutenant-colonel of cavalry and brevet-colonel, and four and one-half years of service at the front, I feel qualified to judge of a man from his record, and if this record of Gen. Charles Francis Adams does not come under the summer-picnic class, my opinion should not count.

Capt. A. W. Fenton, of the Sixth Ohio Cavalry, writes from Cleveland as follows:

I thank you for the very able and gentlemanly address in reply to Charles Francis Adams in his expressed feelings toward his old companions, both rank and file and officers. I have an admiration for the two Presidents, and if this Charles Francis is a son of our minister to England in 1861, I may say the same of him.

Some aristocrats by birth made most excellent officers, but from personal knowledge I can safely say that General Adams was rarely liable to "sleep the sleep that knows no waking" by leading a good regiment in battle.

The Sixth soldiers will long remember you; perhaps they will remember Mrs. Sherwood long after you have both gone on, from the beautiful lyrics she has penned in our behalf.

I should like to vote you a return to Congress, although a companion belonging to the party with which I have long affiliated is your opponent.

Your friend and companion,

A. W. FENTON,
Late Captain D, Sixth Ohio Cavalry; aged 71.

Capt. A. W. Alvord, of One hundred and ninth New York Volunteers, now of Battle Creek, Mich., says:

The volunteer officers raised all that vast army that produced such wonderful results. They led them into battle, watched over and cared for the men to promote their efficiency, and were the first to present a mark for the sharpshooters of the enemy. The promises so freely given that we should have the same treatment after the war as the Regular Army officers spurred us to still greater and greater effort. What wonder, then, that the hesitancy of Congress to grant the sacredly promised recognition, brings sorrow and sad disappointment to us when we have lived to see the wondrous wealth of our country.

Lieut. William J. Hahn, Company H, Twenty-fifth Missouri, writes from Omaha, Nebr., as follows:

With the greatest delight I have been reading your several speeches in behalf of our comrades of the civil war, in particular your last able effort of May 24, published in the CONGRESSIONAL RECORD May 25.

The unanswerable argument you offer, the facts, the justice of our request to be recognized as promised you present in such an able manner that it appears to me must finally bring to a successful issue the passage of our bill.

I for myself can not find words to express to you my thanks for what you have done and are doing for the many deserving old soldiers of the civil war.

I wish our Representatives could realize the good the early passage of the bill would do, the happiness even the prospect of the reward has created, and the suffering and heartaches it will reduce.

I would like very much to get a number of copies of your speech. One for the Loyal Legion and one each for the Grand Army of the Republic posts and some to distribute among the many deeply interested.

Capt. M. J. Sheridan, who won his shoulder straps as the heroic color sergeant of the Forty-second Illinois Infantry, writes from Chicago as follows:

I read your speech to a party of eight soldiers to-day, six of them enlisted men, and every one of them authorized me to thank you for the zealous manner in which you were looking after the interests of deserving Union soldiers and officers, and that they were glad we had one man in Congress who had the courage and nerve to stand up and fight for their interests. I am still carrying rebel lead in my body.

Maj. W. R. Hodges, recorder of the Loyal Legion of Missouri, writes as follows:

I have read your speech, "The case of Adams *v.* Adams," and I know that I voice the sentiments of every volunteer soldier in Missouri when I thank you for your able and merciless castigation of a degenerate scion of illustrious name.

Maj. Matthew H. Peters, four years veteran in Sixteenth and Seventy-fourth Ohio, writes from Watseka, Ill., Williams Post, as follows:

To-day I received your speech of May 24, and I thank you for it.

I read it with a thrill coursing my veins; it was logical, forceful, pathetic, and patriotic. I wish every comrade living could read it. You have long ago endeared yourself to the old soldier by your noble sympathy for them and for the service you have done them in the past; nor does the flight of time nor the infirmities of age put a check on your zeal in their behalf. I felt it due you that I should say this much in recognition of your services to the old soldier. I enlisted April 18, 1861, in Company E, Sixteenth Ohio, at Springfield, under the first call for 75,000 men, and served as a private for four months. Then reenlisted as a private in Company F, Seventy-fourth Ohio, at Xenia, and served until July 12, 1865, when I was mustered out as captain (although holding commission as major). I was twice severely wounded.

Capt. John G. Langguth, of Chicago, writes:

If such a bill could be passed, it would please a great many and bring relief to many to my own knowledge. It is also a known fact, particularly here in Chicago, that a man of over 60 years can obtain no employment, or under great difficulties, and very little pay, no matter how good recommendations he has or his character or knowledge of his particular line of business.

We comrades admire and thank you for your stand for our good and hope that, with others, a bill will be passed before it is too late redeeming the promises made when we volunteered our services.

Lieut. John Q. Matthews, Company C, Sixteenth New York Artillery, writing from New Braintree, Mass., says:

I desire to thank you for your very able speech in behalf of the old soldiers, who should have that which they are justly entitled to right speedily. Your speech furnishes a very suitable background for Mr. Adams's picture, and when he looks at it he will see himself as others see him.

Comrade Howard, of Cushing, Tex., is pessimistic, thus:

There are many of us down here in Texas who are compelled to look to the sawmills for our support. God knows if we are to get that which belongs to us, now is the time. Now all we get is a lot of demagogue resolutions in Republican conventions and a chance to sit on the platform.

Comrade T. H. Wade, of Hoxie, Kans., writes:

I know that I express the unanimous sentiment of all the comrades in this community when I say they are to a man urgently in favor of your bill.

Col. James H. Davidson, of St. Paul, Minn., orator of patriotism and lecturer on ethical questions, writes:

I know now and could name at least a dozen officers who are at the bottom financially, are straining every nerve to meet their just obligations, and yet are getting deeper and deeper in debt to friends. About their only hope has been that the retired officers' bill in some form would become a law and relieve their absolute necessities during the few remaining years of life.

I want to thank you for your splendid answer to Charles Francis Adams, and to express my contempt for a descendant of a distinguished family who would write such a letter as he did concerning the retired officers' bill. For God's sake do force this bill to a hearing and let Congress say definitely that we will or we will not recognize the surviving officers of the civil war by this tardy and imperfect measure of justice.

Col. B. F. Brill, post commander, Cherryvale, Kans., sends the following:

The old comrades of 1861 and 1865 want to express our thanks. Our post met in regular session this p. m. and unanimously voted to extend our thanks to you. May God's blessing rest upon you and yours.

Lieut. Alfred Weston, of the United States Navy, writing from Ashmont, Mass., says:

May God bless you for your splendid speech of May 24, in which you so peerlessly defended the character, honor, and patriotism of the volunteer soldiers. The recollection of your fearless and loyal championship of their military honor and service record will be forever treasured in the memory and heart of every surviving soldier and naval veteran of the volunteer army and navy.

In delivering that speech you rendered invaluable service.

A letter signed by 20 veterans of Marionville, Mo., says:

We realize that you have been disposed in Congress to fight for what we believe our rights are, and we hope you will live to continue the good work for the old soldiers, who are dropping off annually by the thousands.

Maj. S. J. Quinby, of Omaha, Nebr., writes June 15, 1910:

You have my sincere thanks for your many efforts in behalf of the old soldier. This last hits the nail squarely on the head. Republics can not afford to become indifferent to the welfare of its defenders. With this measure party interests cease. It stands for the honor of our country. There is no sin like that of ingratitude.

Col. Lewis R. Stegman, of Brooklyn, N. Y., writes June 15, 1910, as follows:

At a meeting of the Brooklyn officers and soldiers last night, after your speech in re Adams had been read aloud, a resolution was passed unanimously, thanking you for the castigation given to a renegade. The speech was applauded throughout. Thank the Lord that we had one of our old comrades in Congress who was able to fight for our rights.

Capt. Robert J. Campbell, of the Third Iowa Infantry, a game and enduring soldier, with a remarkably heroic record, now 74 years old, writes as follows:

With great pleasure and satisfaction I hasten to thank you for your soldierly speech of May 24. I prize it so much that I have placed it in the leaves of my Bible, as it is the appeal of a soldier who is and always has been the friend of the old soldier. I was wounded in the battle of Jackson Miss. Was taken prisoner in fight at Atlanta, Ga.; escaped from prison at Florence, S. C., but was captured; taken to Bentonville, N. C., but again escaped and reached the Federal line. Only draw $17 a month pension. I offer you my best salute, General, and I hope you will stay in Congress for years and keep on deck.

Capt. Henry P. Fox, of Buffalo, N. Y., who was captain in the Thirty-fourth Massachusetts Infantry, a veteran from 1861 to 1865, writes:

Your speech pleased me very much, especially your size up of Gen. Chas. Francis Adams. It don't seem possible that a man whose ancestors were such patriotic and honorable men, two of whom had been President of the United States, could so stultify himself as he has done. It looks very much as if the brains of the family had petered out when he was born. I feel that he deliberately and intentionally insulted every officer that served in the civil war.

Col. R. C. Hunter, of Webster City, Iowa, writes:

I have just read your speech in answer to the criticism of your pension bill. My service, like your own, was all at the front, and none of it of the "picnic" variety. I am now 66 years of age, with very little hope of ever seeing 70, as I realize from my present condition that the final "muster out" can not long be delayed. The sentiment of the country is fully crystallized in favor of this legislation, and Congress should no longer hesitate.

Henry T. Anshutz, of National Soldiers' Home, Tennessee, writes:

Allow me the pleasure of thanking you for the noble fight you done for us old soldiers. I will thank you now for what you will do before this present House adjourns, as I know you will not leave a stone unturned to make your bill a success.

W. W. Bell, banker and soldier, of Chicago, writes:

I have just finished reading your splendid speech in reply to the unjust and insulting letter of General Adams. I see that you know how to use the English language, and I'm mighty glad that you scored Adams as you did.

I thank you for all the good, hard work you have done for the civil-war soldiers and all you are doing, and please allow me to say that I think you have never done a better thing than to make the speech you did in reply to General Adams.

Col. George S. Keyes, of Boston, Mass., nephew of Gen. E. D. Keyes, who commanded the Fourth Army Corps, writes:

I have read your speech on pensions and have shown it to all my comrades. I think the age limit should be eliminated. I know a number of officers who are five or six years under 70 and who were obliged to retire from the service by reason of wounds or disability before they had served the required two years.

I was an officer of artillery when 17; am now 63.

Capt. J. B. Merwin, of Middlefield, Conn., writes:

For your prompt, vigorous, adequate reply to the Boston brevet and leave-of-absence general, I thank you. The name of Adams stands for something better in history than this. For your fidelity as a man I thank you.

Comrade Joseph W. Foley, of Cincinnati, Ohio, writes as follows:

It seems that whenever a bill is brought up in Congress that would benefit the old soldier it meets with opposition on the ground that it would take too much money out of the Treasury and that the country could not afford it.

The Postmaster-General made the statement that there was a deficit of sixty millions in the Post-Office Department last year, and yet the salaries of the postmasters are increased, while the pension appropriation bill is reduced over five millions this session. No additional money for poor, crippled, old soldiers, but about $28,000,000 for two more useless battle ships. As you are a friend of the old soldier, being one yourself, I just thought I would write this to you. If I apply for work, I am told I am too old; they want young men. But I was not too old in 1861.

Capt. Edgar P. Putnam, who served four years at the front in the Ninth New York Cavalry, writes as follows:

By request of many officers and soldiers of this city that have read your great speech in the House May 24, for them and myself I send this line to thank you heartily. From the bottom of their hearts they are grateful to you. We can not understand how Congress can hold up this bill the way they are doing.

Capt. R. B. Ennis, of a New York veteran regiment, writing from Chicago, June 9, says:

I want to compliment you for your grand effort. All of the officers here who have read your speech can not compliment you enough. I wish we could make you chairman of the Committee on Military Affairs in the next Congress, as Captain HULL, of Iowa, has been defeated in the primaries.

Capt. George A. Hussey, of Brooklyn, N. Y., under date of June 9, 1910, writes as follows:

In behalf of the L. I. Union, which is to hold a meeting on the 14th instant, I have the honor to request to be favored with 10 or more copies of your speech "The case of Adams *v.* Adams." The way you bottled and corked General Adams could not be improved upon; a life sentence he richly deserves; the veterans have reason to thank you for your great work. Your speech has great historical value, giving all the war losses of previous wars.

Comrade L. K. Brown, of the Parnell Legion, Maryland, writes:

I have just read with great pleasure your speech of the 24th ultimo where you have so justly and neatly "lifted the cuticle" of our distinguished friend, Gen. Charles Francis Adams.

All honor to a gallant soldier, whether he carried a musket or a sword, whether an enlisted man or an officer, and honor to you for so nobly taking up the "cudgels" in his defense.

Col. Francis S. Hesseltine, of Boston, Mass., writes:

I do hope and pray that Congress will vote one way or the other and go on record. Two of my former comrades died on one day recently, Gen. Charles P. Mattox, of Portland, and General Sprague, of Worcester, and they are falling fast. I ask nothing for myself. I have enough while I last.

Capt. Samuel B. Harne, of Winsted, Conn., service four years as private and officer, writes:

The case is justly entitled "Adams *v.* Adams." You certainly hit him hard, as well as doing a splendid work for our comrades; God bless you. It cheers my heart to realize that we have one such in Congress. Our flag still waves.

Lieut. John Amiraux, writing from Toronto, Canada, says:

I beg to acknowledge with many thanks and gratitude the receipt of your very forceful speech showing your kindly efforts in favor of the old war veterans. I did hard service for twenty-two months as private and officer. On bended knees have I prayed many, many times for that bill to pass Congress, as in my case and some others whom I know it would relieve us from penury. I have lain on the battlefield wounded, all night, but pleased and ever proud to have served my adopted country.

Hon. A. H. Nash, member of the Utah legislature and a comrade, writes under date June 8 as follows:

Many thanks for Adams *v.* Adams. It is grand. Thank God we have one man who is not afraid to tell the truth. That bill of yours would help a good many of us old soldiers who started out in 1861 at $11 per month.

Col. Halbert B. Case, of the Seventh Ohio Volunteer Infantry, assistant adjutant-general, Grand Army of the Republic, of Tennessee, writes as follows, June 8, 1910:

To-day received your speech on the case of Adams *v.* Adams. As I was opening the envelope my friend and comrade, Capt. Heman W. Grant, came in. Together we read the speech from end to end. It is a sledge hammer. With such men as you and Congressman PRINCE as our friends we feel that our cause will be taken care of.

Gen. W. D. Hamilton, of Tullahoma, Tenn., writes June 9, 1910:

Gen. Charles Francis Adams has given you the opportunity to show the life cost of our country's wars, the bloody magnitude of the late rebellion, and the character and value of the men who preserved for Charles Francis Adams the Nation of to-day. I write to thank you for your timely speech.

Comrade P. W. Harts, of Springfield, Ill., writes patriotic advice:

Please accept the thanks of an humble old officer of the civil war, who has been watching the progress of the bill you advocate so ably. Some of the old soldiers, as you state in your speech, do not need this law, but many are dependent either on their children or are compelled to live in the soldiers' homes.

The question whether we need the money is not a matter at issue. Fairness, a square deal, promises made to us when we entered the service, services rendered most willingly, are some of the reasons why this bill, or a more liberal one, should be made into law before we pass away, which will not be long.

Comrade T. W. Haight, of Waukesha, Wis., editor, scholar, bookmaker, writes:

Your speech of May 24 is a splendid production, and should be convincing to an impartial mind.

I have presented some arguments on a different line in communications published in the New York Evening Post and Nation and on page 103 of a book I am sending you by this mail—Three Wisconsin Cushings—by myself.

Comrade Eli W. Adams, of Bloomfield, Ind., writes:

The time has come that there is no Republicanism or Democratism with the old soldier. We are standing up for our rights as we stood up behind the guns. The politician that thinks the old soldiers are not united will find out better on the 3d of next November.

Col. John C. Wilson, Cosmos Club, Washington, D. C., writes:

Thanks for your able speech, not only on the subject of militarism but also on ambassadorial snobbery. It would constitute an admirable platform for a really democratic party, a platform which ought to command the votes of an immense majority of the sane and sensible people of the country.

It is a great satisfaction that at a time when the influence of professional soldiers and manufacturers of implements of murder is so strong in all branches of the Government a real soldier and legislator should appear as an advocate of peace.

Lieut. John T. Woodward, of Twenty-first Maine Infantry, writes from Augusta, Me.:

I wish to express, though a stranger, my great personal gratification at this time for your clean, sharp, and dignified rebuke of General Adams, of Massachusetts, who by the accident of birth inherits an honorable name. I do not envy him his reflections, and I cordially thank you for the service to manhood and patriotism so well performed.

Extract from a letter by Maj. H. Whentifield, of Philadelphia, Pa.:

Is this generation dead to patriotism, honor, and justice? It looks that way. Are the jingoes, big "I's," and big sticks to run everything? I hope not. The bravery in this waiting for forty-four years is equal to that of Napoleon's soldier at the roll call, and the incident will be similar unless Congress hurries up.

Gen. Oran Perry, of Indianapolis, Ind., writes:

I am directed by my comrades also to thank you for the prominent and efficient part you have taken in bringing in a favorable report on our bill. They believe your amendment placing the dependent enlisted man on the list was a wise and sympathetic action on your part, and they regret the reduction from one-half to one-third pay and the creation of an age limit.

Capt. S. L. Wilice, of Seattle, Wash., writes:

I went into the army when I was but 17—when I should have been going to school. I served three and one-half years, until the war closed, and I do hope the age limit will be cut out. Merit, not age, is right.

Capt. Edward A. Howe, of Ludlow, Vt., writes:

While the bill would not benefit me, it ought to pass. I know of several good officers that are in part supported by charity. Two as good Vermont colonels as ever commanded a regiment live in our soldiers' home. They had nowhere else to go. Thanking you for the stand you have taken, etc.

The Gallipolis (Ohio) post speaks officially as follows:

At a regular meeting of Cadot Post, G. A. R., last night the action taken by the national officers in trying to defeat your dollar-a-day pension bill in Congress was discussed and heartily and unanimously condemned, while the stand you have taken is heartily indorsed, with the hope that you will succeed, notwithstanding the bill was not indorsed at the national encampment. I write this by instruction of our post.

Very respectfully, A. W. LANGLEY, *Post Adjutant.*

Comrade W. H. Reid, of Rosemond, Ill., writes his sentiments as see:

All the old veterans of this vicinity are saying "God bless you," and are praying that God may put it into the heart of every Representative in Congress to vote for your bill. Look at the picture of the battle of Gettysburg. There is not a man in Congress to-day that would stand in that shower of leaden hail ten minutes for Washington City and all that there is in it. We were getting then only $13 per month. I served over four years and am now getting only $12 a month, while everything I have to eat or wear has jumped 50 per cent in cost.

Joseph W. Gilson, of Anna, Ill., writes:

As you are a real friend of the old soldier, I desire to write you. I served the whole four years in Goodspeed's battery. I get $12 per month, and had a long fight to get that. Now I am a financial and physical wreck and have to live in a Soldiers' Home. I know another soldier, who served five months and never saw an armed enemy, who was recently raised to $24 per month.

Col. N. Turk, adjutant of Irwin McDowell Post, Oklahoma, sends a testimonial of 125 veterans, as follows:

We consider your bill the most just and wise measure that has ever been introduced. It takes care of the men who did the hard fighting. We have no objection to the Panama Canal, but don't forget the Grand Army boys' needs in their passing moments from time to eternity.

James H. Little, pastor of the Universalist Church of South Paris, Mo., writes:

I believe in the justice and equity of the Sherwood pension bill. The present graded age bill is not equitable.

Seventy-five soldiers of Fort Scott, Kans., send a joint letter, as follows:

We consider your bill one of much merit. We think it is just and fair in every respect. We also thank you sincerely for the part you have taken in this important matter.

S. B. Evans, of Humansville, Mo., writes:

The Grand Army post, by unanimous vote, has declared in favor of your bill. The old boys wish to state that we most highly appreciate your efforts to have justice done the men who stood behind the guns. God bless your efforts to do good for the old soldiers.

Two hundred and eighty soldiers and citizens from Williams County, Ohio, send a joint letter and petition indorsing the Sherwood pension bill.

John W. Lake, of Parsons, W. Va., writes:

It does my heart good to see your bill. I am an old Pennsylvania soldier; enlisted in 1861 and discharged July 2, 1865. Was always in active service from start to finish. Now I am old and feeble and can not work, and I get $12 per month pension. But, oh, how light our hearts would be if your bill will be passed.

Edward Davidson, of Baltimore, Md., writes:

I served four years. The eyes of the veterans are on you now and the dollar-a-day bill, and I hope the Lord will help you.

B. W. Gregg, Company A, First Arkansas Infantry, Fayetteville, Ark., writes that every soldier of his knowledge would rather go to the poorhouse than the soldiers' home; that every soldier favors the dollar-a-day pension bill.

Soldiers from the National Soldiers' Home, Milwaukee, Wis., write complaining of the injustice of the McCumber law and of the prison character of a soldiers' home, saying the Sherwood bill would be an actual saving to the Government, adding the following:

Please withhold our names. If it should be known to the officers who sends this, I would be driven from this place.

H. D. Todd, of Blooming Valley, Pa., writes as follows, inclosing a petition in favor of dollar-a-day pension bill:

There is not one of the veterans who have signed who are capable of self-support.

Col. C. M. Howe, Manhattan, Kans., sends the indorsement of Manhattan Post, No. 271, in favor of Sherwood pension bill; also indorsement of Lew Gove Post, 91 members.

The following is signed by G. E. Copeland, post commander:

Mart Armstrong Post, Lima, Ohio, at a regular meeting, with full attendance, by unanimous vote recommended the passage of your pension bill, and the adjutant instructed to inform you of such action. The membership of the post, 216, and the action was taken after full discussion.

At a called meeting of veterans, held at Wauseon, Ohio, under a published call for a meeting of all soldiers and members of Lozure Post, the Sherwood bill was discussed and a rising vote taken, every soldier rising to be counted. One hundred and twenty-five veterans were present, and all voted "aye."

Jonas B. Kauffman, Fifty-fourth Pennsylvania, Johnstown, Pa., writes:

The Sherwood bill is the only bill of true merit. It is the only bill looking after the interest of the veterans who fought and won the great battles of the war.

John W. Keith, Twenty-fourth Massachusetts, Everett, Mass., writes:

I hope your bill will become a law, as it will be the life of many old soldiers.

Capt. S. V. Taylor, of Yountsville, Cal., writes:

The bill is the only equitable one ever before Congress and the cheapest for the Government. It will close nearly all the national and state homes.

C. H. Jones, Third Michigan Volunteer Cavalry, Burkett, Nebr., writes:

Line up every Democrat for your bill. Make your best effort in the line of oratory. Put the matter up squarely to the Republicans. Have your votes recorded, and let them go back on us again if they dare. The veterans have been most patient.

T. M. Davis, Company D, Fifty-first Illinois, writes:

Your bill is the only bill with equity in it. All others are echoes of past bills. I have noticed 60 bills introduced, none of which are of any benefit, but a sop to the veterans.

Soldiers' Home, Grand Rapids, Mich.:

A hundred soldiers, eligible under the provisions of the Sherwood bill, petition its immediate passage.

The letter with petition says 90 per cent of the inmates will quit the home if the bill passes.

Chris C. Layman, Twentieth Ohio Volunteer Infantry, writes from Woodville, Ohio, as follows:

Yours is the only bill that provides for those who did the work. The law (McCumber law) that places do-nothing soldiers with workers on an equality, is a disgrace to the Nation.

Lieut. W. S. Tripp, writes from Robert Lee, Tex.:

I enlisted in Thirty-third New York at the age of 15 years, and served to the close of the war and never a day absent, and yet I am not a pensioner under the McCumber bill. I have to wait nearly two years, yet there are hundreds drawing pensions under it who saw no service. So I wish you Godspeed.

Martin Ridenour, of Peru, Kans., writes:

I thank you for introducing your bill. It has the ring and spirit of Gen. John A. Logan to us old vets.

Joshua De Weese, of Morristown, Ohio, writes:

Your bill is the most sensible measure I have seen, the most righteous, and at the same time the most economical. Cut down our standing army, call a halt on building war ships and sending them around the world in time of peace, and the millions saved can be sent out in pensions; help the veterans and go far toward solving the money question.

Rev. Robert D. Gardner, of Queen City, Mo., writes:

You have a heart in the right place. Where would the United States be had it not been for the veterans? Are dollars now more precious than life? I served in Company K, Twenty-fourth Ohio Volunteer Infantry.

James B. Buchanan, of Marion, Ohio, writes:

I served in the One hundred and twenty-sixth Pennsylvania and the Eleventh Pennsylvania Cavalry, and was wounded twice. I am old and broken down and can not keep the wolf from the door on $12 a month. Tell me how I can help pass the dollar-a-day bill?

Mr. BOWERS. I yield twenty-five minutes to the gentleman from Alabama [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, I think it is quite manifest to all of us, as we approach the adjournment of this session of Congress, that the political issue upon which we will go to our constituents in the election of the Sixty-second Congress is fixed and decided, and that issue is the Payne tariff law.

Mr. Chairman, there is no doubt that the conditions of unrest, dissatisfaction, and disapprobation that prevail throughout the country as to the Payne tariff will prevent the Republican party from escaping that issue. It is bound to meet it. It can not get rid of it. It is in front of them, to the rear of them, to the side of them—volleying and thundering. [Applause.] I have discovered, too, from the other side of the Chamber that there is a manifest and quickening disposition to make that the only issue in the campaign. Our Republican friends would like to make it exclusive and have no other feature of a political discussion in the coming campaign.

I do not hesitate to say from my position on this side, as a Democrat, that we are not going to consent to that. While the Democracy welcomes the issue of the Payne tariff law, because the tariff is the favorite field of the Democratic party, and while our Democratic minority leader [Mr. CLARK] and those who are associated with him on this side of the House have never lost an opportunity since the passage of that Payne tariff law to force it upon the Republicans and advertise its iniquities and broken promises throughout the country, yet I say that we are not willing or ready to allow our political opponents to limit and define that as the only issue.

We know that there is a vital issue to-day in American politics—an issue that threatens and menaces the manhood, freedom, and independence of the chosen representatives of the people upon this floor, and we do not intend to allow Cannonism to pass from the issues in this campaign until we have bruised the serpent's head and extinguished its life. [Applause on the Democratic side.] It is to-day one of the most vital issues in American politics. It is the livest issue in a great many sections of this country, that supersedes all other questions, the tariff or anything else, and with the blessings of God and the earnest, inspiring hope of success, we expect to use that issue freely, as it becomes the proud and fearless spirit of the Democratic party to use it. [Applause on the Democratic side.]

The political atmosphere, Mr. Chairman, has cleared sufficiently in the last few weeks to give us a fair outline of what defense the Republicans will use in this coming campaign to meet the entangling and embarrassing issues that greet them. I do not think I am mistaken as to what the defense will be. Why, as a matter of course, they are going to say, as the gentleman from New York [Mr. PAYNE], the majority leader on the floor of this House, has said several times: "A tariff bill is made to collect revenue and get money, and the Payne tariff bill is a revenue gatherer."

The language used by the majority leader was very erudite when he said that a tariff bill is for the purpose of "getting money," and he says that his bill is "a revenue gatherer." I would like to ask you, Mr. Chairman, in all solemnity and seriousness and earnestness, what great amount of comfort will that declaration and that assurance by the majority leader give that large and numerous class of worthy, good citizens throughout this country who are wage-earners and live upon fixed salaries?

The Republican party in this approaching campaign must reckon with that class of people. They especially realize that while it may be true, as the gentleman from New York said, that the Payne law is a revenue gatherer, that an undue and unjust proportion of that revenue is gathered from them who are least able to bear the burden. [Applause.] Will they not answer and say "What have you done for us by your law?" Not discussing it theoretically, not discussing mere schedules, but discussing the entirety and the result of the law, that is what you have to meet the people with. "What have you done for that class of people?"

It is an admitted fact that the woolen schedule that has stood for thirty-eight years, and that the President of the United States declared to be extravagant, enormous, unjust, and unconscionable, was allowed to stand untouched. It was made to bow to the need of the special interests. Oh, shame! What next? Why, under the cotton schedule, in this country where cotton is raised more cheaply than any other country in the world, without competition, the cotton mills have already in the past realized a profit of 66 per cent, and in the Payne bill for common cotton cloths that the people wear, that schedule has been increased in many instances under the mercerized guise from 5 to 100 per cent.

These wage-earners and the people living on fixed salaries will say to you in truth and with power, "'Get thee behind me, Satan.' By your tariff work you have caused an increase in the price of all the food products we are compelled to use in our homes. You refused to decrease the high price on woolen cloths and increased the duties on the common grade of cotton cloth that we are compelled to clothe our families with. We are taxed unjustly for lumber to build our homes and keep us from exposure to the weather; we are taxed on the coal to keep us warm. All of these items you have wrongfully made to contribute their part to the gathering of the boasted revenue under the Payne tariff law. All this you have done at our expense," and the Republican party will hear resounding all over this country these scriptural words:

Woe unto you scribes and Pharisees, hypocrites, for you are like unto whited sepulchres, which indeed appear beautiful outward, but are within full of dead men's bones and all uncleanness.

[Applause.]

Let me read you for one moment from a Republican who is bearing testimony on this subject, and he comes from the flourishing, growing, prosperous West:

He says:

No reduction has been made on the wool tariff, although everyone knows that this rate is extortionate and is a cruel wrong to the common people of the country. It is also noteworthy that the increase of duty on wool is upon poor goods, to be worn by poor people. These people are busy ten hours a day in plants and mills earning a livelihood for the support of their wives and children. They neither read nor understand the tariff schedule, and it would not help them if they did. Why, then, should it be a matter of amazement that the people should be bitterly disappointed in this bill?

I say that comes, Mr. Chairman, from a distinguished Republican from the great State of Minnesota, and I intend to read further from him in the way of extracts. I will give his name; it is Hon. W. B. Washburn, representative from the forty-first representative district of Minnesota.

Now, Mr. Chairman, in the second place, what is the defense that the Republican party proposes to make in this campaign? What further defense do they intend to make? Why, take that paragraph in the sundry civil bill—I am not going to read it—that provides for a commission and for experts to advise the President upon the difference of cost of production in this country and abroad, and for the President to make recommendations and revisions, and appropriates $250,000. I am not making any great exclamation about the $250,000 if it was absolutely necessary and calculated to promote the welfare of the people, but I do not believe it will. We have nothing in the recent record of the standpatters of the Republican party to give us any hope. It is simply a party advantage that is sought by this means, and the country is of that opinion. Patrick Henry said that "the light of the lamp of experience is the path in which my feet shall tread." That was a great and wise saying. I would like to read, Mr. Chairman, just for a moment, this paragraph, which I will use as an illustration of what I mean to point out:

And to gather such information and data as will enable the President of the United States to make recommendations to Congress for legislation for the regulation of such commerce and to report such data to the President from time to time as he shall require, and the information so obtained, or as much thereof as the President may direct, shall be made public.

This is a part of section 6 of the act to establish a Department of Commerce and Labor. I know gentlemen think I was reading from the sundry civil bill the provision that relates to the creation of a tariff commission, because it is the same thing, almost exactly in the same words. I will now read from the first section of the sundry civil bill above referred to, which says:

And to enable the President to have such information classified, tabulated, and arranged for his use in recommending to Congress such changes and modifications in existing tariff duties as he may deem necessary to prevent undue discrimination in favor of or against any of the products of the United States.

Mr. Chairman, I purposely drew the similitude between the two paragraphs. I heard it said in the Congress that established the Department of Commerce and Labor that the sixth section would never lead to any trouble. "Why, the President of the United States, Mr. Roosevelt," they said, "would never contest it and would always give all the necessary information that could possibly be desired in connection with that paragraph or that was obtained under it."

I heard it stated here the other day when this provision of the sundry civil bill, as to the tariff board and experts I have compared it with was being discussed—I heard it stated by various gentlemen, "Why, how can you suspect that the President of the United States would ever refuse giving the information that you say you would like to get obtained under that clause?" You have read the language of the sixth section of the act creating the Department of Commerce and Labor, and you see that the same language giving authority to President Roosevelt is used in the tariff board provision giving authority to President Taft. What is the history of it? The Senate of the United States, with practical unanimity and supported by able lawyers, adopted a resolution which demanded that the President of the United States, through the Bureau of Corporations of the Department of Commerce and Labor, furnish the Senate with all the information and data that the President had acquired in an investigation of some great trust and combine. I would like for you to know what the result of that was. Mr. Roosevelt, through his Attorney-General, asserted in a positive and emphatic manner that it was substantially and practically none of the business of the Senate, that that information belonged to him, and that the law I have just read you gave him the right to keep that information as long as he pleased and give it out to nobody unless he saw proper to do so, in whole or in part; and he did it.

And in that connection the Attorney-General did me the credit to quote from a speech that I made on the floor of this House as a conferee on the subject of the establishment of the Department of Commerce and Labor, when I protested and was the only one of the conferees that did protest against section 6 because it was too broad. It gave too much power into the hands of one man. The Attorney-General, in giving his opinion, says:

> During a discussion of the conference report in the House on February 10, 1903, Mr. RICHARDSON, of Alabama, criticised the provision by saying: The purpose and object of this measure or this substitute is to enable the President of the United States to do what? To take under the supervision of the Secretary of Commerce and Labor action against the trusts? No; it is to provide the way to gather such information and data as will enable the President of the United States to make recommendations to Congress for legislation. When the President picks up the data under the qualifications and the limitations I have explained, he has to come back to Congress and ask for additional legislation. I appeal to the honest construction that any man will give to the ordinary English language. What does that mean? "As much thereof as the President may direct shall be made public." He can suppress all of the data, every scintilla of information. He can hold it secret and stand pat and say and do nothing, and no law can move him.

And that was the result of it. You have done the same thing in this provision for the tariff commission and the employment of experts for the use of the President. You have used exactly the same language to "enable" him to gather the data—for his own "use." Suppose, as it will probably come out, that the President sends a message to Congress recommending the revision of a certain schedule of the tariff, and some Member from this House or the Senate might say: "Well, we would like to have the data on that subject; we would like to test the deductions that you have made; we would like, as Representatives, to inquire into that thing ourselves, and see whether you have draw the right conclusions from the information that you have." The President could turn to this law and say the law uses this language, "for his use." Not one single scintilla of information could be derived from him, unless of his own accord he gave it up. I am not reflecting upon the President of the United States. Neither was I reflecting upon President Roosevelt at the time I made these criticisms about the power and authority that was placed in his hands. When he refused to give the Senate the information that it desired, I hold that he stood by the law. That was my opinion. Here the Republican party is, by this provision of the sundry civil bill, providing $250,000 for the use of the President to gather information—actually this tariff-commission business is but entering a plea of "confession and avoidance," and the Republican party will have a hard job in making the people understand and accept it. Why do I say that? Why, if the Payne law is the best tariff law this country ever had, as pronounced and declared by the President of the United States, why the necessity for such an early revision? It is a plea for a continuance on the part of the Republican party to get their political life extended one more term. That is the meaning of it.

Mr. Chairman, I can not recall anything in modern or ancient history as I stand here now that, to my mind, fairly and properly illustrates just the situation as it exists to-day in politics bearing on this effort of the Republican party to deceive the people as to the real meaning of trumping up this tariff commission. I recall reading as a boy that in the days of ancient Rome there existed a cult in that country who called themselves augurs, and they made fame and fortune by foretelling future events. Some great author, who wrote knowingly and wisely about those times, declared that no two of these augurs could get together by themselves in a room and look each other straight in the face that they did not break out into a laugh; each knew that the other in that matter was a fraud, and each knew he had a good thing in deceiving the people. That is what the Republican party and its leaders are doing now. It has the aid and the help of the President and Mr. Wickersham and various other distinguished men. It has their help, and the party is making great efforts to help them also. They laugh. Now, Mr. Chairman, to show you what your party has to meet in the coming campaign, I desire to suggest certain things. A few days ago the leader of the majority [Mr. PAYNE] talked about the soup houses in 1893–94, and he made Democrats stand and assume a responsibility that did not belong to them. The thoughtful people of the country knew that the soup houses and the many deplorable bank failures and other commercial depressions of that date were the result of the shortcomings of the Harrison Republican administration.

No man could fairly charge them to the Democrats, but you, the Republicans, are responsible now, and the people are holding you responsible and they intend to do so for the high prices of food. You are the party in power, and you have been uninterruptedly in power since 1896—with no one to molest you. You can not escape your responsibility. There is no way of getting around it. I have listened to the various explanations, and it is very amusing to hear the explanations that the Republican committees and investigating boards are making, and the commissions that have been appointed to inquire into the high prices of food products. Let me suggest to you what they say is the cause of the high price of food, seeking as is their wont to mislead the people and get rid of the heavy responsibility that properly rests upon their shoulders. Do you think you are going with these ridiculous things, and have them believed, before the common-sense people such as Mr. Foss prevailed with in the fourteenth Massachusetts district, and such as Mr. HAVENS prevailed with in the Rochester district of the State of New York? Why, no.

The people have got their studying caps on. They are thinking now more than they ever did in the history of this country, and they are holding public officers more responsible.

Here is what the Republicans are saying about high prices and trying to explain the same. I have kept a note of it: First, the increased gold production. Does not everybody know that gold in its increase merely corresponds with the increase of business throughout the country? It has to meet that demand. That is no explanation. Another one is the increase of banking circulation. They have laid it on that. Another one is the increase of credit based on money. They have undertaken to give that as a reason. Another one is an increase of population, including immigration, has brought about the high price of food. Another one is reduced fertility of land. Another one is reduced farming population in older States, and the next one is the independence of the western farmer. He has brought about the high prices of food and home products. The next is the lack of farming intelligence, and the next is the luxurious standard of living. Why do they not come down and tell the truth about it? None of those things has brought about the increased cost of living. It is the Payne tariff law that has done all of the wrong and injury to the people, together with government extravagance. Why, I will look at that pamphlet again. A Minnesota man, a Republican, has grasped the situation. What does he say about it? As to the high price of food products:

> The price of living has gone up from 20 to 25 per cent in the last ten years, while wages remain practically the same. Men's and boy's clothing, women and children's clothing will remain where they were, or perhaps they will go higher through the insidious wording of this bill. Even in the present period of prosperity working people are finding it difficult to make stationary wages meet the continued increase in cost of living. Already the great middle classes of the country who draw salaries or have small means are suffering cruelly from the increase in the cost of living that compels them to cut down the standard of life, get cheaper homes, pay less rent. Rents must also remain high in proportion to wages, as the cost of lumber and nails and similar articles remain the same, and go higher.
>
> What of the millions of American mechanics and working people who have kept the party in power, thinking they were supporting the traditions of Lincoln, and the elder American who first builded the party upon the basis of strictly moral issues.
>
> When the working man gets around shortly to buy his shoddy woolen clothes, he is liable to find the same advance. The poor grade cotton clothing worn by his children will likewise see the same advance. When his wife takes the weekly wage to market to buy a dozen different household things she will now find that she must scrimp and scheme and bargain to keep the family whole.
>
> As a straight economic proposition, the cost of food must depend on the cost of its production, and the cost of such production must certainly increase with the increasing cost of everything the farmer uses in production. High lumber and high material and farm material and clothing must result in a higher price of food products.

I have thus freely quoted from the Hon. W. D. Washburn, jr., who, as I have said before, is a Republican representative of

the forty-first legislative district from the State of Minnesota, because I believe that the expressions he has used are a correct and forcible presentation of what the masses of the people in all sections of this country believe about the exactions and injustice of this Payne tariff law. It shows, too, that the Republicans will have to face the music and meet the people.

The Republicans propose to play as their trump card—held up their sleeve—the hypocritical cant about the investigation to follow the creation of a tariff board. This country has a vivid recollection how the report of a tariff commission resulted twenty years since.

This tariff commission and employed experts is the veriest subterfuge. It is a real hoax. It is truly the epitome of all the uncertain theories of pretense. In the light of the very recent history of the Republican party, I am justified in the use of strong terms in describing this lame and impotent excuse to give the Republican party an additional short lease of life and power. A reference to the history of the Republican party justifies and excuses the charge of hypocrisy. What are the facts that I refer to? They are known to every man who keeps informed on the current political events of this country. It is particularly appropriate to recall these facts as we enter upon this political campaign, and thereby refresh the memories of the people. The facts are that in 1906 an earnest and almost universal demand came from the country that the Dingley tariff should be revised and decreased. It was then that the standpat leaders of the Republican party, with uplifted hands, declared that the hand of no unrighteous revisionist and despoiler should be laid on the hallowed creed of the Republican party—the sacred schedules of the Dingley tariff law.

There are many of us this afternoon on the floor of the House who recall the reply made by the distinguished leader of the majority [Mr. PAYNE] to the demand made by a Massachusetts delegation of him, as to why the Dingley tariff rate that endured for quite thirteen years should not be revised and decreased by its political friends. The distinguished majority leader declared that the work of revision of tariff schedules should never be undertaken just preceding an election of Members of the House. The same excuse was urged against the revision just preceding a presidential election.

The people of the country will remember in this campaign these indisputable evidences of the unwillingness of those in control of the Republican party even to revise the tariff, the better to pass on their sincerity now. Of course, such excuses were understood then to be a mere escape from granting relief to the people. But finally the leaders of the Republican party reluctantly yielded to the irresistible demands of the people and consented to put a pledge in their platform of 1908 to revise the tariff and to call an extra session of the Sixty-first Congress to fulfill that pledge. These leaders, on the lookout, as they were, to embarrass and prevent any kind of a pledge made to revise the tariff, and conscious also of the fact that they had worn out and made threadbare the old story, for years the rallying cry of the Republican party, that the tariff must be based on the difference between the cost of labor at home and abroad, by which the special interests of this country had been converted into giants of wealth and monopoly, they shrewdly, cunningly, and willfully added to that tariff pledge these broad, significant, and portentous words: "Together with a reasonable profit to American industries." That opens the broadest field for conjecture and speculation. No man has ever been able to make the calculation as to what constitutes a reasonable profit to American industries. It was a well-known fact that the wages of employees, or the cost of labor in production, rarely ever exceeded 30 per cent in any of the great industries of this country, and the profits of the employers or manufacturers rarely fell below 100 per cent, and in many instances reached 1,000 per cent. They knew, too, that quite $400,000,000 of the exported manufactured products of this country were sold annually cheaper in foreign countries than in the United States. With these recent facts that stand undenied, how is it to be expected that a confiding, trusting people would rely on the Republican leaders in any promise made to revise the tariff and reduce it?

The special session of Congress called under the Republican programme to revise the tariff did its work, and the result is before the country. The time to point out the iniquities of certain very objectionable schedules that are injurious to the masses of the people has passed. It is the result of that law as an entirety that the country will deal with now. We see that Republicans are kept very busy now explaining to the people that they did not violate the pledge made in the Republican platform of 1908 to revise the tariff, and guaranteed by the President and public speakers. They even set up the "baby act" by declaring that the platform did not bind the party to reduce the tariff, but merely to revise it. Any set of public servants who would set up and maintain such an unnatural, unreasonable, inexcusable pretext as that ought to be excluded forever from the confidence and the honest respect of the people. Are the people who needed relief from the burdens of taxation to be looked upon as such idiots to demand a revision of burdens that are weighing heavily upon them, with the expectation of having those burdens increased or not reduced at all? That is the proposition in a nutshell.

Mr. Chairman, there are many wise, broad, intelligent, and patriotic citizens in this country, members of both of the great political parties, who believe that it is to the interest of the Republic, the uplifting of our citizenship, the advancement of religion and morality and the general welfare of the whole country that no political party shall too long administer the affairs of this Government. It is best that there shall be a change of political parties. I believe that the great body of the American people have reached that conclusion to-day, and their decree will be registered in the next election by the choice of a Democratic House. I say now that, in my opinion, the Democratic party has never had since the close of our great civil war a more substantial hope of success than it has to-day. I believe the country is willing and ready to welcome the advent of a Democratic House. I do not believe that success will come to us except on broad, basic, Democratic principles, to secure the confidence of the great business interests of this great country. We must leave off running after supposedly popular fads. Let our party only be firm, self-containing, and conservative, free from strife and jealousy, and in 1912 the Democratic party will again come into power and restore our Government to its proper place as the servant of all the people.

Mr. MALBY. Mr. Chairman, I yield to the gentleman from New York [Mr. FASSETT].

Mr. FASSETT. Mr. Chairman, I desire to submit some remarks upon the history and prospects of the Republican party and upon political questions generally. I have listened on this floor to many harsh criticisms from my Democratic friends leveled at Republican officeholders, at Republican leaders and Republican policies. I have heard my party harshly criticised and the results of Republican policies, as I think, unfairly presented to the people. I have also heard prophecies of anticipated Democratic victory poured forth in glowing words by the distinguished leader of the present minority and by his associates. I am filled with admiration for some features of the Democratic attitude as affording the highest illustration of hope triumphant over experience. The game of politics is a great game. It is as old as humanity. It has been played since men first associated themselves together. It has concerned itself with every human interest. It has been the great game of mankind. It has involved men, tribes, nations, and continents in war. It has consumed more human energy than any other pastime in the long process of the ages. It has developed certain rules, in accordance with which high-minded men play the game. Under different names, however, and under different forms only two great political forces have ever been developed—the positive, aggressive, radical forces and the negative, resisting, conservative forces. For over fifty years the Republican party in the United States has represented the aggressive, constructive, progressive, creative forces, and the Democratic party has represented the forces of criticism, of resistance, and of opposition.

It is a healthy thing to have a party of resistance and a party of criticism. It tends to preserve the proper balance of power. But there are two kinds of criticism—the synthetic criticism and the analytic criticism. The one is creative and the other destructive. Destructive criticism is the most attractive. It is the easiest form. Most anybody can find fault; most anybody can resist; most anybody can point out errors; but the gift of creation is denied to all but a few. A boy with a mallet or a stone can deface or destroy the finest work of art in marble, and he might not be able to create even a snow image. A man with a brush of tar, or with a knife, or with a bottle of acid, might destroy the finest creation of the painter's brush, and yet might be unable to construct even a caricature. Our friends on the other side have allowed themselves to practice only the destructive forms of criticism. For fifty years, in season and out of season, with more or less violence, with more or less inaccuracy, with more or less vituperation, even with more or less malice, they have opposed the aggressive progress of the Republican party. They have assailed its leaders and its policies, but somehow our party and the country seem to have survived their criticisms. And now they say they think they are going to win this fall in the campaign which is so rapidly approaching. The case is about completed. The evidence is most all before the jury, which in this case is the people, and the verdict is to be rendered next election day. It

may be that they are right, but it is such a severe impeachment of the intelligence, the sagacity, the sound judgment, and the good memory of the American people that I can not accept their prophecy as founded in right reason.

The American people are not ready yet to substitute negation for affirmation, to substitute criticism for creation, to substitute the unknown for the known, to accept promise for performance, to respond to a hungry and thirsty hope rather than to continue a wholesome and a prosperous realization. You gentlemen ask the people to forget; we ask the people to remember. You ask the people to shut their eyes; we ask the people to open them. You ask the people to accept your words; we ask the people to examine our works. The people, it is possible, may be temporarily disturbed by existing conditions. There may be here and there signs of discontent and unrest, but before the American people really determine to reestablish the Democratic party in power it must have something more substantial than mere prophecies and promises; it must have something more convincing than mere criticism of Republican performances. It must be convinced not only that they will not be any worse off under Democratic rule, but that they will be better off, before they will consent to the peril and the waste and the cost of a political readjustment. The Republican party has been a long time in power; there is no recent Democratic record with which to contrast the Republican performances. Our Democratic friends are persistently comparing Republican methods and Republican laws and Republican performances with ideal perfection. This is a severe trial, but it is a substantial compliment to Republican ability and integrity, but the American people will realize that if they put aside their faithful servitors, who have done so much for fifty years, they will not be able to substitute in their place ideal perfection; they will not have a party ideally perfect; they can not anticipate performances ideally perfect.

When the American people realize that the only alternative to Republican supremacy is Democratic supremacy, with all that that implies, with all that that involves, with all that that necessitates, they will rally once more to the maintenance of the party of performance in power. We depend upon the prosperity of the people for our victories, and you depend upon the despair of the people for yours. We hail with delight high prices, high wages, full harvests, full employment of labor, the loud hum of industry; you welcome with delight hard times, panics, troubles, idleness, discontent, business failures, famine, pestilence, and disaster. You were always willing that the party in power shall be held responsible for all the misfortunes that accure during its supremacy, but are always unwilling that it should receive credit for all the good things that come about. Just at present, taking the country from north to south and east to west, there seems to me to be too much prosperity for the success of the Democratic party. There is some friction inside the Republican party, but I call attention to the fact that both sides of the apparent dividing lines all the interested individuals are vehemently asserting their love for and devotion to the grand old Republican party, and the last thing that Republicans are contemplating is a surrender of the flags of victory into the keeping of the followers of William Jennings Bryan, Thomas Jefferson, and Andrew Jackson. I want to warn my friends opposite against placing too much stress upon mere noises. Remember what Roscoe Conkling said: "A grasshopper in the corner of a fence would make more noise than the cattle grazing on a thousand hills."

Still it may be that so many years have passed since we suffered under the Democratic administration and a Democratic Congress that enough new voters have arisen who were babies in those days to turn the tide. If so, I wonder what would happen in this House. We know with reasonable certainty who would be Speaker; we know with reasonable certainty who would be the chairmen of the various committees; but who knows what policies would be adopted? Who knows what forms of law would be proposed? Is there any great public policy upon which you gentlemen are all agreed? I do not know of one single thing in which you gentlemen are in full accord, not even upon the sole proposition of victory, for I find that some hope the victory may pass from them this year in order that they may reap a greater victory two years from now, and these gentlemen are not afraid to say that they fear that the two years of a Democratic Congress would frighten the American people so that a presidential victory would be again indefinitely postponed. Mr. Chairman, the Republican party goes to the people this fall with high courage and complete confidence, knowing that when the record is complete and the evidence is all before them and the time actually comes for decision there can be but one answer, and that is the restoration again to power of the party which has served the people so long, so faithfully, and so well.

The first convention of the Republican party was held under the oaks at Jackson July 6, 1854, summoned by a memorial signed by 10,000 Michigan voters. Forty-nine years and seven days ago to-day the Republican party, answering the call of the American people, entered into the possession of both Houses of Congress and the presidency of the United States. From that day to this the history of the Republican party has been the history of the United States.

The history of the United States can not be written without writing the history of the Republican party. Whatever of growth has come to our land, whatever of glory has come to our flag, whatever of increase has come to our wealth and to our prestige has come through the successive triumphs of Republican principles and through the operation of forces set in motion by Republican majorities. The Republican party sprang into being as the champion of human liberty, as the defender of the dignity and worth of human labor, as the foe of prejudice and caste and unequal rights. It was founded in the desire to save the Nation whole and save it free, in the determination to wipe out the shame of slavery and vindicate the right of every man to the fruits of his own labor. Equality of human opportunity, equality of men of all colors before the eye of the law as in the eye of God, was the first ideal of the Republican party. Considerations of domestic policy and foreign relations came later. Having established the right of every man to the fruits of his own labor, the party next devoted itself to enhancing the value of those fruits. Having made the Nation free, the party proceeded to make the Nation rich, and having made the Nation rich, it has proceeded to make it great, and having brought the Nation to a position where it is at once the greatest, the richest, the freest in the world, the Republican party is wedded to the proposition of making it the most useful and beneficent nation in the world. In all history no merely political party was ever founded on a basis more unselfish, or was ever inspired by ideals more exalted, or was ever sustained by a courage more undaunted, or was occupied with plans more beneficent, or justified by results more magnificent than this party of Lincoln and Grant, Harrison and Blaine, McKinley and Roosevelt and Taft.

There is something so dazzling in the solar splendor of our achievements that it is not strange that our opponents begrudge us full credit for what we have done. We have accomplished so much to be proud of, are erecting so many imperishable monuments, have irrevocably established so many standards, we have done so few foolish acts, we have so little to explain away that we can afford to be patient with ungracious criticism.

Since 1861, with the exception of eight years, we have had Republican Presidents. For two years only has the Democratic party had absolute control of all branches of the Government. For nearly forty years all the legislation and all executive acts and treaties have been determined by our party.

We have created the policies and shaped the laws.

We have stood at the helm and directed the course of the ship of state, upon us has been the entire responsibility; to us must be given the praise or blame for the results. By our accomplishments and our deeds we must be judged.

We found the Treasury empty, and we filled it.

We found the public credit dead, and we resurrected it.

We found the Nation shattered, and we restored it.

We found the army and navy disorganized, and we organized and reconstructed them.

We found 4,000,000 of our inhabitants slaves, and we freed them.

We found 31 States; we now have 46.

Then our boundaries touched the Atlantic and the Pacific; now the sun never sets upon the Stars and Stripes.

Then our national wealth was $16,000,000,000; now it exceedes $125,000,000,000.

Then France and Germany and Great Britain each was richer than we, and now we are richer than France and Germany combined, and nearly twice as rich as Great Britain.

Then we had less than 31,500,000 inhabitants, partly slaves; now we have more than 89,000,000, and all are free.

Then we followed the world in manufacturing, and now all the world follows us.

Our manufacturing establishments have increased, and now we have 533,769 (neighborhood and mechanical industries estimated).

These establishments then employed a little over 1,000,000 hands; now they employ 6,000,000 hands, receiving annually more than $3,000,000,000 in wages.

Our farms were worth less than eight billions of money then; they are worth more than twenty billions now.

Our manufacturing establishments represented an investment in capital of about $1,000,000,000 then, and now they represent a capital of nearly $14,000,000,000 (with neighborhood industries and hand trades estimated).

We had $435,000,000 of money then with which to do our business; we have $3,106,000,000 now.

Then it was $13.85 per capita; now $34.83 circulates.

Then there was less than $150,000,000 in the savings banks; now there are nearly $4,000,000,000 of savings of the wages of the laboring people of this country, or twenty-six times as much.

We raise over three times as much corn and wheat now as then, and make thirty-one times as much pig iron annually, besides 14,000,000 (1908) tons of steel, of which then we did not make a ton.

Then we exported annually about $136,000,000 of domestic merchandise; now we export annually $1,638,000,000 of merchandise, or more than five times as much.

Our bank clearances are annually twenty-four times now what they were then. Then they were $7,000,000,000, at New York; now they are nearly $100,000,000,000 at New York, and $160,000,000,000 for the entire country.

Then we had 30,000 miles of railroad; now we have over 230,000 miles.

Then the Western Union (1866) had 75,000 miles of telegraph wire; now all lines have about 2,000,000.

Then we had no telephone systems; now we have over 5,000, with 12,000,000 miles of wire.

We have the least debt per capita of any important nation, and in spite of alleged extravagance, we spend less per capita for government than any nation in Europe or America. It costs us $7.97 per capita per year. It costs Canada and Germany each over $9, France over $17, and England $21.39.

These figures are so enormous as to bewilder the imagination; but our progress has not been merely physical and material. The radiant energies of 89,000,000 of free men have not been confined to advancing in one direction. We have not merely become 89,000,000 of the freest and richest and most productive and most progressive people in the world, but our people, occupation for occupation, profession for profession, calling by calling, are better educated, better dressed, better fed, have better homes, are better paid, give more to charities, to churches, and to schools, have more and better means of transportation and communication, have more and better newspapers, have at readier command more of all the things, spiritual, physical, material, and social, that make life better worth living, than any other people in the world.

The whole trend and tendency of Republican endeavor has been to open wide the doors of opportunity, to firmly establish all the great freedoms—freedom of thought, freedom of speech, freedom of worship, freedom of action, freedom to grow and develop manward and Godward along the lines of individual strength and capacity. It means a wider outlook and a better chance in life to-day for children to be born under the Stars and Stripes than to be born under any other flag that salutes the sun.

But these things have not come to pass by accident. They have not grown up out of the soil by chance, nor dropped down, ready-made, from the skies. They have been brought to pass by years of struggle; they have been created by years of high endeavor intelligently, aggressively, beneficently applied. They have come as a harvest to a lifetime of patient and patriotic plowing and sowing and cultivating and pruning. They have come against opposition and criticism, against obstruction and misinterpretation. They have come, we have every right to claim, as they came and when they came, largely because our party, the people's party, the party of Lincoln and liberty, of McKinley and protection, of Roosevelt and enterprise, of Taft and prosperity, has faced all its problems with clear vision and solved them all with wisdom.

We demand that our policies and our administration shall be judged by their fruits. From its first year to its last the Republican party has pursued a consistent and continuous course.

It has followed the light as God gave it to see the light. It has always done what at the time seemed best to do, and so it has come to pass that, having had exceptional opportunities and having met them with exceptional ability, every time the party has been in power Democrats and Republicans alike have been exceptionally blessed, for Republican prosperities, like the Lord's rain, fall alike on the just and unjust, and while our Democratic neighbors have been pelting us mercilessly with the stones of unfair criticism they have at the same time been holding out their aprons to catch the golden fruits shaken from the Republican tree of prosperity. They tell us, however, that we have no right to claim credit for the vast results of our undertaking; that to us is not due the growth and prosperity which have come to us in the last fifty years; that we did not create the climate, nor the soil, nor the lakes, nor the rivers, nor the mines, nor the forests; that Providence has done it all. Our reply to that is: While it is true that we did not create the soil, nor the forests, nor the rivers, nor the climate, we did create the opportunities to utilize all these splendid resources of nature to their best advantage.

We challenge a contrast between what we have done with these resources and what our adjoining neighbors have done with similar resources, and we challenge, further, a contrast with what our Democratic friends have done when they themselves have had the power and control. If it be true that Providence has done it all, our reply is that Providence seems to have retired from business whenever the Democratic party has come into power.

If Providence is willing to cooperate solely with the Republican party, it would seem wise for the American people never to seek to dissolve the partnership. Again, they tell us that we did not accomplish alone all that has been done. This, also, is true. From the time of the war Democrats, in 1860, to the time of the gold Democrats, in 1900, during the time of both the Shermans, and Grant, and Logan, and Phil Sheridan, down to the time of Joe Wheeler and Fitzhugh Lee, in all times of crisis when the country was in peril, there have never been wanting a host of Democratic patriots, with whom love of country outweighed their love of party. These have flocked to our standards and helped us win the day. But as a party, as a Democratic organization, our opponents have at every step opposed our progress and delayed our advancement. Animated by no enduring principles or consistent purposes, they have only agreed upon opposition to whatever we proposed. Our Democratic friends are, however, sometimes enabled in retrospect to see something excellent in what we have done. There are many of them to-day who eulogize Lincoln, Grant, and McKinley. There are those who now are willing to admit that our policies of fifty, forty, thirty, and twenty years ago were right policies and their policies wrong. They have come to reverence and respect many of the great Republican leaders and statesmen whom, while they lived, they misrepresented and villified. All that is necessary to make a live American hero in history to-day is to be a dead Republican.

> While the hooting mob of yesterday in silent awe return
> To glean up the scattered ashes into history's golden urn.

Our children and our grandchildren and the children and grandchildren of our Democratic neighbors in the public schools to-day, as they study American history for the past fifty years, and are being taught to pick out the heroes of the army and the navy and of the Presidency and of both Houses of Congress, are being taught, unconsciously perhaps, to study the history of the achievements of the Republican party for fifty years, and are learning to reverence the men who were heroes in the army and navy and in statecraft by reason of their being Republicans, standing for Republican principles, advocating the Republican cause, inspired and informed by Republican ideals. There is not to-day a single page of that glorious half century of history that any Democrat would rewrite if he could, nor a single policy he would dare reverse if he could. There is not to-day a single glorious name in all the long roll of honor that any Democrat would to-day cross off if he could. What is written is written, and it must stand because it is written right.

While it is true to-day that no man is bold enough to advocate a reversal of any of the decisions of the American people during Republican ascendency, it has not always been thus, for each one of our established doctrines has been bitterly opposed at the time it was brought forward. Our Democratic friends have had a marvelous record in formulating national doctrines. They have experienced an almost uninterrupted series of defeats. They have been wrong so often that one or two errors, more or less, seems to give them no inconvenience nor to disturb their personal complacency. When one foolish theory is exploded, they turn with unchanged countenance and unmoved hearts to another, always seemingly divinely inspired to formulate false doctrines at just the critical time.

At different times they have solemnly and more or less vehemently declared that there was no power in the Constitution to prevent individual and sovereign States from breaking out of the Union; that slavery was of divine right, a sacred and proper institution; that the homestead laws were outrageous; that the war was a failure, and that the rag baby was the ideal of finance; that the resumption of specie payment was a fraud and a delusion; that the free and unlimited coinage of silver at the ratio of 16 to 1 was the only salvation of the country;

that protection was unconstitutional; that they were in favor of progressive free trade throughout the world; that protection was a robbery of the many for the benefit of the few; that our need of income is so great that incidental protection will be inevitable; and thus, I presume, the robbery to go on forever. They have declared war repeatedly upon protected American industries. They have never been guided by any consistent programme due to allegiance to fixed and enduring principles. Their platforms have been bundles of unrelated prejudices chiefly declaring opposition to whatever the Republican party had previously proposed.

Let me ask you to imagine, if you can, under what circumstances we should be meeting here to-day if the contentions of the Republican party had uniformly been set aside and the contentions of our Democratic opponents had uniformly succeeded. Imagine, if you can, how differently we should be situated to-day if the Rebellion had succeeded; if the war had been a failure; if there were now 46 independent sovereignties instead of one United States; if the Constitution had not been strong enough to prevent secession; if slavery had not been abolished but had invaded the Territories of Kansas, Nebraska, and the great West and Southwest; if the homestead laws had not been enacted; if specie payments had not been resumed; if progressive free trade throughout the world had opened our markets to the cheaper products of European labor; if fiat paper and fiat silver had become the currency of the country.

And yet for all these things our Democratic friends contended then, as they are contending now, against the policies formulated and represented by the Republican party. And still further, endeavor to imagine, if you can, what would happen to the established business interests of this country if now we should surrender the reins of the Government in all departments into the hands of our Democratic opponents. Imagination refuses the task of so reversing events and so rolling back the wheels of progress.

It is only fourteen years back to the closing months of the second Cleveland administration and only sixteen years back to the closing year of the Harrison administration. The conditions of American life during these years we can all remember. We all remember the prosperity which Cleveland found and the desolation which he left. We remember the fires of active industries and new enterprises kindling up all over the country under Harrison. We remember their extinguishment under Cleveland. We remember labor fully occupied under Harrison, and highly paid. We remember the idleness under Cleveland and the increasing army of industrial artisans out of work; the breadless, shoeless, moneyless armies. We remember how the hard times were indiscriminating in that they came to the just and the unjust alike. We know that trouble came into every household and home, into every factory, into every bank, and every bank account. No enterprise escaped; no class of citizens, no peculiar calling, no profession was so fortunate as to escape the pressure of those troubled times.

All of the transcontinental railways but two were in the hands of receivers and 25 per cent of the other trunk lines of the country were in a dangerous condition. Private business was prostrated, private credit was undermined, public credit was shaken. The Nation itself took the first step toward national bankruptcy. There was everywhere despair, stagnation, and suffering. All this was not caused deliberately by Mr. Cleveland or his party. None of it was foreseen by them. All of it is now disclaimed by them, but the fact remains that it was directly traceable to a threatened reversal of the fiscal policies which had so benefited us for thirty years, and followed immediately upon the heels of Democratic victory. Faith, credit, confidence are the foundation stones of business prosperity, and these, in turn, must be laid in the cement of consistent, continuous, and knowable policies.

There may be room for difference of opinion as to certain Democratic theories in contrast with certain Republican principles, but there is no room for a difference of opinion as to the condition of the American people when Cleveland came into power and the condition of the same people when he went out of power. And this was only fourteen years ago, and I venture to say that there is not a farmer in the United States who raises wheat or oats or hay or barley or potatoes or sugar beets or cattle or poultry or tobacco who, if he knew that his vote would do it, would vote to bring back a return of the conditions of the Cleveland administration. There is not a working man, iron worker or wood worker, a butcher or a baker, a banker or a merchant, a business man of any kind in all this wide land who, if he knew that his vote were to destroy the conditions which are blessing us, would cast his vote for the Democratic party this fall.

And yet, so far as we can understand our opponents, they are as bitterly assailing the doctrines which have resulted in our great prosperity this fall as they assailed them four years ago and eight years ago and twelve years ago. Startling as is the contrast between the thirty long years previous to Cleveland and the four years of his last administration, the contrast is amazing which the last fourteen years presents with the same period. There is not a year in the long thirty years previous to Cleveland that was not filled with something to make us proud as Americans and which makes us proud as Republicans. But, important as were those accomplishments, they were but the foundation laying, they were but the preliminary exercises, they were but the scaffold building for one of the most magnificent structures of industrial activity the world has ever seen.

What this country has accomplished in the last fourteen years, since the election of McKinley in 1896, since the declaration by the people of their determination to return to the line of policies which had characterized them since 1860, reduced to terms of money and material, is almost past comprehension. It is bewildering; it staggers belief!

The increase in business activity and prosperity was not confined to any one section, any one class, any one undertaking, any one interest. It radiated in all directions and stimulated every human interest. During the twelve years immediately following McKinley's election we have, on the average in round numbers, exported of domestic merchandise $1,497,000,000 annually.

We have imported $1,016,000,000 annually, so that we have had a balance of trade in our favor, as shown by the returns at the custom-houses in the whole twelve years of $5,773,000,000. That compares most favorably with those years of Cleveland's administration when the balance of trade was absolutely against us. That compares most favorably with those same years when we had to sell our credit to borrow money to pay the running expenses of the Government. Over five thousand millions of dollars, equal to five times all the gold coin and gold bullion in the United States; more than one-third of all the gold discovered in all the world since Columbus discovered America; more than all the favorable trade balances combined since the beginning of the Government; surely a splendid profit for Uncle Sam and Uncle Sam's industries, and Uncle Sam's industrious children, and Uncle Sam's enterprises to make in twelve short years. But these twelve years, though short in months, have been long in results. They have been Republican years, and the industries of the country have had the benefit of Republican policies, and the business of the country has had the benefit of that stability which always has accompanied Republican administration, and without which business enterprise can in no country flourish . But those figures relate solely to our foreign trade. They are toy figures when compared with those that tell the story of our internal traffic.

These are tremendous, unsurpassed, incredible.

Measured in terms of tons, the traffic of the Great Lakes alone for the year 1909 will reach nearly 90,000,000 net tons, and for the year before over 60,000,000 tons. The internal traffic of this country, in addition to the traffic by water through the rivers and lakes and canals, the traffic of the home market, the traffic between American citizens one with another—how shall we measure that? If measured by the reports of the banks, we will discover that the clearing houses alone reported transactions averaging one hundred and fifty-eight thousand millions of dollars a year. But to return to the measurement of tons and means of transportation. It required the equipment in car service for the year 1907 of nearly 32,000,000 freight cars to carry the merchandise of the United States; for 1908 over 35,000,000 freight cars, and this year of many more. What does that mean? Allowing 100 freight cars to the mile, these cars, stood on end, would reach 110,000 miles beyond the moon, or they would reach thirteen times around the equator. And this is just the business that was done with freight cars and on the Great Lakes. The internal commerce, the home-market commerce, which has grown to such vast proportions since the last Democratic administration, is greater than all the exports and imports of all the exporting and importing nations of the whole world, our own included.

Such and so great are the results of the activities of the 89,000,000 of our people, energized by Republican laws and Republican administrations. But the activities of these very people are not confined merely to the channels of trade. They move in all directions, and they penetrate to the boundaries of the world. They are maintaining and developing the most comprehensive system of public education in the world for the

benefit of their 20,000,000 of school children. They are maintaining tens of thousands of churches of different denominations and expending hundreds of millions of dollars annually in public and private charities.

Labor is almost universally fully employed at higher rates of wages than ever before, and there is in this country within the reach of the average man, and the children of the average man, more of the things worth having and more opportunities for attaining each for himself the best growth possible for each, unhindered and unrestrained by artificial obstruction, than anywhere else in the wide world. The enlightening red, white, and blue of the Stars and Stripes has stretched around the world, and always with blessings in their folds. Our flag stands for equality of opportunity, and for that reason is to-day the banner of the strongest nation on earth. For that reason our flag is the beacon which is attracting the restless, the unfortunate, the unhappy from the ends of the earth to these shores in order that they may here lay the foundation for future happiness for their children and their children's children. For most of the prime factors which have led up to our present national prosperity, which have worked together to produce our national situation the Republican party lays proud claim. But, however Democrats and Republicans may differ as to where the credit belongs for our unexampled prosperity, the facts of history established that never has the Republican party done anything to prevent national prosperity.

In view of the unbroken successes of the Republican party in conducting the domestic and foreign affairs of our country, why should there be a change? What gain are we likely to experience in any direction, either social, civil, or industrial? What new fields of labor or enterprise are likely to be opened up by a departure from our principles and an adoption of Democratic theories? What greater stability or security in any of our established customs are we likely to experience? What promises of any increase of peace or honor, either at home or abroad, is there in anything that the Democratic party has ever done or even now promises to do? What security have we that we shall not fall again into the misfortunes of the past in passing over from the known to the unknown, from the tried to the untried, from the open daylight of the tested to the deep darkness of the unfamiliar? What accomplishments of the Democratic party, whenever it has been in power during the last half century, gives us an encouragement to trust them again? Before we enter upon the risks and disturbances incident to all political upheavals, it is not unreasonable that we demand proof, not that the Democracy will do as well as we have done, but that they will do better than we have done. We search their platforms and listen to their orators and read their newspapers in vain for any comprehensive, coherent system or plan for bettering our conditions. We find much criticism, but no construction. In fact, we find no harmony or unity of views. On all live, burning questions of the day there is either silence or open opposition among themselves.

If prophecy could produce its own fulfillment, if anathema could achieve its own curse, the Republican party would long ago have perished from the earth. We have written ourselves indelibly into the history of a period which has achieved greater progress and greater results for the uplift of mankind in opportunities moral, mental, and material than was achieved in all the previous centuries since Adam. We have given to the world Lincoln, the emancipator of men; McKinley, the great emancipator of industry; Roosevelt, the great emancipator of communities from the undue power of great aggregations of wealth, and Taft, the great jurist. The Republican party has stood for construction; the Democratic party for opposition. We have been the everlasting affirmative; they have been the everlasting negative. We need have no fear for the future so long as we are loyal to our own past.

Our opponents dwell with emphasis upon the high cost of living, but fail to point out a single product of the farm the price of which they would reduce. They know that high wages have much to do with high prices, but recoil from proposing in direct language any reductions in the wage scale. They declaim loudly against the tariff as the great cause for high prices, and yet they know that on all foodstuffs, save buckwheat flour, the tariff rates were reduced. They know that every article on the tariff schedules is selling at a much lower price to-day than when the tariff was first imposed on these articles. They know that prices have gone the highest on articles not taxed at all, which, in fact, are on the free list. Yet they make their cry against the tariff because they hate the doctrine of protection. They always have hated and denounced it.

Now, just a few plain words about the tariff. We can not keep our home market unless we can sell equally as good goods for equally attractive prices with foreigners seeking this same market. It is the best and richest market in the world. All our trade rivals long to get it. With no protective tariff it would be open to those who pay the lowest wages, for from 60 to 90 per cent of the value of every finished product represents the labor cost. Abolish the tariff rates and the labor rates must be abolished in the same proportion. It is a question of mathematics and not of sentiment. Other things being equal, all markets will be occupied by goods made by the cheapest paid labor. Cheap wages mean cheap food, cheap houses, cheap clothing, cheap lives, cheap men, and cheap women. We do live on a high plane in America. We pay high wages, the highest in the world. Our laborers receive the most, spend the most, enjoy the most, and save the most of any laborers in the world. They have the best homes, the best books, the best schools, and the best hopes of any in the world. Abolish the protective tariff and this proud preeminence must give way before the remorseless competition of the underpaid labor of the more crowded countries of Europe and Asia. The consuming power of America is enormous, but every dollar's worth of foreign goods purchased here reduces by just that much the power to purchase American goods made in American factories by American workers receiving American wages. Abolish protection and as surely as night follows day American factories must meet foreign prices or go out of business—American wages must come down or the factory doors must close.

The gentleman from Massachusetts [Mr. Foss] in his speech the other day declared it to be his opinion that his business and all standard factories would do just as well, if not better, if we had free trade, and he knew this would be true in foreign markets. Ah, yes; no doubt! Free trade would mean free-trade wages, and if the employees of American manufacturers would be content with the same wages and the same living as the foreign employees of foreign manufacturers, there is no doubt the gentleman is correct. That is the point. Tariff reductions mean wage reductions or industrial stagnation and idle artisans. The gentleman from Alabama [Mr. RICHARDSON] said that we must meet this tariff issue this fall. That is precisely what we are eager to do. We want the American people once more to face the problems of industrial life. We want them to think and to read and to study and, above all, to remember. The Republican party is wedded to the doctrine of protection. It demands the home market for the home worker. It will never consent supinely to permit the wages of its workers to be cut down through the insidious assaults of free traders, no matter in what guise of canting seductions they appear. No misrepresentations of the Payne tariff bill can sweep away or obscure the one great central fact that men who are paid from 50 to 250 per cent higher wages than their competitors, trade for trade, machine for machine, can not compete with those competitors in the same market.

The almost utter annihilation of our unprotected merchant marine presents a vivid picture of what would happen to every unprotected American industry. We accept this issue with light hearts and high courage, knowing that the American people will never consent to return to the merciless grind of unrestrained competition with Asia and Europe. The Payne bill is daily proving the wisdom of its sponsors. It is raising sufficient revenue. It has increased the price of no article of food or use. It protects American manufacturers, farmers, and workers, and is the geat barrier between our factories and the floods of goods from the underpaid factory hands of Japan, China, and Europe.

The gentleman from Alabama also said that we must also meet what he was pleased to call the issue of "Cannonism." That, too, we accept. But I notice the gentleman failed to define this issue. What does he mean by it? I have heard men roll "Cannonism" like a sweet morsel under their tongues. I have read lurid and lying articles in sensational newspapers and magazines, but I have never yet read any definition of what was meant by "Cannonism." This is not a new kind or an admirable kind of warfare. We used to use it at school when cross with the teacher. We would draw upon our slates or blackboards a caricature unlike anything ever seen or known and label it with the name of our favorite enemy. And to-day we see, thrown by political spite and personal hatred, upon the screen of publicity a grotesque caricature, ominous, threatening, odious, hateful, and not like anything that ever was or ever will be. Its distortions and eccentricities made repellant by discolored exaggerations, and then this creation of hate is labeled "Cannonism" and a bogie is thus created to scare timid souls and bring a proud man to ruin.

No man on this floor has yet dared to say one word impeaching the honesty, the honor, the character, or the nobility of our great Speaker. His open public service here on this floor, in the sight of all men in the white light of leadership for thirty-

five years, is admitted by opponent and friend alike as entitled to the respect and gratitude of the American people. Some men, not yet wholly hardened, not yet wholly lost to the appeals of justice and fair play, and yet not strong enough to resist a chance to hit a bigger man, have feebly attempted to draw a distinction between "Uncle JOE" and "Cannonism." That is such hypocrisy as the homage vice pays to virtue. "Uncle JOE" is "Cannonism." The life is the man. The record is the life. The character is the record. "Uncle JOE" is "Cannonism" incarnate. The only "Cannonism" that really exists, that ever did exist, that ever will exist is the daily official life and conduct of the best and fairest Speaker who ever wielded a gavel anywhere at any time. Democrats and Republicans alike have officially so testified repeatedly. His strong excellence has extorted praise and respect and admiration even from men who would like to overthrow him if they could. Mark my words, the issue is a false issue, the truth is not in it. The future will take care of Speaker CANNON. History will write his name great when the pigmy critics are forgotten.

The American people will not always be deceived. All our great leaders have been greatly vilified in their day, and, as the years have passed, they have come into their own. And this dauntless, generous, patient, hard-working, devoted, Republican patriot can not be deprived of the just reward due to his superb public services in this House, wherein for many years he has had no superior. There is not one of us—no! not one—who would not give his right arm to be the honest possessor of a career equally as long, equally as strong, equally as just, equally as patriotic, and equally as full of service to his country and to his fellow-men.

So also must we meet the issue of the "Rules." This threatened to be an issue favorable to Democracy for a time. The people were misled and misinformed about the nature and the character and the history of the rules. But this issue is passing away; the American people begin to understand that by no system of rules whatever, by no method of procedure whatever, can it be so arranged that 396 men from 396 different districts, introducing 30,000 bills in a session, can each have his own way and pass his own bills at his own pleasure. The American people realize that the enormous business of the House of Representatives can only be transacted by acceptance of and obedience to rules of order. Such an order of rules we have, the outgrowth of over a hundred years of parliamentary experience in the United States. These rules have slowly evolved under the pressure of necessity to meet the needs of this House.

Some changes may be made from time to time, but they will be minor changes. As the rules now exist they are the best body of rules known in the world whereby a large body of men may transact its business so that the will of the majority shall prevail. The objection to the rules has been made by those who feel that the minority ought to prevail, thus reversing the experience of the ages, thus disregarding the teachings of history. The American people understand; they know when the facts are presented to them that it is important for the welfare of all that the will of a majority properly ascertained shall prevail.

Much has been said by our Democratic opponents about economy, and they would have the people believe that they are the friends of economy, but investigation satisfies me that their friendship ceases with the spoken word. Their votes on this floor and the bills introduced by them and resting in committee rooms tell an entirely different story. I find on consulting the files that the various appropriations asked for and provided for by bills introduced by and vouched for by Democratic Members of this House contemplate the appropriation and expenditure of hundreds of millions of dollars; that is, appropriations, mind you, which are outside of the scope of the general appropriations which are necessary from year to year for the support and maintenance of our establishment. Here are some of the appropriations and the committees to which the bills have been referred:

Agriculture	$31,169,000
Appropriations	1,548,000
Claims	1,225,077
District of Columbia	390,000
Education	14,000
Interstate and Foreign Commerce	6,928,500
Labor	42,000
Levees and Improvements on Mississippi River	20,000,000
Library	1,047,500
Merchant Marine and Fisheries	1,090,000
Military Affairs	6,351,200
Naval Affairs	101,368,000
Public Buildings and Grounds	38,477,000
Rivers and Harbors	101,004,147
War Claims	27,347,331
Total	338,001,655

In making up this table appropriations not explicit and specific have not been taken into consideration—for instance, bills raising the wages of certain classes of government employees or bills increasing pension rates. Large bonding propositions, such as the Democratic proposition to issue $500,000,000 of deep-waterway bonds have not been included. The greatest number of bills calling for appropriations have been introduced by members of the minority of this House. It would hardly be fair to call attention to the enormous expenditures desired by my Democratic friends without also pointing out the fact that they produce statesmen equal to the emergency, who have evolved methods whereby the money may be supplied.

One Democratic statesman has proposed the creation and issuing of $500,000,000 of noninterest-bearing notes and another not so modest has introduced a bill which would forever do away with the necessity of taxation or the issuing of bonds or assuming any other financial burden, if only the proposition would work. He proposes that the United States Government authorize the Secretary of the Treasury to issue whenever necessary any part of a million million dollars' worth of noninterest-bearing notes. Time would fail me to call attention to all the freak legislation proposed by members of the Democratic minority, but we are obliged to assume that these bills were brought forward in good faith and represent Democratic sentiment. No, Mr. Chairman, our friends the enemy will never be able to persuade the American people again to place the powers of government in their hands upon so unsubstantial a basis as empty promises and copious criticism. Golden opportunities have come to the minority during the past seven years to embody in the forms of proposed bills their conceptions of proper laws. They had opportunity to formulate remedial legislation to correct the deficiencies of our monetary system, and they produced a bill which, when put to the test, not half a dozen even of their own number would support. They had opportunities to produce legislation in the matter of pure food and public health, and they have contented themselves with fault-finding. They had opportunity to produce a bill to meet the demand for postal savings banks, and they contented themselves with a makeshift measure so imperfect as not to command the support of their own associates.

They have had an opportunity to bring forward legislation which would tend to rehabilitate the American merchant marine, and they have brought forward a miserable shuffling substitute, impossible and impracticable, which, if adopted, would not add a single vessel to our fleet. They had opportunity to bring forward definite legislation to solve the railroad problems, and they have been content with shuffling criticism. Through long use of their powers for destructive criticism they have lost the power of legislative creation. By evolution they have developed a capacity unparalleled in history for fault-finding, and by the same token for loss, in a degree unknown elsewhere to history, of the capacity for constructive legislation or administrative work. They never can hope to win the confidence of the American people except upon some constructive proposition wherein they have demonstrated themselves to be superior to their opponents. Ah, Mr. Chairman, as I contemplate the Members of the minority party in this House as American citizens, joint heirs with us who are Republicans, of all the benefits conferred upon the entire country by a half century of Republican rule, as I look over the districts which they represent and see those districts busy, active, happy, and prosperous as the results of the policy of protection denounced by them, but established by us, as I see them everywhere enjoying the fruits of Republican laws and procedure, I congratulate them. As fellow-Members of this House, gifted with all personal graces and with delightful aptitude for friendship and good-fellowship, skilled in debate and fault-finding, I admire them, but as members of the Democratic party, as bitter partisans, attempting the impossible feat of following at one and the same time Jefferson and Jackson and Bryan, as I see them advocating states rights academically and deserting states rights for an appropriation, as I see them soliciting the benefits of protection for cotton and sugar and tobacco and peanuts, while denouncing protection generally, as I observe them forever criticising and fault-finding and seldom proposing constructive measures, I—well, Mr. Chairman, I distrust them and I watch them, and I fancy that will be the attitude of the American people.

Mr. UNDERWOOD. Mr. Chairman, at the request of the gentleman from Mississippi [Mr. BOWERS], I yield to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Chairman, for five months now I have been conducting an inquiry into the sale of the so-called friar lands in the Philippine Islands to representatives of American sugar interests, in violation of the organic law of the Philippine Islands and of the established insular policy of the

United States and with the approval of the Attorney-General. During this period I have introduced three resolutions of investigation and one general and sixteen specific resolutions of inquiry and have exhausted the limited means at my command to throw light on this transaction.

The remarks made by me on this subject on March 25 and March 29, and the resolutions calling for information, have borne some fruit. It is due to the House that at this time I should summarize the results of these efforts, and this I shall now proceed to do.

Digested to a paragraph, I charge that the Department of War, with the approval of the Attorney-General, and at the behest of improper influences, authorized the Philippine government to sell to representatives of the sugar trust the 55,000-acre San Jose friar estate, in the island of Mindoro, in violation of the organic law of the Philippine Islands and of the declared colonial policy of the United States; that this sale has been followed by similar friar-land sales; and that these sales are but incident to a general scheme of Philippine exploitation by foreign capital upon a vast scale.

I further charge the sale and lease of some of these lands to the executive secretary of the Philippine government and to a relative of the Philippine secretary of the interior, which transaction I characterize as so criminally corrupt and immoral as to constitute malfeasance in office upon the part of all the officials of the Philippine government concerned.

In justice to those against whom this charge is directed, I assume the burden of making out a prima facie case. In justice to myself I shall present the proofs, not as I now know the facts to be, but as they developed, because the piecemeal development of these facts is in itself a story calculated to discredit the entire transaction and subject those involved to the presumption that they themselves suspected their own acts.

This inquiry began with the sale of one of the friar estates; it has disclosed that nearly all of them are involved. Sales to tenants have been made on but a few of the smaller of the twenty-three friar estates. Havemeyer has the San Jose estate; the Dillingham sugar interests of Honolulu have the Calamba estate, which caused the Philippine insurrection of 1896 and led to the purchase of the friar lands after the Spanish-American war of 1898; a lawyer, representing some undisclosed interest, has the Isabela estate; the executive secretary of the Philippine government, incredible though it may seem, has the Tala estate; the Spreckels sugar interests are on the ground to purchase other estates; and the movement is on for the purchase and exploitation of all of them by American capital under the free-trade act passed at the first session of this Congress. A corporation, clothed with unlimited powers, has been formed and turned loose in the Philippine Islands; and the Filipinos are protesting in masses against a movement which they regard as the death blow to the last hope of Philippine independence, a step that at least should not be taken until this country has determined its final purpose in the Philippines. This, in a nutshell, is the situation there.

The developments at this end of the line have been equally significant and far-reaching. The first speech made in the House on this question, on March 25 last, disclosed the fact that Attorney-General Wickersham, whose opinion paved the way for this new policy, was at the time of his appointment a member of the law firm of Strong & Cadwalader, of New York, whose other leading member, Henry W. Taft, was at the same time an attorney of record for the sugar trust in two great suits brought against it for damages in the sum of $30,000,000 for wrecking its only independent rival, the Pennsylvania Sugar Refining Company. The next disclosure was that this same firm began the negotiations by which the San Jose friar estate passed into the ownership of Horace Havemeyer and other sugar-trust stockholders.

Since this last fact became known, much stress has been laid on the connection between the Taft-Wickersham law firm and the sugar trust, but that connection was a mere incident in the situation that gave this law firm a right of way for the sugar trust through the Philippine constitution.

For the past ten years, in one capacity or another, President Taft has been the ruling figure in the Philippines. During all this time Gen. C. R. Edwards, Mr. Taft's most intimate associate, has, as Chief of the Bureau of Insular Affairs, exercised immediate jurisdiction over the Philippines. During all this time Henry W. Taft and Attorney-General Wickersham have been the principal members of the law firm of Strong & Cadwalader; and during all this time that law firm has handled the legal end of the bulk of the big business in the Philippine Islands—railroad contracts, railroad bonds with interest guaranteed by the Philippine government, harbor improvements, municipal franchises, and so forth.

So that when a member of that firm called at the departments in Washington to negotiate for the purchase of the friar lands he required no credentials.

This is the combination that unlocked the door of the carefully constructed Philippine constitution to the Havemeyers, the Dillinghams, the Spreckels, and others, and these are the findings picked from the mass of misstatements, contradictions, suppressions, and evasions with which from the start it has been sought to conceal them.

What we now want is not more resolutions of inquiry, but a thorough congressional investigation. What we want is not more laws to protect the insular possessions, but an honest administration of the laws already enacted; and this we will never have until we first get officials who will not connive with criminal interests to violate existing law.

THE FRIAR LANDS.

By the treaty with Spain concluded in December, 1898, the United States acquired the public domain of the Philippine Islands, amounting to some 60,000,000 acres of the total area of some 72,000,000 acres. Perhaps 40,000,000 acres of these lands were timbered and mountainous and are reserved from entry under the organic law of the Philippines enacted by Congress and approved July 1, 1902. Some 12,000,000 acres were in private ownership; some 5,000,000 or 6,000,000 were being or had been cultivated. Lands in the Philippines are measured by hectares, a hectare being, roughly, 2½ acres. I shall speak in acres. Of the privately owned lands some 400,000 acres, said by Mr. Taft and others to be among the richest in the archipelago, were owned or claimed by orders of friars, and were known as the friar lands. Sugar and tobacco were their principal products. After the acquisition of the Philippines there was found to exist a bitter controversy, of historical duration, between the tenants or occupants of these lands, some 60,000 tenant families in number, and the orders of friars, growing out of rival claims of ownership.

To remove this condition, which was considered inimical to the peace and welfare of the Filipinos, and for the professed purpose of getting these estates into the hands of the tenants or occupants, the United States successfully negotiated for their purchase; and in the organic act of the Philippines, already referred to, authority was given the Philippine government to issue bonds, take over, administer, and dispose of these lands. Bonds in the sum, roughly, of $7,200,000 were issued by the Philippine government, and by agreements entered into in December, 1903, these friar lands were taken over, and under the provisions of the organic act became the public property of the Philippines.

I am not concerned about the purchase of the friar estates, or any question involved therein, save solely the purpose of the purchase, about which I shall have much to say.

LIMITATIONS UPON LAND OWNERSHIP.

Section 15 of the organic act of the Philippines limited the quantity of the public lands which might be acquired by an individual to 40 acres and by corporatons or associations to 2,500 acres. Section 75 limited agricultural corporations to the ownership of 2,500 acres. This was for the avowed purpose of preventing foreign exploitation. Sections 63 and 65, providing for, or rather enabling the Philippine government to purchase and dispose of the friar lands, subjected these lands to the limitations of the act. The Philippine Commission, by the public-land act passed October 7, 1903, subjected the public lands to the limitations contained in section 15 of the organic act, and by the friar-land act, passed April 26, 1904, subjected the friar lands to the limitations contained in the public-land act. These acts of the Philippine Commission, however, were merely declaratory of the organic law. Let it be borne in mind, once for all, that no act or omission of the Philippine government could annul, set aside, or modify the provisions of the organic act, the constitution of the archipelago. This is elementary and axiomatic.

In my first speech on the subject I called for a single recorded intimation from any source, prior to the opinion of Attorney-General Wickersham, rendered on December 18, 1909, that the quantity limitations in the organic act do not apply to the friar lands; and I call for it again. Forty acres to an individual and 2,500 acres to a corporation or association—that was, is, and will be the law, until Congress changes it. And with relation to the friar lands, the reason for the rule reaches its maximum strength. These lands, above all others, which were taken from the friars to be bestowed upon the tenants, were within the spirit as well as the letter of the law; were a trust to be administered in equity and good conscience. Instead, there is disclosed a fixed purpose, as I shall show later, to discourage the disposition of these lands to the small owner and to pre-

serve them en bloc for exploitation when the time should be ripe. Time ripened when, on August 5, 1909, President Taft affixed his signature to the Philippine free-trade act. And now the agents of the trusts flock to the Philippines, like the crow to the carrion.

THE OPINION OF THE ATTORNEY-GENERAL.

If I am to narrate the facts going to support these general statements as and in the order they came to me, I must begin with Manila cablegrams appearing in American newspapers on December 7, 1909, reporting the sale of the San Jose friar estate to one E. L. Poole, said in the cablegrams to be an agent of the Havemeyers, of which fact I learned early in January of this year. At the same time I learned that the Attorney-General had, on December 18, 1909, rendered an opinion to the effect that these lands were not subject to the limitations upon the sale of lands prescribed in the organic law of the Philippines, thereby affirming the sale. I thereupon procured a copy of the opinion, after reading which I got together all available reports, congressional hearings and treatises relating to the Philippines, and began a systematic study of the questions involved.

At the time of the introduction of my first resolution of investigation, on February 14 last, I had briefed these records and felt absolutely confident that the opinion misconstrued the law and violated the colonial policy of the Government and opened the way for a policy of foreign exploitation, which, at least, should not be undertaken until this Government has determined and announced its ultimate purpose in the Philippines. The mere fact of the sale, by virtue of such an opinion, presented to my mind an issue worthy of investigation upon its merits and wholly independent of certain subsequent developments, which, to the people of this country, may overshadow in interest the original issue.

I did not then know anything about the professional antecedents and relations of the Attorney-General. I did not then know anything about the present and past professional relations and activities of Henry W. Taft, the brother of the President. I did not then know the names of the real purchasers of the friar lands, or who negotiated the transaction for them. I was wholly ignorant of the dramatis personæ in a transaction which may yet be fraught with serious consequences in the Philippines. I say this in self-justification, and to show that I was concerned only with the merits of the main question, with no idea as to its ramifications and with no thought of involving anyone other than the department head whose opinion in and of itself invites the severest condemnation.

EXPLANATIONS OF THE WAR DEPARTMENT.

In response to the first discussion of this matter upon the floor of the House, which was on March 25 last, Chairman OLMSTED, of the Committee on Insular Affairs, inserted in the CONGRESSIONAL RECORD two letters of explanation, written by General Edwards, Chief of the Bureau of Insular Affairs in the War Department, under whose immediate jurisdiction are our insular possessions. In the light of subsequent developments I have never in my experience seen so many material contradictions, misstatements, and evasions in the same amount of matter, and to some of the more important of these attention will now be directed.

In the resolution of investigation the sale was charged to have been made to a representative of the Havemeyer sugar interests, and therefore in violation of section 75 of the organic act, limiting agricultural corporations by their charters to the ownership of 2,500 acres, as well as in violation of section 15. The answer to the charge in both of these letters was that the sale had been made to an individual. For verification of this statement I refer you to the letters as they appear in the CONGRESSIONAL RECORD of March 26, at page 3802. My reply to this statement, made on March 29, was that the sale to an individual was just as unlawful as to a corporation, but that the individual must be acting as a corporate agent, which fact must be known to the department. These letters, purporting to set out the facts, will be searched in vain for a single intimation that any person other than one E. L. Poole was interested in or connected with the purchase of the San Jose friar estate.

Yet on April 13, before the House Committee on Insular Affairs, the following colloquy occurred:

Mr. GARRETT. What is the name of the person who bought that land?
Colonel MCINTYRE. Mr. Thomas Poole.
Mr. GARRETT. Do you know for whom he was actng—is that known?
General EDWARDS. There were three people in it.
Colonel MCINTYRE. The attorney for those people came to the office, Mr. de Gersdorff—this matter had been referred to in the papers as the sugar trust invading the Philippines, as I remember—and he said that he did not represent a corporation in any way, but that the men who were putting up the money were Mr. Horace Havemeyer, Welch, and Mr. Senff. I am not certain as to that name; it is a decided German name—he said that two of those men owned stock in the American Sugar Refining Company, and the third, he thought, or was positive, did not.

If General Edwards was dealing openly and frankly about this matter, as he would now like to appear to have been, why did he not state in the first instance, in his letter of January 28, or in the second instance, in his letter of March 24, that the men named in the foregoing colloquy were the real parties in interest in the purchase of the San Jose friar estate? Mr. Horace Havemeyer is a son of the late H. O. Havemeyer, and is a director in the American Sugar Refining Company, the sugar trust. Mr. Charles H. Senff was the lifelong business associate of the late H. O. Havemeyer, and was vice-president of the sugar trust during the presidency of Mr. Havemeyer. Mr. Charles J. Welch is a Havemeyer associate in the sugar business. These facts were known to General Edwards, and yet with this knowledge the statement was made and repeated that the sale was to an individual.

But that is not all with reference to these letters. That of March 24 states that—

the first information concerning the sale of this estate to be received by the War Department was through the public press.

If this were true, it would constitute a remarkable self-indictment of the manner in which the War Department does business; but it could not be true, because the War Department has a daily cable to Manila and is not supervising insular affairs on hearsay through the public press. It could not further be true, because the opinion of the Attorney-General, while not rendered until December 18, had been called for on December 4 by the Secretary of War, three days prior to the appearance of the cablegram reporting the sale, which was on December 7. But this is only the beginning of the disproof of this statement, for on April 14, in response to the general resolution of inquiry, there was published in the CONGRESSIONAL RECORD, as transmitted with a letter from General Edwards dated April 11, a mass of information, which, among other things, contained copies of cablegrams and letters disclosing that as far back as September 3, 1909, and continuously thereafter, negotiations were on for the sale of this identical friar estate.

On October 22 it appears that General Edwards had received from Governor-General Forbes of the Philippines the following cablegram:

OCTOBER 22, 1909.

SECRETARY OF WAR, *Washington:*

Prentiss and Poole desire to purchase unoccupied sugar lands on San Jose friar estate, Mindoro; say Hammond was informed by the Bureau of Insular Affairs an individual can not purchase more than 40 acres friar lands.

FORBES.

And it further appears that on the same day General Edwards cabled Governor Forbes the following reply:

OCTOBER 22, 1909.

FORBES, *Manila:*

Thoroughly understood here unoccupied friar lands may be sold to individuals without limitation as to area. Will advise Hammond. Wrote you September 27, requesting detailed description of such estates as are to be sold as unoccupied land. When Hammond called it was not understood efforts were being made to sell these estates.

EDWARDS.

It would appear from these cablegrams, exchanged in October, that General Edwards had some slight knowledge that negotiations were on for the sale of the friar lands prior to cablegrams appearing in the American press on December 7, following.

It will be noticed that General Edwards's reply cablegram refers to a letter written by him to Governor Forbes on September 27 preceding, "requesting a detailed description of such estates as were to be sold as unoccupied land"—although he knew nothing about the matter—and thereby hangs another tale. In the letter of April 11, General Edwards makes it appear that he was personally ignorant of the call at the Bureau of Insular Affairs on September 3, preceding, of the Hammond mentioned in the cablegrams, who is Mr. John Henry Hammond, of the law firm of Strong & Cadwalader, of New York; that his assistant, Major McIntyre, was in charge, and that the interview had to do with Philippine lands and land laws generally and did not relate to the friar lands. But when a copy of the letter of September 27, signed "C. R. Edwards," was produced in response to a specific resolution, it was found to contain the following statement:

A representative of a New York law firm, one of the best in New York, has visited this office in connection with the purchase of the San Jose estate in Mindoro.

If General Edwards was dealing openly and frankly in this matter, as he would now like to appear to be, why did he, in his letter of April 11, seek to evade personal knowledge of the nature of Mr. Hammond's call, and why did he say in his letter of April 11—I quote his exact language—that—

Major McIntyre thinks Mr. Hammond did not bring up the question of the purchase of any special piece of property in the Philippine Islands, nor is he positive that he mentioned the purchase of land on the friar estates.

The only reason I can assign for the statement in General Edwards's letter to Congress of April 11, 1910, which I have just quoted, was that he did not then know that on May 14 the House would pass House resolution No. 691, calling for the letter of September 27, 1909, and which, when produced, was found to contain the statement that—

A representative of a New York law firm, one of the best in New York, has visited this office in connection with the purchase of the San Jose estate in Mindoro.

THE DEADLY PARALLEL.

The "deadly parallel" has been a hard-worked device, and material for it is so plentiful in the explanations of General Edwards that resort thereto is unnecessary to bring out the contradictions; but one indulgence may be pardoned to place in contrasting columns what General Edwards knew and knew not, at one and the same time, relative to the object of Mr. Hammond's call at the Bureau of Insular Affairs on September 3, 1909, and its reference to the friar lands.

EDWARDS TO CONGRESS. APRIL 11, 1910.	EDWARDS TO FORBES. SEPTEMBER 27, 1909.
Major McIntyre thinks Mr. HAMMOND did not bring up the question of the purchase of any special piece of property in the Philippine Islands, nor is he positive that he mentioned the purchase of land on the friar estates.	A representative of a New York law firm, one of the best in New York, has visited this office in connection with the purchase of the San Jose estate in Mindoro.

If General Edwards has any satisfactory explanation of the foregoing discrepancy, I ask unanimous consent that he may make it.

It may be explained here that the letter of April 11 and the information published in the CONGRESSIONAL RECORD of April 14 were hastily shoveled together by the Bureau of Insular Affairs in response to the general resolution of inquiry. An analysis of this information showed it to be so faulty as to indicate the wisdom of going after the facts one at a time; whereupon for three weeks a resolution was introduced daily, each calling for a single fact or group of facts. One of these brought the letter of September 27 and its disclosures, and some of them brought other things, to which I shall refer in due time. The letter of September 27 was wanted to refute the claim that the first information the War Department had about this sale was through the public press, or, rather, to pile up the proof Ossa on Pelion. It unexpectedly established the additional fact that when General Edwards, in his letter of April 11, sought to shunt responsibility onto the shoulders of his subordinate, and then deny that subordinate's knowledge, he was knowingly suppressing the truth, just as when he said in his letters of January 28 and March 24 that the sale of the land was to an individual.

FRIAR LANDS ALWAYS CONSIDERED SUBJECT TO THE LIMITATIONS.

At the risk of being wearisome, and before passing to a liver feature, attention will here be called to just one other material misstatement in General Edwards's letters—I can not go into all of them—an exceedingly important misstatement, however, in view of the fact that it is and must continue to be one of the moral, if not legal, defenses of the administration and its apologists. In his letter of January 28 General Edwards said:

It was never contended, as far as known here, that the lands thus purchased, or which, in fact, might be purchased under any authority of the Philippine government to acquire lands, became thereby a part of the public domain or subject in any way to the laws which related to the public domain.

I would not push argument to such an extreme limit on every point as to contend that the submission to the Attorney-General of the question whether the friar lands were subject to the quantity limitations imposed by section 15 of the organic law of the Philippines creates a presumption that it had been known and contended here that the limitations applied to the friar lands as well as the public domain. Important legal questions frequently slumber unsuspected in public statutes, and even in constitutions, for long periods of time. I concede that had such been the case with reference to the status of the friar lands, that had no question ever been raised that the quantity limitations in the organic law of the Philippines applied to these lands, it would afford some justification for first negotiating for the sale of these lands in large tracts and afterwards ascertaining whether the sale was valid.

But the fact is it was never known or contended here, until the sale of the San Jose friar estate, that the friar lands were not subject to and protected by the quantity limitations of the organic act. The disproofs of General Edwards's statement that it was never contended, as far as known here, that the friar lands were subject in any way to the laws which related to the public domain, would furnish material for a lengthy brochure; I must limit myself to a few facts, mainly to be found in the same letter.

It is admitted in this same letter of January 28, 1910, that in passing the friar-land act—

The Philippine Commission did impose the same restrictions on the sale of the friar lands as were provided in the case of public lands in the Philippine Islands.

It is admitted in the same letter that—

From the date of acquiring these lands, the Philippine government proceeded under that act.

It is admitted in the same letter that in his report for 1908—

The chief of the bureau of lands called attention to the impossibility of selling such lands in the very small lots allowed by the existing laws of the Philippines, and recommended that the laws be so modified as to enable the government to offer these unoccupied estates under such terms as would attract attention.

It is admitted in the same letter, in substance, by the claim that inability to sell the friar estates in the small tracts fixed by law led to their sale in bulk.

It is established by the cablegrams between Edwards and Forbes, and in the correspondence between McIntyre and Hammond, that Hammond was advised at the Bureau of Insular Affairs on September 3, 1909, that the friar lands were subject to the laws which related to the public domain and could not be sold in tracts exceeding in quantity the limitations therein fixed.

It is established by the record of the whole course of dealing with these friar lands since the time of their acquisition, that the friar lands were considered subject to the limitations of the organic law; and I defy the production of a recorded fact to the contrary. So much for the contention here.

THE FILIPINO VIEW.

Some light may be thrown upon the contention in the Philippines by the following colloquy which occurred in the House on May 14, 1910, during the speech of Hon. MANUEL L. QUEZON, a Commissioner from the Philippine Islands, as the same appears at page 6312 in the CONGRESSIONAL RECORD:

Mr. MARTIN of Colorado. I would like to ask the gentleman how his people will view the new movement of American capital into the Philippine Islands to buy up and develop large tracts of land there?

Mr. QUEZON. My people are informed of the policy of the United States Government upon this question, which is not to sell more than 1,024 hectares of land to any corporation, and they have from the very beginning applauded this policy.

In fact, the Filipinos have considered the provision of the "organic act" limiting the area of land acquirable by corporations to 1,024 hectares as the best proof that the Philippines have not been occupied by Americans for exploitation purposes.

Mr. MARTIN of Colorado. And they would not applaud any departure from that policy then?

Mr. QUEZON. No, indeed.

Mr. MARTIN of Colorado. But supposing the land is held in large tracts in the names of agents of exploiting foreign corporations or interests?

Mr. QUEZON. The result would be the same; it would be just as objectionable.

Mr. Chairman, I shall avail myself of the opportunity afforded to me by the questions of the gentleman from Colorado to make clear the attitude of the Filipinos regarding the land question. We are not anticapitalists, neither are we antiforeigners. We do not want to encircle the islands with some sort of a "China wall;" we welcome the coming in of capital to stimulate commerce and develop industry. We receive with open arms every foreigner who visits or lives with us. The hospitality of the Filipinos is proverbial. But we are against the ownership of large tracts of land, either by corporations or by individuals, for it is incompatible with the real prosperity of the natives. You can not have, Mr. Chairman, a solid, conservative, contented, law-abiding community unless the plain people, as your beloved Lincoln affectionately called them, have and cultivate their own land. Moreover, large agricultural enterprises in the Philippines will, sooner or later, bring about Chinese or other oriental immigration into the islands, which we are fighting against. For these reasons I, on behalf of my people as well as of myself, respectfully ask Congress to strictly adhere to its policy concerning this matter, as it has been defined in the "organic act."

That Mr. QUEZON, in his conservative statement, is not misrepresenting the attitude of his people on this question is very strongly indicated by the following editorial comment in the Manila Times of Friday, April 22:

There has been a great howl from the anti-American and obstructionist press against the action of the government in contracting to sell the Calamba estate to the Dillinghams, of Honolulu, and the same subject is receiving more or less consideration at Washington.

And further, in the same issue:

As might well have been anticipated, the sale of the Calamba estate to the Hawaiian interests represented by Mr. Thayer has been seized upon by the obstructionists as another outrage upon the Filipino people. They pretend to see in it the forging of another link in the chain that is to bind them in bondage to the trusts—

And so forth.

And in another editorial of the same issue:

The violent tirade of a number of representative Filipino newspapers against the projects for the cultivation of fallow estates in the islands continues unabated and probably will continue until of its own violence it exhausts itself—

And so forth.

Exhaustion appears not to have overtaken the opposition as late as Saturday last, for on that day I received a cablegram

from Manila stating that the Filipinos in mass meeting had adopted resolutions of protest against the sale of the friar estates.

There may be some satisfactory explanation, some sufficient defense of the sale of the friar lands to the Havemeyers, the Spreckels, and the Dillinghams, but I submit that it will not be found in the statement that it was never contended, here or elsewhere, that the friar lands were not protected by the quantity limitations of the organic law of the Philippine Islands.

CONGRESS INTENDED TO AND DID PROTECT THE FRIAR LANDS.

And that these lands have not only always been considered, both in this country and in the Philippines, as subject to the quantity limitations imposed upon the public domain, but are actually subject to these limitations, is established beyond dispute by the fact that the limiting clause, the words "subject to the limitations and conditions prescribed in this act," were inserted in the friar-land sections of the organic law during the passage of that act, the limiting clause being offered by Senator LODGE by way of amendment upon the floor of the Senate and agreed to.

As originally drafted, the friar-land sections of the organic law gave unconditioned power to the Philippine government to acquire and dispose of the friar lands. That no mere conclusion of mine may be substituted for the fact that during the passage of the bill this power was conditioned by subjecting it to the limitations of the act, which limitations are to be found in section 15, I shall here set out as they appear in the CONGRESSIONAL RECORD (57th Cong., 1st sess., pp. 6082–6083), the proceedings of the Senate:

Mr. LODGE. In section 64 (now section 63), on page 38, line 11, after the word "authorized," I move to insert what I send to the desk.
The PRESIDING OFFICER. The amendment will be stated.
The SECRETARY. In section 64 (now section 63), on page 38, line 11, after the word "authorized," it is proposed to insert the words "subject to the limitations and conditions prescribed in this act."
The amendment was agreed to. * * *

And section 63 as thus amended and as it now stands in the Philippine constitution reads as follows:

That the government of the Philippine Islands is hereby authorized, subject to the limitations and conditions prescribed in this act, to acquire, receive, hold, maintain, and convey title to real and personal property and may acquire real estate for public uses by the exercise of eminent domain.

Then came section 65, now section 64, providing that the powers conferred in section 64, now section 63, and which were to be employed subject to the limitations and conditions of the act, might also be exercised in respect to the friar lands, and it was under this section, which reads as follows, that the friar lands were subsequently purchased by the Philippine government:

That the powers hereinbefore conferred in section 64, now section 63, may also be exercised in respect of any lands, easements, appurtenances, and hereditaments which, on the 13th of August, 1898, were owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels, and in such manner as, in the opinion of the commission, injuriously to affect the peace and welfare of the people of the Philippine Islands.

Coming now to section 66, now section 65, which granted power to dispose of the friar lands, I again quote from the CONGRESSIONAL RECORD:

Mr. LODGE. In section 66, now section 65, on page 40, line 4, after the word "prescribe," I move to insert what I send to the desk.
The PRESIDING OFFICER. The amendment will be stated.
The SECRETARY. In section 66, now section 65, page 40, line 4, after the word "prescribe," it is proposed to insert "subject to the limitations and conditions provided for in this act."
The amendment was agreed to.

And section 65 as thus amended and as it now stands in the Philippine constitution reads as follows:

That all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be sold and conveyed or leased temporarily for a period not exceeding three years after their acquisition by said government, on such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in this act.

If it were possible to strengthen the legislative intent to protect the friar lands by the limitations and conditions of the organic law, I can conceive of no more final and effective expression than the insertion of the limiting clause in the friar-land sections, after their introduction without this clause, and during the consideration and passage of the sections upon the floor of Congress.

But the distinguished gentleman from Indiana, Mr. CRUMPACKER, says that at the time these limiting clauses were inserted in the friar-land sections, section 15, relating to the public domain acquired from Spain, with its limitations, was not in the bill, nor its equivalent, nor anything like it; therefore the limiting clauses could not be intended to apply to a provision of the law not in existence. If this were true, it would not exempt the friar lands from the operation of provisions afterwards inserted, and the gentleman simply assumes the position, by his own logic, that the protection thereby afforded the friar lands was an oversight. But it is not true. I have personally examined Senate bill 2295, introduced by Senator LODGE on January 7, 1902, and the several reprints of the same made during the passage of the bill through the Senate, and I have found that the bill at every stage after its introduction was replete with these limitations. Indeed, the bill as reported to the Senate on March 31, 1902, by Mr. LODGE, as chairman of the Senate Committee on the Philippines, was much more restrictive than the law as it now stands. On May 28 the bill was reported favorably by the Committee of the Whole in the Senate and ordered reprinted as amended. It was on that day that Senator LODGE caused the limiting clause to be inserted in the friar-land sections, which action was preceded by the adoption of an amendment limiting homestead entries to 40 acres. If anyone doubts the truth of these statements, his attention is invited to the Senate bill and its reprints as the same now appear in the files of the Senate in the Senate document room, Senate bill 2295, Fifty-seventh Congress, first session.

The House bill likewise contained limitations on land ownership. There were many changes in the quantity of the limitations and much renumbering of sections, but the sections and the limitations were ever present. This feature will be treated at length in a summary which I shall attach to my remarks, in which will be set out exhaustive quotations from the debates and committee reports during the six months the Philippine government act was under consideration in Congress. Suffice it to say here that no other feature of the act was given such careful attention as that safeguarding all Philippine lands from exploitation and from the very thing now going on in the Philippines.

THE DRAMATIS PERSONÆ.

At this juncture the narrative may be illuminated with a continuing light by the disclosure of the factors, official and otherwise, involved in this transaction. In General Edwards's letter of January 28 he refers to "the attorney of the proposed purchaser" of the San Jose estate as having submitted to the Secretary of War the question whether the sale would be valid under the law, and in his letter of March 24 he refers, in support of the validity of the sale, "to the opinion of the very able attorney of the investor," omitting in both letters to mention the name of either attorney or whether these twain were one. The general resolution of inquiry sought to elicit information concerning these attorneys and their requests and opinions. The reply, being the letter of April 11, disclosed the fact that the attorney who asked whether the sale would be valid was named De Gersdorff and that the attorney who assured the War Department that the sale was valid was named De Gersdorff. In other words, Mr. De Gersdorff was the "attorney of the proposed purchaser" and the "very able attorney of the investor." But Mr. De Gersdorff, it further appeared in the letter, was only brought into the case to conclude the negotiations begun by Mr. John Henry Hammond, of the firm of Strong & Cadwalader, and is, therefore, only a minor character, a "supe," as it were, who holds the boards only to shade the spot light from larger figures.

These figures are William H. Taft, Henry W. Taft, George W. Wickersham, and Gen. Clarence R. Edwards.

Ever since 1900, first as president of the Philippine Commission, then as civil governor of the Philippine Islands, then as commissioner to Rome to negotiate for the purchase of the friar lands, and then as Secretary of War, Mr. William H. Taft has been the ruling figure in the Philippines.

During all these years Gen. Clarence R. Edwards has been with Mr. Taft, in Washington, in the Philippines, and elsewhere. He is the President's close personal friend and companion, and as Chief of the Bureau of Insular Affairs, having immediate jurisdiction over the insular possessions, he may be said to be the viceroy of the Philippines.

During all these years Henry W. Taft and George W. Wickersham have been members of the law firm of Strong & Cadwalader, New York City.

And during all these years this law firm has handled the legal end of the bulk of the big business in the Philippines, with, I understand, some Cuban affairs of importance.

How these matters could be easily and satisfactorily arranged is shown by the following New York telegram appearing in the Washington Post of January 12, 1908:

[Special to the Washington Post.]

NEW YORK, *January 11.*

Secretary Taft was in a pleasant mood to-day when he arrived at the office of his brother, Henry W. Taft, at 40 Wall street, for the purpose of attending a conference with men prominent in financial circles connected with the new Philippine railroad.

GOVERNMENT MAY HELP ROAD.

Besides Secretary Taft and his brother, there were present at the railway meeting Cornelius Vanderbilt, jr., J. G. White, of J. G. White & Co., Alonzo Potter and William Salomon, of Salomon & Co., and Charles M. Swift, of Detroit.

After the conference it was said by one who had attended that the prime object of the meeting was to ascertain, through Secretary Taft, whether the Philippine government would guarantee a further bond issue over and above the $973,000 at 4 per cent, bonds already issued by the railroad, which already have been secured by the government. Mr. Taft was also asked if the Manila banks would accept the railroad bonds as collateral for loans.

It was said that the Secretary had expressed his hearty appreciation of the railroad project, and had shown a desire to do all that lay within his power to further the speedy completion of the lines mapped out.

The following is a partial list of the projects said to have been secured in the Philippines by the clients of the firm of Strong & Cadwalader:

The franchises for installing an electric street-railway system and electric lighting and power plants at Manila. The C. M. Swift mentioned in the above Washington Post article is president of the electric company. From Manila news items, he also appears to be acquiring some railroads.

The construction of a narrow-gauge railroad in the island of Cebu, now bonded at $42,500 per mile, or about twice the reasonable cost of construction, upon which bonds the Philippine government guarantees 4 per cent interest for thirty years.

The narrow-gauge railway in the island of Panay, now bonded for $67,950 per mile, about three times its reasonable cost, upon which bonds the Philippine government guarantees 4 per cent interest for thirty years.

The harbor improvements at Cebu and Iloilo.

J. G. White & Co., mentioned in the above Washington Post dispatch, secured the bulk or all of these projects.

When the bonded railway indebtedness upon which the Philippine government guarantees interest was to be increased to permit of further contracts, the law offices of the firm of Strong & Cadwalader, and that particular suite occupied by Mr. Henry W. Taft, was the rendezvous of the financiers who really determined about how much it would take to keep things going. But Philippine railways is another story.

When the American Sugar Refining Company was made defendant in suits for damages in the sum of $30,000,000 for wrecking its only independent rival, the Pennsylvania Sugar Refining Company, the law firm of Strong & Cadwalader produced as an attorney of record in said suits one of its members, Mr. Henry W. Taft, the fees being apportioned among the firm membership, including Mr. Wickersham.

When, in the mutations of politics, a vacancy occurred in the Attorney-Generalship of the United States, the law firm of Strong & Cadwalader produced to fill it from the ranks of its membership Mr. George W. Wickersham.

So that, when Mr. John Henry Hammond, of the law firm of Strong & Cadwalader, came to Gen. Clarence Edwards, Chief of the Bureau of Insular Affairs, to open negotiations in behalf of Horace Havemeyer and other sugar-trust stockholders for the purchase of the Philippine friar lands, he did not require any credentials. General Edwards had been doing his bit at the Washington end of the line too long to necessitate any such formalities. It was simply "Good morning, John Henry; is there anything lying around loose that you fellows want? If not, we will just pry something loose for you."

It appears that after looking over the situation Mr. Hammond not only decided that the particular object of his quest was nailed down, but that it would require such a prying loose as would leave ragged edges around the seams, and that for the reasons assigned by himself, to wit, the relation between the law firm and the administration and the further fact that discretionary action upon the part of the Government was involved, it would be better, after adjusting the lever, to have the prying process completed by another firm of attorneys; hence Mr. De Gersdorff.

Not content with making it appear that Mr. De Gersdorff was the "attorney of the proposed purchaser" and the "very able attorney of the investor," an effort is made to show that even the connection of the firm of Strong & Cadwalader with the transaction was purely casual and not of their own seeking. In his letter of April 11, General Edwards says of Mr. Hammond's visit of September 3 that—

> After discussing the legal aspect of the question, Mr. Hammond said that in view of the relation of his firm—Strong & Cadwalader—to the administration, he thought he would advise his clients, who had been referred to him by another lawyer, whose name he gave (Major McIntyre thinks it was Judge Johnson, from Philadelphia or Pittsburg), to obtain the service of some other attorney.

In the light of other established facts this would be singular, if true. Judge Johnson, of Philadelphia, is the principal attorney of record for the Standard Oil Company in the great dissolution suit now pending against that trust in the Supreme Court of the United States. If Judge Johnson did refer Havemeyer and his associates to the firm of Strong & Cadwalader, his judgment in the matter of selecting counsel to put through this transaction is to be commended. It must be said for Judge Johnson that he recommended a legal firm which has been uniformly successful in the conduct of Philippine business. It is still more singular that Horace Havemeyer, a director in the sugar trust at the time when it was defendant in the damage suits brought against it for wrecking the Pennsylvania Sugar Refining Company, in which suit Henry W. Taft, of the firm of Strong & Cadwalader, was an attorney of record for the sugar trust, should have needed any such suggestion from Judge Johnson or Judge Anybody-else. And the climax of singularity is reached when it is known that Judge Johnson and Henry W. Taft, in both of the suits against the sugar trust for wrecking the Pennsylvania Sugar Refining Company, were associated together as counsel, not only for the sugar trust, but for H. O. Havemeyer, its president, who was joined as a personal defendant in these actions. These facts are of record. Ordinarily it would be assumed that Mr. Havemeyer had some personal knowledge of the firm of Strong & Cadwalader, and I may be pardoned the suspicion that such was the case.

STRONG & CADWALADER "WITHDRAW."

The theory upon which this entire transaction appears to have been conducted was that if there are only enough agents, there are no principals; if there are only enough go-betweens, neither end is guilty. Attorney De Gersdorff, like Agent Poole, was a disconnecting link; and I shall disconnect him so thoroughly from any but a nominal rôle as to leave no doubt as to the exact purpose for which he was brought into the case and the exact service rendered by him.

The impression sought to be given is that the firm of Strong & Cadwalader, after the call of Mr. Hammond at the Bureau of Insular Affairs on September 3, entirely severed its connection with the transaction and terminated its interest, leaving Mr. De Gersdorff to proceed de novo. It is obvious, of course, that nothing short of a complete severance would relieve the firm of responsibility.

A Member of Congress is obviously handicapped, if not doomed to defeat, in his efforts to make out a case against a department of the Government when the facts of his case are in the keeping of the department, to be grudgingly doled out in such form as the department may see fit to give them. The country has recently witnessed the spectacle of a duly authorized and empowered congressional investigation of a department struggling along for months to secure facts which are now known by the country to have been during all that time in the possession of the department. In the face of such conditions, what may a single Representative be expected to secure in the way of admissions with reference to a transaction which comes much nearer the honor of the administration and the integrity of the Government than even the Alaskan coal-land frauds? Nevertheless, even under such conditions, the efforts made have been rewarded with sufficient facts from which to deduce the conclusion that the firm of Strong & Cadwalader never at any time withdrew from this transaction, and that the very meager service rendered by Mr. De Gersdorff was not only for the benefit of the clients of Strong & Cadwalader, the purchasers of the San Jose estate, but was rendered at the instance and request of the firm.

On September 3, 1909, Mr. Hammond, of the firm of Strong & Cadwalader, called at the Bureau of Insular Affairs.

He called in connection with the purchase of the San Jose friar estate, as inadvertently stated by General Edwards in his letter of September 27 to Governor Forbes.

He called as the legal representative of Havemeyer and his associates, who were represented in Manila by Poole. While at the bureau he is reported in General Edwards's letter of April 11, already quoted, to have said, "after discussing the legal aspect of the question," that—

> In view of the relation of his firm, Strong & Cadwalader, to the administration, he thought that he would advise his clients * * * to obtain some other attorney.

Now, let us follow up and see what transpired before Mr. Hammond's thought was wrought into action.

On the next day after Mr. Hammond's call—that is, on September 4—Major McIntyre wrote him, inclosing certain opinions on insular-land laws.

On September 7 Mr. Hammond replied.

On October 22 Major McIntyre again wrote Mr. Hammond, conveying to him the information that the friar lands were for sale; very startling information, indeed, in view of the fact that the proposed purchasers were Mr. Hammond's clients—Havemeyer and his associates. Incidentally, the Insular Bureau does not appear to have known up to and including Octo-

ber 22 anything about the withdrawal of the firm of Strong & Cadwalader.

On the next day, October 23, Mr. Hammond wrote Major McIntyre as follows:

After careful consideration and in view of the fact that it may be necessary for my former clients to request some discretionary action upon the part of the government officials, I decided that they had better be represented by other counsel. Accordingly the firm of Cravath, Henderson & De Gersdorff has taken up the matter. I have sent your letter and the inclosures to Mr. Leffingwell, of that firm.

Taking the foregoing letter at its face value, there is nothing in it to indicate any withdrawal upon the part of the firm of Strong & Cadwalader. On the contrary, it merely indicates that other counsel had been procured to tide the principals over a delicate situation. When the Bureau of Insular Affairs had communications to make to the legal representatives of the proposed purchasers of the friar lands, they were made to the firm of Strong & Cadwalader and were by that firm transmitted to another firm, presumably of its own selection. Mr. De Gersdorff was evidently still unknown to the War Department.

On November 23, a month later, Mr. De Gersdorff called at the Insular Bureau and submitted the question whether the sale of the friar lands would be valid, his interrogation being in the nature of an abstract of the provisions of the organic law of the Philippine Islands and certain acts of the Philippine government bearing upon the friar lands, which had been furnished him by Mr. Hammond, upon which a ruling was requested. This was the first apparent service rendered by Mr. De Gersdorff.

On November 29, six days later, Governor Forbes cabled General Edwards that the agreement had already been entered into to sell the San Jose estate to Poole or his nominees—Havemeyer, Welch, and Senff.

So that, before Mr. De Gersdorff had performed any service whatever, the entire transaction had been consummated, barring the Attorney-General's opinion. On what day prior to November 29 the agreement had been entered into does not appear. Nor does it matter. The fact remains that prior to the appearance of Mr. De Gersdorff at the Bureau of Insular Affairs the transaction had been consummated up to the point of securing the opinion from the Attorney-General. The War Department has given to Congress what purports to be all the information it possesses concerning this matter, including all correspondence, and if Mr. De Gersdorff ever had any other connection with this transaction or performed any other service with reference to it, except solely that of coming to Washington on November 23 with a digest of Philippine land laws prepared from information furnished the firm of Strong & Cadwalader by the Bureau of Insular Affairs, it does not appear in the record.

This, according to the facts as they now appear upon a record of General Edwards's own making, is how the firm of Strong & Cadwalader "withdrew" from the negotiations to purchase the San Jose friar estate.

At this point it might be pertinent to inquire why this firm should withdraw. If the transaction was legitimate, if it was a square deal, then there was no occasion for its withdrawal. If it was not legitimate, this fact was just as obvious at the inception as at the conclusion of the negotiations. Since no new element intervened, it would be just as wrong to begin it as to finish it. The relationship between the firm and the administration was as well known when Mr. Hammond called at the Bureau of Insular Affairs as when Mr. De Gersdorff called. If the relationship between the firm and the administration made the enterprise a doubtful one, and this is the only element of doubt suggested by General Edwards in his report of Mr. Hammond's visit, is it not somewhat singular that this doubt did not arise in the mind of Mr. Hammond until after he had come to Washington and talked over the purchase of the San Jose friar estate at the Bureau of Insular Affairs? It is obvious that we must look further, although the record permits us to look no further than the statement of Mr. Hammond's letter of October 23 to Major McIntyre, that "some discretionary action on the part of the government officials was involved."

What discretion? The discretion of violating the law? Was this the reason why the law firm, of which President Taft's brother is a member, sought to have it appear that it had withdrawn from negotiations which would require the sanction of the Attorney-General, who had been a member of that firm? There could be no discretion about executing the law. If the transaction was valid, while there still might remain some ethical considerations, in view of the double relation between the firm and the administration, it would still involve no element of discretion as that term is applied to the duty of officials under the law. Either there was a law limiting the quantity of the friar lands which might be sold, to an individual 40 acres and to a corporation or association 2,500 acres, or there was no such law.

The conclusion is unescapable that the action of the firm of Strong & Cadwalader, in appearing to withdraw from the negotiations, is an admission against the transaction. The record now made up in the several explanations of this matter bristles with contradictions, misstatements, and evasions, but it is a question whether all these circumstances, taken together, so thoroughly discredit the transaction to which they relate as this alleged withdrawal of the law firm of Strong & Cadwalader. By their action they characterized this transaction beyond my power to criticise. This particular firm sent its representative to a bureau of the government where its slightest wish was law, but even they, the seasoned beneficiaries of official favor, shrank from the responsibility of saying the word which would break down the constitution of the Philippines and violate the policy and the sacred trust of this Government; and they selected a proxy to say it for them.

And when Attorney-General Wickersham was asked for an opinion which was to quiet title to the friar lands in the purchasers and forever conclude the Government as to its rights in the premises, he required no bill of particulars. He knew from long experience, if in no other manner, that the inquiry came through the regular and proper channel, and that the other details had been properly attended to.

ANTICIPATING THE OPINION.

That the other details had been properly attended to, will now be shown by the following facts:

The opinion of the Attorney-General was asked for on December 4, 1909. It was rendered on December 18, and cabled to Manila on December 22. The agreement to sell the San Jose estate to E. L. Poole, or his nominees (Havemeyer, Senff, and Welch) had been entered into in November; but, according to a cablegram from Governor Forbes, the sale was not fully consummated until January 4, 1910.

But on January 7 the Manila Times, the unofficial organ of the administration in the Philippines, announced that the cane and grass seed had been sown on the estate, hitherto uncultivated; that soundings for a dock had been made on the coast; that a railway survey was being run from the dock to the plantation; and that building material for labor quarters had been sent out. This work required weeks, if not months, of preparation on the ground. Contracts were to be entered into, material purchased, engineers and labor employed, a hundred and one things to be done. It would have taken the lamp of Aladdin to produce such miracles of progress in the wilds of Mindoro between December 22 and January 7, a space of two weeks. But, more than that, men must have gone from New York to Manila; before going there must have been much organization work in New York. Taking the earliest date disclosed in the information vouchsafed by the War Department, to wit, September 3, 1909, the date of Mr. Hammond's call to open negotiations for the purchase of the estate, and marvels of executive ability would have to be performed to get the seed in the ground between that and the rendition of Mr. Wickersham's opinion as to whether the sale was valid. It is sufficient merely to suggest the magnitude of the work without going into details.

THE MINDORO DEVELOPMENT COMPANY.

But this is not all. Among other elements in this new policy in the Philippines, and directly connected, as I shall show, with the sale of the friar lands, is the Mindoro Development Company, a corporation chartered under the laws of New Jersey on December 8, 1909, ten days prior to the rendition of Mr. Wickersham's opinion. Before the House Insular Committee on April 13 last the following colloquy occurred:

Mr. GARRETT. There was a corporation organized in New Jersey called the Mindoro Development Company at the time or immediately following this purchase. I suppose nothing is known yet whether these is any relation between it and this land, so far as the department is concerned?

General EDWARDS. No, sir.

Colonel MCINTYRE. We do not know whether they have anything to do with this or not. I read Mr. MARTIN'S speech in which he said there was such a company. Up to that time I did not know of the existence of such a company. I then, on my own initiative, in a cable of that day, because in some way I doubted if the corporation had been formed to take this over, asked if there was such a corporation authorized to do business in the Philippines, and they indicated that the company had been organized and probably would be authorized to do business; they apparently had some knowledge of it. We never heard of it until Mr. MARTIN'S speech.

"They indicated that the company had been organized and probably would be authorized to do business; they apparently had some knowledge of it." Just bear these statements in mind, together with the date on which they were made, April 13, and compare them with the actual facts as set out in the cablegrams themselves, which were afterwards produced in response to a specific resolution of inquiry:

MARCH 30, 1910.

To FORBES, *Manila:*

* * * Is there a Mindoro Development Company authorized to do business in the Philippine Islands? * * *

EDWARDS.

APRIL 9, 1910.

SECRETARY OF WAR, *Washington:*

* * * Referring to cablegram from your office of the 30th ultimo, Mindoro Development Company. Yes; organized in New Jersey. * * *

FORBES.

So that when, on April 13, these gentlemen from the Bureau of Insular Affairs appeared before the House Committee on Insular Affairs and dealt in indications, probabilities, and appearances, they then had a cablegram, dated April 9, specifically informing them of the fact that the company had been organized and authorized to do business in the Philippines. If they have not since acquired additional information about this legal monstrosity which has been turned loose in the Philippines, they may receive further enlightenment in a subsequent portion of this statement. I have now to do only with the part this company plays in the San Jose estate sale and the Attorney-General's opinion. Attention has already been called to the fact that the company was chartered December 8, ten days prior to the opinion. Its organization, like the seeding, etc., of the estate, required some preliminary work. Such a monster as this company will be shown to be was not spawned in a day, nor in a month. The Mindoro Development Company was gestating when, on September 3, 1909, as shown by General Edwards's letter of April 11, John Henry Hammond, of the firm of Strong & Cadwalader, informed General Edwards that—

His clients desired to organize a corporation to engage in agriculture in the Philippines.

It was the corporation John Henry Hammond and his clients had in mind. And that John Henry Hammond and his clients have not been disappointed in their desires is attested by the fact that the Mindoro Development Company is now having constructed at the Honolulu Iron Works a large sugar plant for the San Jose estate in Mindoro. Thus may the administration be advised as to the connection between the San Jose friar estate, its purchasers, and the Mindoro Development Company.

This forehandedness, so to speak, at both ends of the line assuredly indicates a lack of anxiety as to what Attorney-General Wickersham's opinion would be, although such easy state of mind may have been induced in part by a letter from the Bureau of Insular Affairs to Mr. John Henry Hammond on September 4, 1909, stating that although Porto Rico had even more restrictive limitations (500 acres) than the Philippines, "the sugar industry in Porto Rico had been as fully developed as though there was no such provision."

Color is lent to the presumption that the bureau letter may have exerted some assuring influence by the reply of Mr. John Henry Hammond on September 7, 1909, in which, among other things, he says:

I also note that precedents appear to have been established in Porto Rico which may have an important bearing on the construction of the Philippine statutes.

The precedents being that, despite the law, the small planters and sugar makers in Porto Rico have been wiped out of existence and the sugar production of the island as thoroughly monopolized as in Cuba or Hawaii. It may be, therefore, that with the assurance that the limitations of the organic law of the Philippines would be treated by the Bureau of Insular Affairs "as though there were no such provisions," the law firm at No. 40 Wall street felt that the work of benevolent assimilation might safely proceed until such time as the Attorney-General should reenforce this assurance with an official certification that, as a matter of law, no such provisions really exist.

There is no longer any cause for confusion over the fact that long before the Attorney-General had officially let down the rails the hogs were already inside the fence and rooting up the ground—the whys and the hows. This point is now as clear as the gap itself. But at this juncture we might well pause and say that after all, considering the size of the swine, they had only been given a hog lot—55,000 acres in one of the Philippines' thousand isles; only two American townships; too small for the big men in it. And so it is, when confined to the single transaction heretofore discussed. Heretofore the controversy has centered upon the sale of this single estate.

I shall now proceed to show that we have only been playing about the edges of this question; that the San Jose estate deal is only a lead; that the mother body is nothing less than, barring, perhaps, Alaska, the biggest exploitation scheme conceived in this country in years; that all the friar lands are involved, and that even they are but an incident in the general plan of exploitation of the Philippine Archipelago. As I spent several months digging at the grass roots, I shall ask you to spend several minutes following their leads to the parent ore.

ALL FRIAR LANDS INVOLVED.

One of the defenses to the sale of the San Jose estate which appears in every statement thus far made by the War Department, as well as upon the floor of the House, is that it was remote, uncultivated, and unoccupied, and therefore a loss to the Philippine government, which must meet charges on the land-bond issue. About 200,000 acres of the friar lands were said to be unoccupied, and therefore in contemplated sale in large tracts. It is obvious, of course, although seemingly overlooked by the administration, that if the unoccupied land is unprotected by the limitations, neither is the occupied; and the acquisition of the latter will be merely a matter of buying out and freezing out the little fellows, as is being done in Porto Rico.

For some time the San Jose estate appeared to be the only property already affected. Then it came to light that the Tala estate (17,000 acres), in the island of Luzon, had been leased under a contract of sale to an unnamed purchaser, and that the Isabela estate (45,000 acres), island of Luzon, was under option to one W. H. Lawrence. One W. H. Lawrence is a lawyer in Manila; therefore it is a safe wager that one W. H. Lawrence, of Manila, like "one E. L. Poole, of Habana," is merely an agent. He is reported to represent Philippine tobacco interests. The options given on partially occupied estates are progressive in character, the unoccupied portion passing at once, with provision for the passing of the occupied portions as soon as the little brown brother loses his grip.

The little brown brother does not appear to have gripped any great quantity of these estates. They are 23 in number, which appears to have been an unlucky number for the Filipinos, for out of these 23 sales appear to have been made in small parcels on but 4 of the smaller, the Dampol (2,294 acres), the Binagbag (729 acres), the San Marcos (216 acres), and the Orion (2,163 acres), and aggregating less than 6,000 of the total of 400,000 acres. Not a single sale has been made on the Cavite estates, right at the doors of Manila. Provision was made in the friar-land act of April 26, 1904, for the survey of these estates, with the view to rapidly passing them into the ownership of the tenants and others in small tracts. But the survey began on the uninhabited and uncultivated San Jose estate and dragged along for years on the larger and partially occupied estates. Four years were consumed in surveying 400,000 acres of land, the densely occupied, which should have been first surveyed, being reserved for the last. Coincidentally laws were gotten even through a Filipino legislature which have been construed to nullify the organic law and to authorize the sale of these estates in bulk, although the vehement protests now being made by the Filipinos go to negative any such intent on the part of the legislature.

The Philippine interior department (American) has fixed 100 pesos, that is, 100 Philippine dollars, as the minimum sale price of land, regardless of quantity. As that is more money than most of the little brown brothers ever saw at one time, the result has not been conducive to land ownership. It affords a partial explanation for the fact that up to June 30, 1908, but 675 Filipinos had acquired title to land under American occupation; and of the further fact that of the 60,000 tenant families on these lands at the time of their purchase not more than 20,000 remain.

But I can only touch upon these features. Whatever the causes, our friar-land policy in the Philippines has been a complete failure. These lands were acquired in bulk, to be broken up among the tenants in parcel. Instead they are to be converted into peon plantations, and their last state will be worse than their first.

PHILIPPINE GOVERNMENT OFFICIALS GRABBING FRIAR LANDS.

I have stated that it came to light since the origin of this controversy during the present session of Congress that the Tala estate had been leased under a contract of sale to an unnamed purchaser. The purchaser is no longer unnamed. The name of the purchaser is Frank W. Carpenter, the executive secretary of the Philippine government. This is the startling information contained in a report from the director of public lands, sent to the Speaker of the House by the Secretary of War on Saturday last, in answer to a resolution of inquiry passed some weeks ago. This is almost incredible and would appear to be the capsheaf of official turpitude. The report said that Frank W. Carpenter has leased 2,067 hectares, or something more than 5,000 acres, and that the "lessee further binds himself to rent all vacant lands on the Tala estate or lands now occupied which may become vacant."

The fact is, as shown by another report, that this was a progressive sale of the entire estate. Under the agreement, he will receive a stated additional quantity of the estate each year until he has acquired all of it. The occupied lands are to pass upon the termination of outstanding leases in small tracts to the native tenants. As the director of lands may dispossess a tenant for failure after eight days' notice to purchase or lease his holdings, it will be seen that the machinery has been provided for dispossessing the tenants as rapidly as the pur-

chaser may desire to acquire their lands. Furthermore, until the title in fee simple passes to the purchaser, he will pay only 6 cents per acre per annum on uncultivated land and only 30 cents per acre per annum on land from which he produces a crop that pays him a net profit fixed in the contract, while the native tenants pay $1.17 per acre, hit or miss. How does that strike you for a cinch?

I had been trying for several months to ascertain who got the Tala estate, and the delay in securing the information, in the light of the foregoing facts, is not at all surprising. This information was specifically requested in a general resolution of inquiry introduced in the House on April 5 last and the answer to which appears in the CONGRESSIONAL RECORD of April 14, with General Edwards's letter of April 11, which has already been several times referred to. General Edwards must have known that Carpenter had this estate at that time, but not only was care taken not to furnish the information, but the fact that any such agreement had been entered into with anybody was completely concealed.

Another question arising with reference to this transaction is where Mr. Carpenter procured, or will procure, the means to pay for this tract of land, a sum ranging somewhere between $100,000 and $200,000. Philippine salaries are generous, indeed, if the officials of that government are enabled out of their official emoluments to become landed gentry. A more reasonable supposition is that Mr. Carpenter secured the Tala estate for purely speculative purposes or as the agent of undisclosed principals. As is the case with nearly every disclosure connected with these sales of the friar lands, from Mr. Wickersham's extraordinary opinion of the Carpenter deal, just enough has been extorted to point the need of a thorough investigation to get the whole truth.

The report filed by the Secretary of War on Saturday last also discloses the lease of 3,000 acres of valuable public land for a period of twenty-five years at 20 cents in Philippine money per acre per annum, the minimum fixed by law, to one E. L. Worcester, who is the nephew of Dean C. Worcester, the Philippine secretary of the interior, the official who, under the law, must approve all sales and leases of Philippine lands. The lease of public lands at such a rental for a period of twenty-five years is in itself such a criminal betrayal of official trust that any official in this country guilty of such conduct would be summarily dismissed from office. Without further enlarging upon this proposition at this time, I have no hesitancy in repeating the charge made in a resolution of investigation this day introduced by me, that the sale of the Tala estate to Carpenter and the lease of the public lands to Worcester are so criminally corrupt and immoral as to constitute malfeasance in office upon the part of the officials involved in those transactions. The lack of any sense of official decency or responsibility thus displayed not only accounts for the failure of our land policy in the Philippines, but spell the utter unfitness of the Philippine administration, for which condition the administration at Washington is directly responsible, both upon precept and authority.

THE HISTORIC CALAMBA ESTATE.

I can not pass from the friar lands without further mention of the Calamba friar estate, the sale of which has aroused a storm of protest in the Philippines. The story of this estate is one of the historical tragedies of the Philippines. It is not, like the San Jose estate, "wholly unoccupied." It can not be said that "the Christian civilized inhabitants of the island (Luzon) are very few in number." It is not "evident to anyone acquainted with the conditions that if the sale of this estate was restricted to small 40-acre sections it would not be disposed of within the life of the bonds issued for its purchase by the Government."

These conditions were urged in justification of the sale of the San Jose estate in the island of Mindoro. It might be admitted, in that case, that they were true, without affording any justification whatsoever in law or policy for the sale of the estate. But the Calamba estate is situated within 30 miles of Manila and on a railroad. It is one of the oldest estates in the Philippines. It is one of the richest. It is beautifully located on lakes and living streams of water. Above all, it has been a pivotal point in modern Philippine history. Before the finger of fate had ever pointed this Republic toward the Orient it had cost the most precious blood in the Philippine Archipelago.

For the Calamba estate was the crux, if not the casus belli, of the Philippine insurrection of 1896. A bitter controversy had long raged between the noted Rizal family and their tenants on the one hand, and a religious order on the other over the question of the ownership of this estate. And this feeling finally resulted in the Philippine insurrection of 1896. During the insurrection Jose Rizal, whose name is now revered as that of the first citizen and patriot in Philippine history, was seized by the Spanish arms, court-martialed, and shot to death on the luneta at Manila. His execution occurred on December 31, 1896, and that day is now set apart and consecrated to the memory of the man as a martyr to the cause of patriotism and liberty. After the Spanish-American war this estate became the crux of the negotiations to purchase all the friar lands and sell them to the people. This estate was as prominent as a moving cause in these negotiations as it had been in the insurrection of 1896.

Yet on April 15 last American press dispatches from Manila announced the sale of 20,000 out of the total of 33,000 acres of this estate to the Dillingham sugar interests of Honolulu. The first dispatch to this effect appeared in the New York Times, Philadelphia Public Ledger, and other papers as follows:

MANILA, *April 14.*

Agents for the Dillinghams of Honolulu have purchased 20,000 acres in Languna Province, where it is proposed to establish a sugar plantation and to erect a large grinding mill. The property includes the Calamba friar estate and has rail and water connections with Manila. The price paid for the land averaged $20 per acre.

The same news item appeared in American trade bulletins. But the Secretary of War, by letter of May 5, 1910, to Congress, and which is now part 2 of House Document No. 804, made only this mention of the matter:

One application has been made to purchase 1,200 hectares (3,000 acres) by Thayer, said to be agent of Dillingham.

This statement is characteristic for its lack of frankness as well as information. Who is Dillingham? Does it appear from the foregoing statement? Is Dillingham to be understood in the singular as given in the statement or in the plural as given in the press dispatches? Are the Dillinghams doing business as a corporation? Was there on May 5 merely an application pending in the Philippine bureau of public lands to purchase 3,000 acres of this land, or had the agreement then been entered into? And was the agreement for 3,000 acres or for more? Was it a progressive agreement, as in the case of the Tala estate, so that eventually the purchaser may acquire all of it? But perhaps it would simplify matters to ask if it is possible for the War Department to make a full and truthful and positive statement about any of these matters touching the Philippines. So far as the merits of this controversy are involved, it is a matter of indifference whether the truth would disclose an application for 3,000 acres or the sale of the entire estate, for either fact would effectually establish the breakdown of the administration of these lands.

Perhaps the front page, with seven-column head, of the Manila Times of Thursday, April 14, 1910, tells the truth:

TWENTY THOUSAND ACRES OF SUGAR LANDS ARE BOUGHT BY HAWAIIANS—₱3,000,000 WILL BE PUT INTO MILLS AND DEVELOPING ESTATE—HUGE INDUSTRY TO BE CREATED WITHIN 30 MILES OF MANILA IN THE NEXT EIGHTEEN MONTHS.

Three million pesos of Hawaiian capital will be spent in the development of a 20,000-acre sugar plantation within 30 miles of Manila in less than ten months, according to a report current this morning that the Dillingham interests of Honolulu, through their agent, Mr. A. F. Thayer, had taken over the Calamba estate, comprising 10,000 acres of friar lands, and had contracted for 10,000 acres additional in public and private lands adjoining the estate.

These lands are located in Laguna Province, and have superb water facilities, as they front on the lake and have two rivers flowing through the property that will furnish upwards of 50,000 barrels a day. This will enable every acre of the land to be irrigated after the Hawaiian system, which has proved such a success. * * *

That the Calamba estate has been sold is evidenced by the work already under way on the plantation where roads looking to its planting in sugar now are being cut across the fields. * * *

If it were not for the fact that the honorable Secretary of War in a letter to Congress on May 5, 1910, had stated that there was only an application on file to buy 3,000 acres of the Calamba estate, I would be inclined to credit the foregoing important item of local news in the unofficial organ of the administration on April 14, 1910, and the statements in the issue of the same paper of April 22, that the archipelago is in a ferment over the sale, but perhaps the ethics of the situation require that I reserve a doubt as to the truth of the publication, which I do all the more reluctantly since I have heretofore secured more reliable information about Philippine land matters from the public press than from the War Department.

SPRECKELS ON THE GROUND.

Manila dispatches also report the arrival on the ground of an agent of the Spreckels. Where he lighted has not yet been announced. But the Spreckelses made millions through free trade in sugar with Hawaii, and it is not likely that they will sit idly by and allow the Havemeyers to reap all the benefits of a similar condition in the Philippines. Their lighting place will no doubt be announced in due time. While the Spreckels sugar interests have amalgamated with the sugar trust, it does not necessarily follow that they should not get what is coming to them in the Philippines, and it is a pleasure to learn that while they were not first on the ground, as at Hawaii, there

are still some friar lands undisposed of, which will enable them to get a fair share of the sugar industry in the Philippines.

THE VALUE AND SALE PRICE OF FRIAR LANDS.

The mention of the sale price of the Calamba estate, to wit, 40 pesos ($20 in gold), recalls an error that has crept into this controversy. I did not, as has appeared, charge the Philippine government with having sold the San Jose estate for less than it cost. This error grew out of the following colloquy on the floor of the House:

Mr. SABATH. Will the gentleman yield?
Mr. MARTIN of Colorado. I will yield if I have the time.
Mr. SABATH. Did I understand the gentleman to say that the limitations are 1,200 hectares?
Mr. MARTIN of Colorado. Yes, sir.
Mr. SABATH. That would be about 2,500 acres.
Mr. MARTIN of Colorado. Yes, sir.
Mr. SABATH. What was the amount of the sale?
Mr. MARTIN of Colorado. The sale was 55,000 acres.
Mr. SABATH. That would be about twenty times as much as the limitation provides for.
Mr. MARTIN of Colorado. Exactly.
Mr. SABATH. What was the price?
Mr. MARTIN of Colorado. Three hundred and sixty-seven thousand dollars.
Mr. SABATH. That would be at $6.50 an acre?
Mr. MARTIN of Colorado. Exactly.
Mr. SABATH. And we have paid about $18 an acre.
Mr. MARTIN of Colorado. I think that is about the average price.
Mr. SABATH. We will be then selling it at 33 per cent of what we paid for the land.
Mr. MARTIN of Colorado. It would be 33 per cent of the average price, but I do not know whether it will be 33 per cent of the price paid for this estate in the island of Mindoro.

It will be seen from the foregoing colloquy that the land was not stated to have been sold for less than it cost, and had it been known that such a construction would be placed upon the final answer above given it would have been amplified. The sale price is absolutely immaterial. It makes no difference whether it was sold for a third its cost price or three times its cost price. The question is as to the validity of the sale at any price. And under free trade in sugar it is a gift at either price. Sugar lands in Porto Rico are selling at from $100 to $300 per acre, and sugar can be as cheaply produced and transported to New York in the one case as in the other, because while the water haul is longer from the Philippines, the labor cost will be lower there than in Porto Rico. Even under the crude methods heretofore employed Philippine sugar was put on shipboard for 60 cents per hundred, with an additional cost of 24 cents per hundred for water transportation, thereby enabling the product to be laid down at the port of New York for 84 cents per hundred, or less than $20 per long ton of sugar. With the wholesale price per long ton of sugar in New York ranging in the neighborhood of $100, it will be seen whether there is any profit in the production of Philippine sugar under free trade with the United States.

The very able gentleman from California [Mr. MCKINLAY], in a speech appearing in the CONGRESSIONAL RECORD of May 21 undertakes to show that these lands are of a very low sugar-producing quality, and he claims that at hearings in Manila the sugar planters of the islands demonstrated conclusively that the Philippines would never be a great sugar-producing section of the world. The demonstration might have been more conclusive were it not for the fact that it was bottomed upon the hope of free trade in sugar with the United States and made for the purpose of allaying the fears of our domestic sugar producers.

When Mr. Taft, as civil governor of the Philippines, was urging a 75 per cent reduction in tariff duties between the United States and the archipelago before the Senate Philippines Committee during its consideration of the organic act, the appeared to have a somewhat different idea, as shown by the following colloquy:

Mr. MOODY. Are the islands in respect of soil and climate and labor conditions capable of indefinite extension along the line of the production of sugar?
Governor TAFT. Yes, sir.
Mr. MOODY. So that is another place where the sugar of the world can be produced?
Governor TAFT. Yes. I have no doubt that there is enough land there, if the sugar was properly cultivated, to raise—well, I do not know how much Cuba can raise, but if conditions favor us we are going to be a great sugar-producing archipelago.

The "conditions" referred to by Mr. Taft were tariff conditions.

It was shown at the same hearing that the Philippine sugar lands, while not so good as Hawaii, equaled those of Cuba. I am informed by Porto Ricans that they are better than the sugar lands of Porto Rico, and I am informed by American sugar producers that they are better than those of Louisiana.

Perhaps under the antiquated methods heretofore in vogue in the Philippines, the conditions mentioned by Mr. MCKINLAY have obtained. But the Filipino will no longer drag a forked stick at the tail of a carabao across these acres. He will no longer lose one-third of the juice in his primitive cane mills. He will no longer burn up one-third of the remainder in the process of sugar making. Modern methods will be installed, and under modern methods the Philippines will speedily produce enough sugar to absorb the tariff profit of $37 per ton.

By the way, if the Philippines are such a poor sugar proposition, why are the Havemeyers and the Dillinghams and the Spreckels rushing over there to invest huge sums in sugar production? Is it merely through motives of benevolent assimilation? Are they merely prompted for the uplift of the little brown brother? Or is it a cold business proposition?

Some light may be shed upon this sudden hegira of American sugar interests to the Philippines, as well as upon friar-land values, by the following from General Edwards's letter of September 27 to Governor Forbes:

It is believed here that with the new tariff the natural increase in value of some of these properties should make this friar-land investment look a good deal better than it has heretofore.

Evidently the proposition does "look a good deal better."

True, free trade in Philippine sugar is limited to 300,000 tons per annum, with a proviso that the makers of 500 tons per annum or less shall be given the priority in making up this quantity. This proviso might prove a stumbling block to these enterprises of greater pith and moment were it not for the fact that under the new régime there will be no 500-ton producers of sugar. They will go the way of their brethren in Porto Rico. In the language of the Bureau of Insular Affairs, relative to the operation of the 500-acre limitation upon corporate ownership in Porto Rico, it will be "as though there were no such provision." Of course there still remains the 300,000-ton limitation, but once we have large investments of capital made and large plants under way, this limitation should be and probably will be raised. We can not afford to hamper or restrict an established industry with mere statutory limitations, and perhaps the Attorney-General may find that the limitation does not apply.

ATTEMPTED PUBLIC-LAND GRAB.

What has been shown about the friar lands is, in my judgment, sufficient to make out a more than prima facie case in support of the charge that all these lands, with the exception of a minor fraction, are destined to pass and are passing into the possession of American capitalists. Attention will now be directed toward a similar plan with reference to the public lands. The fact that it has been temporarily defeated will deprive the showing of none of its force. On March 22 last, the Secretary of War transmitted to the Senate the draft of a bill, S. 7401, consisting of proposed amendments to the organic law of the Philippine Islands. Section 15 of this bill as drafted and as intended to supersede section 15 of the present law, provided for the sale of the public domain to individuals in tracts of 1,250 acres. Such an amendment to the organic law, which now limits the quantity to 40 acres, would open the way for land grabbing on a scale that would have made the stealing of the public domain in the United States look like petit larceny. The Philippine public domain would become a paradise for "dummy" entrymen. It is significant that this proposition did not originate in Congress, but came from the War Department, which, in insular matters, means General Edwards's bureau. It is further significant that its origin was practically coincident with the change of policy with respect to the friar lands. But on March 25 the new friar-land policy was first attacked in the House, and two days later this proposed amendment was stricken from Senate bill 7401 in the Senate Committee on the Philippines, which action was confirmed by the action of the Senate on the bill on March 29. It is now in the House Committee on Insular Affairs, where it will probably remain. There can be no doubt that this proposed amendment was conceived as a part of a general plan to throw Philippine lands open to exploitation. The exploiters would term it development, but it is the kind of development had in mind by Mr. Taft, when, as Secretary of War, in his special report on the Philippines to President Roosevelt on January 23, 1908, he made the following statement:

Nor would I regard it as a beneficial result for the Philippine Islands to have the fields of those islands turned exclusively to the growth of sugar. The social conditions that this would bring about would not promise well for the political and industrial development of the people, because the cane-sugar industry makes a society in which there are wealthy landowners, holding very large estates with most valuable and expensive plants, and a large population of unskilled labor, with no small farming or middle class, tending to build up a conservative, self-respecting community from bottom to top.

And it is the kind of development had in mind by Mr. Taft, as civil governor of the Philippines, when, on February 26, 1902, before the House Committee on Insular Affairs, which

was then engaged in drafting the organic law of the Philippine Islands, he made the following statement:

There is no desire on the part of the commission to have that kind of exploitation which will lead to the ownership of principalities in the island by a corporation.

In his special report to President Roosevelt, Mr. Taft, as Secretary of War, very forcibly and succinctly stated the objections to the very policy in the Philippines in which, as President, he is now acquiescing; and the ownership of principalities by corporations, for which, as governor of the Philippines, he professed no desire, is rendered none the less real under Mr. Taft, as President, merely by resort to the subterfuge of holding agents, as in the cases of the San Jose, Isabela, and Calamba estates. The War Department lays stress in all of its statements upon the fact that there is no violation of section 75 of the organic law of the Philippines, which imposes charter limitations upon domestic corporations engaged in agriculture to 2,500 acres of land and subjects foreign corporations to the same provision of law. The land is not to be held by the corporations direct, but by agents of corporations, which corporations will exercise every right and power of ownership save that of holding the nominal title. Such reprehensible subterfuges will deceive no one, will achieve the violation of the law as effectually as though title passed directly to the corporation, as stated by Commissioner QUEZON, and ought to be beneath the dignity of a great government.

THE CAPSHEAF OF EXPLOITATION.

As has heretofore been remarked, the sale of the San Jose friar estate is not worthy of the big interests involved. The addition of all the friar lands looks somewhat more respectable. Throwing open the public domain began measuring up to the Wall street stature. All of these, combined with free trade, in a country twice as big as New England, with eight or nine millions of people and rich in natural resources, would be worthy, at least, of gentlemanly negotiations between Wall street and the departments at Washington. But the great modern agency through which big men operate in a big way would still be wanting. It took the East India Company to exploit India. It will take a Philippine company to exploit the Philippines. Let us see whether this agency has not been already supplied.

The Mindoro Development Company, already mentioned, was incorporated under the laws of New Jersey on December 8, 1909. Its principal office is located at No. 243 Washington street, Jersey City, N. J. The agent upon whom process may be served is George S. Hobart. It was capitalized in the modest sum of $100,000, divided into 1,000 shares of the par value of $100 each, which a month later was increased to $1,000,000, and will later be increased other millions. The names of the incorporators were Robert J. Bain, Jersey City; Samuel S. Moore, Elizabeth; and Charles S. Scribner, Boonton, all in New Jersey. They certified to the subscription of 100 of the original 1,000 shares.

The Mindoro Development Company is the summum magnum of corporate infamies. It is an octupus with a tentacle for every source of sustenance. It is a criminal conspiracy under every law, common or statute, in this country. It is capable of superseding the government of any country in which it is permitted to do business, and if men intend the natural consequences of their acts, as they are said in law to do, the Mindoro Development Company is intended to supersede the present government of the Philippine Islands.

A statement of the objects of the Mindoro Development Company would be a comprehensive task. It would be easier to enumerate the things that it may not do. After a number of readings of the powers of the company as set forth in the articles of incorporations I can call to mind no business in which it may not engage.

It may "build, buy, own, hold, sell, lease, rent, equip, maintain, operate, and in any manner acquire, use, and dispose of" everything on earth except a right of way in the State of New Jersey. Among the things enumerated in the charter, a certified copy of which I possess, are factories, refineries, distilleries, mills, railroads, tramroads, steamship lines, sailing vessels, tugs, lighters, piers, docks, dry docks, wharves, warehouses, irrigating ditches, canals, electric and all other kinds of plants for lighting, heating, power, irrigating, refrigerating, and all other purposes; hotels, lodging houses, boarding houses, stores, hospitals, schools, houses, tenements, barns, stables, and all other kinds of buildings and structures; parks, places of amusement, places of entertainment, places of instruction, and all the material, apparatus, tools, equipment, and appliances necessary, suitable, or convenient for any or all of the foregoing purposes; sugar, sugar cane, molasses, coffee, tobacco, lumber, woods and agricultural products of all kinds, and merchandise, commodities, and personal property of all kinds; trade-marks, trade names, patents, and all improvements and processes connected with any of said businesses; real estate, banking, stocks, and bonds, including the right to buy the stocks, bonds, or other obligations of all other corporations on earth, together with all the rights, powers, and privileges of ownership therein, including the right to vote; and to do all and sundry the things that may be useful, necessary, desirable, or convenient to the exercise of these multiform functions and powers.

Compared with this industrial behemoth, the oil trust, the sugar trust, the tobacco trust, the railroad trust, and the bank trust, rolled into one, are as elemental and simple as the rule of three. There are myriads of other trusts beyond the scope of these giant organizations, but all of them find membership in the body of the Mindoro Development Company. Its fingers are trusts. Its toes are trusts. The unnumbered hairs on its head are trusts. Every molecule in its corporosity is a separate and distinct monopoly, and all synthetized and acting in harmony under the guiding impulse of a little sheet of typewritten paper, signed by three dummies and stowed away in the archives of the secretary of state of the State of New Jersey, United States of America.

TURN ON THE LIGHT.

There may be those who can not be convinced that the administration in the Philippines ought to be investigated, but I submit to all fair-minded men whether the showing made does not demand an accounting at the hands of a congressional investigating committee. For twelve years this country has had control of the Philippine Islands. For twelve years undisputed authority over the archipelago has been exercised by a handful of federal appointees at a distance of 7,000 miles from the seat of supervision and control. Under such conditions, and in an era of corruption in office, it would be nothing short of a miracle if a checking up of Philippine affairs revealed no abuses in need of correction. I have only touched upon the main features of one transaction, which has aroused comment, largely unfavorable, throughout the country. I have omitted other important matters. I have been handicapped and limited in every direction. I have had only the most meager agencies for getting at the facts.

And yet, under these obvious and almost overwhelming disadvantages, I have established beyond dispute the most important fact that the policy of this Government in the Philippines, "the Philippines for the Filipinos," declared and established after months of consideration by Congress and for ten years thereafter in undisputed operation, has now been abandoned for a new policy of exploitation. Was this former policy of a great nation in the discharge of a great trust so light a thing that it can without question be snuffed out of existence and its reverse established by a mere department of the Government? Have Congress and the country no interest in this change? And when to this is added the fact that every scrap of evidence thus far adduced goes to show that the influences and interests bringing about this change were secret, inimical, and improper, does it not justly add weight to the demand that the full light of a congressional investigation be thrown upon it? Who are getting these lands? Could anybody else have gotten them? Who broke down the safeguards of the Philippine constitution? Could anybody else have broken them? Who are and what is the connection between Henry W. Taft, and Wickersham, and Hammond, and De Gersdorff, and Edwards, and Havemeyer, and Poole, and Lawrence, and Dillingham? Who is behind the Mindoro Development Company, and what are its purposes? Are certain favored powerful interests, through certain favored powerful influences, trafficking in the laws and policies of this Government? These are the questions raised by the facts that have thus far come to light in this inquiry. Do you want them fully and truthfully answered? You must take one of two positions, either no facts have been shown to justify the charges made or enough have been shown to warrant and demand a thorough investigation. For my part, I affirm the charges with confidence that an honest investigation will sustain them to the last degree.

SUMMARY AND ANALYSIS OF PHILIPPINE LANDS, LAND LAWS, RECORDS, AND REPORTS, AND RAILWAYS.

I append an exhaustive summary and analysis of the Philippine friar-land question, including laws, records, and reports bearing thereon, together with a chapter of Philippine railway history, showing that feature of Philippine administration to stand equally with the administration of lands in need of a thorough accounting.

WHAT IT SHOWS.

It shows that the reasons for acquiring these friar lands were entirely political; that all of the recent insurrections had broken out on the densely populated friar estates; and that the sole purpose of acquiring them was to divide them up amongst the tenants and other Filipinos, selling them at reasonable prices and on long time, thus making peaceful, contented citizens out of dissatisfied tenants.

That in the testimony before the committee of Congress there was not a line or a word spoken by any witness which suggested that any portion of these lands was to be used for exploitation purposes.

That during the five months in which the bill was before Congress there is not an instance where the land provisions of the original bill were liberalized, but that on the contrary restriction after restriction was added to them in both Senate and House.

That whenever in debate a way was pointed out whereby Philippine officials who favored exploitation might be able to evade the intent and purpose of Congress to prevent exploitation, those who had the bill in charge brought in and had adopted an amendment which would prevent such exploitation.

That the fear of exploitation, despite the will of Congress, was all but universal, but that when the bill took its final form the belief was general that exploitation under it would be impossible.

That the Philippine government considered that the 40-acre restrictions of section 15 governing the area of crown lands which could be sold to an individual or 2,500 acres to a corporation, applied equally to section 65, governing the sale of friar lands, and that when that government passed the act providing for the disposition of the friar lands, they embodied in it the same language and restrictions as to area as were embodied in their so-called public-lands act.

That within five months from the passage of the organic act by Congress July 1, 1902, the Philippine Commission was appealing to Congress to raise the 2,500-acre limitation on Crown lands which could be sold to corporations to 25,000 acres, in order that the islands might be exploited with sugar corporations.

That until 1907 this clamor for exploitation continued from year to year on the plea that there was plenty of land both for the natives and for the exploiters.

That under the terms of the act of Congress the authority of the Philippine government to acquire the unoccupied San Jose and the Isabela estates was based solely on acquiring them for the purpose of preventing their exploitation, inasmuch as only such lands were to be purchased as were held—

in such large tracts or parcels and in such manner as in the opinion of the commission injuriously to affect the peace and welfare of the people of the Philippine Islands.

These unoccupied lands only could "injuriously affect the peace and welfare of the people of the Philippine Islands" by being exploited, and there would be no legitimate object in preventing the friars from exploiting them and then turn them over to the Havemeyers for the same purpose.

That having acquired these 400,000 acres of friar lands, instead of first surveying and dividing up the densely populated estates on which the dissatisfied tenants were giving the Government trouble, the entire surveying force of the Government was shipped to the island of Mindoro, where it spent something over five months surveying the uninhabited 55,000-acre San Jose estate, which now has been sold to the Havemeyer syndicate.

That surveys of many of the densely populated estates were allowed to drag along for over three years after the survey of the San Jose estate had been finished and two and one-half years after the survey of the unoccupied Isabela estate had been completed.

That while the surveys on some of the densely populated estates were completed in 1906 and others in 1907, up to June 30, 1908, not a sale certificate had been issued on any one of the large estates which would be valuable for exploitation purposes.

That while year after year the Philippine Commission had advised Congress of progress made in locating tenants on friar estates, has stated that the tenants have indicated their desire to become purchasers, and has expressed the belief that the majority of them would become satisfied landowners instead of discontented tenants, only 446 of the 60,000 friar land tenants had been provided with sale certificates up to June 30, 1908.

That the 446 sale certificates so far reported as having been issued cover but 1,600 acres, and are confined to four of the very smallest estates, the entire area of the four covering less than 6,000 acres, thus preserving intact for exploitation purposes every one of the important estates.

That the policy pursued by the Philippine government in dealing with these natives is the same disastrous leasing policy that was pursued by the friars, and which policy, it was stated, was largely responsible for all the insurrections which occurred from 1870 to American occupation.

That largely on account of high rentals charged the natives, the number of leases on friar estates has fallen from 22,229 in 1907 to 20,654 in 1908.

That the Philippine government is charging the natives a rental far in excess of the annual interest charge on the bonds issued to pay for the lands, the average annual rental charged being $1.30 per acre.

That on the 33,000-acre Calamba estate, where the friars stated that their annual rentals amounted to 75 cents per acre, the Philippine government is charging some 1,200 tenants an average rental of $1.58, or more than double the rate the friars charged them, or nearly 8 per cent on the cost of the land, which is about double the investment yield of farm leases in this country.

That where 20,000 native tenants are compelled to pay an average annual rental of $1.30 an acre, the Havemeyer syndicate is enabled to purchase outright a 55,000-acre estate on annual payments of 32 cents per acre.

That the Philippine government leased the 16,000-acre Tala estate on the following terms: One thousand eight hundred and fifteen acres of this estate were already under lease to 466 natives, at an average rental of $1.17 per acre. The new tenant was given a lease, with privilege of purchase of the balance of the estate. The new tenant agrees to take over a certain number of acres each year until he shall have taken them all. On such portions as he takes over and does not cultivate or crop, he is to pay 6 cents per acre; on such portions as he takes a crop from, he is to pay 30 cents per acre, as compared to the native's $1.17. As fast as the leases to natives run out and are not renewed, the big tenant has the option of taking them over. The big tenant gets the land for one-fourth the rental exacted from the native, and has the privilege of purchasing the entire estate and using the natives as chattels.

That while under the amended friar-land law of the Philippine Islands the purchaser of friar lands is given twenty-five years in which to make his payments, on several of these estates the average rental charged the native is in excess of the interest on the purchase price plus one twenty-fifth of the purchase price, or, in other words, that the natives are charged more rent than they are supposed to have to pay in annual payments in order to purchase the land.

That the would-be native tenant purchasers of crown lands experience much the same difficulties as do those who would purchase friar lands.

That when a native applies to purchase 1 hectare (2.47 acres) of crown land, he is informed that the land he desires has been appraised and the value fixed at ₱100 ($50). As a matter of fact, no appraisement has been made, but the price is fixed arbitrarily at a figure which will cover all the costs of administration charges, advertising, surveys, and so forth, and the result is that up to June 30, 1908, only 219 natives had been able to purchase any portion of the 50,000,000 acres of crown lands. In a country where a native is compelled to work six days a week for a whole year in order to earn $50, it does not seem strange that so few of them can afford to pay $50 for 2½ acres of land. The strange part of it would seem to be that with over 50,000,000 acres of agricultural lands belonging to the Government, a native should be compelled to pay $20 an acre for the few acres which supply his wants.

That while 68,000,000 acres of the total area of 73,000,000 acres of the Philippine Islands are owned by the Government, after ten years' occupation but 665 of the 8,000,000 natives were allowed to purchase homes on either crown or friar lands.

That after appropriating ₱100,000 of public funds to loan to agriculturists who had lost everything and were unable to put in their crops, rules and regulations were issued whereby these loans could be made only for the purpose of cultivating sugar cane in certain restricted areas where the tenants were compelled to furnish the cane to certain mills located on estates which had been taken possession of by the Manila Railway Company, the Speyer syndicate, of New York.

That in 1903 the Philippine government hired an engineer to make a reconnoissance and estimate of the cost of construction of various proposed railways for the islands and that estimating on a standard gauge road, figuring on a large amount of solid rock work, on rails at $35.75 per ton, and on creosoted ties from the Pacific coast, at $1 apiece, he estimated the total cost of the construction of the 69-mile Manila-Batangas line at $15,905 per mile.

That under act of Congress of February 6, 1905, the Philippine government was authorized to guarantee 4 per cent interest on railway bonds to be issued in the construction of new railways, provided:

First, that the total amount of bonds the interest upon which is to be guaranteed shall in no event exceed the amount actually invested in cash in the construction and equipment of such railroad, to be determined as hereinafter provided.

That the concession for the lines in Panay, Cebu, and Iloilo was granted to the J. G. White & Co. syndicate, of New York, which also received the contract for deepening the harbors at Iloilo and Cebu, which received the franchise for the Manila street railway system, also the Manila electric light and power plant, and various other important public improvements in the islands.

That the J. G. White & Co. syndicate includes J. G. White, Cornelius Vanderbilt, jr., Charles M. Swift, Alonzo Potter, William Salomon & Co., R. T. Wilson & Co., and others, and that the conferences with the Secretary of War on the issuance of additional bonds occurred in the offices of the law firm of Strong & Cadwalader, who are supposed to represent the J. G. White & Co. syndicate, and of which law firm Attorney-General Wickersham was the second ranking member until he became Attorney-General, upon which Mr. Henry W. Taft was moved up from fourth place in the firm to second place.

That on June 30, 1908, the Philippine government had guaranteed interest on bonds to the extent of $40,600 a mile on the Cebu lines and $67,950 a mile on the Panay lines.

That these lines are narrow gauge, 3 foot 6 track; that on the Panay line there was no rockwork whatever; that they were reported as "preliminarily completed," which meant that they had not been ballasted and that the bridges and culverts were not in.

That on June 30, 1909, the amount of bonds on the two narrow-gauge lines on which the Philippine government had guaranteed interest amounted to over $60,000 per mile, or nearly four times the cost of construction of a standard-gauge line, as estimated by engineers in the employ of the Philippine government.

On December 6, 1909, the Philippine government concluded a sale which it had been negotiating for many months to the Havemeyer sugar-exploiting syndicate, now operating as the Mindoro Development Company, of New Jersey, with a capital stock of $1,000,000. The land conveyed amounted to some 55,000 acres, and the question is whether or not the Philippine government, under act of Congress of July 1, 1902, entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," had the right to sell these lands in the manner indicated, and also, if the act be ambiguous, what was the intent and purpose of Congress when it enacted the law.

The various sections of the law which relate to agricultural lands and to companies engaging in agriculture are as follows:

SEC. 12. That all the property and rights which may have been acquired in the Philippine Islands by the United States under the treaty of peace with Spain, signed December 10, 1898, except such land and other property as shall be designated by the President of the United States for military and other reservations of the Government of the United States, are hereby placed under the control of the government of said islands, to be administered for the benefit of the inhabitants thereof, except as provided in this act.

SEC. 13. That the government of the Philippine Islands, subject to the provisions of the act and except as herein provided, shall classify according to its agricultural character and productiveness and shall immediately make rules and regulations for the lease, sale, or other disposition of the public lands other than timber or mineral lands, but such rules and regulations shall not go into effect or have the force of law until they have received the approval of the President, and when approved by the President they shall be submitted by him to Congress at the beginning of the ensuing session thereof, and unless disapproved or amended by Congress at said session they shall at the close of such period have the force and effect of law in the Philippine Islands: *Provided*, That a single homestead entry shall not exceed 16 hectares (40 acres) in extent.

SEC. 14. That the government of the Philippine Islands is hereby authorized and empowered to enact rules and regulations and to prescribe terms and conditions to enable persons to perfect their title to public lands in said islands, who, prior to the transfer of sovereignty from Spain to the United States, had fulfilled all or some of the conditions required by the Spanish laws and royal decrees of the Kingdom of Spain for the acquisition of legal title thereto yet failed to secure conveyance of title; and the Philippine Commission is authorized to issue patents, without compensation, to any native of said islands, conveying title to any tract of land not more than 16 hectares (40 acres) in extent, which were public lands and had been actually occupied "by such native or his ancestors prior to and on the 13th of August, 1898."

SEC. 15. That the government of the Philippine Islands is hereby authorized and empowered, on such terms as it may prescribe, by general legislation, to provide for the granting or sale and conveyance to actual occupants and settlers and other citizens of said islands such parts and portions of the public domain, other than timber and mineral lands, of the United States in said islands as it may deem wise, not exceeding 16 hectares (40 acres) to any one person and for the sale and conveyance of not more than 1,024 hectares (2,500 acres) to any corporation or association of persons: *Provided*, That the grant or sale of such lands, whether the purchase price be paid at once or in partial payments, shall be conditioned upon actual and continued occupancy, improvement, and cultivation of the premises sold for a period of not less than five years, during which time the purchaser or grantee can not alienate or encumber said land or the title thereto; but such restriction shall not apply to transfers of rights and title of inheritance under the laws for the distribution of the estates of decedents.

SEC. 63. That the government of the Philippine Islands is hereby authorized, subject to the limitations and conditions prescribed in this act, to acquire, receive, hold, maintain, and convey title to real and personal property, and may acquire real estate for public uses by the exercise of eminent domain.

SEC. 64. That the powers hereinbefore conferred in section 63 may also be exercised in respect of any lands, easements, appurtenances, and hereditaments which, on the 13th of August, 1898, were owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels and in such manner as in the opinion of the commission injuriously to affect the peace and welfare of the people of the Philippine Islands. And for the purpose of providing funds to acquire the lands mentioned in this section said government of the Philippine Islands is hereby empowered to incur indebtedness, to borrow money, and to issue, and to sell at not less than par value, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands, upon such terms and conditions as it may deem best, registered or coupon bonds of said government for such amount as may be necessary, said bonds to be in denominations of $50 or any multiple thereof, bearing interest at a rate not exceeding 4½ per cent per annum, payable quarterly, and to be payable at the pleasure of said government after dates named in said bonds not less than five nor more than thirty years from the date of their issue, together with interest thereon, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands; and said bonds shall be exempt from the payment of all taxes or duties of said government, or any local authority therein, or of the Government of the United States, as well as from taxation in any form by or under state, municipal, or local authority in the United States or the Philippine Islands. The moneys which may be realized or received from the issue and sale of said bonds shall be applied by the government of the Philippine Islands to the acquisition of the property authorized by this section, and to no other purposes.

SEC. 65. That all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed, or leased temporarily "for a period not exceeding three years after their acquisition by said government on such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in this act: *Provided*, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of principal and interest of the bonds authorized to be issued in payment of said lands by the preceding section and said deferred payments shall bear interest at the rate borne by the bonds. All moneys realized or received from sales or other disposition of said lands or by reason thereof shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity. Actual settlers and occupants at the time said lands are acquired by the government shall have the preference over all others to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said government.

SEC. 75. That no corporation shall be authorized to conduct the business of buying and selling real estate or be permitted to hold or own real estate except such as may be reasonably necessary to enable it to carry out the purposes for which it is created, and every corporation authorized to engage in agriculture shall by its charter be restricted to the ownership and control of not to exceed 1,024 hectares (2,500 acres) of land; and it shall be unlawful for any member of a corporation engaged in agriculture or mining and for any corporation organized for any purpose except irrigation to be in anywise interested in any other corporation engaged in agriculture or mining. Corporations, however, may loan funds upon real-estate security and purchase real estate when necessary for the collection of loans, but they shall dispose of real estate so obtained within five years after receiving the title. Corporations not organized in the Philippine Islands and doing business therein shall be bound by the provisions of this section so far as they are applicable.

In contravention of the universally established principles of law as enunciated by such world-renowned commentators as Blackstone and Kent, Attorney-General George W. Wickersham on December 18, 1909, rendered an opinion to the Secretary of War, in which he held that, although section 65 provided that the friar lands only could be sold "subject to the limitations and conditions provided for in this act," the conditions contained in section 15 do not apply to section 65. The concluding paragraph of the Attorney-General's opinion reads as follows:

I am of opinion that the limitations in section 15 do not apply to the estates purchased from religious orders under sections 63, 64, and 65 of the Philippine act.

Both Blackstone and Kent hold that not only must a statute be construed as a whole, but that where there are several statutes relating to the same subject, all must be construed together; that the reason and spirit of the legislator must be taken into consideration; that it always is to be assumed that the legislature intended its enactment to be effectual, and that subtle and forced constructions for the purpose of either limiting or extending their operations are to be rejected.

In the organic act of July 1, 1902, which established civil government in the Philippine Islands, Congress turned over to the newly created government some 55,000,000 acres of timber and agricultural lands which had been ceded to the United States by Spain under the treaty of Paris. In making this transfer Congress provided for the issuance, under certain restrictions, of homestead entries and of free patents, not exceeding 16 hectares—40 acres—in either case to any one person. Congress also provided for the sale and conveyance of these

lands to settlers and other citizens of the islands in amounts not exceeding 16 hectares—40 acres—to an individual and 1,024 hectares—2,500 acres—to a corporation.

Congress further provided that the Philippine government might issue some $7,000,000 of bonds for the purpose of acquiring from the friars something less than 400,000 acres of agricultural lands which had been held in such manner as to menace the peace and welfare of the people of the Philippine Islands. Congress provided that these friar lands—

shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed, * * * subject to the limitations and conditions provided for in this act.

The Attorney-General of the United States contends that the law imposed no conditions as to the area of friar lands which could be sold to an individual, while equally eminent counsel hold to the reverse opinion.

The first thing to be determined is why Congress authorized the Philippine government to purchase those 400,000 acres of agricultural lands, when by the same act Congress was turning over to the Philippine government without cost some 60,000,000 acres of largely unoccupied lands which Spain had ceded to the United States.

Upon this point Governor Taft told the House committee:

In 1896 the insurrection against Spain began in the province of Cavite. The province of Cavite is the province in which the friars own more land than in any other province, in which they have 125,000 acres of fine arable land. * * * The insurrection undoubtedly began because of the feeling of the people against the friars.

And in the Taft Philippine Commission Report of November 30, 1900 (p. 23), we are told that—

By the revolutions of 1896 and 1898 against Spain, all the Dominicans, Augustinians, Recoletos, and Franciscans acting as parish priests were driven from their parishes to take refuge in Manila. Forty were killed and 403 were imprisoned and were not all released until by the advance of the American troops it became impossible for the insurgents to retain them. Of the 1,124 who were in the islands in 1896 but 472 remain (November 30, 1900). The remainder were either killed or died, returned to Spain, or went to China or South America.

And on page 24:

The burning political question, discussion of which strongly agitates the people of the Philippines, is whether the members of the four great orders of St. Dominic, St. Augustine, and St. Francis, and the Recoletos shall return to the parishes from which they were driven by the revolution.

And on pages 31 and 32:

For generations the friars have been lords of these immense manors, upon which, since 1880, they have paid no taxes, while every "hombre" living on them paid his cedula, worked out a road tax, and if he were in business of any kind paid his industrial impost. It is significant that it was in Cavite that the two revolutions broke out, and that each in its beginning was merely a protest against the aggressions of the friars. * * * We are convinced that a return of the friars to their parishes will lead to lawless violence and murder, and that the people will charge the course taken to the American Government, thus turning against it the resentment felt toward the friars.

While the friars were priests, they were shrewd business men. They were rich; they owned much property in Manila and in other cities; they were contributors to the capital of the Spanish Filipino Bank; they loaned a great deal of money to carry on a hemp corner, which finally failed; and their cash and cash investments were estimated by some at as high a figure as $24,000,000. This wealth had been acquired in agricultural pursuits.

It appears from the testimony that the principal business of the friars was the sugar industry. The Crown of Spain had ceded to them from time to time large tracts of the most valuable agricultural lands in the islands, the latest grant being that of the 55,000-acre Mindoro tract, now in question, which was ceded to them only a few years before the insurrection broke out, which prevented their improving it. Largely by these gifts they had acquired some 400,000 acres of choice agricultural lands, and many of their estates were equipped with sugar factories, the best to be found in the islands.

The lands of three of the religious orders alone were occupied by 60,000 tenants, or, at five to a family, 300,000 people. The natives raised rice and other crops for their subsistence and sugar cane for the friars' mills. Sugar was the friars' export or money crop. It is not known how much sugar was produced on all these friar estates, but in 1896, the year the insurrection broke out, one of the 23 estates purchased from the friars produced over 18,000 long tons of sugar, while three of them produced 32,000 tons, which is one-fifth of the present total sugar exports of the islands. The friars owning these three estates filed a detailed statement with the acting governor of the islands, showing that even with their crude mills they were able to produce sugar at a cost of 62½ cents per 100 pounds.

Without any tariff favors, the friars always had been able to produce sugar in competition with the world, and under American rule they saw a possibility of placing their sugar in our market free of duty, which would mean to them an added advantage of $1.68½ per 100 pounds, which was two and one-half times their entire cost of production.

The friars seemed to apprehend that at no remote date it would be found that American sugar interests might stand closer to and be treated with greater favor by the American administration than they had stood to and been treated by the Crown of Spain, and they were reluctant to part with their lands. The Crown of Spain had given them the land, but had refused to give them a market for their sugar, by far the more valuable of the two, and if they could hold their lands and the American sugar interests were forced to purchase elsewhere in the islands and succeeded in securing free sugar from the Philippines, they saw such an El Dorado as never before had been imagined.

Several of the friar estates, amounting to 50,000 acres of land, were transferred to a newly organized company called "The Philippine Sugar Estates Development Company," which name truly indicates the real business the friars were conducting. The friars scouted the idea that the American Government was going to purchase these sugar estates and turn the land over to the tenants in small parcels. They believed that the selling of their lands to tenants in small parcels did not furnish the sole motive for forcing their sale to the Government. They said in their protest to the acting civil governor:

The fact that these plantations formerly belonged to the friars can not be sufficient motive for their purchase and acquisition by the Government for the purpose of distributing them by lot among the tenants living on them, as if the future of the country depended upon it.

It would appear that they anticipated some such transaction as the Havemeyer deal, and they rebelled against being expelled from their estates for the express benefit of American sugar interests. In their protest filed with the acting civil governor of the islands, under date of December 9, 1901, they announced their plans and the profits they claimed to have lost during the preceding two years. They said (pp. 2354–2355 of Senate hearings):

V. The purpose and principal object of this company was to develop and cultivate the eight plantations which represented more than four-fifths of its capital stock, which development would have been greatly facilitated by the remainder of the capital stock represented by shares which could be converted into cash.

It is obvious that if these plantations were taken away from the company it would not only be deprived of its principal purpose or object, but would also be unable to secure the large profits which it expects to gain therefrom, which would mean its ruin and dissolution.

* * * * * * *

It is safe to predict that such unanimity will never come to pass unless the price offered should be sufficient to cover, not only the amount paid by the company for the plantations, but also the earnings of the property of which the company has been deprived for the last two years, amounting to over ₱500,000, and the profits which it expects on good grounds to derive from development.

* * * * * * *

It must be remembered that those who have bought stock have done so in the hope of making large profits from the projected development of the plantations as planned in the report referred to. They also felt that the money which they invested in stock was amply secured by the value of the real estate, which represented the greater part of the capital of the company and to which the legality of the company's title is unquestionable, according to the decision of the honorable commission, which we had the satisfaction of hearing.

The friars believed that certain influences would secure the free admission of Philippine sugar to American markets, and, as noted in their protest, they had determined to extend their operations over this undeveloped land. By a payment of $50,000 they employed eminent counsel, Coudert Brothers, of New York, to conduct their case, and it was not until nearly $2,000,000 was added to the appraised value of their estates that they consented to sell them, as is shown in the following extracts of testimony, given before the Insular Committee, January 20, 1908, pages 75 and 76:

Secretary TAFT. * * * A large amount was paid, not to the church, but to the representatives or grantees of the orders—the religious orders—in order to avoid an agrarian question that would have led to another insurrection. We paid upward of $7,000,000 for something like 420,000 acres of land in the islands.

* * * * * * *

The price paid for the lands was a good round price. It was a price which I think we shall ultimately work out as the value of the land increases; but the conditions on the islands now are such, due to the failure of Congress to let in sugar and tobacco into this country and to give us the benefits of these markets, that the sugar lands, which form a very considerable part of the friar lands, are practically of no value at present. They will have to be developed subsequently. It is the rice lands that have marketable value now.

Mr. WASHBURN. You are speaking now of the lands bought of the friars?

Secretary TAFT. Yes.

Mr. WASHBURN. I heard the opinion expressed the other day that the price was greatly in excess of the value of the lands. Has the land depreciated since it was bought?

Secretary TAFT. The land has depreciated, as the prospect of getting into the markets of the United States has disappeared. I am very hopeful that we may be able to arrange a compromise, either this year or the next, by which we can be allowed to import into this country something more than we ever imported from the islands before; and if we do, it will increase the value of the lands.

Mr. WASHBURN. Do you know whether it was recognized then that the valuation of the lands was excessive?

Secretary TAFT. The way we reached it was this: We employed our own surveyor, selected by the Philippine commissioners, who was acquainted with the value of the lands, and he went about and appraised the value on all the lands. Then we had a hearing, at which we heard the representatives of the friars. All of it is printed in the reports. Finally we settled on an increase of 25 per cent over his valuation.

Mr. WASHBURN. Why was that?

Secretary TAFT. We did that in order to get the lands at all. Congress had made a provision for their condemnation. The Dominican order had sold their lands to what is called the Philippine Sugar Company, and the Philippine Sugar Company had determined to go into a large exploitation, with the hope of the passage of the Philippine tariff act, and improve their lands, and they were determined not to sell. They employed Coudert Brothers, of New York, under a contract by the payment of $50,000, by which the Coudert Brothers should contest the constitutionality of the law passed by Congress which authorized the condemnation of lands, on the ground that it was not for a public purpose, but only in order to avoid their being held by objectionable persons. They said that the power of eminent domain did not compel a transfer for that purpose, and therefore they resisted and fought the right of the Government. Inasmuch as that involved a lot of prospective litigation, and as the pressure on us was very great for the removal of the difficulty, which I do not know that I have explained, we were willing to go beyond the estimate of the value of the lands for the sake of peace. * * *.

Now, I was advised when I was in the islands that all the salable lands—that is, the rice lands, which were coming into the markets—I was advised that on those lands $5,000,000 could be realized; that the sugar lands and the sugar plants had gone down in price for the reasons I have already stated and were unsalable, and out of them we must work out $2,000,000—I mean of the $7,000,000 that we have paid. We have had to go slowly and make low rental leases in order to get all the tenants to attorn without controversy and litigation; but the process is a slow one. Still, I have, myself, very great confidence that in the course of a decade we will work out the whole transaction in a way that will not produce any loss at all, or, if it is a loss, it will be very slight as compared with the benefits derived from the purchase of the lands.

The purchase of the friar lands by the Philippine government was consummated December 22, 1903. So far as advised, the first official United States report which deals with the acquirement and disposition of the friar lands was the report of the Schurman-Worcester Philippine Commission to the President of the United States, given under date of January 31, 1900, eleven months after the arrival of the commission in Manila. The following quotation is from that report (pp. 130, 131). Special attention is called to the italicized lines and to the fact that in this initial report and in all other reports which have followed it there has been no suggestion of installing the Havemeyer syndicate in the place of the friars once the friars' ownership has been terminated:

Aguinaldo refused to release the priests, assigning various reasons for his conduct. He charged that the religious corporations of the Philippines had acquired large agricultural colonies by means of fraud; the products of these lands, he stated, were first granted, but in the course of time possession was taken of the lands, and they have ever since been held by the religious corporations, which were aided by the Spanish authorities; he stated that the privilege of absolving belongs solely to the secular clergy, to which the Filipino priests belong, and that this privilege has been absorbed by the religious orders; he stated that the primary causes of the Philippine revolution were the ecclesiastical corporations, which, taking advantage of the corrupt Spanish Government, robbed the country, preventing progress and liberty.

* * * * * * *

The question of a confiscation of the property of the religious orders has been and is much discussed in the islands. Apart from the general principles of law governing this subject, the treaty of Paris should be particularly considered. The second paragraph of Article VIII of the treaty of peace, negotiated the 10th day of December, 1898, at Paris, reads as follows:

"And it is hereby declared that the relinquishment, or cession, as the case may be, to which the preceding paragraph refers, can not in any respect impair the property or rights which by law belong to the peaceful possession of property of all kinds, of provinces, municipalities, public or private establishments, ecclesiastical or civic bodies, or any other associations having legal capacity to acquire and possess property in the aforesaid territories renounced or ceded, or of private individuals of whatsoever nationality such individuals may be."

This clause would not prevent the state from purchasing at fair rates property so held and selling it to the natives in small holdings and at reasonable rates. Considering the strong feeling of the natives concerning the lands held by the friars, the commission believes this policy would have good results; and as this question is one of the most vital and important in the Philippines, the commission recommends an early consideration of this solution by the government hereafter to be established in the archipelago

The next report of the Philippine Commission was the first report of the Taft Commission, made to the Secretary of War under date of November 30, 1900. This report also dwelt upon the acquirement and disposition of the friar lands; and if the real purpose of our officials was to hold these lands for a series of years and then sell them in large blocks, that purpose was not disclosed in the report (p. 32):

It would avoid some very troublesome agrarian disturbances between the friars and their quondam tenants if the insular government could buy these large haciendas of the friars and sell them out in small holdings to the present tenants, who, forgiven for the rent due during the two years of war, would recognize the title of the government without demur and gladly accept an opportunity, by payment of the price in small installments, to become absolute owners of that which they and their ancestors have so long cultivated. With the many other calls upon the insular treasury a large financial operation like this could probably not be conducted to a successful issue without the aid of the United States Government, either by a direct loan or by a guaranty of bonds to be issued for the purpose. The bonds or loan could be met gradually from the revenues of the islands; while the proceeds of the land, which would sell readily, could be used to constitute a school fund. This object, if declared, would make the plan most popular, because the desire for education by the Filipinos of all tribes is very strong and gives encouraging promise of the future mental development of a now uneducated and ignorant people.

The following year the Taft Philippine Commission again reported on these lands, and still there was no suggestion of disposing of them to the Havemeyer or to any other syndicate. The report was made to the Secretary of War under date of June 30, 1901, and the following quotation is from page 25:

As it has already stated in its former report, the commission believes that the transfer of the property and its sale in small holdings to the present tenants on long payment might be effected without loss and that this solution would be very satisfactory to all the people. The commission should be authorized, in case its view of the matter is approved, to issue bonds in an amount sufficient to buy the lands and should be required to hold the proceeds of the sales of such lands as a sinking fund to meet the obligations of the bonds. We earnestly recommend this course.

Prior to the action of Congress of July 1, 1902, authorizing the purchase of the friar lands, the three reports above quoted are the only annual reports which had been made by the Philippine Commission, and all recommend that the friar lands be purchased for the particular and only purpose of dividing them up and selling them in small parcels to natives.

The following letter shows that the governor of the Philippines was directed to take the matter up with the friars' ecclesiastical superiors in Rome, who had the power to force the consummation of the sale, and that the tentative basis of sale must be "accompanied by a full understanding on both sides of the facts and of the views and purposes of the parties to the negotiations." It is a fair presumption that had it been stated to those authorities that one of the intents and purposes was to install the Havemeyer syndicate in the place to be vacated by their religious orders in the islands these authorities would have declined to become a party to the transaction and would have directed their orders to retain their lands. The letter of instruction is as follows:

[Letter of Hon. ELIHU ROOT, Secretary of War, to Hon. Wm. H. Taft, civil governor of the Philippine Islands, May 9, 1902.]

SIR: It is now apparent that Congress will not have acted upon the Philippine Commission's recommendations regarding the purchase of friars' lands before the time for your departure for Manila, which can not be longer delayed. You can not, therefore, as we had hoped, now receive definite instructions and proceed to take such steps, in the execution of specific authority from Congress, as should properly be taken before your return to Manila. The committees of both Houses have, however, reported favorably upon the commission's recommendations, and it appears probable that Congress will confirm their action. In view, therefore, of the critical situation of this subject in the Philippines and of the apparent impossibility of disposing of the matter there by negotiation with the friars themselves, the President does not feel at liberty to lose the opportunity for effective action afforded by your presence in the West. He wishes you to take the subject up tentatively with the ecclesiastical superiors who must ultimately determine the friars' course of conduct, and endeavor to reach at least a basis of negotiation along lines which will be satisfactory to them and to the Philippine government, accompanied by a full understanding on both sides of the facts and of the views and purposes of the parties to the negotiation, so that when Congress shall have acted the business may proceed to a conclusion without delay.

You are accordingly authorized, in the course of your return journey to Manila, to visit Rome, and there ascertain what church authorities have the power to negotiate for and determine upon a sale of the lands of the religious orders of the Philippine Islands, and if you find, as we are informed, that the officers of the church at Rome have such power and authority, you will endeavor to attain the results above indicated.

The only thing which might be interpreted as evidence that there existed a preconceived plan to exploit the Mindoro tract later on was the fact that it was entirely uninhabited, and hence the purchase of it for the purpose of quieting the insurrection was not necessary. After mentioning the other friar tracts, the 1901 report of the Taft Philippine Commission says (p. 25):

In addition to this there are something more than 100,000 acres, one-half in Isabela, and one-half in Mindoro, in regions sparsely settled, the ownership of which by the friars does not involve so much popular resentment because of their remoteness.

When Governor Taft was before the Insular Committee, February 28, 1902, he was asked if the same necessity existed for purchasing the Mindoro estate as existed for purchasing the other friar estates, and he replied (p. 229):

No; the same necessity would not exist for the purchase of the Mindoro tract and the Cagayan tract. The Mindoro tract is a tract used for cattle only, and in a part of the islands where there are practically no tenants, and where there is no feeling one way or the other, and so probably it would be the same with the Cagayan Valley.

Unless the motives of Governor Taft be impugned, one can not reason that because of the purchase of these vast unoccupied tracts, and because of there being no tenants on them to whom the land could be sold in small parcels, it must have been intended at the outset that they should be sold en bloc to the Havemeyer or to some other syndicate, and even if one did so contend, it can not be held that any unexpressed plans which

Governor Taft might have had had anything to do with the intent of Congress when it enacted the law in question.

The bill (S. 2295, 57th Cong., 1st sess.) which afterwards became the organic law of the Philippine Islands, entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July 1, 1902, was introduced by Senator LODGE on January 7, 1902, and was referred to the Committee on the Philippines, of which committee Mr. LODGE was and is chairman. On January 31 the Committee on the Philippines reported the bill back to the Senate with amendments.

The bill as introduced provided no homestead acreage limit, and the Senate Philippine Committee placed the limit at 160 acres. As introduced, the bill provided that 5,000 acres of crown agricultural or public lands might be sold to individual corporations, and that the same area might be leased to a corporation for ninety-nine years. As reported by the committee, the time limit of leases was reduced to five years.

The bill as introduced, and as reported by the Philippine Committee, provided that the friar lands when purchased should constitute a part and portion of the public property of the Philippine government, "and may be leased, let, sold, and conveyed by the government of the Philippines on such terms and conditions as it may prescribe." Section 63, providing for acquiring and conveying title to the friar lands, did not contain the restriction "subject to the limitations and conditions prescribed in this act," nor did section 65, providing for the selling and leasing of these lands, contain the words "subject to the limitations and conditions provided for in this act." These clauses were not put in until after these sections had been attacked violently on the floor of the Senate. And yet, even without these restrictive provisos, it was the intent of the Philippine Committee that these friar lands should not be exploited, as is shown positively and conclusively by the report of the Philippine Committee, which accompanied the bill. Concerning the friar land and franchise sections of the bill that report (S. Rept. No. 915, 57th Cong., 1st sess., Mar. 31, 1902) says:

> Sections 63, 64, and 65 give the commission power to acquire land and other property for public uses, and in particular makes provision for the acquisition by the commission of the lands now held by certain religious associations, commonly known as the friar lands, to the amount of nearly 500,000 acres. There is nothing so universally and so earnestly desired by the people of the Philippine Islands *as the acquisition of these lands belonging to the friars by the actual occupants and holders of the property. The bill provides a method by which the Government can buy these lands from the friars and transfer them on suitable terms to the actual occupants. This is the sole purpose of sections 64 and 65, and the committee believe that nothing can be done for the inhabitants of the islands which they will regard as a greater benefit or which will give more widespread satisfaction.*
>
> Several sections following those in relation to the friar lands provide, under suitable restrictions, for the borrowing of money by municipalities, and especially by the city of Manila, for greatly needed public improvements.
>
> The two sections following these relate to the granting of franchises in the islands. The committee feel that it is of the greatest importance for the proper development of the islands that capital be encouraged to enter the islands, but in order to prevent any improper exploitation which would be to the detriment of the inhabitants these sections are strongly guarded. Ample opportunity is given to capital, but the restrictions are rigid. This portion of the bill was drawn with the greatest care, and it seems to the committee that, as drawn, every public interest is safely guarded, while at the same time due encouragement is given to capital to enter the islands.

Particular attention is called to the above lines which are italicized. They do not admit of a double interpretation. The "sole purpose" in acquiring those lands, as above expressed, surely can not be interpreted or construed so as to cover the sale of 55,000 acres of them to the Havemeyer syndicate.

Special attention is called to the last paragraph above quoted, which directs attention to the franchise section of the bill. The franchise section of the bill, alluded to by the Senate committee report above quoted, was devised for the purpose of strengthening the restrictions which were placed in the land sections of the bill to prevent such exploitation transactions as the purchase of the Mindoro tract. In the opinion the Attorney-General handed to the Secretary of War, he ignored this section of the bill. It is quoted herewith in full and attention is invited to the lines which are italicized:

> SEC. 75. That no corporation shall be authorized to conduct the business of buying and selling real estate or be permitted to hold or own real estate except such as may be reasonably necessary to enable it to carry out the purposes for which it is created, *and every corporation authorized to engage in agriculture shall by its charter be restricted to the ownership and control of not to exceed one thousand and twenty-four hectares of land; and it shall be unlawful for any member of a corporation engaged in agriculture or mining and for any corporation organized for any purpose except irrigation to be in anywise interested in any other corporation engaged in agriculture or in mining.* Corporations, however, may loan funds upon real-estate security and purchase real estate when necessary for the collection of loans, but they shall dispose of real estate so obtained within five years after receiving the title. *Corporations not organized in the Philippine Islands, and doing business therein shall be bound by the provisions of this section so far as they are applicable.*

The Havemeyer syndicate seems to be operating as the Mindoro Development Company, which company is reported as having ordered from the Honolulu Iron Works at a cost of $500,000 a complete sugar manufacturing plant to be ready for delivery next December, and it seems almost incredible that the Attorney-General should consider section 75 as not being worthy of even a mention in his opinion.

One fails to see how the Attorney-General's construction of the purpose and intent of the law can be accepted without accusing with bad faith the members of the Senate Committee on the Philippines who drafted and sanctioned the language above quoted from their report. The minority members of the committee did not agree to the report, but submitted a minority report, hence the members who acted in bad faith, if when making that report they intended to sanction or permit of such exploitation transactions, are as follows:

HENRY CABOT LODGE, of Massachusetts.
Wm. B. Allison, of Iowa.
EUGENE HALE, of Maine.
Redfield Proctor, of Vermont.
ALBERT J. BEVERIDGE, of Indiana.
JULIUS C. BURROWS, of Michigan.
Louis E. McComas, of Maryland.
Charles H. Dietrich, of Nebraska.

The minority members of the committee were:

Joseph L. Rawlins, of Utah.
CHARLES A. CULBERSON, of Texas.
Fred T. Dubois, of Idaho.
Edward W. Carmack, of Tennessee.
Thomas M. Patterson, of Colorado.

If when these men drafted and approved the statement quoted from their report they meant, as the opinion of the Attorney-General would indicate he believed they meant, to pass such a law as would permit syndicates to acquire large tracts of these lands, they are unworthy of public confidence. By their subsequent acts in connection with this bill, it will be shown that they meant just what they said.

The day the bill was reported from the Philippine Committee, that committee began the hearings on the bill, Governor Taft, General Otis, General MacArthur, Admiral Dewey, General Hughes, and others familiar with conditions in the Philippines appearing before the committee from time to time. These hearings comprise 3,000 pages of printed testimony, and were concluded June 27, four days before the bill became a law. Throughout this testimony there is not a line to indicate that it had occurred either to a member of the committee or to a witness who appeared before it that it was the intention that any portion of the 400,000 acres of friar lands which were to be acquired by purchase were to be subject to exploitation by corporations or syndicates, or were to be disposed of in any manner except in small tracts, preferably to occupants. The same can be said of the hearings before the House Committee on Insular Affairs, which were in progress at the same time, many of the same witnesses testifying on the same subject before both committees.

The annual reports of the Taft Philippine Commission had been made to Secretary of War ROOT, and, naturally, he was familiar with Philippine affairs. On January 18, 1902, Mr. ROOT appeared before the Insular Committee and gave testimony in relation to Philippine matters. Concerning the acquisition and method of disposition of the friar lands, Secretary ROOT said, on page 68:

> The political situation is such that, at what we may find to be a fair price, it is undoubtedly wise for us to buy, and then to turn around and vest the titles to these lands in the tenants at a reasonable price (giving them good long time, of course, to pay, so that instead of paying rent they will be making partial payments on the purchase), and then use that money to retire the obligations given to raise the original purchase price.

It does not appear, from the above quotation or from the rest of Secretary ROOT's testimony, that he had in mind any such sale as the one to the Havemeyer syndicate.

On February 7, 1902, Governor Taft was before the Philippine Committee of the Senate, and in his testimony elucidated his ideas concerning the disposition of the friar lands, his testimony being in accord with the recommendations made by the Philippine Commission, as is illustrated by the following testimony from pages 178–179 of the hearings:

> The CHAIRMAN. In this connection, as we have got onto the matter of what is necessary for the commissioners to do, I wish to ask if you consider it very important for the general welfare and pacification of the islands that we should buy the friars' lands or make arrangements to give them back to the actual settlers at the earliest moment?
>
> Governor TAFT. Yes, sir; I do. I do not think there is any one thing which Congress has been invited to do in the report that is more immediately important than that. * * * Now, I think it may be said generally, as we said in our first report, that the title of the friars to those lands is, as a legal proposition, indisputable. If we can buy those lands and make them government lands, and in that way separate in the minds of the tenants the relation of the friar to the land, and say to the tenants "we will sell you these lands on long payments, so that they will become yours," I believe we can satisfy

the people and avoid the agrarian question which will arise when our Government is appealed to to put into possession of those lands the people who own them.

From the above it will be noted that Governor Taft's understanding was that these friar lands were to be made "government lands," presumably to be merged with and treated the same as other government lands, which had been ceded to the United States by Spain.

On February 28 Governor Taft was before the Insular Committee of the House and reiterated what he had said before the Senate committee. From page 223 of these hearings we read:

Mr. MADDOX. If I understand you, from what I have heard you say I gather that you think it would be cheaper for the United States to undertake to buy these lands than to restore them to their owners?

Governor TAFT. I do; what I mean is, if we buy the lands we put the title of the Government between the friars and the subsequent disposition of the lands, and that then the Government may, by liberal terms to the tenants, enable the tenants, by payments strung over a long number of years, to become the owners of the land. The payments can be arranged so that not much more than the rent would nevertheless pay for the land. And in that way I think the insular government could probably be made whole or nearly so. I think the plan proposed by the commission as adopted in the bill introduced by Mr. COOPER contemplates the establishment of a sinking fund out of the proceeds of the sales of the lands to the tenants to meet the bonds.

Neither the reports of the Philippine Commission, the report of the Senate Committee on the Philippines, nor the testimony before the Senate and House committees contain a line to indicate that such an outcome as the sale of the San Jose estate was thought of or contemplated by any witness, officer, or public official.

Besides the members of the Senate Committee on the Philippines, those whose testimony or reports have been quoted to the exact contrary include Jacob Gould Schurman, George Dewey, and Charles Denby, of the Schurman-Worcester Philippine Commission; William H. Taft, Luke E. Wright, Henry C. Ide, and Bernard Moses, of the Taft Philippine Commission, and ELIHU ROOT, Secretary of War. It was on the printed utterances of these reputable and prominent men that Congress had to rely, and the opinion of the Attorney-General that the intent was that these friar lands need not be held for and divided up amongst the Filipino people, but that they could be sold off in 55,000-acre tracts to Havemeyer and other syndicates, thereby giving them the opportunity to reestablish a system of absentee landlordism, which had been mainly responsible for the various insurrections that had occurred in the islands for the preceding thirty years, is tantamount to accusing some or all of these men of bad faith. Can it be presumed for one moment that Congress would have authorized the issue of over $7,000,000 worth of 4½ per cent bonds to purchase the friar lands if Congress at that time had before it the draft of the contract which the Philippine government since has made with the Havemeyer syndicate and the opinion of the Attorney-General confirming that contract?

As introduced on January 7, 1902, and as reported by the Philippine Committee on March 31, the bill provided that the friar lands could be sold or leased "by the government of the Philippines on such terms and conditions as it may prescribe," and did not say "subject to the limitations and conditions provided for in this act." The debate on the various sections of the bill was long and spirited, especially on the land and franchise sections. The debate on these sections covers many pages of the CONGRESSIONAL RECORD. On April 22, Senator Rawlins, in an elaborate speech, seemed to anticipate just such transactions as the Havemeyer deal. Mr. Rawlins said in part (CONGRESSIONAL RECORD, p. 4527):

Mr. President, it is an unusual authority, as the Senator from Massachusetts [Mr. Hoar], who is a distinguished lawyer, will, I think, at once recognize, to undertake to appropriate in the exercise of the power of eminent domain the lands or property belonging to one corporation in order to transfer the same lands to another corporation. In this case the power is to be exercised by the application of a sort of religious test. If these lands are held by a corporation composed of Catholics of a certain order, they are to be the subject of condemnation, to be turned over by the process of eminent domain into the hands of another corporation composed perhaps of Protestants, or people of mixed religion, or no religion. * * * Mr. President, these syndicates, organized with stockholders in New York and Chicago and San Francisco or Great Britain, with their agents in the islands to execute their policy of greed (using that word in no offensive sense, but only to the end for which the corporation itself is organized), the land being thus held and thus managed, how are you ever to have a citizenship in the islands upon whom could safely be devolved the exercise of the powers of government? How do you ever expect by such a policy to uplift the people of the islands and make them fit for self-government? This policy does not tend to insure an independent and self-reliant and intelligent citizenship. It tends to degradation, to turpitude and slavery. It tends to unfit the people, and if they are now unfit to be trusted with the employment of any power of government, they will be doubly unfit after they receive a schooling under the training and despotism of alien syndicates holding possession of all their lands. * * * So that the practical effect, if this policy be carried out, will be to issue bonds, to incur this indebtedness, and to appropriate, against the will of these religious orders, in the exercise of the power of eminent domain, this more than half a million acres of land and immediately, under rules to be prescribed by the Philippine Commission, dispose of it in tracts ranging from 5,000 to 20,000 acres to syndicates or corporations in perpetuity.

Concerning the Mindoro tract recently sold to the Havemeyer syndicate, Senator Rawlins said (CONGRESSIONAL RECORD, p. 4571):

Mr. RAWLINS. * * * It happens to have been disclosed in regard to some of these tracts, notably one in Mindoro, referred to in the testimony of Governor Taft, amounting to about 60,000 acres of land, that it has been disposed of, at least, under an option to a man who attained some notoriety as having been indicted for corrupting certain officers and people in the Philippine Islands. Having obtained an option on this large tract of land at the figures therein mentioned, he was interested in disposing of the tract at a profit to himself and his associates. I have no doubt that the designation of the condition of that tract of land, which is to be appropriated under the authority to which I have referred, will be found to be true with respect to every other of these tracts claimed to belong to religious orders in the Philippine Islands.

On May 5 Senator LODGE defended the bill on the floor of the Senate. After stating how necessary it was to get possession of the friar lands, he said (CONGRESSIONAL RECORD, p. 5031):

The sections in regard to these lands, of course, in the nature of things, give a large power to the commission, but there is no other way that I have seen suggested to get these lands out of the hands of these religious corporations and back into the hands of the people who cultivate them.

We have also clauses in the bill providing for franchises. They are guarded with the utmost care. I can not now undertake to read, and I shall not detain the Senate by reading, those franchise clauses, but I invite Senators to examine them with the utmost care. They are guarded in every possible way compatible with giving any reasonable opening to capital to enter into the islands with the hope of profitable investment.

The main object of the bill, Mr. President, is, in a word, to replace military by civil government—to advance self-government; and yet it is delayed in this Chamber and opposed by those who proclaim themselves the especial foes of military rule.

The second object of the bill is to help the development of the islands; and yet, as the committee felt, to help that development only by taking the utmost pains that there should be no opportunity given for undue or selfish exploitation. The opponents of this legislation have dwelt almost continuously—when they have spoken on this bill—on the point that it is intended to open the islands to exploiters, to syndicates, and to carpetbaggers. * * * But these exploiters, these syndicates, these carpetbaggers, who march back and forth through the speeches of Democratic Senators like the sceneshifter's army, have as little reality as the air-drawn dagger of Macbeth. It is continually reiterated the bill is simply for purposes of exploitation, my own conclusion is that they are to be brought into the Philippines by this bill; and while Senators in opposition are declaiming against this bill as throwing the islands open to improper exploitation and speculation I have had many gentlemen come to me who desire to invest money in the Philippine Islands who say that the bill is so drawn that it is impossible for capital to go in there to any large amount. When gentlemen who desire to invest take that view and the Democratic party takes the view that that we have got a pretty good bill.

Mr. LODGE having invited the Senators to examine the franchise sections of the bill with the utmost care, May 9 Mr. Teller pointed out what seemed to him a weak place in the franchise provisions of the bill and argued against the 5,000-acre provision of it. He said in part (CONGRESSIONAL RECORD, p. 5215):

I want some one to tell me why a corporation should be permitted to take 5,000 acres of land there. If 1 corporation may take 5,000 acres, 10 corporations may each take 5,000 acres, and a hundred corporations may each take 5,000 acres. There is no limit to the number of corporations that may go there; and, after they have taken the lands, and got their title, if they should conclude to form a combination, they could do that, I suppose, although there is a provision here which says:

"And this provision shall be held to prevent any corporation engaged in agriculture from being in any wise interested in any other corporation engaged in agriculture."

That, I suppose, was put in the bill as a sort of sop to the people who might be afraid of consolidation; but there is not a man living in these days who has given any attention to the affairs of our country for the last two or three years who does not know that it will amount to absolutely nothing; and that if 50 corporations having each 5,000 acres should conclude to enter into a combination, they could do it in spite of all the Filipinos and all the United States besides. * * *

Mr. President, that is all I am going to say about this bill, and I expect, under the circumstances, I ought to apoligize for having said so much. I shall say more about it, if, after the attention of the Senate has been called to it, somebody does not propose to make some suggestions of amendments, which I think ought to come from the other side and not from this side.

On May 12 Senator Foraker alluded to the purchase and disposition of these friar lands as provided in the bill, and his remarks show what he had in mind concerning the manner of their disposition. Mr. Foraker said (CONGRESSIONAL RECORD, p. 5290):

Now, in this bill a provision is made to solve the difficulties we are having on account of these friar lands being tied up in this way, which provision has been criticised by the Senator from Colorado [Mr. Teller]. I have not had time to investigate it as thoroughly as I should like, but his criticism shows—whether it be well taken or not—what a difficult question it is that we have to deal with there. If it is to be dealt with, as we are proposing, by the selling of bonds for raising five or six million dollars, buying from the friars their lands, and paying for them with the proceeds of the bonds, and then turning around and recouping by selling the lands to the inhabitants of the islands, it involves a transaction of considerable importance, one behind which there must be somebody who is quite substantial.

On May 16 Senator Deboe alluded as follows to the disposition of these lands (CONGRESSIONAL RECORD, p. 5543):

The bill, taking it as a whole, seems to deal fairly and justly with the whole Philippine question, and while I shall not attempt to discuss it in detail, not having had the opportunity of hearing the evidence produced, I do approve of the measure as being a great improvement of the conditions in which we found those natives of the islands. It deals with the mining interest, the land and real estate questions, and especially the lands owned or claimed by certain corporations and the friars. I hope to see the most liberal treatment of the rights of the inhabitants as to public lands. It ought to be arranged so as to open up the lands to settlement by the people and guard against too much liberality toward corporations.

On May 23 Senator Dubois contended that the bill was intended for exploitation. He said (CONGRESSIONAL RECORD, p. 5862):

Under the bill which we are now discussing, not only are these enormous tracts of land to be turned over to syndicates and corporations, but all kinds of franchises are to be granted. Capitalists are invited there with the offer of unusual inducements.

Mr. BEVERIDGE believed the bill was proof against any such transaction as the sale of the San Jose estate. In replying to Senator Dubois, on May 23, Mr. BEVERIDGE said (CONGRESSIONAL RECORD, p. 5866):

It is very late and there have been many interruptions, so I shall not go on with much I had noted down here; but I wish to refer to just one thing which appears to show inconsistency on the Senator's part. He spoke of syndicates taking these lands, and yet the Senator knows that in this bill it is provided that no corporation shall own more than 5,000 acres of land, and that it is within the power of the commission absolutely to prevent them owning more. He knows that, as to private holdings, there is an absolute prohibition in the bill that any person having those holdings shall sell or lease or demise them; and yet the Senator says that this whole scheme is a scheme of exploitation by corporations and syndicates.

But the Senator refuted himself, as is often the case in oversubtle arguments, because he cited as an illustration the protest of the Philippine Development Company, was it not?

Mr. DUBOIS. Yes.

Mr. BEVERIDGE. They protest against what, Mr. President? Is it the protest that they are not going to get more land of which the Senator complains? No; it is a protest against our Government taking these vast quantities of land from this corporation to give to small private holders.

The only instance, Mr. President, that the Senator was able to show in support of this alleged danger of the great holdings of land by syndicates was an illustration of precisely the reverse, and that is that one great syndicate is now protesting that the Government is about to take away its vast holdings and distribute them amongst small holders.

On May 27 Mr. PATTERSON attacked the franchise sections of the bill, saying in part (CONGRESSIONAL RECORD, p. 5966):

Without going into many details, I call attention to the provision which authorizes the commission to dispose of the public lands in tracts of 5,000 acres. The claim is made that there are provisions in the bill which prevent corporations from securing more than 5,000 acres. I maintain that the provisions in the bill will permit one individual of a corporation to secure title to hundreds of thousands of acres, and there is nothing in the bill that can prevent it. Authority is given to the commission to grant to corporations public lands in quantities of 5,000 acres. A corporation may consist of but three members. One of the members may be the moneyed man, the others mere nonentities.

It will require three to create a corporation. Those three can organize themselves into as many corporations as they see fit. Three men may call a corporation they organize by one name and file articles of incorporation. They may organize another corporation under another name and file other articles of incorporation. They may keep up this process without limit, organizing as many corporations as they wish. By adopting such a course each body corporate is a separate and independent corporation. The man with the money may be the principal man in all of them; and since 5,000 acres may be bought by each corporation, this one moneyed man may, for all practical purpose, become the owner of hundreds of thousands of acres. One man, the principal stockholder in 20 such corporations, will practically become the owner of 100,000 acres of land under the provisions of the bill, and you have only to multiply the number of corporations to determine the number of acres that one, two, or three men may become the owners of under this proposed law.

How it is proposed to check this? If the honorable chairman of the committee will indicate to the Senate how this may be prevented or will show to the Senate that my claims are not well founded, then the Senate will have something upon which to rest when it comes face to face with this proposition. * * * So we see what may be done, notwithstanding the provisions in section 77; and I will go to that section and read it from the printed bill, for it is upon that section the majority of the committee profess to rely:

"That no corporation shall be authorized to conduct the business of buying and selling real estate or be permitted to hold or own real estate except such as may be reasonably necessary to enable it to carry out the purposes for which it is created, and every corporation authorized to engage in agriculture shall by its charter be restricted to the ownership and control of not to exceed 5,000 acres of land; and this provision shall be held to prevent any corporation engaged in agriculture from being in anywise interested in any other corporation engaged in agriculture."

But that does not prevent the stockholders of one corporation being the stockholders in another corporation, and each corporation holding 5,000 acres of land, and one single set of stockholders getting the benefit of all the lands these corporations own. This would not be the case of one corporation becoming interested in the lands of another corporation, but the stockholders of a number of separate and distinct corporations owning stock in all of them. This latter situation the bill does not profess to reach.

Neither the Philippine Committee nor the Senate turned a deaf ear to the mass of criticism which had been directed to the land and franchise sections of the bill. Although those in charge of the bill felt that they had headed off the plan to unduly exploit the Philippines, no attempt was made to jam the bill through without amendment. On the contrary, they welcomed every suggestion the adoption of which might tend to strengthen these sections and render undue exploitation impossible.

On May 29 Mr. LODGE offered numerous committee amendments to the land sections of the bill, most of which amendments were adopted without debate. To section 63, which extended to the Philippine government general power "to acquire, receive, hold, maintain, and convey title to real and personal property," was added "subject to the limitations and conditions prescribed in this act;" and to section 65, which extended to the Philippine government special authority to acquire and dispose of the friar lands, there was added "subject to the limitations and conditions provided for in this act." Usually when a bill is amended it is amended with a definite purpose in view. The only other sections in the bill to which the above restrictive clauses could refer are sections 12 to 16, and as the Attorney-General is of opinion that the limitations in those sections do not apply to sections 63, 64, and 65, the logic of the situation is that he believes it mere chance work that Congress inserted these clauses in the bill and happened to get them attached to these particular sections.

In offering these restrictive land amendments there at least was the semblance of integrity and definite purpose. All of them were adopted without debate, as is shown by the following from the CONGRESSIONAL RECORD, pages 6082–6083:

Mr. LODGE. In section 11, on page 7, line 15, after the word "provided," I move to insert what I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In section 11, on page 7, line 15, after the word "provided," it is proposed to insert:

"*Provided*, That a single homestead entry shall not exceed 40 acres in extent or its equivalent in hectares."

The amendment was agreed to.

* * * * * * *

Mr. LODGE. In section 64, on page 38, line 11, after the word "authorized," I move to insert what I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In section 64, on page 38, line 11, after the word "authorized," it is proposed to insert the words "subject to the limitations and conditions prescribed in this act."

The amendment was agreed to.

Mr. LODGE. In section 65, on page 38, line 21, after the word "parcels," I move to insert the words "and in such manner."

The amendment was agreed to.

Mr. LODGE. In the next line, line 22, after the words "affect the," I move to insert the words "peace and;" so as to read "affect the peace and welfare of the people of the Philippine Islands."

The amendment was agreed to.

Mr. LODGE. In section 66, on page 40, line 4, after the word "prescribe," I move to insert what I send to the desk.

The PRESIDING OFFICER. The amendmant will be stated.

The SECRETARY. In section 66, page 40, line 4, after the word "prescribe," it is proposed to insert: "subject to the limitations and conditions provided for in this act."

The amendment was agreed to.

Mr. LODGE. In line 5 of the same section and on the same page, after the word "purchaser," I move to insert the words "of any parcel or portion of said lands."

The amendment was agreed to.

Without respect to party, every member of the Senate seemed to realize that desperate attempts would be made by unscrupulous exploiters to enslave the natives and use them as a means to wrest the wealth of the Philippines from the Filipino people. The fear was that the unscrupulous exploiters would enlist unscrupulous Philippine officials under their banner and that that combination would plunder the islands and their people. The Senate had had the bill under consideration for nearly five months and had strengthened it at every point where its Members could conceive it possible that a loophole might exist.

Notwithstanding the fact that exceptional care had been exercised in framing and amending the land sections of the bill, the Senate still was apprehensive that some day the government they were creating in the Philippines might be led to defy the will of Congress and trample the law under their feet, and so, on June 2, the Committee on the Philippines decided to eliminate all risk of such a denouement by so amending the bill as to prohibit the sale or lease of land to corporations and to forbid the organization of corporations to engage in agriculture, as will be seen from the following extracts from the CONGRESSIONAL RECORD, page 6151:

Mr. LODGE. At the top of page 11 I move to strike out the words: "Nor more than 5,000 acres to any corporation or association of persons," and to insert: "But no such land shall be leased, let, or demised to any corporation until a law regulating the disposition of the public lands shall have been enacted under the provisions of section 12."

Mr. HOAR. By whom is that law to be enacted?

Mr. LODGE. By the Philippine Commission, to be drafted and submitted to the President for his approval, and to Congress. It can not become a law without the approval of Congress.

Mr. HOAR. Is there any objection to putting in the amendment "and approved as herein provided?"

Mr. LODGE. "Enacted and approved." That is all it means, and I have no objection to that.

Mr. ALLISON. "As provided in section 12," I would say.

Mr. LODGE. Yes: "as provided in section 12."
The PRESIDING OFFICER. The amendment as modified will be stated.
The SECRETARY. On page 11, lines 1 and 2, strike out the words:
"Nor more than 5,000 acres to any corporation or association of persons."
And insert:
"But no such land shall be leased, let, or demised to any corporation until a law regulating the disposition of the public lands shall have been enacted and approved as provided in section 12."
The amendment was agreed to.

[CONGRESSIONAL RECORD, June 2, 1902, pp. 6154–6155.]

Mr. LODGE. I send to the desk an amendment to section 79, on page 50, which I ask to have read.
The SECRETARY. In section 79, on page 50, line 9, after the word "created," it is proposed to strike out:
"And every corporation authorized to engage in agriculture shall, by its charter, be restricted to the ownership and control of not to exceed 5,000 acres of land; and this provision shall be held to prevent any corporation engaged in agriculture from being in anywise interested in any other corporation engaged in agriculture."
And in lieu thereof to insert:
"No corporation shall hereafter be authorized to engage in agriculture until and unless provision shall be made therefor under the law regulating the disposition of the public lands enacted in accordance with the provisions of section 12."
Mr. BACON. I wish the Senator from Massachusetts would explain exactly what is the change that is made in that amendment.
Mr. LODGE. It makes it correspond with the change made in the section with regard to mining lands; that is, that there shall be no land granted to any corporation for agricultural purposes until land laws shall be drafted by the Philippine Commission and shall have been approved by the President of the United States and submitted to Congress.
Mr. BACON. Do I understand from that that it does away with the provision which contemplates the leasing of lands in the Philippine Islands?
Mr. LODGE. That has already been taken out.
Mr. BACON. I did not know that.
Mr. LODGE. This simply provides that there shall be no grant to any corporation at any time, unless provided by law.
Mr. BACON. Do I understand that the entire section which contemplates the leasing of 5,000 acres of land to corporations has been eliminated?
Mr. LODGE. That has been entirely eliminated and remitted to future decision under the land laws.
The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from Massachusetts [Mr. LODGE].
The amendment was agreed to.

Notwithstanding even the above action, there was one Republican member of the Senate who, while having every confidence in his colleagues, regretfully predicted the ruthless overriding of both the letter and the spirit of the law as has been exemplified in the 55,000-acre sale to the Havemeyer syndicate. This man was Senator Willam E. Mason, of Illinois, who addressed the Senate on this bill the day the above action was taken, and whose remarks are quoted in part, as follows (CONGRESSIONAL RECORD, p. 6162):

I expect as the next development to see wealth, unrestrained by constitutional restrictions or by the desire for justice, undertaking to acquire the properties which belong to that people for the purpose of speculation and gain.
I believe the administration will do what it can to curb and restrain that ambition. I know very well that the gentlemen to whom the Senate has intrusted this subject will do their best to keep the skirts of the National Government clear from all stain. I know that the power of Congress and the power of the Executive is great; but I am afraid, great as it is, it will be inadequate to curb these mighty forces from a distance and keep them within lawful and honorable bounds. This, however, is only anticipation. If I prove a false prophet, no man will be more delighted than I shall be.

In the light of the events which have transpired during the last few months Mr. Mason's fears are shown to have been well founded.

The bill passed the Senate June 3, and was introduced in the House June 4, when it was referred to the Committee on Insular Affairs, which had been considering the subject for four months. The Committee on Insular Affairs considered the bill in committee for ten days, and on June 14 reported a new bill to the Committee of the Whole House. In this new bill the franchise clause was amended and strengthened to meet the contention that, while a corporation could own only a certain amount of land, members of one corporation could be members of other corporations and thus defeat the intent of Congress. To this franchise section the House bill added:

And this provision shall be held to prevent any member of a corporation engaged in agriculture from being in anywise interested in any other corporation engaged in agriculture.

Concerning the franchise sections, the House report of the Insular Committee accompanying the bill (Report No. 2496, 57th Cong., 1st sess.) said:

It is believed that the sections of the bill relating to franchises are so carefully drawn as to thoroughly safeguard the islands and their people against corporate or private greed and yet at the same time to present inviting opportunities for legitimate business investment.

The majority members of that committee, who either believed what they said, or, saying what they did, in reality intended to leave these lands open to exploitation in large tracts, were as follows:

HENRY A. COOPER, of Wisconsin.
JOSEPH G. CANNON, of Illinois.
Robert R. Hitt, of Illinois.
SERENO E. PAYNE, of New York.
William P. Hepburn, of Iowa.
Eugene F. Loud, of California.
JAMES A. TAWNEY, of Minnesota.
William H. Moody, of Massachusetts.
EDGAR D. CRUMPACKER, of Indiana.
EDWARD L. HAMILTON, of Michigan.
Joseph C. Sibley, of Pennsylvania.

The minority members of the committee were:

WILLIAM A. JONES, of Virginia.
John W. Maddox, of Georgia.
James R. Williams, of Illinois.
ROBERT L. HENRY, of Texas.
John S. Williams, of Mississippi.
Malcolm R. Patterson, of Tennessee.

The bill was debated in the House from June 14 to June 26. The following concrete statement by Judge CRUMPACKER on the floor of the House, June 24 (Appendix to CONGRESSIONAL RECORD, p. 628), summarizes the sentiment which prevailed amongst the majority Members of the House concerning corporation franchises and public lands:

Criticism has been made of the franchise provision. If the provisions of the bill respecting franchises and sale of public lands are subject to just criticism at all, it is because they are too rigid. [Applause on the Republican side.] Franchises are granted under such restrictions and limitations that I am apprehensive that proper development will be seriously retarded. Every safeguard that could be devised has been thrown around the action of the Government in granting franchises and in disposing of public lands. Undue exploitation by speculators and syndicates is made impossible. The public domain is to be held for actual settlers.

The amended bill passed the House June 26 and was sent to conference on the 27th. It was reported by the conference committee and was passed by both Houses on June 30.

The conferees, to whom was intrusted the final shaping of the bill, consisted of—

HENRY CABOT LODGE, William B. Allison, and CHARLES A. CULBERSON, on the part of the Senate, and HENRY A. COOPER, SERENO E. PAYNE, EDGAR D. CRUMPACKER, WILLIAM A. JONES, and JOHN W. MADDOX, on the part of the House.

In its report this conference committee said concerning public lands (CONGRESSIONAL RECORD, p. 7697):

The Senate further recedes from its disagreement to the provisions of the House bill relating to public lands, and agrees to the same with an amendment reducing the amount of land to be held by corporations from 2,000 hectares to 1,024 hectares. The Senate has further agreed to the House provisions restricting the ownership and control by members of corporations and corporations of mining and agricultural lands, with additional stringent provisions limiting these holdings.

Thus it will be seen that each of the three committees which participated in the shaping of this bill added restrictions to the sections covering the disposal of lands. The original bill, as introduced in the Senate, did not limit the homestead area. By amendment this area first was fixed at 160 acres, and later was reduced to 40 acres. The area which could be acquired by corporations was reduced from 5,000 acres to 2,500 acres. The term for which leases could be made was reduced from ninety-nine years to five years. The franchise section, which limited the amount of land which a corporation could own, was strengthened by adding to it—

And this provision shall be held to prevent any member of a corporation engaged in agriculture from being in any wise interested in any other corporation engaged in agriculture.

The question as to the possibility of any attorney being able to maintain a construction of the law which did not apply the limitations of section 15 to sections 63, 64, and 65, relating to the disposition of friar lands, was removed by adding to the latter sections "subject to the limitations and conditions provided for in this act."

Honesty of purpose and freedom from intent to trick seemed to characterize the entire six months' consideration of this bill. If the members of the Senate and House who devoted themselves to this bill were not honest, if, with all their debate on the floor and labors in committee, they really intended to leave the law so that this Havemeyer deal could be driven through it, then they simulated honesty so perfectly as to fool their most critical opponents. The criticisms made by minority Members were exceedingly harsh, but there were good reasons for such criticism, and the debate shows that the criticism was directed more at what they feared might happen, in spite of Congress, than at the motives of those who favored the bill. This criticism largely arose from certain testimony which had been given before the Senate and House committees, which

showed a desire to exploit, not these friar lands, but the crown lands, which had been ceded to the United States by Spain and which were about to be turned over to the government which this act created.

Few, if any, debates on important measures show such unity of purpose as was shown in this debate, and, as stated before, from the inception of this bill to its approval there is not a line of documentary evidence which, even in the slightest degree, tends to show that anyone who had to do with the making of it would not have worked to defeat it had they anticipated that the Attorney-General of the United States would uphold the odious purpose for which it has been used within the last few months.

Except for a few remarks, the dissecting of the Attorney-General's opinion will be left to one of the most eminent counsel in the United States, Mr. Moorfield Storey, of the law firm of Storey, Thorndike, Palmer & Thayer, president of the Boston Bar Association, a gentleman who has been president of the American Bar Association, and whose opinion commands the universal respect of the legal profession of the United States.

From the great mass of documentary evidence of a date antedating the passage by Congress of the act of July 1, 1902, quotations quite at length have been made in order to show the purpose and intent of Congress when it passed the act. In the opinion the Attorney-General rendered the Secretary of War this evidence is ignored in toto, and to demonstrate the intent and purpose of Congress when it passed the act in 1902 the only evidence he cites is from an act of the Philippine government, which was not passed until 1904, or two years after the act of the United States Congress.

In his opinion the Attorney-General mentions a law which the Philippine Commission enacted April 26, 1904, and he states that "this act fully provided for carrying into effect the act of Congress in the acquisition of the friar lands. It appears that the lands were purchased and the bonds issued in conformity with the conditions of these statutes." He says that "the intention of Congress was to abolish a system of ownership disadvantageous to the government, and at the same time to provide for the sale of the acquired property, so that the bonds issued for the purchase might not become a permanent burden." He says that "one of the recitals in the Philippine act, after stating the terms of the act of Congress, is that whereas the said lands are not 'public lands' in the sense in which those words are used in the public-land act No. 926, and can not be acquired or leased under the provisions thereof, it is necessary to provide proper agencies for carrying out the terms of said contracts of purchase and the requirements of said act of Congress with reference to the leasing and selling of said lands and the creating of a sinking fund to secure the payment of the bonds so issued."

The above quotations from the Attorney-General's opinion naturally lead the reader to believe that Congress intended, but failed, to provide for the disposition of the friar lands, and the Philippine government found itself powerless to dispose of them so that "the bonds issued for the purchase might not become a permanent burden." If, in quoting the Philippine act, he had quoted all the material provisions, instead of a fragment of a mere introductory recital, the reader would have grasped the truth of the situation.

Of course the Attorney-General is familiar with all the conditions set forth in the act from which he quotes, else he would not have quoted from it, but nevertheless it will be reproduced in its entirety, together with some of the provisions of the act which follow, showing that the Philippine government not only regarded itself as possessed of power to dispose of these lands, but that it exercised that power by passing an act which set forth specific conditions under which sales of these friar lands would be made. That portion of the sentence which the Attorney-General quotes in his opinion to the Secretary of War is printed in capitals.

WHEREAS THE SAID LANDS ARE NOT "PUBLIC LANDS" IN THE SENSE IN WHICH THOSE WORDS ARE USED IN THE PUBLIC-LAND ACT, NUMBERED NINE HUNDRED AND TWENTY-SIX, AND CAN NOT BE ACQUIRED OR LEASED UNDER THE PROVISIONS THEREOF, AND IT IS NECESSARY TO PROVIDE PROPER AGENCIES FOR CARRYING OUT THE TERMS OF SAID CONTRACTS OF PURCHASE AND THE REQUIREMENTS OF SAID ACT OF CONGRESS WITH REFERENCE TO THE LEASING AND SELLING OF SAID LANDS AND THE CREATION OF A SINKING FUND TO SECURE THE PAYMENT OF THE BONDS SO ISSUED: Now, therefore, by authority of the United States, be it enacted by the Philippine Commission, that:

"SECTION 1. The civil governor is authorized and directed to have careful examination made to ascertain the sufficiency and soundness of the titles to said land * * *."

And so forth.

Section 2 provides for surveying these lands.

Section 3 provides for a report on titles.

Section 4 provides for the payments to be made to the friars.

Section 5 provides that the lands will be under the control of the chief of the bureau of lands.

Section 6 provides for the recording of deeds.

Section 7 provides for ascertaining the names of actual residents.

Section 8 provides that occupants may lease lands.

SEC. 9. In the event the chief of the bureau of public lands should find any of the said lands vacant, he is directed to take possession and charge thereof, and he may either lease such unoccupied lands for a term not exceeding three years or offer the same for sale, as in his judgment may seem for the best interests of the government, and in making such sales he shall proceed as provided in chapter 2 of the public-land act—

which provides as follows:

CHAPTER II.

SALES OF PORTIONS OF THE PUBLIC DOMAIN.

SEC. 10. Any citizen of the Philippine Islands, or of the United States or of any insular possession thereof, or any corporation or like association of persons organized under the laws of the Philippine Islands or of the United States or any State, Territory, or insular possession thereof, and authorized to transact business in the Philippine Islands, may purchase any tract of unoccupied, unappropriated, and unreserved nonmineral agricultural public land in the Philippine Islands, as defined in the act of Congress of July 1, 1902, not to exceed 16 hectares (40 acres) for an individual or 1,024 hectares (2,500 acres) for a corporation or like association, by proceeding as hereinafter provided in this chapter: *Provided*, That no association of persons not organized as above and no mere partnership shall be entitled to purchase a greater quantity than will equal 16 hectares for each member thereof.

SEC. 19. This chapter shall be held to authorize only one purchase of the maximum amount of land hereunder by the same person, or by the same corporation or association of persons; and no corporation or association, any member of which shall have taken the benefits of this chapter, either as an individual or as a member of any other corporation or association, shall purchase any other public lands under this chapter.

The reason why the Attorney-General reproduced but a fragment of a whereas when the body of the act would have forced the reader to a reverse conclusion is unknown, but the assertion is ventured that such a procedure before a court of justice would result in something more than a reprimand from the presiding judge.

It appears that the Havemeyer syndicate is operating under the corporate name of "The Mindoro Development Company," which was incorporated December 8, 1909, two days after the cable from Manila announced the consummation of the deal. The company was incorporated under the laws of New Jersey with a capital stock of $50,000, Jersey City being the location of its principal office. On December 23 the opinion of the Attorney-General of the 18th became known to the public, and two weeks later, January 7, 1910, the capital stock of The Mindoro Development Company was increased to $1,000,000, a value of nearly a million dollars in securities seemingly being attached to the opinion of the Attorney-General of the United States. On March 3 the press announced:

A sugar mill has been ordered by The Mindoro Development Company to be built by the Honolulu (Hawaiian) Iron Works, including entire equipment, for manufacturing sugar, and to be ready for delivery next December, at a cost of about $500,000. The supply of cane will be grown on the large tract of land recently purchased by the company on the Island of Mindoro. The bulk of this land is located on the southwest of the island, commanding a splendid harbor, and the company's plans include suitable docks.

In view of the above-mentioned corporate character of the Havemeyer syndicate it seems singular that in rendering an opinion concerning the dealings of this corporation the Attorney-General should have quoted sections 12, 13, 15, 63, 64, and 65 of the act of July 1, 1902, and should have overlooked section 75 of the same act. Believing that a reading of said section 75 will aid in determining whether or not the intent of Congress was to allow the exploitation of 55,000-acre tracts of Philippine sugar land, that section is herewith requoted in full:

SEC. 75. That no corporation shall be authorized to conduct the business of buying and selling real estate or be permitted to hold or own real estate except such as may be reasonably necessary to enable it to carry out the purposes for which it is created, and every corporation authorized to engage in agriculture shall by its charter be restricted to the ownership and control of not to exceed 1,024 hectares (2,500 acres) of land; and it shall be unlawful for any member of a corporation engaged in agriculture or mining and for any corporation organized for any purpose except irrigation to be in any wise interested in any other corporation engaged in agriculture or in mining. Corporations, however, may loan funds upon real-estate security and purchase real estate when necessary for the collection of loans, but they shall dispose of real estate so obtained within five years after receiving the title. Corporations not organized in the Philippine Islands, and doing business therein, shall be bound by the provisions of this section so far as they are applicable.

If Congress had intended that the friar lands be left open to exploitation in unlimited areas, it seems strange that these lands were not excepted from the restrictions of section 75. The truth is, as everyone familiar with that piece of legislation knows, section 75 was designed as a double check for the particular and sole purpose of preventing the exploitation of any and all agricultural lands of the islands of whatsoever character or nature.

The other points at issue are covered fully in the very concise opinion of Mr. Moorfield Storey, which is reproduced herewith in full:

OPINION OF MOORFIELD STOREY CONTROVERTING THAT OF ATTORNEY-GENERAL WICKERSHAM.

I am sorry to take issue with Attorney-General Wickersham, for whom I have great respect, upon the question whether the lands purchased from the religious orders in the Philippine Islands can be sold in larger quantities than those which are prescribed by section 15 of the act of Congress entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July 1, 1902, but in my judgment he is wrong in his construction of that act.

The question as he states it in his opinion of December 18, 1909, is whether section 15 of the act above stated is made applicable by section 65 of said act to the estates purchased from religious orders in the Philippine Islands pursuant to the authority conferred upon the Philippine government by section 63, section 64, and the said section 65 of the act mentioned.

In order to answer this question we are called upon to construe different sections of the same act, and they must be construed so that all may stand together and that the intention of the act may be carried out.

Section 12 of that act provides "that all the property and rights which may have been acquired in the Philippine Islands by the United States under the treaty of peace with Spain, signed December 10, 1898, except such land or other property as shall be designated by the President of the United States for military and other reservations of the Government of the United States, are hereby placed under the control of the government of said islands to be administered for the benefit of the inhabitants thereof except as provided in this act."

Section 13 requires the government of the Philippine Islands to "classify according to its agricultural character and productiveness the public lands other than timber and mineral lands."

Section 15 provides "that the government of the Philippine Islands is hereby authorized and empowered, on such terms as it may prescribe, by general legislation, to provide for the granting or sale and conveyance to actual occupants and settlers and other citizens of said islands such parts and portions of the public domain, other than timber and mineral lands, of the United States in said islands as it may deem wise, not exceeding 16 hectares to any one person and for the sale and conveyance of not more than 1,024 hectares to any corporation or association of persons."

Section 64 provides for the purchase of any lands, easements, appurtenances, and hereditaments "owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels and in such manner as in the opinion of the commission injuriously to affect the peace and welfare of the people of the Philippine Islands."

Section 65 provides "that all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed or leased temporarily for a period not exceeding three years after their acquisition by said government upon such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in this act."

These seem to me to be the important provisions of the law which we are called upon to construe, and it is to be observed that the land acquired under section 64 is to become a part of the "public property of the government of the Philippine Islands," which phrase is in effect the same as that which is used in section 15, where provision is made for the sale and conveyance "of such parts and portions of the public domain," and it would seem to be the intention of Congress that this land should be dealt with precisely as the rest of the public domain was to be dealt with. Section 63 expressly makes the power of the government to receive, hold, and convey title "subject to the limitations and conditions prescribed in this act." The same limitation is found in section 65, where the language is that the property may be "held, sold, and conveyed * * * subject to the limitations and conditions provided for in this act."

The Attorney-General sums up his argument by saying: "The government has complete control over the sale of the lands, on such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in the act of 1902." In this conclusion I agree, and it only remains to determine what are "the limitations and conditions" contained in the act, subject to which this control, including the power to buy and sell, is granted. I find none which so clearly come within this language as those which limit the amount to be conveyed, so that not exceeding 16 hectares can be sold to any person, and not exceeding 1,024 hectares can be sold to any association or corporation, and the further limitation which excepts from the power to sell all public timber and mineral lands. Certainly these are "limitations and restrictions provided for in this act," and as the power to sell is made subject to all such limitations and restrictions, there seems to be no ground for excluding these from the general language of the act. I can not therefore resist the conclusion that the power to sell the land purchased from the religious orders and then added to the public domain is subject to these precise limitations as to quantity.

Moreover, when we consider the purpose of these limitations, which was to prevent the exploiting of the Philippine Islands by American or other capitalists, and to provide that these lands be "administered for the benefit of the inhabitants thereof" in the words of section 12, no reason can be suggested why the very choice agricultural lands, which were held by the religious orders, should be thrown open to exploitation, or why the general policy contemplated by the act should have been abandoned in dealing with this very important portion of Philippine agricultural land. The reason which required the limitation in other cases applies with equal force to these lands, and I can not doubt that it was the intention of Congress that the policy should be the same.

The Attorney-General says that they were acquired in a different manner from the property acquired under the treaty with Spain. This is true, but they were acquired by the government of the Philippine Islands for the benefit of the Filipino people, were paid for with the proceeds of bonds which were obligations of the islands, were added to the same limitations which applied to the rest of the public domain. The fact that the act contemplated the sale of those lands and the application of the proceeds to a sinking fund does not vary the construction of the act. The government was authorized to sell under certain limitations, and the proceeds of sales so made were to be paid into the sinking fund, but this use of the money can not enlarge the limited power to sell. Some sales were authorized, and the use to be made of the money realized from these was prescribed, but it can not be argued that, because the proceeds of authorized sales must be so used, limitations expressly imposed on the authority to sell are removed. The Attorney-General rests a part of his argument on the act passed by the Philippine Commission, but as the authority of that commission is expressly limited by the act of Congress, we must examine the latter to see whether the action of the commission was authorized, and not conclude that a restriction which Congress expressly imposed did not exist because the commission disregarded or misinterpreted it. I am of opinion, therefore, that the sale of agricultural land to any corporation or association in excess of the amount limited by the provisions of the act which I have quoted, is unauthorized and void, and that the purchaser acquires no title to the land so sold.

EXPLOITATION MEASURES URGED UPON CONGRESS BY PHILIPPINE OFFICIALS, 1901 TO 1907.

Believing that the sale to the Havemeyer syndicate would not have been consummated but for the provision in the tariff bill of August, 1909, which provided for the annual free admission of 300,000 tons of Philippine sugar to our markets, it would seem to be germane to the subject in question to review some of the facts which led up to the insertion of this provision.

Nearly ten years ago officials of the Philippine government began to recommend to Congress the three essentials for the maximum exploitation of the sugar industry in the Philippine Islands, namely, the introduction of Chinese labor, the increase of the land area which corporations might hold to 25,000 acres, and the reduction or elimination of the United States duty on Philippine sugar.

It was recommended to Congress that the operation of our contract-labor laws be withdrawn from the Philippines and that the admission of Chinese be permitted under such regulations as the Philippine Commission might adopt, but the proposition was abandoned for the time being because of general opposition in Congress, and the subsequent efforts to secure legislation in behalf of Philippine exploitation have been confined to raising the land limit and lowering the duty. These objects once attained, it might be easier to introduce the Chinese to work the sugar estates. The following excerpts from the annual reports of the Philippine Commission show the persistence and regularity with which these two measures have been urged upon Congress:

[Annual report of the Philippine Commission for 1901.]

If Congress will reduce by 50 per cent the United States duty on tobacco, hemp, and sugar and other merchandise coming from these islands, it is certain that the trade between them and the United States under the new tariff will increase by leaps and bounds. Such generosity would much strengthen the bonds between the Filipino and American people, and it is earnestly recommended. (Vol. 1, p. 28.)

[Annual report of the Philippine Commission, December 23, 1903.]

The conditions with respect to sugar and tobacco continue to be very unfavorable, and the arguments in favor of a reduction of the Dingley tariff upon these articles to 25 per cent of the rates of that tariff on sugar and tobacco from the Philippines grow stronger instead of weaker. (Vol. 1, p. 4.)

The commission retains its opinion, already expressed, that the limitation upon the holding of land in the islands by corporations to 2,500 acres is a needless hindrance to the development of the islands, and that the limitation ought either to be removed entirely or to be increased so as to allow the acquisition of at least 25,000 acres of land. In cases in which, in order to justify the expenditure of the amount of capital required to conduct sugar and other agricultural industries on a paying basis, a very large amount of money is needed, the restriction of corporations to the ownership of 2,500 acres is practically prohibitory upon such enterprises. (Vol. 1, p. 9.)

[Annual report of the Philippine Commission, November 1, 1904.]

Aside from being a measure of simple justice, nothing which Congress could do would have so tremendous a moral effect upon the people of the islands as to permit their sugar and tobacco to enter the United States without the imposition of any duty, or with the imposition at most of a low duty only. (Vol. 1, p. 26.)

We also again wish to call attention to the desirability of repealing the limitations contained in section 15 of the act of Congress of July 15, 1902, which forbid the sale of any portion of the public domain to an individual in an amount exceeding 16 hectares and to any corporation or association of persons in an amount exceeding 1,024 hectares. Perhaps the greatest need existing at the present time is the introduction of capital properly directed in the development of the agricultural resources of the islands. The paying out of sugar and cocoanut plantations, operated by up-to-date men with modern ma-

chinery, would be of incalculable benefit to the people. * * * The motive which induced these restrictions was doubtless the fear that men of large means would buy up great tracts of land for exploitation and thereby prevent the native Filipinos from utilizing for their own benefit the public domain. Such a purpose is undoubtedly most commendable, but when it is understood that the present native population occupy only a very small proportion of the lands of the islands, and that there are now many millions of acres of unoccupied public lands which will probably so remain for all time unless offered to purchasers in larger blocks, it is believed that no reasonable ground for these fears, upon investigation, will be found to exist. * * * We therefore submit that the amount of land which may be purchased by any person or corporation should be largely increased. (Vol. 1, p. 28.)

[Annual report of the Philippine Commission, November 1, 1905.]

In every report made by the commission it has urged the repeal of, or at least a large reduction in, the duties imposed by the tariff laws of the United States upon exports of sugar and tobacco from the Philippine Islands to the United States. We now renew our recommendations in this behalf. The reasons which we have so often presented still remain in full force. (Vol. 1, p. 70.)

We shall not attempt to repeat in detail the many reasons which forbid any really large increase in sugar production in these islands for many years to come. We content ourselves with stating briefly some of the controlling reasons why this must be so. In the first place, as in the case of tobacco, the area of the lands upon which sugar can be profitably grown in these islands is comparatively small. The supply of native labor is limited and there is no probability of a change in the policy of the Government of the United States forbidding the importation of Chinese or other foreign labor. The method of cultivation and the machinery used in the extraction of sugar from the cane are inadequate and expensive. Nearly 50 per cent of the saccharine matter in the cane is lost and the grade of sugar produced is exceedingly low. * * * While the removal by Congress of the duties upon Philippine sugars imported into the United States would at once relieve the desperate situation of the planters and inspire hope where now only despair is found, the idea that Philippine sugar can ever become a serious menace to home-grown sugar is very little short of absurdity. (Vol. 1, p. 71.)

We submit that the apprehension that the entrance of capital and enterprise of Americans and others in agricultural pursuits in these islands upon an extensive scale is a menace to the prosperity and future of the Filipinos is chimerical and has no real foundation, and therefore we unhesitatingly recommend that the amount of land which may be purchased by any person or corporation be very considerably increased. (Vol. 1, p. 75.)

[Annual report of the Philippine Commission, September 15, 1906.]

There has been great and bitter disappointment throughout the Philippine Islands at the failure of Congress at its last session to furnish relief from the excessive duties now imposed by the Dingley tariff upon imports of sugar and tobacco products from the Philippine Islands into the United States. The people had strong expectations that relief in this direction would be afforded them. This was the principal ray of hope which came to them in the midst of their losses from rinderpest, locusts, droughts, and low prices for their products. * * * The Filipino asks for justice and fair treatment, and nothing is more apparent to the unprejudiced investigator than that such just and fair treatment require a reduction of the Dingley tariff upon sugar and tobacco at least to 25 per cent of its present rate upon those commodities imported from the Philippine Islands into the States, which can be made without the slightest impairment of the interests in the United States which have heretofore combined to prevent the act of justice sought. (Vol. 1, pp. 62–63.)

The commission has heretofore repeatedly called attention to the provision of section 15 of the act of Congress of July 1, 1902, limiting the sale of any portion of the public domain to any individual to an amount not exceeding 16 hectares or to any association or corporation to an amount not exceeding 1,040 hectares. However beneficent the purposes that were in the minds of the legislators when these limitations were imposed, the practical effect has been to prevent the development of agricultural industry on any large scale in the islands. * * * The islands have many acres of arable and fertile land absolutely unoccupied. The people have no means of engaging in large industries, and it would be the greatest of boons if the lands could be more largely occupied and developed and an example furnished to the inhabitants of what modern appliances and modern methods of cultivation can do and opportunities furnished for the employment of a large number of natives and the cultivation of large haciendas. Capital is not in the islands; it will not come without assurances of fair returns on money invested. The legislation referred to prohibits any such assurance, but, on the contrary, makes it certain that an industry thus established must be a failure. There is abundant land for the use of all the capital that can be coaxed into the islands, with limitations fairly liberal, and still leave more land for the Filipinos than will be occupied by them apparently for hundreds of years. We respectfully but urgently renew our recommendation that the legislation be modified, and that firms, corporations, or associations be allowed to acquire public lands not exceeding 10,000 hectares for each individual, association, or corporation. (Vol. 1, pp. 68–69.)

[Annual report of the Philippine Commission, December 31, 1907.]

The commission begs leave to make the following specific recommendations, some of which have been embodied in previous reports:

"First. That the duties on sugar and tobacco exported from the Philippine Islands into the United States be removed."

See previous reports of the commission and in this report under heading "Dingley tariff." (Vol. 1, p. 64.)

SURVEYING THE FRIAR ESTATES.

The policy pursued by our officials in the Philippines in surveying the friar lands has to do with carrying out the intent and purpose of Congress when it authorized their purchase.

The contract for the purchase of the friar-lands estates was concluded on the 23d day of December, 1903, for a consideration of $7,239,784.66. The Philippine Commission seemed to realize at that time that the friar lands were to be subdivided and sold to tenants in small parcels instead of large tracts to sugar exploiters. In its annual report of November 15, 1903, to the Secretary of War the commission said, page 44:

The disposition of the lands to the tenants on contract of sale with easy payments for a number of years entails a work of tremendous labor upon the insular government and will necessitate the organization of a separate bureau for that purpose.

The contracts with the friars not only provided that good title should be given, but also specified the number of hectares contained in each estate, fixed the price of each, authorized the Philippine government to have a survey made, and stipulated that if as a result of this preliminary survey the government should find there was a shortage in any tracts there should be a joint survey by the parties and the purchase price should be reduced or increased proportionately as there was shown to be more or less land.

The Philippine Commission, by act No. 1120, dated April 26, 1904, authorized the survey, and a number of surveying parties were organized by the bureau of engineering and proceeded to make the necessary surveys. On July 27, 1904, the surveys having been completed, the consulting engineer made his report, which showed various shortages in area, amounting in all to 11,515 hectares. The friars accepted these surveys and, on October 5, 1904, deeds were passed and money paid for the Mindoro estate, the only one then owned by the Recoleto order. Deeds to eighteen other estates were passed on October 24 and the questions in dispute with the Dominicans were settled the following year, when the entire transaction was completed and title vested in the Philippine government.

Having secured title to the friar lands, the next procedure was to survey the small tracts occupied by tenants, usually but one to five acres, so as to be able to carry out the purpose for which these lands were purchased, namely, to sell each tenant the land which he occupied as a renter and, by making them landholders, end the troubles which these people had been causing the government, and, in its annual report to the Secretary of War, made under date of November 1, 1904, the commission conveyed the impression that it was preparing to carry out the intent of Congress at the earliest moment. It said (pp. 18–19) that the friar lands had been placed—

under control of the bureau of public lands, with direction to proceed as rapidly as possible to their subdivision and sale to the occupants thereof upon ten years' time and at first cost to the government.

The area of some of the friar estates was wholly occupied by renters, some only partially occupied, and two of the largest were unimproved, uninhabited wild lands, but 1 per cent of the Isabela estate being occupied, while the Mindoro estate was listed as being totally uninhabited. The uninhabited estates could give the authorities no trouble, and naturally the surveying parties would begin operations on the most densely populated estates. It would appear from the report of the Philippine Commission of November 1, 1905, to the Secretary of War, and by him transmitted to Congress, that the above-mentioned procedure had been adopted and was being carried out as rapidly as circumstances would permit. That report says (pp. 65–66):

The chief of the bureau of public lands, who is intrusted with the duty of administering the friar lands, is now engaged with a considerable force in locating the actual settlers upon the lands, making temporary leases to them, and properly subdividing the property. This is work of no little difficulty and complexity, and while considerable progress has been made, much remains to be done. It is hoped and believed that the great body of the tenants on these lands will finally purchase their holdings from the government, and that thus there will be removed a constant source of irritation to all concerned.

The following year, 1906, the Philippine Commission reported substantial progress and dwelt at some length on the beneficial effects derived from cutting up these vast holdings and making landlords out of the tenants who had been causing so much trouble. Under date of September 15 the 1906 report of the commission said (pp. 58–59):

It was stated in our last report that 400,000 acres, more or less, agricultural lands belonging to the religious orders had been purchased by the insular government, and that after protracted negotiations the purchases had been completed and titles passed. The purchase of these lands was almost wholly for the purpose of settling agrarian controversies and allowing the occupants, who could, under circumstances before existing, acquire no titles to the holdings and must always remain tenants, to become landowners, and thereby interested in peace and good order and the prosperity of the country. During the year the bureau of lands has devoted itself with great energy to causing these lands to be surveyed and to obtaining signatures of the

former tenants to leases of their holdings. The purposes of obtaining leases were twofold; primarily, to end all controversy as to the government's ownership by a recognition thereof; secondly, to obtain some income from the property. The occupants have very largely executed leases and indicated their intention to make purchases. The lands will be sold at prices only such as to compensate the government for money invested, so far as it can be ascertained, and favorable terms of payment will be given to purchasers. There is now every reason to believe that most of the occupants will end their leases by becoming purchasers, and will be contented landowners instead of discontented and repudiating tenants. It will require much time and patience to work these results out in full. The work is now making substantial progress.

Neither the governor-general's annual reports to the Philippine Commission nor the annual reports of the Philippine Commission to the Secretary of War for the two years 1907 and 1908 allude to the friar lands.

With what accuracy the above reports of the Philippine Commission to the Secretary of War and to Congress portray actual conditions may be judged from the annual reports of the chief of the bureau of lands, which are submitted as appendixes. In his annual report of September 1, 1904, Mr. William M. Tipton, chief of the bureau of lands (vol. 2, p. 477), said:

By act No. 1120 of April 26, 1904, the commission made provision for the administration and temporary leasing of certain haciendas and parcels of land commonly known as "friar lands," for which the Government had some time before made contracts of purchase.

Preliminary to the vesting of title to these lands in the government of the Philippine Islands it was necessary to have careful surveys made of the various tracts in order to ascertain whether they contained the amount of land stated in the contracts.

This work was imposed upon the consulting engineer to the commission, and I understand has been completed.

In the near future the work of subdividing these properties and attending to the details of leasing and selling the different subdivisions will devolve upon this bureau.

From the report of the Philippine Commission of November 1, 1905, as heretofore quoted, it would be inferred that the chief of the bureau of public lands was pushing the work of surveying the thickly populated friar estates in order to carry out the intent of Congress and give title to small parcels to tenants, and thus remove, as the commission said, "a constant source of irritation to all concerned."

It appears, however, that the first work undertaken was the surveying of the totally uninhabited 55,000-acre Mindoro estate recently sold to the Havemeyer syndicate; the second tract surveyed was the uninhabited Isabela estate, and that it was not until nearly three years after the friar estates were purchased that surveying was begun on any of the 21 inhabited estates. In his annual report of September 12, 1905, Mr. Tipton said (vol. 2, p. 383):

The surveying force of the bureau at present consists of 2 clerk surveyors, 8 transit men, 4 chainmen, and 2 draftsmen. * * * The force now appropriated for is inadequate to do the work required, and in the estimate for this year a substantial increase is asked for. This increase is essential if the work is to be kept anywhere near up to date. * * * The first work undertaken on the survey of the friar lands estate was in connection with the hacienda of San Jose, in southern Mindoro.

Even a year later the director of lands stated that the Mindoro estate was the only one for which application for registration has been made to the land court, for the reason that it was the only estate which had been surveyed. The following is from his report of August 10, 1906 (vol. 2, pp. 134–135):

Preparation was also made for the registration of the estates in the court of land registration, but as this registration depends upon the surveys the San Jose estate in Mindoro is the only estate for which application has been made to the land court. * * * It was the original intention of the bureau to place agents upon nearly all of the estates purchased, but it was found that combinations could be effected whereby 10 agents could perform the necessary work, and accordingly, for the 22 estates actually administered, San Jose estate having no occupants and therefore not needing an agent, offices were established as shown by the following statement, which shows also location of office, number and names of estates administered, areas, and date of lease. * * *

The annual report of the director of lands shows that when still another year had rolled around, the uninhabited Mindoro estate was the only one which had been registered and that conditions with the renters had reached a critical stage. This report was made under date of August 5, 1907 (vol. 2, p. 184), and says:

The work of the administration of these estates has been hampered and the progress and welfare of the tenants materially retarded by political agitation conducted by those seeking the advancement of their own interest. * * * Aside from this is the continual agitation for the reduction of the rates of rental and exemption from payments of rents on nonproductive lands, and other similar questions which have formed live issues during the political campaign now coming to a close. But notwithstanding the retarding of the work by political agitation, considerable progress has been made. * * * All the friar estates have now been registered under the mortgage law in the respective provinces where located. San Jose estate has been registered under the Torrens Act and a certificate issued therefor. Matamo, San Marcos, and Dampol estates are now before the court of land registration pending the action of the court, and other estates will be entered as fast as the surveys are completed and the information at hand with which the attorneys can file application for registration.

An entire year has been permitted to elapse in the hope that under auspicious circumstances the financial condition of the tenants would so far improve as to permit of their purchasing the lands. Now, a second attempt is to be made in the immediate future, and should this fail, there will be no recourse but to double the rates of rental, a remedy which has not been invoked heretofore by reason of the fact that the rates now in force approximate those charged in friar times. Even the rates now in force have been criticised, as a convention of municipal presidentes of Bulacan Province passed a resolution requesting their reduction, which was forwarded by the provincial board recommending favorable action by the executive (pp. 193–194).

On pages 210 and 211 the director of lands incorporated the following tabulated statement showing the condition of the friar parcel-lands survey on August 5, 1907:

The following statement shows the balance of the work to be done on friar-land surveys and the estates on which surveys are incomplete:

Area of parcel surveys to be made on friar-land estates during the fiscal year 1908.

Estate.	Total area.	Percentage of area to be surveyed.	Area to be surveyed.
	Hectares.		*Hectares.*
San Francisco de Malabon	11,449	47.2	5,266
Tala	6,696	100	6,696
Piedad	3,860	100	3,860
Muntinlupa	2,827	40.1	1,080
Talisay-Minglanilla	8,020	100	8,020
Imus	18,243	47.3	8,683
Calamba	13,673	50.5	6,912
Lolomboy (Bocane parcel)	4,901	31.7	1,514
Naic	7,624	52.1	3,950
Santa Cruz de Malabon	9,795	100	9,795
Santa Maria de Pandi	10,342	71.7	7,405
Total on 11 estates			63,144

SURVEY TO DATE.

	Hectares.
San Jose estate (Mindoro, uninhabited), fiscal years 1905 and 1906	23,266
Isabela estate (1 per cent occupied), fiscal years 1906 and 1907	19,891
Other estates reported, fiscal year 1906	10,026
Other estates reported, fiscal year 1907	42,348
Total friar lands surveyed to date	95,531
Total area friar-land estates	158,675

Considering the representations which had been made to Congress, it hardly is to be presumed that the intent of Congress was that the Philippine surveying parties would rush into the uninhabited estates of Mindoro and Isabela and push those surveys through to the total exclusion of the densely populated estates. In the light of recent events, the fact that this was done would indicate that from the very outset the exploitation of the friar lands rather than the interests of the more than 60,000 renters thereon occupied first place in the minds of the Philippine officials.

After finishing up the work of surveying the uninhabited San Jose and Isabela estates and getting them into condition where they could be disposed of en bloc, the survey of the densely populated estates continued to drag along until 1908. In his 1907 report, the director of lands stated that there had been trouble with the tenants, that matters had reached a critical stage, that apparent injustice had been done the poorer class of occupants, that the rental rates already were high, but that notwithstanding all this even these high rates would be doubled unless tenants paid up. The director said (p. 188) that unless the tenants adopted a different attitude in the immediate future, his bureau would have no other recourse than to bring suits for ejection from the premises.

It appears that this course was adopted. The 1908 report shows that over 1,100 suits were brought against tenants and that in 1908 the number of leases in force was nearly 1,600 less than in 1907. In his 1908 report (vol. 2, p. 225) the director of lands said that while his work had not been hampered as much as formerly by political agitation—

the usual number of petitions requesting the reduction of rents or their suspension have been received, but except in a very few cases has it been shown that tenants were unable to pay their rents, although the rice crop on the estates north of Manila was in some cases smaller than in previous years.

The following composite table, made up from the various tables of the Philippine Commission reports, shows the progress made on the surveys of each estate from the time the surveys were commenced until they were completed:

Progress of the survey of friar-land estates.

Name of estate.	Area in acres.	Estimated area occupied.		Surveys commenced.	Surveys completed in 1905.	Surveys completed in 1906.	Surveys completed in fiscal year ending June 30—	
							1907.	1908.
		Per cent.	*Acres.*				*Per ct.*	*Per ct.*
San Jose	57,467	0	.....	March 13, 1905	August 27		.....	.....
San Francisco de Malabon	28,279	45	12,726	June 13, 1905	.....	16.8 per cent	52.8	100
Imus	45,060	40	16,024	July 21, 1905	.....	13.9 per cent	53.7	100
Dampol[a]	2,294	100	2,294	September 13, 1905	.....	February 5	.....	.....
Guiguinto-Alang-Ylang	632	(b)	.....	November 21, 1905	.....	February 7	.....	.....
Malinta (detached portion)	71	(b)	.....	November 24, 1905	December 17	.....	.....	.....
Lolomboy-Pasolo	188	(b)	.....	December 14, 1905	.....	February 14	.....	.....
Guiguinto-Barihan	140	(b)	.....	December 14, 1905	.....	January 8	.....	.....
Isabela	49,131	1	491	January 1, 1906	.....	75 per cent	100	.....
Santa Rosa	13,511	70	9,458	January 15, 1906	.....	17.6 per cent	100	.....
Binan	9,038	70	6,327	January 17, 1906	.....	29.8 per cent	100	.....
Guiguinto-Daquilla	100	(b)	.....	January 22, 1906	.....	January 31	.....	.....
Binagbag[a]	729	80	583	February 5, 1906	.....	April 5	.....	.....
Guiguinto-Malapad	20	(b)	.....	February 7, 1906	.....	February 8	.....	.....
Guiguinto-Recoleto	1,265	(b)	.....	February 9, 1906	.....	April 8	.....	.....
Lolomboy-Malanda	351	(b)	.....	February 19, 1906	.....	April 9	.....	.....
Calamba	33,772	25	8,443	March 7, 1906	.....	5.1 per cent	49.5	100
Santa Maria de Pandi	25,545	80	20,436	April 6, 1906	.....	0.8 per cent	28.3	100
Guiguinto-Anibon	179	(b)	.....	April 9, 1906	.....	April 12	.....	.....
San Marcos[a]	216	100	216	April 10, 1906	.....	April 24	.....	.....
Malinta	8,828	95	8,387	April 13, 1906	.....	4.8 per cent	100	.....
Lolomboy-Toro	146	(b)	.....	April 25, 1906	.....	June 12	.....	.....
Lolomboy-Bocane	12,105	(b)	.....	June 13, 1906	.....	.....	68.3	100
Banilad	4,755	80	3,804	1907	.....	.....	100	.....
Guiguinto	2,337	90	2,103	1907	.....	.....	100	.....
Matamo	30	100	30	1907	.....	.....	100	.....
Orion[a]	2,163	80	1,730	1907	.....	.....	100	.....
Lolomboy	12,790	60	7,674	1907	.....	.....	68.3	100
Muntinlupa	6,983	80	5,586	1907	.....	.....	59.9	100
Naic	18,831	60	11,299	1907	.....	.....	47.9	100
San Cruz de Malabon	24,194	30	7,258	1907	.....	.....	.....	100
Biedad	9,534	85	8,104	1908	.....	.....	.....	100
Talisay	19,809	70	13,866	1908	.....	.....	.....	100
Tala	16,539	20	3,308	1908	.....	.....	.....	100

[a] Estates on which sale certificates were issued in 1908.

[b] Portions of other estates.

As has been seen, the entire surveying force of the director of lands was rushed onto the uninhabited Mindoro estate in order to complete that survey first of all, instead of surveying the densely populated estates, the tenants of which were represented to be giving the government so much trouble eight years ago.

The survey of the Mindoro estate was commenced March 13, 1905, and completed August 27 of the same year. The next tract to receive the attention of the surveying force was the 28,000-acre San Francisco de Malabon estate, of which over 12,000 acres are reported as occupied. The survey of this estate was begun June 13, 1905, and less than 53 per cent of it had been completed in August, 1907. They next started in on the 45,000-acre Imus estate in July, 1905, and up to August, 1907, had surveyed 54 per cent of that. Forty-five per cent of the total area of the San Francisco de Malabon and 40 per cent of the Imus estate are reported as occupied, and yet the surveys were not completed until 1908.

From the preceding table it will be observed that the only estates upon which the survey was completed in 1905 were the 71-acre detached portion of the Malinta estate and the uninhabited San Jose estate. The one small inhabited estate on which the survey was completed in 1905 had not been sold up to June, 1908.

Referring to the table, it will be seen that during the following year, ending June 12, 1906, the surveys were completed on thirteen different tracts of friar lands, covering an area of about 6,000 acres. These tracts can be divided into two classes. One class includes the 3,110 acres contained in the little Dampol, Binagbag, and San Marcos estates, which are separate and distinct estates, each complete in itself and none of them being of sufficient size to attract exploiters. On these estates some sale certificates have been issued, but not until 1908, some two years after the surveys were completed.

The ten other tracts, covering 3,150 acres, adjoin friar estates which cover some 24,000 acres. All of these ten tracts, as well as the larger ones which they adjoin, are reported as being densely populated, three of them being reported as 60 per cent occupied and one as 95 per cent occupied. Although the surveys of these densely populated estates were completed in 1906, not a sale certificate had been issued on any one of these ten estates when the director of lands made his annual report of June 12, 1908. It would seem to be a reasonable conclusion that inasmuch as these ten tracts of friar lands adjoin friar estates covering 24,000 acres, instead of issuing sale certificates on them, they are to be turned over to favored exploiters who will purchase the land en bloc and continue to hold the natives as tenants and compel them to furnish cane for the sugar mills at prices and on terms to be fixed by the former.

Coming down to the surveys which were completed in 1907, we see that the surveys which were completed during that year cover eight friar estates. The combined area of the eight estates is 100,000 acres, 49,000 of which is comprised in the uninhabited Isabela estate, recently reported as sold en bloc to a wealthy tobacco corporation. All of the other seven estates surveyed in 1907, and covering over 40,000 acres, are reported as being densely populated, not less than 70 per cent of any one of them being reported as occupied, and from that up to 95 per cent. Notwithstanding the fact that the surveys of these seven estates had been completed prior to the publication of the director of lands's annual report of August 5, 1907, when on August 17, 1908, he issued his next annual report, not a sale certificate had been issued on any of the number except the little 2,100-acre Orion estate.

At the end of the fiscal year 1907, aside from the uninhabited Mindoro and Isabela estates, 150,000 acres of the friar lands had been surveyed, estates covering nearly 50,000 acres has been completely surveyed, and yet a year later, in August, 1908, sale certificates had been issued on but four small estates. This in the face of the statement of the Philippine Commission made two years before to the Secretary of War and by him submitted to Congress that—

> During the year the bureau of lands has devoted itself with great energy to causing these lands to be surveyed. * * * There is now every reason to believe that most of the occupants will end their leases by becoming purchasers, and will be contented landowners instead of discontented and repudiating tenants.

Probably they would if given the opportunity.

SALES AND LEASES OF FRIAR LANDS TO NATIVE TENANTS.

The policy pursued by American officials in the Philippines in selling and leasing small tracts of friar lands to native tenants indicates the manner in which the purpose and intent of Congress is being observed. Congress authorized the purchase of the friar lands July 1, 1902. In March, 1902, the report of the Senate Philippine Committee stated that—

> There is nothing so universally and so earnestly desired by the people of the Philippine Islands as the acquisition of these lands belonging to the friars by the actual occupants and holders of the property.

These lands were to be purchased from the friars, and the Philippine government was to "make arrangements to give them back to the actual settlers at the earliest moment," giving them good long time, of course, to pay, so that instead of paying rent they will be making partial payments on the purchase.

How many people were or are occupying the 23 estates purchased from the friars was not divulged in the testimony, but we are told that covering the lands of three of the religious orders there were 60,000 tenant leases, or 300,000 people at five to a family.

As has been noted, the purchase of these lands from the friars was consummated December 22, 1903, or over six years ago, and they were to be divided and sold in small parcels to the occupants "at the earliest moment." It appears from the 1908 report of the Philippine Commission (vol. 2, p. 226) that up to June 30, 1908, four and one-half years after the purchase of the friar lands had been consummated, but 446 sale certificates on these lands had been issued by the Philippine government, which would indicate that the speed which was exercised in securing these lands has not been maintained in disposing of them to native tenants. In other words, during a period of four and one-half years the Philippine government has issued enough sale certificates on all the 23 friar estates to provide homes for less than eight-tenths of 1 per cent of the tenants who occupied the lands of but three of the religious orders. If this speed in making sales to tenants be maintained, it will be seven hundred years before even these 60,000 tenants secure their homes. It therefore would appear that the Philippine government is not overexerting itself to carry out the intent and purpose of Congress to vest title to these lands in the tenants thereof "at the earliest moment."

It seems significant that not a sale certificate has been issued on any of the large and important haciendas. The 446 sale certificates issued have been confined to four small, unimportant estates, which cover a total combined area of but 5,493 acres, or 1.4 per cent of the 391,932 acres purchased, thus leaving over 98 per cent of the total area of friar lands in condition to be sold for exploitation purposes in large tracts in which there are no parcels owned by natives.

On the four small estates to which the 446 sale certificates are confined there have been issued 547 leases, or 1,003 leases and sales, covering a total area of 3,576 acres. The official reports do not separate the area sold from the area leased, but presuming the parcels sold and leased to be of equal size the 446 sale certificates cover a total area of 1,588 acres.

If, though delayed, the intent and purpose of Congress finally is to be respected and the Filipino tenants are to acquire the friar lands in small parcels, unless the speed with which they have been allowed to do so during the past four and one-half years be accelerated, it will be eleven hundred years before the last parcel will have been disposed of. With the exception of two small estates, the 446 sale certificates are confined absolutely to the smallest tracts purchased, as will be seen from the following table, derived from the tables of the 1908 report of the director of lands (vol. 2, p. 226):

Condition of friar-land estates, June 30, 1908.

Name of estate.	Acres.	Per cent of area sold or leased.	Number of leases approved.	Number of sale certificates issued.
San Jose	57,467			
Isabela	49,131	0.5	60	
Imus	45,060	33.6	3,028	
Calamba	33,772	17.2	1,205	
San Francisco de Malabon	28,279	39	1,570	
Santa Maria de Pandi	25,545	40.6	2,266	
Santa Cruz de Malabon	24,194	17	1,149	
Talisay	19,809	14.5	1,995	
Naic	18,831	50.7	1,176	
Tala	16,539	10	406	
Santa Rosa	13,511	64.3	1,206	
Lolomboy	12,790	29.4	1,600	
Piedad	9,534	83.6	509	
Binan	9,068	59.5	1,805	
Malinta	8,828	94.1	922	
Muntinlupa	6,983	53.7	293	
Banilad	4,755	63.2	702	
Guiguinto	2,337	78.8	342	
Matamo	30	100	1	
Dampol	2,287	100	835	36
Orion	2,163	41.2	26	384
Binagbag	729	19.5	196	25
San Marcos	215	100		1

Number of leases approved, August 5, 1907	22,229
Number of leases approved, August 17, 1908	20,654
Number of sale certificates issued, August 5, 1907	None
Number of sale certificates issued, August 17, 1908	446
Per cent of total area surveyed, August 5, 1907	60.1
Per cent of total area surveyed, August 17, 1908	100

Of the 391,932 acres purchased from the friars, the 446 sale certificates so far reported cut into an area of but 5,493 acres, or less than 2 per cent of the total area of land purchased from the friars. Had Congress been apprised eight years ago of the real policy which was to be pursued in the Philippines, the bond issue of $7,000,000 could have been cut to the cost of this 5,000 acres of land, and thereby have accomplished the same results with $150,000 in bonds as with the present fixed annual interest payments of over $275,000 on an issue of $7,000,000 of bonds.

LEASING FRIAR-LAND ESTATES.

It appears that while the sales have been a negligible quantity, over 100,000 acres of these lands have been leased to 20,000 tenants, at an average rental of $1.30 per acre a year. This is the annual rental per acre which our "wards" have to pay and by which payment they acquire no interest in or title to the lands upon which they live.

As landlords we seem to be more successful than were our Spanish predecessors, the friars. The friar order which owned the Calamba estate filed a statement with the American acting governor-general of the islands in which it was stated that they tried to exact $2 an acre Mexican from their tenants, but in reality collected $1.50 Mexican, or 75 cents gold. Eighteen thousand tons of sugar were produced on this estate in 1899, and the tenants had a market for all the cane they could grow. The friars removed their six sugar mills from this estate, and the tenants do not now have a market for cane, and no new crop has been introduced to take its place, so it would be presumed that the tenants are less able to pay a high rental now than when the friars were their landlords. Some 1,200 leases have been executed with tenants of the Calamba estate, and from the 1908 report of the Philippine Commission (vol. 2, p. 226) it appears that instead of charging them 75 cents gold per acre, the Philippine government is charging them $1.58 gold per acre, or more than double the rate the friars charged them. The Philippine government purchased the Calamba estate for $20.51 gold per acre, and hence the $1.58 annual rental which is exacted from our "wards" is nearly 8 per cent of the cost of the land, or almost double the investment yield of farm leases in the United States and double the fixed interest charge on the 4 per cent bonds with which these lands were purchased.

The fact that the Philippine government has executed over 20,000 leases and only 446 sale certificates on friar lands causes one to wonder if this result does not come from the adoption of a definite plan not to sell these friar lands in small tracts to tenants, but to hold them for other purposes.

The Manila Times of December 6, 1909, states that the terms of the sale of the San Jose estate were $21,437 cash, the balance in 19 equal annual payments of $18,187. In other words, for an outright purchase, the Havemeyer syndicate pays 38½ cents an acre cash and 32 cents an acre for nineteen years, while our little brown brothers pay an average of $1.30 an acre rent per annum for all time. It scarcely is to be wondered at that some of the Filipinos are anxious to become naturalized American citizens. It will be said that the lands leased to tenants are somewhat improved, while the lands sold to the Havemeyer syndicate are unimproved, but the fact remains that the native Filipino tenant pays as much rent per acre each year as the Havemeyer syndicate pays in purchase money in four years.

It was represented to Congress eight years ago that "there is nothing so universally and so earnestly desired by the people of the Philippine Islands as the acquisition of these lands belonging to the friars by the actual occupants and holders of the property," and that the Philippine government was to "make arrangements to give them—the lands—back to the actual settlers at the earliest moment," and yet at last accounts less than eight-tenths of 1 per cent of these people had been provided with sale certificates, and these sale cerificates have been confined exclusively to lands within the borders of four of the smallest and least important estates.

One of four conclusions may be drawn:

First. That Congress was misinformed as to the general desire of the people of the Philippine Islands to acquire the lands they live on.

Second. That since the act of July 1, 1902, the great mass of the Filipino people have lost their former desire to acquire the land they live on.

Third. That the desire to acquire homes is not a racial or tribal characteristic, but is of a sectional nature, confined to people who happen to live within the circumscribed bounds of four small estates covering 5,000 acres of the 73,000,000 acres of the Philippines.

Fourth. That the Philippine government declines to carry out the intent and purpose of Congress, and only will issue sale

certificates on small tracts which would not be desirable for foreign investors.

PHILIPPINE GOVERNMENT POLICY IN DISPOSING OF OTHER PUBLIC LANDS.

As has been seen, on June 30, 1908, after having occupied the islands for ten years, our officials in the Philippines had issued sale certificates on friar lands to but 446 out of the more than 60,000 tenants of those lands, and these 446 sale certificates cover but 1,600 of the 400,000 acres purchased from the friars. The policy of preventing the native tenant farmers from acquiring a few acres of the friar lands seems also to apply to the disposition of the 60,000,000 acres of crown lands which Spain ceded to the United States, and which the United States turned over to the Philippine government under the organic act of July 1, 1902. It appears that while several thousand free patents and homesteads have been issued, but 219 natives have been able to purchase any portion of this vast public domain. This mere handful of favored people have managed to secure a little less than 14,000 acres, which does not make much of a hole in the 60,000,000 acres turned over to the Philippine government to be used for the benefit of the Filipino people.

The reason why so few sales have been made seems to be disclosed in two paragraphs of the 1908 report of the director of lands. In this report he says (vol. 2, p. 248):

> Applications to purchase small parcels continue to be received. These applications range from 5 hectares to as small as 16 centares. (One hectare equals 2.47 acres; 1 centare equals 1.2 square yards, or one three-thousand-two-hundred-and-fourth part of an acre; 16 centares equal 19 square yards, or one two-hundredth of 1 acre.) As was stated in last year's report, these small parcels can not be sold at a reasonable value per hectare without incurring loss to the government. It is manifestly a poor business proposition to make a sale simply for the sake of making it, where the government stands to lose anywhere from 40 pesos to 80 pesos. In last year's report it was shown that the survey of homesteads and the necessary office work entailed would cost the government about 50 pesos for each homestead, a clear loss of 30 pesos, after deducting the entry fee of 20 pesos received. It was shown that free patents would cost the government about 30 pesos each, with no receipts. It is manifestly necessary, therefore, that at least part of this should be recovered on sales and leases, and that these should be made at a profit.
>
> The practice has been inaugurated in cases where application to purchase ranged around 1, 2, or 3 hectares to inform the applicant that the land applied for has been appraised at a certain figure, and that figure is placed at an amount that is calculated will at least cover the expenses in connection with the sale if made. The sale of a small parcel, including advertising charges, office work, and survey, will not fall below 80 pesos. In an application to purchase 1 hectare the appraisement is fixed at 100 pesos, and in an application for a larger or smaller area the appraisement is fixed at a price per hectare proportionate to the above amount. The practice is probably an arbitrary one, but it seems the only way out of the difficulty. An applicant is not always awed at a large price, however.

It is extremely doubtful if in the disposition of our public domain the gross receipts have begun to cover the field and administrative expenses connected therewith. At all events, those expenses have not been the determining factor. The theory has been that the public domain belonged to the people, and the policy has been to give these lands to the people, regardless of the field or administration cost.

The policy adopted by the American Government in the Philippines is contrary to the purpose and intent of Congress, and it seems pitiable indeed that when a native seeks to purchase even 1 hectare—2½ acres—out of the 60,000,000 acres of public lands, which did not cost the Philippine government a penny, he is informed that the land he wants has been appraised at 100 pesos—$50—and that he must pay that amount if he acquires it. The enormity of such a practice only is appreciated when we consider the extreme poverty of the natives, the betterment of whose condition furnished the sole reason or excuse for purchasing these lands.

Under Spanish rule the customary wage of the natives for twelve to fourteen hours work a day was 50 cents per week. General Hughes testified that if they got this pittance they were satisfied, but that the trouble arose from the fact that frequently they did not get even that amount. The wages on sugar plantations are said to have increased to just under 16 cents per day, or $4.16 per month, or less than $50 a year. No wonder there have been made but 219 sales when, to acquire a 2½-acre tract, the government requires from the native every penny he can earn, if he works every day for a whole year. The fact that for wild land the government charges the native $20 per acre, while for the same class of land it charges the Havemeyer syndicate $6.60 per acre, would seem to indicate pretty clearly the land policy of that government.

It seems that during ten years of American occupation of the Philippines 665 of the 8,000,000 natives succeeded in purchasing 15,331 acres of government land on ten years' time, while in one day the Havemeyer syndicate acquires 55,000 acres on nineteen years' time.

The Philippine Islands occupy a total land area of 73,000,000 acres and are populated with approximately 8,000,000 people, or 67 to the square mile, as compared to 26 to the square mile in the United States proper. The land area per inhabitant in the United States is 24½ acres; in the Philippines it is 9 acres.

The following table covers all small sales and leases of both crown and friar lands by the Philippine government to June 30, 1908. It will be observed that the average size of all tracts of crown lands acquired is 16 acres, of friar lands 5.1 acres, while the average of both crown and friar lands is 12 acres.

Disposition of government lands in the Philippine Islands to June 30, 1908.

	Number of purchases.	Number of leases.	Number of acres sold.	Number of acres leased.	Average size of parcels.
					Acres.
Sales of lands ceded to United States by Spain	219	.....	13,743	.....	63.7
Homesteads on lands ceded to United States by Spain	5,670	.....	164,012	.....	28.8
Free patents on lands ceded to United States by Spain	11,382	.....	98,968	.....	8.7
Totals and averages of above	17,271	.....	276,723	.....	16.0
Leases of lands ceded to United States by Spain	.....	78	.....	77,024	987.5
Sales of friar lands	446	.....	.....	[a]108,793	5.1
Leases of friar lands	.....	20,652	.....	.....	.....
Totals and averages of all	17,717	20,730	276,723	185,817	12.0

[a] Area of friar lands sold and leased not stated separately.

LEASING FRIAR LANDS IN LARGE TRACTS.

Having first surveyed the uninhabited friar estates, the Philippine government seems to have taken its time to survey estates where the issuance of sale certificates might be demanded and thus by scattered small holdings interfere with a plan of exploitation. The annual report of the director of lands shows that up to August 5, 1907, but 45 per cent of the area of populated estates had been surveyed. During the fiscal succeeding year, 1908, the lethargy which had been noticeable for several years in connection with surveying the densely populated estates gave way to action, and the surveys were completed when the director of lands made his annual report on August 17, 1908.

As the surveys were nearing completion and Congress had refused to increase the land limit to 25,000 acres, the Philippine government proceeded to take the matter in its own hands, and on June 3, 1908, it passed an amendment to the Philippine friar-lands act whereby it claims to have removed from that act all restrictions as to the quantities of friar lands which could be acquired by individuals or corporations either by lease or sale. That amendment is as follows:

[No. 1847.]

By authority of the United States, be it enacted by the Philippine legislature, that:

SECTION 1. Section 9 of Act No. 1120, entitled "The friar lands act," is hereby amended to read as follows:

"SEC. 9. In the event the director of lands should find any of the said lands vacant, he is directed to take possession and charge thereof, and he may either lease such unoccupied lands for a term not exceeding three years or offer the same for sale, as in his judgment may seem for the best interests of the government, and in making such sales he shall proceed as provided in section 11 of this act."

SEC. 2. Section 11 of said act is hereby amended to read as follows:

"SEC. 11. Should any person who is the actual and bona fide settler upon and occupant of any portion of said lands at the time the said land is conveyed to the government of the Philippine Islands desire to purchase the land so occupied by him, he shall be entitled to do so at the actual cost thereof to the government, and shall be allowed to pay for same in equal annual or semiannual installments: *Provided, however,* That payment by installments shall be in such amounts and at such time that the entire amount of the purchase price, with interest accrued, shall be paid at least one year before the maturity of what are known as the 'friar lands bonds,' issued under the provisions of Act No. 1034; that is, on or before February 1, 1933. The terms of purchase shall be agreed upon between the purchaser and the director of lands, subject to the approval of the Secretary of the Interior, and all deferred payments on the purchase price shall bear interest at the rate of 4 per cent per annum.

"In case of sale of vacant lands under the provisions of section 9 of this act the director of lands shall notify the municipal president or municipal presidents of the municipality or municipalities in which said lands lie of said sale before the same takes place. Upon receipt of such notification by said municipal president or municipal presidents the latter shall publish the same for three consecutive days, by bandillos, in the poblacion and barrio or barrios affected, and shall certify all these acts to the director of lands, who shall then, and not before, proceed to make the said sale with preference, other conditions being equal, to the purchaser who has been a tenant or bona fide occupant at any time of the said lands or part thereof, and if there has been more than one occupant, to the last tenant or occupant: *Provided, however,* That no sale of vacant lands made in accordance with this section shall be valid nor of any effect without the requisite as to the publication by bandillos above provided."

SEC. 3. This act shall take effect on its passage. Enacted June 3, 1908. (See Acts of First Philippine Legislature, p. 53, Annual Report War Department, fiscal year ended June 30, 1908.)

The enactment of this amendment led the insular secretary of the interior joyously to exclaim that "under the laws as

amended there is no limit as to the amount of land which can be purchased * * *." In his annual report of September 1, 1908 (vol. 2, pp. 48–49), the secretary of the interior said:

Certain important amendments to the friar lands act have been made. This act made the provisions of chapter 2 of the public-land act apply to sales of friar lands. The amount of land which could be sold to an individual was thus limited to 16 hectares, which would in very many cases have defeated the obvious intention of the act to allow tenants to secure their actual holdings, and would have delayed for many years the sale of large tracts, thus obliging the government to continue to pay interest on their purchase price. * * *

Under the law as amended there is no limit as to the amount of land which may be purchased, necessity for advertisement is done away with, and the land sold at its cost to the government up to the date of sale, deferred payments bearing interest at the rate of 4 per cent, which is the rate the government pays on its bonds. Before unoccupied lands are offered for sale the people of the towns in which they are located must be notified of the proposed sale by public crier.

Another very important amendment extends the time for making payments to within one year of the date of the maturity of the friar lands bonds. The original act allowed ten years from the date of purchase, payments to be made, if so desired, in equal annual installments. The amendment extends the time from ten years to twenty-five years.

For five years prior to the adoption of this amendment the natives who purchased their homes were compelled to make full payment for their land within ten years; but now that these lands were to be thrown open for exploitation in unlimited quantities the time was extended to twenty-five years. From the developments which immediately followed the adoption of this amendment it would appear that friar-land matters have been moving under cover for some years with military precision in the direction of exploitation, and that the sale of the San Jose estate is but an incident in the general plan.

Ten weeks after the passage of this amendment to the friar-lands act the director of lands announced in his annual report that a 16,000-acre friar-land estate had been leased to one party, with the privilege of purchase, and that similar arrangements had been offered, and probably would be consummated, on the friar estates located in certain provinces. Concerning this transaction the director of lands said (vol. 2, pp. 234–235):

Since the passage of the amendment to the friar-lands act persistent efforts have been made to induce occupation and cultivation of the unoccupied portions of the friar estates. This has been done by the offer of special inducements to those who will undertake the occupation and cultivation of large areas. Thus, on the Tala estate, of which only a small percentage has heretofore been occupied, a contract has been entered into for the occupation and the eventual cultivation and sale of all the unoccupied portions thereof, the occupant agreeing to immediately begin the cultivation of the estate; to cultivate 200 hectares (494 acres) the first year, 600 (1,482 acres) the second year, 1,000 (2,470 acres) the third year, and 500 additional hectares (1,235 acres) per year thereafter until the entire area of the estate is under cultivation. He further agrees to lease as a minimum 300 hectares (741 acres) the first year, 900 (2,223 acres) the second year, 1,500 (3,705 acres) the third year, and 500 (1,235 acres) additional each year until all the available land on the estate has been leased, paying therefor at the rate of ₱0.30 (15 cents) per hectare per annum for each one leased, provided that no crop has been harvested thereon, and ₱1.50 (75 cents) per hectare per annum for each one which produces a crop. * * * The occupant has the further privilege of leasing any land which may in the future be abandoned by the present occupants at the rate formerly leased to the one who abandoned or vacated it. The occupant agrees to keep trespassers from the lands, and may sublease any of the lands occupied or leased by him. This contract would also, under the provisions of the amendment to the friar-lands act, grant to the occupant the right to purchase when the estate is ready for sale at the price fixed by the friar-lands act.

Other inducements of a similar nature have been offered and are under consideration for contracts of land on the Cavite and Laguna estates, as well as on the Piedad estate, in Rizal Province, and it is probable that within the year this estate will have been practically occupied under similar conditions.

To understand the full effect of the above-described arrangement several matters of importance must be taken into consideration. First, the Tala estate consists of 6,696 hectares, or 16,539 acres. The director of lands reports that 20 per cent of it, or 3,307 acres, is occupied by natives, none of whom have been able to secure a sale certificate. The director reports that 466 leases on lands in this estate have been executed. The leases cover 735 hectares, or 1,815 acres, the average size of the parcels leased being 3.9 acres. The amount of annual receipts contracted for from these leases is 4,235 pesos, or $2,117.50 for the 1,815 acres, or $1.17 per acre. Under the arrangement described by the director of lands the man who leases the unoccupied portion of the estate with the privilege of purchase takes up certain portions of it at given periods, and as he takes these portions over he agrees to pay an annual rental of 15 cents per hectare, or 6 cents per acre, on such portions as he does not crop, and 75 cents per hectare, or 30 cents per acre, on such portions as he takes a crop from. The Philippine government paid $112,054 for this estate, or $6.77 per acre, and 4 per cent interest on this amount for four and one-half years from the date of purchase to June 30, 1908, would bring the cost to $8 per acre on that date. It thus would appear that the new tenant, who options the whole estate, pays a less amount per acre on the land he crops than the interest the Philippine government pays on its bonds amounts to on the cost of that particular land to date, while the Philippine government continues to pay a like amount of interest per acre on the balance of the estate on which he holds an option. In other words, 4 per cent interest on the cost of the land to date amounts to 32 cents per acre. The new tenant, the wealthy man who eventually is to buy the estate, pays 2 cents per acre less than the government's carrying charges, while the native tenant pays $1.17 per acre, or nearly four times the amount of the carrying charges. Certainly one is paying too much or the other is not paying enough, and in either event the exercise of this sort of favoritism to the exploiter and driving hard bargains with the native tenants whereby but little over one-half of them on this particular estate have been induced to take out leases, presumably on account of the high rental charged them, is not in sympathy with the intent of Congress when it passed the act authorizing the purchase of these lands for the sole purpose of dividing them up and selling them to tenants in small parcels at a low price and on long time.

It would seem that the great disparity between the rent charged the small and large tenant can but breed the very trouble which formed the excuse or reason for purchasing these estates, and it is not to be wondered at that the Philippine government found it necessary to bring over 1,000 suits against tenants during the fiscal year 1908.

Tenants who are unable or unwilling to pay the increased rentals demanded by the Philippine government are put off the land. One thousand one hundred and forty-nine ejectment suits were brought during the fiscal year 1908, and the number of tenants declined from 22,229 in June, 1907, to 20,652 in June, 1908, a decrease of 1,577. As the Philippine government declines to issue sale certificates to the natives who occupy the friar lands, charges them double the rent the friars charged, and if they would take up a hectare of crown lands, charges them as much for it as the total amount they can earn in a year's time, their future condition seems to be far more hopeless than it was before American occupation. Under Spanish rule they at least could squat on the land outside of the friar and other private estates without fear of molestation.

GOVERNMENT LOANS TO STIMULATE SUGAR PRODUCTION ON CERTAIN FRIAR ESTATES.

On October 2, 1907, the Philippine Commission enacted a law providing for the loaning of government funds to encourage agriculture. The title and first two sections of this act are as follows:

FRIAR LANDS LOAN FUND.

[No. 1736.]

An act appropriating the sum of ₱100,000 for the purpose of establishing a reimbursable fund for the promotion of agricultural pursuits upon certain haciendas and parcels of land, commonly known as friar lands, and for the extension of the cultivated area thereof.

By authority of the United States, be it enacted by the Philippine Commission, that:

SECTION 1. There is hereby appropriated, out of any funds in the insular treasury not otherwise appropriated, the sum of ₱100,000, for the purpose of establishing a reimbursable fund under the direction and control of the director of lands, except as hereinafter provided, which shall be known as the friar lands loan fund, and which shall be made available in accordance with the provisions hereinafter specified, for the making of mortgage loans upon growing crops and salable commodities manufactured therefrom, work animals, warehouses, mill houses and machinery, and other property, both real and personal, belonging to actual and bona fide cultivators of the so-called friar estates, for the encouragement of agricultural pursuits and the extension of the cultivated areas of the said estates.

SEC. 2. The secretary of the interior shall designate to the director of lands the maximum amount of the friar lands loan fund which may be loaned in accordance with the provisions of this act within any given period of time, the rate of interest which such loans shall bear, the term within which the mortgages shall be redeemed, the estate or estates to which the provisions of this act shall be extended, the kind or kinds of crops or salable commodities manufactured therefrom, and the class or classes of buildings, animals, or other property, both real and personal, which may become subject to mortgage as herein provided, the manner in which advances of loans shall be made, and the maximum amount which shall be advanced for each hectare under cultivation: *Provided, however,* That in no case shall the maximum amount so advanced exceed ₱100 for each hectare cultivated by the mortgagor.

Recently the above matter, together with the balance of the act, was transmitted to Representative OLMSTED by the War Department, and on March 26 Mr. OLMSTED, chairman of the Committee on Insular Affairs, caused it to be printed in the CONGRESSIONAL RECORD (pp. 3805–3806).

It will be observed that by the terms of the act the Philippine secretary of the interior was directed to designate to the director of lands the terms and restrictions under which these government funds were to be loaned.

One naturally would surmise that the act was for the commendable purpose of encouraging agriculture in general on the various friar estates. That such is not the case will be seen by the following rules and regulations promulgated by the director

of lands, as published in the Report of the Philippine Commission, 1908, vol. 2, pp. 230–231, but not transmitted to Congress:

REGULATIONS CONCERNING FRIAR LANDS LOAN FUND ACT.

I. These regulations are issued in accordance with the provisions of the friar lands loan fund act, No. 1736.

II. Until further instructions loans made from this fund shall be made within the Santa Rosa, Calamba, Binan, Imus, San Francisco de Malabon, and Santa Cruz de Malabon estates, and the consequent encouragement of the sugar-growing industry on said estates.

III. Not more than 80 per cent of the total fund shall be withdrawn and loaned at any one time.

IV. All loans shall bear interest at the rate of 12 per cent per annum, which interest shall begin to accrue from the date of each advance of funds made upon any mortgage loan.

V. The terms of any loan shall be the actual and necessary period required for the preparation of land for planting and cultivation of the land, for the harvesting and manufacture of sugar crops into salable commodities, and such additional time awaiting sale of said commodities as may be determined by the director of lands: *Provided*, That in no case shall the term of any loan exceed twenty months.

VI. Mortgage loans may be made upon growing sugar crops, which term is intended to include the harvested sugar cane and any salable commodity manufactured therefrom; work animals indispensable to proper cultivation of sugar lands; warehouses and other buildings for storage of sugar crops; mill houses and machinery utilized for the purpose of manufacturing sugar cane into salable commodities; and any other property, both real and personal, which may be accepted as collateral security for the payment of the mortgage debts: *Provided*, That mortgages only upon buildings of strong material shall be accepted as collateral security.

VII. Bona fide occupants and cultivators of sugar lands upon the designated estates, of lawful age, and leasehold tenants of the government of the Philippine Islands, who are in need of financial aid to properly cultivate, harvest, and manufacture into salable commodities the sugar crops which they desire to produce from the lands held by them in lease, may apply to the director of lands, through his local agent, for mortgage loans to the amounts required.

Native tenants on other estates and those growing crops other than sugar cane needed money and applied for it, but not a dollar could they get, as is shown in the same report (p. 233), where the director of land says:

The total loans made aggregate ₱11,690, of which ₱11,000 were used for the purchase of draft animals, including 51 carabaos and 29 bullocks, to be used for the cultivation of sugar lands on the friar estates in Cavite and Laguna provinces. * * * Many informal applications for friar loans have been received, but nearly all were either from the estates to which the loan privilege had not been extended or were for the cultivation of other crops than sugar, and recommendations regarding such loans will be made in the near future.

The loans, therefore, are to be made for the sole purpose of stimulating the production of sugar, and can only be made on certain estates which are reached by the lines of the Manila Railway Company and which estates are equipped with sugar mills.

It is equivalent to Congress appropriating money ostensibly to be loaned to American farmers for promoting general agriculture, but in reality with a view to having our Secretary of the Interior or Secretary of Agriculture issue such rules and regulations as would prevent its being loaned to farmers who grew cotton, or corn, or oats, or any other crop except wheat, and only to such wheat farmers as grew wheat for certain specified mills, all of which were located within the confines of two States and on the line of one particular railroad.

Considerable portions of the land on the estates located in the provinces of Laguna, Cavite, and Cebu have been leased in small parcels to native tenants, and it might be presumed that such areas as have been so leased will continue in the hands of native tenants of the Philippine government. But the director of lands states that whenever a native tenant gives up his government lease the big tenant has the option to take over the lease at the same rental the small tenant had been paying. On the Tala estate, which the director cites, the little tenant is paying $1.17 an acre, while the big tenant is to pay but 30 cents per acre. It might appear that the big fellow would not care to take over the little fellow's lease at $1.17 an acre, or nearly four times the rental per acre the big fellow has to pay. It should be understood, however, that while the Philippine government refuses to sell the little tenant the land he lives upon, as soon as the big fellow succeeds to the lease of the little fellow the big fellow acquires the right of purchase on a basis which, at 4 per cent on his money, will represent a cost of but 32 cents an acre per annum.

The process can be made both simple and expeditious. The big fellow owning all the surrounding land can make life a burden to the little fellow, can refuse to hire him, or refuse to pay a fair price for his cane or rice. When the little fellow defaults on his rent, the government can bring suit and dispossess him. The big fellow then can take over the lease at $1.17 per acre, and immediately he purchases the land of the government and reduces his annual interest charge to 32 cents per acre. After a few years the big fellow will be in complete and undisputed possession of every acre on the estate, and then he can make his own terms to native tenants.

Apparently to facilitate the matter of dispossessing these ignorant, defenseless, penniless wards of the Nation within eight days, whenever circumstances or the interests of a big tenant might require, the Philippine government passed an amendatory act on May 20, 1909, the first paragraph of which reads as follows:

Provided, That the failure on the part of the occupants to state their desire to lease or purchase said lands shall not be understood to mean that they do not desire to acquire them. In case of such failure it shall be the duty of the director of lands, or his agents, to enjoin such occupants to state their desire in writing within the period of eight days from the date of such injunction, and their failure to do so shall be understood to mean that such occupants do not desire either to lease or to purchase said lands.

After having been buoyed up for ten years with the hope that he was to acquire the few acres he lives upon, the peon tenant at last will realize that his condition has not been improved. The only changes he will find will be that he will earn $50 instead of $25 for a year's toil; that he will pay twice as much as he formerly paid for his meager necessities; that he will be compelled to purchase his supplies from the company stores, instead of the friar stores; that his landlord lives in New York instead of in Manila or in Spain. At the end of the year he will be in debt to his landlord the same as under the Spanish régime.

It would seem to be a most dangerous policy to take from the Filipinos the very lands they have been living upon and sell them to New York exploiters in contravention of both the letter and the spirit of the law which Congress in its wisdom enacted for the express purpose of keeping these exploiters out.

PHILIPPINE RAILROADS.

Two classes of railroads were projected for the Philippine Islands. One class was to consist of a series of short lines on the islands of Luzon, Negros, Panay, and Cebu. These islands are densely populated, the number of people to the square mile being as follows: Luzon, 93; Negros, 94; Panay, 161; and Cebu, 336. It was stated in the reports of the Philippine Commission that English and Belgian capital stood ready to build these lines without any guaranty of interest, merely asking for the franchise or right to build.

The other project was for a trunk line across the island of Mindanao in order to open up the interior of this vast island, said to be the richest in the group and to contain the best sugar land. The population of Mindanao is but 14 to the square mile, and to induce capital to build a railroad through it, it was proposed that the Philippine government guarantee interest on the bonds, and that to make traffic for the road agricultural lands should be granted in 25,000-acre blocks to people who would go in and build sugar mills. Congress having failed to authorize the granting of lands in large blocks, the Mindanao railroad project was abandoned, at least temporarily.

The franchise for building the lines on Luzon was granted to the Speyer syndicate of New York, who are said to be building a portion of the roads without any government guaranty, while on other portions they receive a 4 per cent guaranty. The franchise for building the lines on Negros, Panay, and Cebu was granted to the J. G. White & Co. syndicate, of New York, 4 per cent interest being guaranteed by the Philippine government on the bonds of the road, notwithstanding the fact that English and Belgian capital stood ready to build the lines without any guaranty. The J. G. White & Co. syndicate includes Kean, Van Cortlandt & Co., J. G. White & Co., Frederic H. Read, Charles M. Swift, Cornelius Vanderbilt, Alonzo Potter, R. T. Wilson & Co., Salomon & Co., and the International Banking Corporation.

This syndicate secured the franchise for constructing and operating the street railways of Manila, also the electric lighting, heating, and power franchises, which concessions are operated under the names the Manila Electric Railroad and Light Company and the Manila Suburban Railways Company. They also had the contract with the Philippine government for constructing the harbor improvements at Cebu and Iloilo, the terminal of two of the railroads they were constructing, as well as other construction work in the Philippine Islands.

The following covers in chronological order the important official data and reports concerning this subject:

PHILIPPINE COMMISSION REPORT OF NOVEMBER 30, 1900.

HIGHWAYS—RAILROADS.

[Vol. 1.]

As an instrumentality for the development of the great and varied resources of these islands the building of highways and of steam and electric railroads is of the first importance (p. 71).

There are extensive areas of territory in the interior of Luzon and Mindanao having a very considerable population and capable of producing tobacco, copra, sugar, rice, and other tropical products on a large scale, which are wholly without means of communication of any kind with the outside world. As a result, having no incentive to produce more than enough for their personal needs, do not do so (p. 73).

Without further elaboration it will be seen from what has already been said that there is immediate and pressing need of railroads in both Luzon and Mindanao. It is believed that they offer a most attractive field for investment of capital as well as for men of small means (p. 74).

As has already been indicated, there have been no surveys for railroads in the island of Mindanao. It is a virgin field, well worthy of thorough and immediate investigation. We append hereto as "Exhibit —," maps showing all these lines as surveyed or projected. The islands of Panay, Negros, and Cebu would also be much benefited by short lines of railroads. They are densely populated, produce copra, sugar, etc., and offer an attractive field for investors.

It is believed that were the commission in a position to grant charters and concessions that all these lines in Luzon could and would be built by foreign capital. Commercially speaking, these islands have for generations been largely in the hands of English and German merchants, with Spanish connections, and they know and appreciate their desirability for investment. For obvious reasons, however, had the commission the power to make such grants it would hesitate to do so until full opportunity for investigation had first been offered Americans.

The commission early reached the conclusion that it had no authority to grant franchises for the construction of railroads, or for any other purpose, and hence have done nothing in this direction. Numerous applications have been made for concessions to build steam and electric railroads, and also electric light, gas, telephone, and other similar plants, both in Manila and other portions of the archipelago, but for the reason stated the commission has uniformly declined to consider them.

The commission is of the opinion that so soon as it has the power to act on applications of this character a sound policy dictates the granting of franchises for works of internal improvements, and the results of such a policy will be most fortunate (p. 75; signed by Messrs. Taft, Worcester, Wright, Ide, and Moses).

PHILIPPINE COMMISSION REPORT FOR FISCAL YEAR ENDED JUNE 30, 1901.

RAILROADS.

[Vol. 1.]

The railroads most imperatively needed are those which will penetrate and open up the interior of the great islands of Luzon and Mindanao, and thereby make possible the development of their great natural mineral, timber, and agricultural wealth. Considering the topography of these two islands, railroads should be located not only with reference to present returns, but also with regard to future needs. * * * So far as relates to the island of Luzon, about 1,000 miles of railroad would meet all reasonable demands for many years to come, and would be built at a probable cost of, say, $35,000,000. * * * As stated in our last report, the island of Mindanao, with an area of something more than 36,000 square miles, except along its littoral, is practically terra incognita. Observations made of the country along its coast, short excursions inland, and the reports from Jesuit missionaries and a few Americans who have penetrated into the remote sections of the island, lead to the conclusion that it is in soil, hard wood, and minerals perhaps the richest island in the group, but it is almost wholly undeveloped and principally inhabited by Moros and other non-Christian tribes. It is difficult to state with any degree of accuracy the number of miles of railroad immediately needed for opening up this island. It is much more compact in shape than the island of Luzon, and probably 500 miles would meet every requirement of the immediate future.

It is not to be expected from what has already been said that railroads in this island could at once be made profitable and that capital, without some special inducement or guaranty, could be made available for their construction (p. 61–62).

We believe that $55,000,000, and possibly less, would be amply sufficient to complete all the trunk lines presently needed in the islands of Luzon and Mindanao. We are further of the opinion that, with the guaranty of the insular government to pay 3 per cent interest, the necessary capital for their construction could readily be secured (p. 64; signed by Messrs. Taft, Worcester, Ide, and Moses).

REPORT OF WILLIAM H. TAFT, CIVIL GOVERNOR IN THE PHILIPPINES, FOR THE PERIOD ENDING DECEMBER 23, 1903.

THE EFFECT OF LABOR ON THE INVESTMENTS OF CAPITAL.

[Vol. 1.]

There is no doubt that the iteration and reiteration of the deficiency in the supply of labor in the Philippine Islands have had the effect of frightening American investors of capital from coming into the islands. The commission is strongly desirous of encouraging American capital to come here, but it should be noted that if American capital declines to come, that English, Belgian, and other foreign capital is merely awaiting the franchises which are requested for railroads and other constructive enterprises, and that it will be the duty of the commission to grant such franchises for the benefit of the islands. The owners of English capital already invested in the Manila and Dagupan Railway have accepted two franchises granted for the construction and operation of branches for that railway, and are very anxious to secure other franchises extending their railway in other directions. They are sufficiently familiar with the possibility of securing native labor and of making it available for reasonably economical construction of their works not to be frightened away from the accepting of such franchises and making such investments. A reluctance on the part of American investors will certainly lead to the acceptance of their propositions. It seems to me that this much ought to be said by way of warning American investors, that when later on they shall come into the islands and shall find foreign capital strongly intrenched in many profitable enterprises, they will have only themselves to blame for a failure to seize the opportunity when it was offered them.

The disposition to hearken to pessimistic maligners of conditions in the Philippines may prove to be in this sense quite costly (p. 56).

RAILROAD AND OTHER CONSTRUCTION.

The political conditions in the islands are now such as to make the time ripe for a period of great construction. For the next decade railroads, canals, and steamship companies should revolutionize the interior trade of the islands, and should have a most marked effect upon the export trade. There are a number of short lines of railroads that could be constructed, and doubtless will be, without government aid, but there are other lines of longer and more difficult construction which should at once be begun, but which we can not expect to have begun unless there is actual governmental financial encouragement. For this reason it seems to me wise that the commission be authorized, with the approval of the Secretary of War and the President of the United States, to enter into contracts of guaranty with railroad companies, to whom a franchise for the construction of a road shall be granted by which an income of not exceeding 4 per cent, and probably not exceeding 3 per cent, shall be guaranteed on the investment, the amount of which shall be fixed in the law. This method of financial encouragement is much to be preferred to the granting of lands or other forms of governmental subsidy, and I recommend to the commission that in its report to the Secretary of War, to be transmitted to Congress, it ask for the granting of such power. It is very possible that under the Philippine act as now passed such power exists, but it would greatly aid in securing public confidence if this power were expressly granted (p. 57).

PURCHASE OF FRIAR LANDS.

In the above report the civil governor stated that he had (pp. 43–44)—

closed the purchase of upward of 410,000 acres (of friar lands), at a price of $7,239,000 gold, * * * arrangements are being made for the floating of the (Philippine government) bonds necessary to raise the money to pay for the lands. It is understood that the bonds may be floated at 4 per cent and that they will take the form of bonds payable after ten and before thirty years, at the option of the government.

This will entail an interest charge upon the revenues of the government of $290,000 a year in addition to the expense of administration, which will be considerable.

It is not thought that the income from the islands for several years will be enough to meet the actual outgo, but with a restoration of normal conditions—speaking for myself alone—I hope that the lands will sell for as much as we have paid for them. Other members of the commission do not think so.

SUMMARIZING THE ABOVE.

In the above report of December 23, 1903, the civil governor of the islands stated:

First. That with the additional interest charge of $290,000 a year on friar-land bonds he did not believe "that the income from the islands for several years will be enough to meet the actual outgo."

Second. That English, Belgian, and other foreign capital stood ready to build the short lines of railway without any guaranty whatever. In the 1901 report it was stated that as to the building of the long trunk lines through Luzon and Mindanao, a guaranty "of not exceeding 4 per cent, and probably not exceeding 3 per cent," should be made on the investment.

On February 1, 1904, the civil governor of the Philippine Islands became Secretary of War.

On March 31, 1904, Senator LODGE introduced a bill (S. 5328) authorizing the Philippine government to guarantee 5 per cent interest on $30,000,000 of Philippine railway bonds.

February 6, 1905.

Action was not secured on the bill at that session of Congress, but it was brought up again at the following session, when the interest rate was amended by the Senate to 4 per cent.

Various other amendments were offered in the Senate, including the lowering of the rate of interest to 3 per cent; a proviso that our own Government should never be considered to be behind the Philippine government's guaranty; that the guaranty should never exceed $15,000 per mile; then $25,000 per mile; then $35,000 per mile; as well as other amendments, but they were all lost. The bill was passed January 24, 1905, and signed February 6. Sections 4 and 5 of this act (Public, No. 43) provide as follows:

SEC. 4. That for the purpose of aiding in the construction, equipment, operation, and maintenance of such railroads, using steam, electricity, or other power, in the Philippine Islands as the Philippine government may hereafter specifically authorize, the said government is empowered to enter into a contract of guaranty with any railroad company organized pursuant to the laws of said government or of the United States or any State thereof undertaking to construct, equip, operate, and maintain any such railroad, whereby the said government shall guarantee interest at not exceeding 4 per cent per annum upon the first lien bonds to be issued by such company, properly secured by mortgage or deed of trust upon the said railroad, its equipment, franchises, and other property, real, personal, and mixed, and then owned and thereafter to be acquired.

Such contract of guaranty shall be signed on behalf of said government by the governor-general thereof, and on behalf of the railroad company undertaking the construction, equipment, maintenance, and operation of said railroad by the chief officer thereof, thereunto duly authorized by the stockholders and directors of the same, and shall contain, among others, the following provisions:

"First. That the total amount of bonds, the interest upon which is to be guaranteed, shall in no event exceed the amount actually invested in cash in the construction and equipment of such railroad, to be determined as hereinafter provided.

"Second. That no debt, except such as above provided, shall be incurred by the said undertaking railroad company, its successors or assigns, by which a lien shall be created upon such railroad, its equipment, or other property prior to the lien of said government to secure the repayment of the interest paid by it under said guaranty without the consent of Congress.

"Third. That the said railroad shall be constructed and equipped within the time limited in the first instance by the Philippine government or any extension of said time granted by said government for good cause shown.

"Fourth. That after the construction and equipment of said railroad in accordance with the foregoing provisions and all others of the contract of guaranty, the railroad shall apply its gross earnings as follows: First, to the necessary operating expenses, including reasonable expenses of the corporation; second, to the necessary and ordinary repairs of said railroad and its equipment; third, to such betterments and extraordinary repairs of said railroad or equipment as may be first by the governor-general of the islands, in writing, expressly consented to; fourth, to the payment of the interest on the bonds, the interest on which to any extent shall have been guaranteed by the Philippine government under this section.

"The contract of guaranty shall be in substance indorsed upon said bonds and signed by the treasurer of said government, and the said contract of guaranty shall not be executed except upon satisfactory proof of the completion of the railroad in sections of not less than 20 continuous miles each, and in such proportion, to be fixed from time to time by said government, as the actual capital invested in

completed road and acquired equipment shall bear to the capital required for the completion and equipment of the entire road, to be determined by said government.

"All payments made under any such guaranty shall be from the time the same are paid a lien upon said railroad and its property then owned and thereafter to be acquired subject only to the lien of the mortgage or deed of trust executed to secure the bonds, the interest upon which shall have been so guaranteed, and the total sum paid under such guaranty shall at the expiration thereof be payable to said Philippine government upon demand, and in default of such payment the said lien shall be immediately foreclosable.

"*Provided*, That in no event shall the total annual contingent liability of said government under the guaranties authorized by this section at any time exceed the sum of $1,200,000, and no such guaranty shall continue for a longer period than thirty years.

"For the further security of the Philippine government said government shall declare the proper rules for ascertaining clearly the cash capital actually invested in said railroads and the net incomes actually received on said capital so invested, and shall provide for supervision by said Philippine government, through the auditing, engineering, and railroad bureaus thereof and by such other agencies as may be fixed by law, of the conduct of the finances of the road, and of its location, construction, operation, and maintenance.

"The Philippine government shall appoint two members of the board of directors of any undertaking company, the interest on whose bonds shall be guaranteed as provided in this section.

"Each such railroad company shall make such reports from time to time as to its receipts and expenditures, in such form and substance and sworn to by such officials as may be prescribed by the Philippine government.

"The supreme court of the Philippine Islands shall have original and exclusive jurisdiction in all actions, proceedings, or suits at law or in equity brought by the Philippine government against any person or corporation involving the construction of this section or any right existing under duty enjoined or act prohibited by said section or any contract made in pursuance thereof; and jurisdiction is hereby vested in the supreme court to make such order, to enter such judgment or decree, and to take such proceedings in enforcement thereof as may be proper. During the vacations of said court the chief justice or any judge thereof shall have all the power to grant restraining orders, orders of injunction, to appoint receivers, or to do any other act under authority herein granted that a judge of a court of general jurisdiction may do in the vacation of court.

"Section 74 of an act entitled 'An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes,' approved July 1, 1902, so far as the same is not in conflict with the provisions of this section is hereby made applicable to the corporations, the interest upon whose bonds or any part thereof shall be guaranteed under the provisions hereof.

"SEC. 5. That material imported into the Philippine Islands for the construction and equipment of railroads therein, in the discretion of the general government of said islands, under rules and regulations to be by it prescribed, be admitted free of duty."

On May 26, 1906, the Philippine Commission enacted a law (No. 1497) which granted franchises to the Philippine Railway Company. Section 9 of this act specified what was allowed to be considered as the actual cost of construction and equipment. This section reads as follows:

For all purposes hereunder and for the determination of the amount of first-lien bonds in respect of which interest will be guaranteed, as hereinafter provided, the actual total cost of construction and equipment of the railways herein referred to shall be deemed to be the actual cost, first, of all necessary land for buildings, right of way, and other railway purposes; second, of all materials and labor, including transportation of employees, tools, implements, plant, and animals used in such construction and equipment, marine and fire insurance upon any such material, machinery, etc., used in and expended upon or in aid of the construction of the roadbeds, tracks, and bridges, and in and about the building of telegraph, telephone, and electrical transmission lines, sidings and switches, depots, terminals, roundhouses, turntables, water stations, repair and machine shops, freight houses, docks, wharves, warehouses, waiting rooms, dining rooms, hotels, and employee boarding houses, and all other appropriate buildings and structures necessary for the construction, maintenance, and operation of the railway lines, on plans approved by the governor-general; third, of all expenses of engineering, surveying, and supervising in the Philippine Islands, both of the grantee and of the Philippine government, connected with the building of said railroads, and all legal expenses connected with the acquiring of land therefor (such expense of the Philippine government to be borne and paid by the grantee upon demand of the Philippine government); fourth, of all expenses and outlays necessarily incurred by the grantee, or damages done to the property of the grantee covered hereby, arising from acts of rebellion, ladronism, outlawry, earthquakes, or through action of the elements, or through accidents or acts of God; fifth, of all equipment of every name and nature necessary for the operation of the railway lines covered hereby, including locomotives, passenger and freight cars, wrecking cars, and of all tools, implements, and machinery for the construction, operation, and repair of such railway lines; sixth, every other outlay and expense of whatsoever character and wheresoever made, actually incurred in and about the construction and equipment of the lines of railway herein referred to, and whether included in any of the specific items of cost herein enumerated or not; seventh, interest at 4 per cent per annum upon all sums expended for such construction and equipment, from the respective dates at which outlays are made, until the issue and delivery, in aid of such construction and equipment, of the bonds respecting which the Philippine government will so guarantee interest, less any net earnings arising from the operation of any portion of such lines during construction; eighth, for the contractor's profit, and expenses incurred in connection with the organizing of the grantee, and such general expense outside of the Philippine Islands as it may be necessary for the grantee to incur preliminary to its organization and acceptance of this concession, there shall be added as a part of said actual cost of construction, to be determined as above, an amount equal to 15½ per cent of such actual total cost: *Provided*, That the cost of materials, supplies, and equipment shall be the actual first cost thereof to the grantee delivered on the ground where it is to be used, and that the cost of labor, superintendence, and administration shall be the actual wages, salaries, and fees paid in good faith by the grantee, and shall not include any commissions, allowances, profits, rebates, or drawbacks to any third person.

September 15, 1906.

REPORT OF THE PHILIPPINE COMMISSION FOR 1906.

RAILROADS.

[Vol. 1, pp. 51–54.]

The need of additional modes of transportation in the islands has from the beginning been realized as most urgent and their existence as necessary to any large progress. The death of so large a proportion of the draft animals emphasized this fact. It was useless for the agriculturist to bestow his labor on the production of commodities, beyond those necessary for the bare utilities of life, when there was no means of transporting them to other parts of the islands where there was a market, or to the great markets of the world. It probably is not true that railroads would immediately develop the sparsely inhabited portions of the islands in the same way that has so often occurred in the United States, because the Filipino is not inclined to migrate; but it is true that many of the well-settled portions of the islands produce but a very small fraction of what nature intended and of what would so largely and directly add to their means of support and prosperity. This need has been realized by all who have studied the Philippine problems, by natives as well as foreigners. Much difficulty, however, has been experienced in inducing American capital to enter the islands for this purpose.

June 12, 1905.

PROPOSALS INVITED.

On June 12, 1905, proposals for bids for the construction of railways for 11 routes, aggregating 1,113 miles, in the islands of Luzon, Panay, Negros, Cebu, Leyte, and Samar, were advertised in Washington and Manila. The bids were opened in Washington on December 20, 1905, and were three in number—one for all the lines called for in the island of Luzon, one for the lines in the provinces of Albay and Ambos Camarines in Luzon, and one for lines in three of the Visayan islands—Panay, Negros, and Cebu. None of the bids complied strictly with the terms of the proposals, and it was deemed necessary to reject them all and readvertise, the new advertisements being in some respects modified to meet the reasonable requests of one or more of the bidders. On January 20, 1906, the new bids were opened, when it was found that there were but two bidders—Messrs. Speyer & Co. for the lines in Luzon and the Visayan syndicate for the lines in Negros, Panay, and Cebu—a syndicate composed of Messrs. William Salomon & Co., Cornelius Vanderbilt, and J. G. White & Co., of New York, and Charles M. Swift, of Detroit, with whom were associated the International Banking Corporation, H. R. Wilson, and Heidelbach & Co., of New York. The last-named bid being within the terms of the proposal, was accepted, and a concession awarded to the syndicate.

On May 28, 1906, after the form of the concession had been agreed upon between a representative of the syndicate and the Secretary of War, an act was passed by the commission authorizing the governor-general to execute the concessions, which was done on July 10, 1906.

THE J. G. WHITE & CO. SYNDICATE CONCESSION NOW THE PHILIPPINE RAILWAY COMPANY.

The syndicate transferred their concession to a company called the Philippine Railway Company, organized under the laws of the State of Connecticut. The agreement for the concession has been accepted by the railway company, and the governor-general has notified them that surveys must begin forthwith. The salient points of the concession are:

"1. An agreement to build 295 miles of railroads in the islands of Panay, Negros, and Cebu on routes specified.

"2. A guaranty by the Government of 4 per cent on the first-mortgage bonds issued for the construction of the railroads, none of which could be sold below par, the proceeds all to be expended for the construction and equipment of the roads; the sums, if any, paid by the Government, in pursuance of its guaranty, to constitute a lien upon the railroad and its equipment, the guaranty to cease at the end of thirty years.

"3. The concession is perpetual.

"4. Taxation is fixed at one-half of 1 per cent of the gross earnings for thirty years, and 1½ per cent for fifty years. After that period the rate of taxation is to be fixed by the Government.

"5. The company is given six months in which to complete its plans and surveys, and twelve months in which to complete the first 100 miles of the route after same have been approved, and 100 miles to be completed each year thereafter.

"6. Provision is made for the entry of the material necessary for the construction and equipment of the road free of duty.

"7. The privilege is given of using rights of way 100 feet wide in the public domain, excepting such parts as have been heretofore leased or set aside for public purposes.

"8. The gauge is to be 3 feet 6 inches, and the quality of the construction to be up to first-grade, modern standards."

No bids were received for Leyte and Samar, owing probably to the disturbed conditions existing in those provinces, which have great natural resources and will undoubtedly be inviting fields for investors when conditions become normal.

THE SPEYER SYNDICATE CONCESSION NOW THE MANILA RAILWAY COMPANY.

The Speyer syndicate, which presented two bids for lines in Luzon, one for a line from Dagupan, the northern terminus of the existing Manila and Dagupan Railway, to Laoag, Ilocos Norte, a distance of 168 miles, for which the full amount of the guaranty was asked for a period of thirty years; the second for lines aggregating 390 miles, which were to run from Manila south and southeast and through the provinces of Batangas and Tayabas, and likewise lines in the southern peninsula through the provinces of Ambos Camarines and Albay, and branch lines from these roads and from the Manila and Dagupan Railway, now existing, the control of which had been secured by the Speyers previous to bidding.

The proposition made by the Speyers contained some objectionable features which the Government did not feel justified in granting, such as that portions of the lines called branches were to be so awarded as only to be optional with the company to build, instead of being compulsory; that no definite time was stated for the completion of the surveys or the construction of the railroads; that taxation was to be continued permanently at the low rate of 1½ per cent of the gross earnings; that the rates for government freight and officials were to be established permanently at the present high figures of the Manila and Dagupan Railway, and that the power of the Government to grant franchises to competing lines was to be limited.

After some months of negotiations these points were satisfactorily adjusted, and the terms of the adjustment agreed upon put into the form of a legislative concession, and acceptance of the concession by

the syndicate and a deposit of the securities provided for in the advertisements made. As finally agreed upon the company is—

1. To build 428 miles of railroads throughout the island of Luzon.
2. No guaranty is granted on any of this construction.
3. The initial rates are to be based upon those now enjoyed by the Manila and Dagupan Railway and the government has the power to regulate them at any time.
4. The existing Manila and Dagupan Railway and all of its branches withdraws any claims which it has or may have against the municipal, provincial, or insular governments, or the Government of the United States, by reason of injury to or destruction of the railroad during the insurrection, and comes under the new charter on exactly the same basis as the new lines.
5. The concession is a perpetual one, and the government is free to grant franchises for competing lines at any time.
6. Taxation is fixed at the rate of one-half of 1 per cent of the gross earnings for thirty years, 1½ per cent for fifty years, and thereafter to be fixed by the government.
7. The company is given twelve months in which to complete its surveys and thereafter two years in which to complete its first 150 miles, and is to complete 75 miles each year thereafter.
8. The right of entry of material for the construction and equipment of the railroads is given free of duty.
9. The privilege is given of using rights of way 100 feet wide through the public domain, excepting such parts as have been set aside for public uses and such improved lands as may be taken from the so-called "friar lands" for which payment must be made.

While the road contracted for does not reach Laoag, at the north end of the island, it extends 35 miles north of Dagupan to San Fernando, La Union, and will undoubtedly be eventually extended to Laoag, thus forming practically a north and south line from the north end of the island down to the mountains of Tayabas.

The concession was transferred by Speyer & Co. to the Manila Railroad Company, a corporation organized under the laws of the State of New Jersey.

It will thus be seen that the final steps have now been taken for the construction of between 700 and 800 miles of new railroad lines, which will open up much of the most populous portions of the whole archipelago, and bring vast producing areas into direct connection with water transportation at the various ports. The terms secured are, on the whole, favorable to the public, and are the most favorable that could be obtained after protracted advertising and individual effort to induce capital to come to the islands. The burden of the guaranty assumed will be entirely within the possibilities of the insular treasury, and will be far more than compensated for by the increased development and producing power of all the regions reached by the new lines.

December 31, 1907.

REPORT OF THE PHILIPPINE COMMISSION FOR 1907.

[Vol. 1, p. 60.]

The expenditures of the Philippine Railway Company amounted on September 30, 1907, to ₱4,017,241.48, practically all of which sum has been audited and allowed, with the right reserved to the railway company and to the government to correct errors subsequently discovered.

The first section of railroad, running approximately 15 miles north of Cebu and 5 miles south of the same place, has been preliminarily completed, and a bond issue has been authorized for the sum of $973,000, representing at date of issue the cost of construction and the proportional part of equipment and other expenses properly assignable to the section.

No permanent bridges have yet been erected, but progress, however, is being made on substructure for permanent bridges and on culverts (p. 59).

It would seem that although no ballasting had been done, no bridges erected, and no culverts constructed, as soon as the rails had been strung over the line it was considered as "preliminarily completed" and that its projectors were entitled to the Government's guaranty of 4 per cent interest on a bond issue of $48,650 per mile.

The 1907 report of the supervising railway expert of the Philippine government says (vol. 2, p. 368, Philippine Commission Report for 1907, under date of July 1, 1907) that grading in a small way was begun on the lines in Cebu November 17, 1906, and that rail laying began December 15, 1906. He says, further, that—

At the end of the fiscal year (June 30) the grading was practically completed from Cebu to Danao and from Cebu to Minglanilla, a total distance of 45 kilometers (28 miles), on the island of Cebu; and from Iloilo to near Pototan, a distance of 28.97 kilometers (18 miles), on the island of Panay; rail was laid 7.4 kilometers (4.58 miles) north and 8.7 kilometers (5.39 miles) south of Cebu, a total of 16.1 kilometers (10 miles) on the island of Cebu; and 4.8 kilometers (2.98 miles) from Iloilo to Jaro, on the island of Panay.

Hardly more than a start on the bridge and culvert work on either of the islands (Cebu and Panay) where construction work has begun has been made.

On January 12, 1908, the Washington Post printed the following New York dispatch:

[Special to the Washington Post.]

NEW YORK, *January 11.*

Secretary Taft was in a pleasant mood to-day when he arrived at the office of his brother Henry M. Taft, at 40 Wall street, for the purpose of attending a conference with men prominent in financial circles connected with the new Philippine railroad. * * *

GOVERNMENT MAY HELP ROAD.

Besides Secretary Taft and his brother, there were present at the railway meeting Cornelius Vanderbilt, jr., J. G. White, of J. G. White & Co., Alonzo Potter, and William Salomon, of Salomon & Co., and Charles M. Swift, of Detroit.

After the conference it was said by one who had attended that the prime object of the meeting was to ascertain, through Secretary Taft, whether the Philippine government would guarantee a further bond issue over and above the $973,000 of 4 per cent bonds already issued by the railroad, which already have been secured by the government. Mr. Taft was also asked if the Manila banks would accept the railroad bonds as collateral for loans.

It was said that the Secretary had expressed his hearty appreciation of the railroad project and had shown a desire to do all that lay within his power to further the speedy completion of the lines mapped out.

August 6, 1908.

REPORT OF THE SUPERVISING RAILWAY EXPERT, AUGUST 6, 1908.

[From 1908 Philippine Commission Report, vol. 2, pp. 442–444.]

PHILIPPINE RAILWAY COMPANY—ISLAND OF CEBU.

Location of line: Map and profile of the location of this line, extending from near Carcar to Argao, a distance of 31 kilometers, which had not been approved at the end of the last fiscal year, was approved by the governor-general April 27, 1907, and modifications of this and the preceding sections were approved on July 3, 1907, and September 30, 1907.

Grading: At the end of the fiscal year the grading on this island was practically completed and there had been moved 107,387 cubic meters of solid rock, 124,035 of loose rock, and 559,428 of earth, an average of 8,325 cubic meters per kilometer (17,308 cubic yards per mile).

Track laying: Track laying of the 95 kilometers of main track on this island was completed May 15, 1908, and, except for a few sidings and yard tracks, this work is entirely completed, unless the railway company should desire to construct the Carcar-Barilli-Dumanjug branch.

General: The work of ballasting this line has progressed very slowly, owing largely to lack of equipment, but now that track laying has been completed there is no reason why the work of finishing the line can not be systematically undertaken.

The bridge work is well in hand, permanent structures being erected of steel and masonry in all cases, and at the end of the fiscal year was in the neighborhood of 75 per cent complete.

The building of shop, station, and other buildings of permanent materials, concrete generally, is also well advanced, about 90 per cent of this work being completed at the end of the fiscal year.

Bonds: Joint certifications made by the insular auditor and the chief of this office to the governor-general of the expenditures of the Philippine Railway Company for the issuance of bonds on the island of Cebu during the fiscal year were as follows:

Date of certification.	First bond section, 32 kilometers.	Second and partial bond sections, 63 kilometers.	Total.
September 3, 1907	$800,000	----------	$800,000
November 30, 1907	173,000	----------	173,000
January 22, 1908	108,000	$464,000	572,000
April 18, 1908	67,000	185,000	252,000
May 28, 1908	172,000	442,000	614,000
Total	1,320,000	1,091,000	2,411,000

The above values are in United States currency. To the end of the fiscal year, therefore, the 95 kilometers (59.4 miles) on Cebu have cost 50,760 pesos per kilometer, or $40,600 per mile.

ISLAND OF PANAY.

Location of line: On July 24, 1907, the governor-general approved the location of this line from kilometer 32, near Pototan, to kilometer 72, near Dumarao; on June 26, 1908, the line from kilometer 72 to kilometer 112, near Batan; on March 26, 1908, the line from kilometer 89, to Dao, to kilometer 105.7, at Capiz, leaving but little more than the terminal at Batan to be presented and approved.

Grading: At the end of the fiscal year 47 kilometers of grade were completed from Iloilo north, with about 60 per cent of the grading completed from kilometer 47 to kilometer 64, between Passi and Dumarao.

On the first 32 kilometers (20 miles) there were moved approximately no cubic meters of solid rock, 50,887 cubic meters of loose rock, and 278,310 of earth, or about 10,287 cubic meters per kilometer (21,389 cubic yards per mile).

Track laying: At the end of the fiscal year there were on this island 45.4 kilometers of track laid, 32 kilometers of which were in operation, leaving about 116 kilometers yet to lay.

General: The work of ballasting on this island and of finishing up the track, as on Cebu, has gone along slowly for the same reason, and there is little prospect of improvement unless more cars, which are now expected to arrive, are put in the ballast service and more effort is made to finish up the track as it is laid, while still keeping up with the track laying.

Bridging and building work, using permanent materials, has progressed satisfactorily. A number of small openings of concrete have been completed and substructures for the larger openings are well under way. It is expected to begin the erection of the iron bridge work at an early date.

The shop buildings at Lapus Lapus (Iloilo) and the station buildings along the operated line are nearing completion and are being used to some extent.

Bonds: Joint certification made by the insular auditor and the chief of this office to the governor-general of the expenditures of the Philippine Railway Company for the issuance of bonds on the island of Panay during the fiscal year follows:

Date of certification—First bond section, 32 kilometers.

March 10, 1908	$881,000
April 18, 1908	201,000
May 28, 1908	277,000
Total	1,359,000

The above values are in United States currency. To the end of the fiscal year, therefore, the 32 kilometers on which bonds have been certified have cost 84,940 pesos per kilometer ($67.950 per mile).

The excessive cost is accounted for largely by reason of the shop buildings and yard at Lapus Lapus.

November 3, 1908.

PHILIPPINE RAILWAY COMPANY.

[Vol. 1, pp. 37–38.]

During the fiscal year the Philippine Railway Company has completed 68 kilometers, or 42.2 miles, of grading, and has laid 119.5 kilometers, or 74.2 miles, of track. The company has in operation 95 kilometers, or 59.4 miles, of road on the island of Cebu and 32 kilometers, or 19.8 miles, on the island of Panay. The cost of operation is charged to the construction account, and that account is credited with the earnings from operation, in accordance with act No. 1497 and the resolution of the commission adopted in February, 1907.

On the island of Cebu the whole line is, with the exception of a few sidings and yard tracks, entirely completed. The cost on the island of Cebu of 95 kilometers, or 59.3 miles of railway, amounted to $2,411,000 United States currency, or about $40,600 United States currency per mile. At the close of the fiscal year track had been laid in Panay to the extent of 45.4 kilometers, or 28.2 miles, 32 kilometers, or 19.8 miles, of which was in operation.

There is yet to be laid in the island of Panay 116 kilometers, or 72.2 miles, of road. Owing to the condition of the money market, work on this island has not been crowded, but it is sincerely hoped that the line will be as soon as possible completed to the town of Capiz. The road passes through a most fertile country, and if indications speak for anything the receipts from passenger and freight traffic should be large. The benefit to the island of Panay of having this road completed, and the reduction which it will effect in transportation for the producer can hardly be estimated. There have been preliminarily completed, in accordance with the resolution of the commission, 32 kilometers, or 19.8 miles, of track, and bonds to the extent of $1,359,000 United States currency have been issued accordingly. Heavy grading has to be done on this road and the cost was correspondingly heavy, reaching the sum of ₱84,940 per kilometer, or $67,950 United States currency, per mile. Of course, in considering this cost it should not be forgotten that the 19.8 miles of preliminarily completed road is carrying the cost of extensive shops, warehouses, and buildings at the Lapus Lapus terminus, together with other costs and expenses, which should be distributed over the line when completed.

Section 4 of the act of Congress provides that bonds shall be guaranteed only to the extent that the actual capital invested in completed road and acquired equipment shall bear to the capital required for the completion and equipment of the entire road, and to load 19.8 miles of the system with more than its proportionate amount of the investment in shops, warehouses, and buildings is in violation of the law.

The act of Congress provided—

that the total amount of bonds, the interest upon which is to be guaranteed, shall in no event exceed the amount actually invested in cash in construction and equipment of such railroad.

The Philippine government, after enumerating several score of things which it allows as "cost of construction and equipment," including interest on materials purchased, then allows a "contractor's profit" of 15½ per cent, which, on $67,950 a mile, the alleged cost of "preliminary construction," amounts to over $10,000 a mile, in itself nearly the amount that the entire road should cost per mile. When one considers the level country through which the Panay line passes, not a yard of solid rock to move, the 3-foot 6-inch gauge, the 60-pound rails, the duty-free materials for construction and equipment, and the labor at 15 to 30 cents a day, it is difficult to conceive of this "preliminarily completed," or even fully completed, system having cost anything like $67,950 per mile.

In 1903 the civil governor of the Philippine Islands employed an engineering force to make a reconnaissance and estimate of the cost of building certain lines of railway in the mountainous island of Luzon. The engineering work was placed in charge of J. T. Norton, C. E., with C. D. Drew as assistant chief civil engineer. This preliminary work covered three lines, as follows: Manila to Aparri, 336 miles; Dagupan to Laoag, 168 miles; and Manila to Batangas, 69 miles. Much solid rock and expensive canyon work was encountered on each of these lines, and the Manila-Aparri line estimate included the digging of a tunnel nearly a mile in length, while the Panay line traverses a level open valley, not a single yard of solid rock having to be moved.

Estimate has been made for standard gauge of 4 feet 8½ inches, 60-pound steel rails, with 2-foot angle-bar joints, and road bed of 16 feet on fills and 20 feet on cutting.

These estimates covered every conceivable expense of construction, and the costs were carried in at very high figures. The moving of dirt and solid rock were estimated at 25 cents and 85 cents per yard, respectively, which is the average price for such work in the United States where the cost of labor is higher than anywhere else in the world. Creosoted trestle work and creosoted ties from the Pacific coast, at $1 apiece, are called for, and the rails are carried in on a basis of $35.75 per ton. And yet, with all this liberality, Mr. Norton's estimate for the cost of standard-gauge lines ran from $22,844 per mile for the mountainous Manila-Aparri line to $15,905 per mile for the Manila-Batangas line, which is said to be a far more expensive line to build than the Panay line, and yet on the little 3½-foot narrow-gauge Panay line, "preliminarily completed," the Philippine government has guaranteed the interest on bonds to the extent of $67,950 per mile.

Mr. Norton's detailed estimate on the Manila-Batangas line was as follows:

PROPOSED RAILWAY LINES IN THE ISLAND OF LUZON.

(Report of J. T. Norton, C. E., published by the Bureau of Insular Affairs, War Department, July, 1903. War Dept., Doc. No. 206.)

ESTIMATE, MANILA TO BATANGAS (69 MILES).

	United States currency.
General officers and heads of departments, except engineering, 69 miles, at $465	$32,085
Location, 69 miles, at $84	5,796
Right of way, including damage to houses, 69 miles, at $70	4,830
Clearing and grubbing, 69 miles, at $25	1,725
Engineering expense during construction, 69 miles, at $126	8,694
GRADING.	
Manila to 2 miles north Muntinlupa, 140,000 cubic yards earth, at 25 cents	35,000
Thence to Muntinlupa, 35,000 cubic yards earth, at 25 cents	8,750
Thence to Muntinlupa, 21,000 cubic yards solid rock, at 85 cents	17,850
Muntinlupa to Calamba, 155,000 cubic yards earth, at 25 cents	38,750
Calamba to 1 mile north of Santo Tomas, 136,000 cubic yards earth, at 25 cents	34,000
Thence to Santo Tomas, 36,900 cubic yards earth, at 25 cents	9,225
Thence to Santo Tomas, 4,100 cubic yards solid rock, at 85 cents	3,485
Santo Tomas to Lipa Summit, 126,000 cubic yards earth, at 25 cents	31,500
Lipa Summit to Batangas, 414,000 cubic yards earth, at 25 cents	103,500
Ditching, 69 miles, at 300 cubic yards per mile, 20,700 cubic yards earth, at 25 cents	5,175
BRIDGING.	
Masonry, 16,223 cubic yards, at $7	113,561
Excavation for masonry, 8,110 cubic yards, at 50 cents	4,055
Creosoted timber trestle, 96 spans, 15 feet each, at $157.15	15,086
Steel bridges in place, 387 tons, at $126.90	49,110
Creosoted timber deck for steel bridges, 670 linear feet, at $167.74 per 100 feet	1,124
TRACK.	
Rail, 6,507 tons, at $35.75	232,625
Angle bars, 390 tons, at $56.25	21,937
Track bolts, 35 tons, at $73.15	2,560
Track spikes, 184 tons, at $61.90	11,390
Track ties, 182,160 pieces, at $1	182,160
Track laying, 69 miles, at $250	17,250
Surfacing, 69 miles, at $50	3,450
Ballasting, 69 miles, at $800	55,200
Sidings, complete, 4 per cent of length of main line, 2.8 miles, at $9,480	26,544
Telegraph line, 69 miles, at $160	11,040
Water service, 5 stations complete, at $2,000	10,000
Total	1,097,457

Estimated cost of construction per mile $15,905.

Under date of April 11, 1910, the War Department made a report to the House in which it stated (CONGRESSIONAL RECORD, p. 4671) that "the amount of bonds issued by the Philippine Railway Company, the interest on which is guaranteed by the Philippine government, is $6,184,000." This report also stated (CONGRESSIONAL RECORD, p. 4675) that the total mileage constructed by the Philippine Railway Company up to June 30, 1909, was 164.4 kilometers, which is equal to 102.15 miles, thus disclosing the fact that on a narrow-gauge railway the Philippine government has guaranteed interest on over $60,000 of bonds per mile, or nearly four times the estimated cost of construction of a standard-gauge line, which was to be laid with rails costing $37.75 per ton, whereas the present price is but $28, and which was to be laid with imported creosoted ties costing $1 each, whereas it is laid with ties made from native woods. Why it is that, contrary to law, favored contractors are guaranteed interest on four times the cost of constructing these railways, which English and Belgian capitalists stood ready to build without any guaranty whatever, is a question which can best be answered by the War Department, by the J. G. White & Co. syndicate, and by the New York law firm of Strong & Cadwalader, from which Mr. Wickersham resigned to accept the Cabinet portfolio of Attorney-General of the United States.

THE MINDORO DEVELOPMENT COMPANY.

I also append a certified copy of the charter of the Mindoro Development Company.

It is a monster of such frightful mien,
As to be hated needs only to be seen.

I paid $2 for the certified copy, and I invite all members of Congress, as well as all other readers of the CONGRESSIONAL RECORD, to take a look at it for nothing. It is not only the latest thing in trusts, but is the ne plus ultra of corporate evolution. It would not be permitted to do business in the United States, and I submit that it should not be permitted to do business in the Philippines.

CERTIFICATE OF INCORPORATION OF THE MINDORO DEVELOPMENT COMPANY.

We, the undersigned, do hereby associate ourselves into a corporation under and by virtue of the provisions of an act of the legislature of the State of New Jersey, entitled "An act concerning corporations (Revision of 1896)," and the acts supplementary thereto and amendatory thereof, for the purposes hereinafter set forth, and do hereby certify as follows:

First. The name of the corporation is The Mindoro Development Company.

Second. The location of the principal office of the corporation in the State of New Jersey is No. 243 Washington street, Jersey City, county of Hudson. The name of the agent therein and in charge thereof, upon whom process against the corporation may be served, is George S. Hobart.

Third. The objects for which the corporation is formed are:

To build, buy, own, hold, sell, lease, rent, equip, maintain, operate, and in any manner acquire, use and dispose of factories, refineries, distilleries, mills, railroads, and tramroads, lines of steamships and sailing vessels, tugs, lighters, piers, docks, dry docks, wharves, warehouses, irrigating ditches and canals, electric and other plants (for lighting, heating, power, irrigating, refrigerating and other purposes), hotels, lodging-houses, boarding-houses, stores, hospitals, schools, houses, tenements, barns, stables, and other buildings and structures of all kinds, parks and places of public amusement, entertainment and instruction, and all materials, apparatus, tools, equipment and appliances necessary, suitable or convenient for the construction, equipment, maintenance or other use thereof, and to own, hold, mortgage and convey such real estate as may be reasonably necessary to enable it to carry out the purposes for which it is created;

To manufacture, refine, own, hold, buy, sell, import and export, deal in, and in any manner acquire, and dispose of, sugar, sugar cane, molasses, coffee, tobacco, lumber, woods and agricultural products of all kinds; to buy, own, hold, sell, lease, rent, deal in, acquire in any manner and dispose of machinery, implements, merchandise, commodities, and personal property of all kinds;

To apply for, obtain, register, purchase, lease or otherwise acquire, and to hold, use, own, operate and introduce, and to sell, assign or otherwise dispose of, any trade-marks, trade-names, patents, inventions, improvements and processes used in connection with or secured under letters patent of the United States or elsewhere or otherwise, and to use, exercise, develop, grant, license in respect of, or otherwise to turn to account any such trade-marks, patents, licenses, processes and the like, or any such properties or rights;

To borrow and to lend money and to issue obligations for money borrowed, and to secure any of its obligations by mortgage or other lien on all or any of its properties, real or personal; to invest in, hold, subscribe for, buy, sell, and in any manner acquire and dispose of the stocks, bonds, and other obligations of other corporations, and while owner of any such stocks, bonds, or other obligations to exercise all the rights, powers, and privileges of ownership thereof, including the right to vote; to enter into and carry out contracts of all kinds pertaining to its business or to any of the purposes or powers aforesaid, and to conduct any business incidental to or connected with any of the purposes and powers aforesaid;

To conduce business and to exercise any or all of its corporate purposes and powers, have one or more offices, and hold, purchase, mortgage, and convey real or personal property, either within or without the State of New Jersey, in any of the several States, Territories, possessions, and dependencies of the United States of America, the District of Columbia, and in foreign countries:

Provided, however, That nothing herein contained shall be construed to give power to transact within the State of New Jersey the business of a railroad company, a canal company, or other company which shall need to possess the right of taking and condemning lands in said State.

Fourth. The amount of the total authorized capital stock of the corporation is $100,000, divided into 1,000 shares of the par value of $100 each.

Fifth. The names and post-office addresses of the incorporators and the number of shares of capital stock subscribed for by each, the aggregate of such subscriptions being the amount of capital stock with which the corporation will commence business are as follows:

Name.	Post-office address.	Number of shares.
Robert J. Bain	Jersey City, N. J.	25
Samuel S. Moore	Elizabeth, N. J.	25
Charles E. Scribner	Boonton, N. J.	50

Sixth. The duration of the corporation shall be perpetual.

Seventh. The number of directors of the corporation shall be as fixed from time to time by the by-laws. The directors shall have power to make and alter by-laws, but any by-law made by the directors may be altered or repealed by the stockholders at any annual or special meeting. The directors shall have power from time to time to fix and determine and to vary the amount of working capital of the corporation, and to direct and determine the use and disposition of the working capital. The directors shall have power to hold their meetings, to have one or more offices, and to keep the books of the corporation, except the stock and transfer books, outside of the State of New Jersey, at such places as from time to time may be designated by the by-laws or by resolutions of the directors.

Eighth. Any action which shall at any time require the consent of the holders of two-thirds of the capital stock of the corporation at any meeting after notice to them given, or require their consent in writing to be filed, may be taken upon the consent of or the consent given and filed by the holders of two-thirds of the capital stock represented at such meeting in person or by proxy.

In witness whereof we have hereunto set our hands and seals this 7th day of December, 1909.

[SEAL.] ROBERT J. BAIN.
[SEAL.] SAMUEL S. MOORE.
[SEAL.] CHARLES E. SCRIBNER.

Signed and sealed in the presence of—
CHARLES B. HUGHES.

STATE OF NEW JERSEY, *County of Hudson, ss:*

Be it remembered that on this 7th day of December, 1909, before me, the subscriber, a master in chancery of New Jersey, duly authorized to act within the county and State aforesaid, personally appeared Robert J. Bain, Samuel S. Moore, and Charles E. Scribner, who I am satisfied are the persons named in and who executed the foregoing certificate of incorporation, and I having made known to them the contents thereof, they did each acknowledge that they signed, sealed, and delivered the same as their voluntary act and deed for the uses and purposes therein set forth.

CHARLES B. HUGHES,
Master in Chancery of New Jersey.

Indorsed: Received in the Hudson County, N. J., clerk's office, 7th December, A. D. 1909, and recorded in Clerk Record No. , on page .

JOHN ROTHERHAM, *Clerk.*

Filed and recorded December 8, 1909.

S. D. DICKINSON,
Secretary of State.

STATE OF NEW JERSEY,
DEPARTMENT OF STATE.

I, S. D. Dickinson, secretary of state of the State of New Jersey, do hereby certify that the foregoing is a true copy of the certificate of incorporation of the Mindoro Development Company, and the indorsements thereon, as the same is taken from and compared with the original filed in my office on the 8th day of December, A. D. 1909, and now remaining on file and of record therein.

In testimony whereof I have hereunto set my hand and affixed my official seal at Trenton this 12th day of May, A. D. 1910.

[SEAL.] S. D. DICKINSON,
Secretary of State.

Mr. BOWERS. I yield to the gentleman from New York [Mr. GOULDEN].

Mr. GOULDEN. Mr. Chairman, the general deficiency bill now under consideration is the last of the great supply measures of this session of the Sixty-first Congress. On this matter the discussion is not limited to the bill. With adjournment in sight, it will likely be the last opportunity for Members to indulge in general debate, so that I shall take advantage of it to make a few remarks not pertinent to the bill.

First, I desire to say a few words on the railroad bill now in conference between the two Houses. When the measure came back from the Senate, with the few commendable things that the House had put there stricken out, or so emasculated that even its friends could not support it, the Democrats were expected to approve of it, though they had refused to stand by the bill as it had passed the House.

Those who advocated this action openly admitted that the Senate bill was inferior to that of the House. They justified their position by saying that if it went to conference a worse measure might be agreed upon and put through both Houses. In this I saw fit to use my own judgment and voted in favor of sending the matter to conference, the only logical course to follow. Having voted against the original House bill, I could not, in conscience, support a worse one and be consistent. Five of my party associates, without any previous conference, understanding, or suggestion from anyone, voted the same way, thus defeating the Senate amended proposition, and by exactly a majority of 6, so that the whole matter is now where it should have gone—in conference. Permit me to say right here that I have the utmost confidence in the House conferees—Messrs. MANN, of Illinois; WANGER, of Pennsylvania; and ADAMSON, of Georgia—than whom no more conscientious men can be found in Congress. While on this subject I desire to say, as a business man, not owning a dollar's worth of any kind of railroad securities, that the continual agitation of this question is seriously injuring, not alone the great transportation companies who have done so much to develop and build up the country, but every branch of business.

I firmly believe that rate regulation, in a sane and conservative form, is needed and should be enacted into law.

The following appeal from the combined railroad interests of the country speaks for itself:

APPEAL SENT TO CONGRESSMEN.

With the view of hastening the action of Congress, the association sent to the Members of the Senate and House of Representatives this appeal:

"That the President of the United States, having recommended a provision governing the power of the Interstate Commerce Commission over freight-rate changes, such provision be enacted forthwith, to go into effect upon its passage. This will lay the new rates before the commission at the earliest possible moment. By this recommendation of the President the powers and duties of the Interstate Commerce Commission are greatly enlarged, and in the present emergency it is decreed that approval of all the hundreds of thousands of freight rates must be given by the commission before effectuation. It is deemed proper, therefore, to urge that serious attention be given the organizations upon which the enormous demand for increased output is to be made.

"Nothing could be more disastrous to the railroads and all the commerce and industry of our country than to stake all that is proposed to be staked upon the commission only to find that with its organization it can not do the work within a reasonable time. The time to elapse before the commission shall render its decision is the vital factor. We recognize the high order of ability that has been shown by the

commission and believe with sufficient equipment they will promptly and equitably dispose of this question. We urge that such appropriation as may be found necessary be made to enable the commission to cope with their increased duties."

MUST HAVE ADEQUATE REVENUE.

To the shippers the conference offered this appeal:

"That they look upon the railways precisely as they would look upon any other concern for whose solvency the management and not the Government is responsible. A going concern must have an adequate revenue. The present problem involves not merely the amount which the railway shall receive for carrying a consignment, but its ability to carry it at all."

In the appeal to the public the railway supply men urge that the railways be conceded an adequate revenue and that the public "await with patience and good nature the findings of the commission as to the reasonableness of the proposed rate." Attention is directed to the fact that the members of the Railway Business Association have only recently emerged from a period of closed shops, that 600,000 of their employees have been idle and that the companies have suffered disastrous losses because of the cessation of railway purchases following the panic of 1907.

Asserting that the firms represented in the membership of the Railway Business Association pay annually more than $250,000,000 in freight rates, or 15 per cent of the total freight revenue of all the railways, the conference insists that it has a right to be heard.

Increases in wages have been made by the railways voluntarily or by arbitration, the statement continues, which, during the present year, will amount to from $100,000,000 to $120,000,000.

It is entitled to the serious consideration of Congress and the President.

The expected report of the conference committee will, it is hoped, contain those provisions so necessary to the just and proper treatment of the shippers, and at the same time enable the transportation companies to pay living wages, make those improvements necessary to the safety and comfort of the traveling public, as well as a fair rate of dividends to the stockholders. There is always the danger of the pendulum of reform swinging too far one way or the other. There is a happy medium, where justice may be done to all concerned. It is the duty of the lawmaking branch of the Government to see that this is done. I have the most implicit confidence in the honesty of purpose and integrity of character of my fellow-Members to do that which will redound to the best interests of the whole people. The claim is frequently heard in this House and the Senate, particularly on the Republican side, that the country is enjoying an era of prosperity and that the people are happy and contented. I regret to say that this is not true. There is an unrest, an unsettled condition among the people due largely to the high prices of the necessaries of life.

The great army of workers, men and women, who earn their bread by the sweat of their brow, are employed on wages which are not proportionate to the cost of living. It is impossible, even for those having steady employment, to more than make both ends meet. The necessaries of life, rent, food, and clothing, are too high or wages too low. As there can be no effect without a cause, so there must be something wrong somewhere with our economic system. Doctors frequently differ in their diagnosis of cases, as well as to the treatment of the disease. However, this is not the case with this question. The cause is clearly understood. If politics could be eliminated, the doctors in charge of the Government, as far as it relates to the people, would speedily settle this vexed question. Both political parties in their national platform agreed that there should be a downward revision of the tariff for the relief of the masses. The President did all in his power to bring this about with the party in power, but failed, a distinguished Senator to the contrary notwithstanding. A leading Republican Member of the body at the other end of the Capitol in a speech to-day declared that faith had not been kept, and that the Payne-Aldrich bill was not a revision downward. That belief, I find, is quite common among the Republicans everywhere.

The "system" created and fostered by a high protective tariff last year was more powerful than the Chief Executive and the people combined. The high cost of living is directly chargeable to the unnecessarily high duties on the commodities of life, such as building material, food, and clothing.

The Republican party, being in power with a good majority in both Houses of Congress, must and will be held responsible for this failure to give the people the promised relief. It can not longer evade the responsibility, and its members already see the handwriting on the wall and reluctantly admit defeat for the party in November next; while the Democratic party, always the friend of the masses, jealously safeguarding the rights and liberties of the people, will in the next Congress bring about the much-needed relief and force its political foes to aid it or consign them to oblivion in 1912. A change for the better is in sight, so that the long-suffering toilers will soon come into their own under a people's government, made for the people, made by the people, and answerable to the people. [Applause.]

Mr. BOWERS. I yield thirty minutes to the gentleman from Mississippi [Mr. SPIGHT].

Mr. SPIGHT. Mr. Chairman, I regret very much that what is known as the Scott antioption bill has not been brought before the House for consideration. I regard that as one of the most important measures for the greatest agricultural interest in this country which has been presented to the present Congress. [Applause.] I regret that for some reason, I do not know what, it seems that this bill is to be strangled and not permitted to come before the House at this time. It will be too late next winter when Congress meets in the short session, even though this bill should be passed, to accomplish the purpose for which it was framed so far as it would affect the crops of this year. I therefore, under the liberal rules allowed in general debate upon appropriation bills, desire to submit some remarks in connection with the enactment of that law, with the hope that possibly some kind of influence may be brought to bear which will present the bill for consideration before the House during the present session.

The bill under consideration prohibits and makes penal what is commonly known as "dealing in cotton futures." It does not seek to prevent a man from selling cotton which he owns and intends to deliver to the buyer at some future time. The same is true of cotton in course of production on land owned or controlled by the seller, or which he has bought or upon which he has a mortgage or other evidence of title which gives him the right of control. What it does prohibit is the selling of "paper" cotton, which the seller has neither the ability nor the intention to deliver then or at any other time. There is a marked difference between the two. One is legitimate business; the other is gambling, pure and simple, and the less harsh term of "speculation" does not alter the nature of the transaction.

Two questions naturally arise in this connection: First, Is there a necessity for such legislation? Second, Can it be made effective; and if so, how?

In answer to the first question, at the risk of being called a "reformer," I will say that there is a moral side to it. I know that some so-called statesmen and "personal-liberty" advocates denounce the attempt to legislate morals into the people as fanaticism. They forget or ignore the fact that all criminal law is not so much for the purpose of punishment of the transgressor as the prevention of crime and the inculcation of good morals by compelling men to obey the law.

A large number of our States have enacted laws to suppress bucket shops, which are only local reproductions in miniature form of stock, grain, and cotton exchanges having their headquarters in the great commercial centers. Many States have made dealing in futures a ground of attachment, thus imposing a civil penalty. This is as far as the jurisdiction of the States extends, and means that the local authorities regard these transactions as immoral and hurtful to legitimate business interests.

A bucket shop in a town is worse than a public poker room. It is looked upon as more respectable, and men who would not enter the one will patronize the other. Bigger stakes are wagered, and the temptation to get rich quick has brought many a small business man to financial ruin and often to suicide with the wrecking of the lives of innocent women and children.

The evils of the bucket shops to which I refer may be found in a magnified form in the exchanges, the latter of which can only be reached by the action of the Federal Government.

But while this moral side of the question must appeal most strongly to every humanitarian, there is another more far-reaching objection from a business view to the pernicious system of gambling in futures. I shall not stop to animadvert upon the heartlessness of speculators who make their millions in "cornering" the necessities of life like wheat, corn, and meat while multiplied thousands of the poor in city and in country are compelled to go hungry. I will only say that whenever our brethren of the West are ready to demand legislation to suppress gambling in their great products, we of the South can be depended upon to lend a helping hand. [Applause.] We who make the cotton which preserves the balance of trade with the world in our favor are willing to lead in the fight for honest methods, knowing that our success will help you in the accomplishment of the same great purpose.

As evidence that there is wide spread demand for legislation of the kind here proposed, I refer to the fact that it is prayed for and supported by the Farmers' Educational and Cooperative Union, the largest and most intelligent combination of laboring men in the world. [Applause.] It has organizations in 29 States of the Union with a membership of more than 3,000,000.

So deeply are they concerned on this subject that representatives and leaders of thought in their various States appeared before the Committee on Agriculture, while considering this bill,

and not only gave reasons for the legislation, but pleaded with the committee to give the people relief from the intolerable burdens under which they have so long been groaning.

I think I am conservative and not easily swayed by popular clamor; but when the character, intelligence, and patriotism of these representatives of a great organization are considered, together with the reports of government officials who have investigated these matters and my own personal observation and intimate knowledge of the facts, I feel that I would be untrue to myself and to the people who have so long given me their confidence if I should fail to lend my voice and vote in favor of this bill. [Applause.]

Let me stop for a moment to say that not only the men who make cotton, but farmers in every section of the country are embraced in this organization and unite in demanding this legislation. I have no patience with the contemptuous charge that they "don't know what they are talking about." Years of bitter oppression have made them students of economic questions, and they have been taught by grinding adversity to know what they need, and they have the courage to demand it. Some of their critics would do well to wake up to the fact that these farmers are studying politics, too, and a day of accounting is coming, when the power of the farmer will be felt at the polls as never before. [Applause.] They have been patient and long-suffering, but they are becoming aroused to their interests, and professional politicians who forget the people had better take warning against a day of wrath.

Men who are out of touch with the great agricultural masses would be astonished to know the extent of their interest and the breadth of their information concerning legislation, both state and national, affecting their rights. They have become and are to-day the most powerful factor in shaping the political conditions in this country. They are not blind enthusiasts, but reasoning human beings who, after long years of oppression, have at last awaked to the fact that they hold the destinies of political parties in their hands and have the power to make and unmake men and direct the policies of government.

Mr. HARDY. Will the gentleman permit an interruption there?

Mr. SPIGHT. Certainly.

Mr. HARDY. Does the gentleman know what excuse or pretext, whatever it is, there is for the refusal to permit this bill to be brought up or for postponing some action on a matter so vital to so many people?

Mr. SPIGHT. In answer to that question, Mr. Chairman, I am compelled to say that I have no information. I have been astonished, as doubtless the gentleman from Texas has, that this measure, of such vital importance to the great agricultural class of this country, has been ignored thus far by Congress. [Applause.] The party in power is responsible for this failure, as they are for all legislation.

Mr. HARDY. One question more. For how many terms of Congress has this matter been agitated and its promoters attempted to get some action?

Mr. SPIGHT. For at least three or four terms, and not a line has been enacted for their relief.

Mr. HARDY. Has it always been buried in the tomb of silence and oblivion, ignoring these facts you have stated?

Mr. SPIGHT. I think the gentleman has written the right epitaph on this and other similar bills.

These people are not fanatics nor senseless partisans bound by ties of fealty to any political organization. They are too patriotic to seek to establish a party of their own, too intelligent to be ignorant of their rights, and too courageous to longer be robbed with impunity. There is no unfriendly feeling on their part toward men or corporations engaged in other legitimate business, whether in city, town, or country. They are willing that all shall have a square deal, but they will demand the same for themselves. Henceforth they will align themselves with the party and vote for the men most nearly representing their interests. They demand no special privileges, nor will they accord them to others. The enjoyment of the fruits of their labor, unhampered by hostile legislation, and freedom from the blighting power of corrupt combination they have a right to expect, and the man or party that believes they will be satisfied with less has no conception of the aroused sentiment of the American farmers. [Applause.]

The Commercial Appeal, the most ably edited newspaper in the South, published in Memphis, Tenn., one of the largest inland cotton markets in the world, in referring to present conditions, says:

> Bounded on the north and east by the bulls and on the south and west by the bears, the cotton farmers have very little chance to escape.

This is all true as matters now stand. Pass the Scott bill, kill the bulls and the bears, and the cotton farmer will come into his own again. [Applause.]

But let us go deeper than any mere sentiment and see what are the reasons why, as a cold matter of business, this legislation ought to be enacted. In 1908 Hon. Herbert Knox Smith, Commissioner of Corporations, under the Department of Commerce and Labor, by direction of the President of the United States, began an investigation of the cotton exchanges and the effect of their dealings upon the price of this the greatest of all our agricultural products. He went about it in a business way, without any bias or prejudice against these exchanges. In fact, while acting conscientiously, no doubt, his report apparently indicates that he would have been glad to justify their manner of dealing if he could do so in the faithful discharge of his duty as an official of the Government clothed with an important function. After an exhaustive investigation, Mr. Smith made a voluminous and very interesting report. He shows that there are only two cotton exchanges in the United States which have any prominence in future dealings. One is the New York and the other is the New Orleans exchange. He points out a very marked difference between the two in the manner of fixing the prices of the grades above and below "middling," which is made the basis of all future contracts. New York, it must be remembered, is no longer a "spot" market. Since the inauguration of the system of "through bills of lading" but little actual cotton goes to New York. The reason for this is readily apparent. When cotton is bought for southern, eastern, or foreign mills, it is shipped by the most direct route to the point of destination. This is done in the interest of cheaper freights and quicker delivery. The result is that very little of it is ever handled in New York. On the other hand, New Orleans is the greatest market for "spot" cotton in the world.

As before stated, middling cotton is made the basis of all future contracts. All prices above and below this grade are regulated by the price of middling. Now comes the difference between these two great exchanges. In New Orleans the relative prices of the grades above and below middling are determined every day by a committee appointed by the exchange, on the actual market price of spot cotton. This is called the "commercial difference," and is subject to change every day according to the fluctuations of the spot market. This is manifestly the only fair way by which to establish these differences in the "on" and "off" grades. This committee is composed of both buyers and sellers and is changed every month. In addition to these limitations, the action of this committee on spot quotations is subject to review by a committee on classification as a revision committee.

In New York, however, the system is wholly different and far more arbitrary. Until 1888 substantially the same rule prevailed as is now employed in New Orleans. In that year the rules of the New York Cotton Exchange were amended so that differences between middling and other grades deliverable on contracts should be arrived at, not from the actual selling value of the various grades in the spot market, but should be arbitrarily fixed by a committee of the exchange appointed for that purpose. This committee was at first required to meet once a month during the active cotton season, which meant nine times a year. In 1897 the rules were again amended so as to provide that this committee should meet only twice a year; and this rule prevails now. One of these meetings is held on the second Wednesday in September, at the very beginning of the cotton season and before anything can be known as to the relative prices of the high and low grades. The differences then established prevail until the next meeting on the third Wednesday in November, before the frosts and rains and other climatic conditions have determined what will be the supply of the higher grades and the comparative prices of the lower grades.

At this meeting the differences of all grades above and below middling are fixed and these differences stand until the next succeeding September meeting, about ten months. This covers the period during which the greatest fluctuations in prices occur. It is impossible to estimate, even approximately, in November how much "white cotton" there will be, how much "yellowed" by frosts, how much "blued" by excessive rains, and how much "stained" by leaf and dirt. All of these are important and necessary factors entering into the determination of the relative prices of the different grades of cotton which make up the sum total of the crop for any season. The supply and demand for specified grades must necessarily have a marked effect upon prices as in all other commercial transactions when controlled by natural causes.

This "revision committee," as it is called, have no standard to guide them in fixing these differences. It is said they can not be governed by spot quotations, because New York is not a spot market. This is true, and yet the New York Exchange dominates and controls the price of cotton in the United

States by methods founded upon no correct business principles except the greatest benefit to its own members.

In comparing this system of the New York Cotton Exchange, with that of New Orleans I can not better express my condemnation than by using the following language of Hon. Herbert Knox Smith in his report to which I have referred:

It is contended by many that a return to the commercial-difference system would, because of the disadvantages of New York's location, destroy the business of the New York Cotton Exchange. There is little reason to believe that any such result would occur. However this may be, the New York Cotton Exchange, if it can not exist under a just and equitable system has no excuse for its existence at all. The present New York system of fixed differences is uneconomical, in defiance of natural law, unfair, and, like all other attempts to defy natural law, results in such complex and devious effects that the benefit of its transactions accrues only to the skilled few.

For myself, I would go further than Mr. Smith and say, "Let it be destroyed, root and branch, and godspeed the day." [Applause.] The New York Cotton Exchange is supported nominally by speculators and gamblers, but in fact by the horny-handed sons of toil, who make the cotton. The costly building with its magnificent furnishings, the almost prohibitive price of membership, the salaries of officers, the interest charges upon the investment, the "margins," and other expenses amounting to millions of dollars annually, must be paid by somebody. Who pay these? The cotton farmers, the country merchants, and other victims who are caught in their snares.

Hon. John T. Morgan, a great Senator from Alabama, in discussing this question, once said, in effect, that if the cotton exchanges were eliminated the men who make the cotton would have the same power to fix the price as has the retail merchant to say what he should receive for his goods. This is putting it strongly, and yet in the light of our experience it is well founded.

Mr. GOULDEN. Is not the price of cotton, like the price of all other commodities, regulated by the law of supply and demand?

Mr. SPIGHT. Yes; or it ought to be.

Mr. GOULDEN. What particular point fixes the price? Is it Liverpool or New York?

Mr. SPIGHT. Liverpool is the world's greatest market, but so far as the United States market is concerned, it is fixed by the price in New York; and there is concert of action between the two which amounts to a combination which no legislation has been able to reach. I want to say to the gentleman, as I will show further on, that the great evil of this system of dealing in cotton futures is that the amount of the transactions far exceeds on paper the most romantic imagination of man as to how much cotton can be produced.

Mr. GOULDEN. Is not that true of all other commodities, and in every exchange in the country?

Mr. SPIGHT. It is not true, so much as it is of cotton.

Mr. HEFLIN. Not of wheat.

Mr. GOULDEN. Is it not true that Liverpool actually fixes the price of wheat?

Mr. SPIGHT. I am very sorry that I can not yield any further for this interesting discussion, but I am advised that I can not secure an extension of my time, and I must decline to yield further to my friend from New York, glad as I would be to go further into this matter of wheat if I had the time.

The cautious mill owners who want actual cotton to manufacture into yarns and cloth no longer place their orders with the New York Cotton Exchange, because they have learned by sad experience that there is nothing in it for them. When one makes a contract for so many bales of cotton to be delivered at a specified time and at a given price, he knows that it is upon a basis of middling, but he knows, also, that by the terms of the contract under the rules of the exchange, he may not have offered to him a bale of the kind of cotton he wants; but the seller has the right to fill the order with any of the 18 grades recognized by the exchange as deliverable under the contract. This is true although the cotton tendered may be utterly useless for the purposes of this particular mill owner. The result of this condition is that at every cotton market in the South there are found buyers representing mill men in this and other manufacturing countries who take the cotton from the platforms and wharves and ship direct to their principals.

While it is true that in New York a small quantity of cotton is always on hand for the purpose of meeting contracts when delivery may be demanded, it is almost entirely of undesirable grades and such as spinners do not want and often can not use at all. The knowledge of this fact and of the further fact that the seller has the right to compel the acceptance of the low grades, induces the spinner, when he places a contract, to discount the future price, and this depreciates the price of spot cotton to the hurt of the producer and the country merchant.

The deliberate overvaluation of the inferior grades by the classification committee of the New York Exchange is another just cause of complaint and injures the legitimate trade. That this practice prevails is abundantly shown by the report of Mr. Smith. It is a fraud upon honest business and ought not to be tolerated.

In some seasons the sale of cotton futures amounts to the enormously fictitious number of 100,000,000 bales. When we remember that the largest crop ever made was less than 14,000,000 bales, we can begin to understand the extent of these "paper" transactions. Talk about "watered stock" in railroad corporations and then compare it with this "water" in cotton. A child ought to be able to see that the whole thing is reeking with fraud and rottenness. [Applause.]

I wish that every Member of this House and every business man in this country could read the testimony taken before the Committee on Agriculture, from cotton growers and cotton manufacturers, showing the baleful effects of the operations of these cotton exchanges. I am not surprised that this great committee of earnest, conscientious Members of this House were practically unanimous in reporting this bill. The chairman and a great majority of its members are in no way connected with or interested in either the production or the manufacture of cotton, but they are faithful representatives of the American people. I would rather have ascribed to me the paternity of the Scott bill to prevent dealing in cotton futures with the blessings which its enactment will bring to millions of American farmers than to be called the father of the Payne-Aldrich tariff law in the interest of the favored few, with the anathemas upon it of "God's poor," even though the President of the United States has proclaimed it the "best ever." [Applause on the Democratic side.]

But, returning to the concrete questions involved in this discussion, I wish to say that the criticisms of the New York Exchange apply also to the New Orleans Exchange, the difference being one of degree only. In some important particulars and details the New Orleans Exchange occupies a more favorable attitude than that of New York, but the essential wrong in the system exists in both. What the interest of both the producer and the manufacturer of cotton demands is a radical reformation or a complete destruction of the whole system. [Applause.]

Neither the States nor Congress have any power to prescribe a change of rules adopted by these exchanges. Therefore the only remedy is for Congress to denounce as unlawful the doing of certain things by agencies which are under the control of the General Government which contribute to the furtherance of the injurious methods of these exchanges. I have no sympathy with the idea that it is necessary to retain the practice of dealing in futures in order to protect the right to "hedge." If future dealing should be made unlawful, as this bill proposes, and should be discontinued, then there will be no need for "hedging." It is always the speculator, or the man who buys or sells "short," who wants to protect himself by "hedging."

I am not very sorry for the speculator who gets caught in his own trap. [Applause.] I am sorry for the country merchant who is beguiled into "dabbling" in futures and wakes up to find himself robbed by the "sharks." But my whole heart goes out in sympathy and in earnest protest against a system which permits a great wrong to be done to the innocent farmer who toils from daylight to dark, in sunshine and in shower, in heat and in cold, to give to his loved ones the comforts of life. [Applause.] The rich and powerful can, ordinarily, take care of themselves. The poor and weak ought to be the especial objects of protection by the Government. [Applause.]

The testimony taken by the Committee on Agriculture and the report of Hon. Herbert Knox Smith show that the operations of these exchanges are hurtful to legitimate business, and by violent fluctuations in the market and by the production of artificial conditions great harm is done to the men who produce, buy, and manufacture cotton.

Now, then, as to the question, "Is there a necessity for this legislation?" It has been clearly shown that some relief ought to be afforded in the way of congressional action. It has been demonstrated that the States are powerless to accomplish the purpose and that the Federal Government alone can apply an effectual remedy.

Recurring to my second proposition, "Can legislation be made effective?"

Some years ago the Louisiana lottery became such a menace to the moral and business interests of the country that the Government took the matter in hand and effectually suppressed the evil by outlawing it and forbidding it the use of the mails. The bill now under consideration adopts the same methods and prohibits, also, the agency of the telegraph and telephone lines by the cotton exchanges in their future dealings. If the Scott bill should be enacted into law, an effective remedy will be applied.

It is a significant fact that every cotton exchange, from the great New York and New Orleans exchanges down to the smallest, are opposing this bill and urging Members of Congress to vote against it. I have received these requests by telegraph and by mail, but not one word of protest from those who are the sufferers from this iniquitous system. On the contrary, I have countless appeals from farmers' unions and private citizens asking me to support some such legislation as proposed in this bill. The exchanges represent the speculators and bloodsuckers. The others speak in the interest of the toiling millions who are the producers of wealth. It requires no minute analysis nor careful guess to ascertain upon which side of this vital question I stand. Having been raised upon a farm, knowing something of the struggles and hardships which beset the farmer, and by personal experience and everyday observation being acquainted with the injustice done the cotton farmers of this country, I would be unfaithful to them and to their wives and little ones if I should not now raise my voice and cast my vote in their behalf. [Applause.] I have seen their sweat and toil wasted in an unequal struggle for better conditions. I have experienced some of their hardships. I have heard their groanings and their cries of oppression, and I thank God that He has given me the inclination and the power to stand before the Congress of the United States and plead their cause, and "may my right hand forget its cunning and my tongue cleave to the roof of my mouth" before I forget the people who have given me their confidence through so many years of public service. [Applause.]

Mr. MALBY. I yield to the gentleman from Kentucky [Mr. LANGLEY].

[Mr. LANGLEY addressed the committee. See Appendix.]

Mr. MALBY. I yield to the gentleman from Illinois [Mr. FOSS].

Mr. FOSS of Illinois. Mr. Chairman, I desire to address myself to that provision in the sundry civil bill which enables the President to secure information to assist in the discharge of the duties imposed upon him by section 2 of an act entitled:

An act to provide revenues, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909, and the officers of the Government in administering the customs laws, including such investigations of the cost of production of commodities, covering cost of material, fabrication, and every other element of such cost of production, as are authorized by said act, and including the employment of such persons as may be required for those purposes; and to enable him to do any and all things in connection therewith authorized by law, $250,000.

I desire in the first place to state that I am heartily in favor of this provision. The tariff plank adopted at the Chicago convention June 18, 1908, reads as follows:

The Republican party declares unequivocally for the revision of the tariff by a special session of Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress, which are now investigating the operation and effect of existing schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of maximum and minimum rates, to be administered by the President under limitations fixed in the law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets, and the minimum to represent the normal measure of protection at home, the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system. Between the United States and the Philippines we believe in a free interchange of products, with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests.

It will be seen from the above that the essential point in that plank is that which defines the true principle of production as being best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries.

The Ways and Means Committee, in their investigation of the conditions at home and abroad, acquired a great deal of valuable information, but it was impossible to expect of them, in the time which they had for collecting information, to make a scientific investigation into the cost of commodities at home and abroad. This is the work of experts and it is also the work of years, and yet I believe that there is no more important work than this to be done by any commission or body of experts for the education and enlightenment of the people. We have declared in our party platform in favor of a revision, the true principle of which shall be the difference in the cost of production, and, in order to carry out that platform in an honest and conscientious way, we must have a body of scientists to do the work.

When the recent tariff bill had been reported from the Committee on Ways and Means and was under consideration by the House, I had the honor to present a petition signed by more than 200,000 citizens of Chicago and suburbs, protesting against the increased duties on gloves, cotton hosiery, and wearing apparel, in which they request that the rates upon these goods "shall be at least not more than those now prevailing under the Dingley law."

There was a strong demand on the part of the people of the West, voiced by that great newspaper, the Chicago Tribune, for the reduction of these duties. How valuable a scientific commission or body of experts would have been to have shown the real facts in the case, but as it was, the President recognized the justice of the demand and forced the reduction of these duties, as reported in the final adjustment of the tariff bill, and in doing so he was commended by the people.

The people have a right to know what the difference in the cost of production is. The Executive must know in order that he may carry out the provisions of the tariff law. The Congress ought always to know in order to enact a measure that will meet the just demands of the people. The President will, under this provision, appoint experts, who will investigate the whole subject, and then, undoubtedly, will transmit that information to Congress. I may say for myself that I would much prefer that it had been stated in the provision that he should report their findings to Congress, but I have no doubt that under his constitutional right he will deem it not only his privilege, but his duty to do so in order that Congress may have the facts and the results of the work of scientific experts.

In my judgment tariff legislation ought to be placed upon a scientific basis, and I desire to see the whole matter of investigation and determination of facts placed in the hands of a nonpartisan commission permanently appointed, which will report to Congress from time to time, and then upon the recommendation of that commission the proper committee of Congress, that of the Ways and Means, can take up and report bills modifying the tariff rates on the different articles as necessities may require. I see no reason why a particular schedule could not be taken up or modified or amended at any time. Tariff laws have usually been a general revision of all of the duties, and this has been open to the popular criticism that tariff bills have, too frequently, been considered as log-rolling measures, where certain interests combine to effect selfish ends, but in case that schedules were taken up separately, as needs required and modified, then there could be no cause for such criticism.

And, furthermore, revision by schedules in that manner would not, in my judgment, be open to the further criticism of holding up the business of the country. General revision always does hold up business; the uncertainty that is attendant upon it causes business men to await the results of congressional action, but schedules could be modified from time to time with but very little disadvantage or interruption to industry and business.

The people are demanding more moderate tariffs than ever before. They are beginning to feel more and more that our country has grown under the system of protection to where it can stand upon its own feet and compete in foreign markets. The old argument that protection was necessary to encourage American industries in what might otherwise have been a purely agricultural country has lost its force in the tremendous industrial development in all branches of trade. It loses its reason and plausibility whenever industries grow so big as to get their feet on us.

They see that we are sending goods to every foreign market on the face of the globe and competing successfully in many lines of manufacture and industry. We are sending our locomotives to Russia; we are building bridges down in Africa; we are sending our harvesters to the Orient, and our foreign trade is expanding and growing on every hand. Its increase has been marvelous during the last fifteen years.

Some of the best thought of the past has been along the line of a more moderate tariff and encouragement of foreign markets, as illustrated by the following quotations from speeches of Garfield, of Sherman, and Blaine:

JAMES A. GARFIELD, SPEECH, JUNE 4, 1878.

I have long believed, and I still believe, that the worst evil which has afflicted the interests of American artisans and manufacturers has been the tendency to extremes in our tariff legislation. Our history for the last fifty years has been a repetition of the same mistakes. One party comes into power and, believing that its protective tariff is a good thing, establishes a fair rate of duty. Not content with that, they say, "This works well; let us have more of it." And they raise the rates still higher, and perhaps go beyond the limits of national interest. Every additional step in that direction increases the opposition and threatens the stability of the whole system. * * * In other words, I would have the duty so adjusted that every great American industry can fairly live and make fair profits, and yet so low that if our manufacturers attempted to put up prices unreasonably, the competition from abroad would come in and bring prices down to a fair rate.

Speech of John Sherman at Home Market Club, Boston, Mass., 1888:

The tariff ought to be carefully revised with a view to correcting any irregularities or incongruities that have grown out of the changes of value since the passage of the act of 1883.

Every imported article that does not compete with our domestic industry and is essential to the comfort and wants of our people should be placed on the free list.

Every raw material of industry which does not compete with our own industry should be specially selected for the free list.

James G. Blaine, in volume 67, Congressional Globe, page 3049:

During the most pressing exigencies of the terrible contest in which we were engaged neither breadstuffs nor lumber ever became the subject of 1 penny of taxation. What was the reason of this? It was because if anything be universal breadstuffs are universal, for they constitute literally the staff of life.

Now, as to the article of lumber. Whenever the western frontiersman undertakes to make for himself a home, to till the soil, to carry on the business of life, he needs lumber for his cabin; he needs lumber for his fence; he needs lumber for his wagon or cart; he needs lumber for his plow; he needs lumber for almost every purpose in his daily life, and there has never been a tax on that article.

But it remained for McKinley, in his last speech at Buffalo, when, by the providence of the Almighty God, he was about to be translated from the scenes of magnificent achievement, with his vision brighter and broader than ever before, to map out the pathway of future tariff legislation in these sentences, which will remain through all time as the safest and surest guide of our political welfare:

Our capacity to produce has developed so enormously and our products have so multiplied that the problem of more markets requires our urgent and immediate attention. * * * By sensible trade arrangements, which will not interrupt our home production, we shall extend the outlet for our increasing surplus. A system which provides a mutual exchange of commodities is manifestly essential to the continued and healthful growth of our export trade. We must not repose in fancied security that we can forever sell everything and buy little or nothing. If such a thing were possible, it would not be best for us or for those with whom we deal. * * * Reciprocity is the natural outgrowth of our wonderful industrial development under the domestic policy now firmly established. * * * The period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. A policy of good will and friendly trade relations will prevent reprisals. Reciprocity treaties are in harmony with the spirit of the times; measures of retaliation are not. If, perchance, some of our tariffs are no longer needed for revenue or to encourage or protect our industries at home, why should they not be employed to extend and promote our markets abroad?

Mr. BOWERS. I yield to the gentleman from Nebraska [Mr. MAGUIRE].

Mr. MAGUIRE of Nebraska. Mr. Chairman, it may be assumed as a settled principle of government that the division of the powers into the legislative, the judicial, and the executive is the most satisfactory and successful of any plan known to the science of government. It is, however, extremely important, not only to have a clear division of powers among the departments of the Government, but also to determine the proper limitations that should be placed upon the legitimate exercise of power within this branch of the legislative department from time to time by any man or group of men who would attempt by usurpation or misrepresentation to control the policy of legislation by less than a free and fair majority.

No one questions the right of the House of Representatives to legislate upon any subject that comes within its constitutional jurisdiction, and the scope of its power is unlimited except by the Constitution. When acting as a legislative body within the constitutional limitations no one can question the motive. In the last analysis the people are supreme, even over the Government itself. And we must not lose sight of the fact that the exercise of political power which has not been authorized by the people themselves, expressly or by implication, is usurpation and has no place in our system of government.

In the formation of our Constitution the people of the States never intended to deprive themselves of the right to be heard through the duly elected representatives, nor did they intend to deprive themselves of the power to control the representatives whom they commissioned to carry out their wishes. This well-defined purpose to retain sovereign power was in their minds when the people made the House of Representatives the most popular branch of the legislative department.

The organization of the Senate was the result of compromise, but the organization of the House satisfied all, because through it the voice of the people was to be heard at all times, and this voice, as they thought, was to be unhampered. The term of the Representatives was fixed at two years instead of four or six, in order to make this body more immediately responsible to the people in general. When this body neglects to act as guardian of the people's rights, when it refuses to reflect the popular will, then it has ceased to subserve the ends for which it was established.

The people of the several States, through the Constitution, have delegated to the House of Representatives alone some of the most important of all legislative powers. Here rests the sole power to prefer charges of impeachment; to elect a President of the United States in case of failure in the usual way; to originate all bills for raising revenue. This power of taxation was purposely and wisely placed in the House, through which the voice of all the people, as nearly as practicable, could be heard. People everywhere have always been jealous of powers of government exercised over them by those who are not responsible to the subjects. It must be conceded that the people in our country are sovereign, and that ultimately all political and sovereign powers reside in them. They have reason, therefore, to entertain at all times a prudent mistrust of any government, even of their own making, which exercises delegated powers.

While our people have full confidence in our form of government, yet they are fully conscious that "eternal vigilance is the price of freedom." The farther a government or its branches are removed from the people the greater is the distrust of its usefulness. And so to-day, as the House of Representatives is the nearest to the people, it should enjoy the greatest degree of the people's confidence. The insistence upon a bill of rights at the time of the adoption of the Constitution shows how the people felt then and indicates the distrust even of free and constitutional government. The Constitution would probably not have been agreed to by the States except upon the promise made to incorporate a bill of rights immediately upon the organization of the Government.

The House of Representatives was to be the people's assembly, through which the impulse of popular feeling might have expression. The Speaker of this body was to be elected by the membership and to act as presiding officer, in addition to preserving all his rights as a Member of the body. The Constitution provides that the "House may determine the rules of its proceedings;" but was it ever contemplated by this simple provision in the Constitution that these rules were to be other or different than any similar rules for any deliberative body? Was it intended that a great body of parliamentary law, rules, and precedents should be developed in the people's most popular branch of the Government and to such an extent as we have them to-day? Was it presumed to force this great legislative body, sitting as the representatives of a free and intelligent people, into a system of submission—a system which has been used to suppress legislation and stifle the voice of the people?

Our judicial system must rest largely upon precedent, because the great principles of law have been expounded as ably in the past as could be expressed in the present, and so the torchlight of justice is not confined to the present, but has burned throughout our past history. Then, too, a final tribunal of last resort has been provided for by the people themselves through their Constitution, and by this tribunal all judicial controversies are definitely determined. But it is far different with a body like the House of Representatives, which is not bound by the past. It is not bound to look backward or forward, but is supreme unto itself while acting within constitutional limitations; nor should any proposed legislation of this body be submitted to any tribunal within its own membership to pass upon as to its merits or its propriety.

In the brief period of my service as a Member of this House I have made some observations upon the practical workings of the rules and procedure through which the business of the House is conducted. Before I became a Member I called attention to what I believed to be a very much needed reformation in parliamentary procedure, and challenged the authority which made possible and perpetuated the system of rules through which the House operates.

While this is a government of the people, still it is representative in form. All of the 391 Representatives come here with the same authority, the same character of commission, and the same power to legislate; all with original authority from the people. No code of rules ought to limit unnecessarily or deny any Member the authority or power which is given him by the people under the Constitution. The real purpose of all rules of procedure is to facilitate and not retard business. For this body of men, organized to do the work for which we were sent here, only such rules ought to have been formulated as would enable us, as a legislative body, to transact the public business of the country.

But what are the facts leading up to the formal organization of the present Congress? The majority party Members go into caucus and a few leaders decide upon the rules that should govern the House. By custom the action of a majority of that caucus binds the party in the House.

The rules provide that the Speaker shall appoint all committees, including more than 60 chairmen of these committees. The one exception is the Committee on Rules. The power to appoint this committee was taken from the Speaker and is now

exercised by the House. These 60 chairmen appointed from the majority side merged their identity, and the power of all is vested in one man with authority to parcel it out to the chairmen and other favored Members. In practice the situation is this: A majority controls the House, a party controls the majority, 60 committees control the party, the chairmen control these committees, and the Speaker controls these chairmen. The result is party rule, machine for party purposes, and concentration of power in the Speaker to enforce machine rule and discipline. Obedience and willingness to serve and enthusiastically aid the powerful inner circle are the first tests applied for promotion. The other members of the committees are selected and ranked by the Speaker, usually according to obedience and seniority of service. Thus runs the whole system of discipline and forced obedience to the men in power. The allurements for positions of influence which are now held out to the selfish and designing should be removed. Before we can expect to have any material reform in legislation we must have reform in the machinery of the legislative body.

I feel safe in making the broad statement that permanent and substantial reform in procedure is impossible until the power to appoint committees and committee chairmen is taken from the Speaker and restored to the House, where it properly belongs.

Instead of a simple set of rules for the transaction of business in an orderly manner we have a condition which has taken this body constantly farther away from the people. The Speaker and his associates in power have assumed to sit as a legislative supreme court, to whose unregulated discretion and human judgment all proposed measures must be submitted before they can hope to breathe the breath of life. All legislation in embryo must be tested at the bar of the Speaker and must comply with his standards of justice and expediency before allowed to be acted upon by the people's representatives. Such power placed in the hands of any Speaker is inimical to the best interests of any free government. It places the Speaker in a position where he can establish an arbitrary penal system to discipline any who might venture to question his authority or to oppose his programme of legislation. It defeats the very purpose of representative government and denies a fair and free representation not only to those Members who might chance to incur the displeasure of the Speaker, but also to the thousands of constituents all over our land who have commissioned these Representatives to express their views and to guard their interests in Congress. Such a system substitutes the will of the Speaker for the free choice of the majority and forms the basis of autocratic government, which means government not by the consent of the governed, but in spite of the governed.

It is often asked by the uninitiated why a bill which the majority of the Members want considered can not be called up. Bills are introduced and then referred by the Speaker to any one of 60 committees. In practice, if the Speaker does not want a bill considered, no power on earth can get it out of the committee and before the House for consideration. A Member may rise to gain recognition for the purpose of moving the consideration of a bill which has been referred to a committee, but what happens to the Member? The Speaker says, "For what purpose does the gentleman rise?" And upon being advised, the Speaker immediately declares the Member out of order for that purpose, and if he persists in asking consideration, he is gaveled down and ordered to be seated. Immediately the floor leaders come to the rescue and other business is pressed forward. Thus the Member's effort goes for naught. The majority party having already been organized into a compact working body, the chairman of a committee, or a majority Member, will, of course, not attempt to bring a bill from the committee for consideration without the consent of the Speaker. Against this system, the individual Member becomes powerless. In this way the House organization and the Speaker, with his wide range of discretion, control both individual Members and legislation and prevent the consideration of bills which have been introduced.

But the individual Members who make this system possible are not free from responsibility or blame. If they would not agree to enter the compact and abide by the conditions, the system would be difficult to create or maintain. If they refused to obey it when in operation it could not last for a single day. It is made possible and continues in its perfection only by the sanction and support of Members who enter the party caucus usually with a full understanding that the conditions virtually mean a surrender to the Speaker and a promise to abide by what the House leaders agree upon.

From that time on the House ceases to be a deliberative body. It then becomes impossible to carry out the pledges and promises to the people of your district or to the country. I trust that the time will soon come when there will be less subserviency to party bosses and party machines and more obedience to the pledges and promises made to the people. Members who enter compacts and make possible the system of procedure which prevails in this House can not return to their own people and honestly and consistently ask to be relieved of the responsibility for the character of rules and resulting legislation. It is high time that a sweeping reform should come in this matter and all obstructions to free speech and free action in the House should be torn down.

The advocates of the present system, in their defense and justification, claim that the rules are for all alike, for every Member, and are necessary to carry on the orderly business of the House. But the numerous volumes of parliamentary precedents have accumulated until they are not within the grasp or practical use of the average Member. He becomes lost in their multiplicity, and very few can become familiar with them, except through several years of parliamentary service. In fact, the rules do not seem to be intended for the use of the average Member, but rather for the rules specialist. The difficulty in ordinary procedure arises not so much with the rules proper, but rather with the accumulated mass of decisions, which become precedents and are taken advantage of under the rules. These decisions are made by the Speaker or by chairmen appointed by him. It is not difficult for the trained parliamentarian in the chair, with his assistants, to run down a line of precedents to support his contention. Decisions are often rendered upon authority of his own former decision, and, perhaps, under the same partisan circumstances. The decision once made becomes thereafter a precedent. It aids in gathering around the Speaker's gavel greater power with which to further fortify and protect the system of rules and suppress opposition, while none of his own power is voluntarily surrendered.

It is therefore, instead of an advantage, a disadvantage for any legislative body to attempt to transact business under a complex and cumbersome system of technical rules and precedents with which only a very few are familiar or can become so except by long experience and careful study. It simply adds another element, and no inconsiderable one, either, to the power of the few who have been in control of the House machinery. I am not ready to admit that the business of the House can not be properly transacted by a system that can be fairly well understood by all.

The greatest demand therefore for reforms in the ordinary procedure of the House concerns the application of rules and the exercise of arbitrary power which has been accumulating year by year in the Speaker's mallet. If such power is essential in the Speaker of the House it should be provided for by law and not assumed by precedent and practice. He should be a neutral factor when in the capacity of Speaker. The exercise by him of the ministerial official duties necessarily incident to the office of Speaker of the House will never give any serious alarm, but the exercise of power that properly belongs to the House as a whole will be contested because it is dangerous in principle, and in practice it is liable to be abused. I am willing to trust the majority with the exercise of the powers of this House, even though it be a party majority, but I am not willing to trust any man or group of men with this power.

I believe the evils and defects of the present system growing from the enlarged powers of the Speaker fully demonstrate that the Speaker should be simply a presiding officer of the House, in the same manner that a chairman presides over any other deliberative body. Nor should he be the political leader of his party in the House. The fact that he is the partisan political leader incapacitates him for the duties of a fair presiding officer. With two great political parties, the one a majority and the other a minority, the Speaker should be left in the position of an impartial officer to present the business of the House, render decisions without reference to political results, and leave to the political leaders on the floor, in both parties, the conduct of the political programme.

When this House asserts its right to exercise the power which has heretofore been exercised by the Speaker without warrant, then freedom and popular expression will be restored, the system of prizes and penalties will be eliminated, and committees will be elected by the House; independence in thought and initiative in action will be stimulated; committee positions will be based upon merit and efficiency instead of loyalty to the organization; this great legislative body will be brought back into closer touch with the people; and it will be an easier matter for the representatives of the people to keep faith with those who sent them.

This is the greatest legislative body in the world, because it is the people's forum. That it remain responsive to the popular will should be not only the desire of the individual citizen, but also the constant aim of those privileged, as we are, with membership. On American soil is developed the highest conception

of civil society, and we, therefore, as Representatives, ought not to forget our responsibility to our people and civilization. I believe that it is our duty and obligation as Representatives to insist that this popular branch of our lawmaking department remain true to the welfare of the people, giving faith to the doubter and hope to the disappointed of our own land, and moral inspiration to the peoples of the earth struggling to be free.

Mr. BOWERS. I yield to the gentleman from Indiana [Mr. Cox].

Mr. COX of Indiana. Mr. Chairman, this era of wild extravagance of the people's money has gone on for years, apparently unnoticed and unchallenged, but if I mistake not the sign of the times I see a moral awakening on the part of the people and a demand for retrenchment and reform all along the line. But, in my judgment, this will not come until the people all over the land with one unanimous shout demand more economy in the expenditure of their money. It is a current saying—almost proverbial—that an individual has a right to spend his own money as he sees fit; but, Mr. Chairman, I deny this statement. No man has a right to uselessly and recklessly spend the earnings of himself and his family. It is the duty of everyone not only to earn what he can legitimately, but it is his duty as a good citizen to husband his own resources and to see that every time he spends a dollar he gets a dollar in return, and as the individual has no moral or legal right to squander his own earnings, so much stronger is the reason that wisdom and care should be exercised in the highest degree to see that the people's money is safeguarded in every possible way it can be.

Every dollar of money wrung from the people's pockets by taxation in some form represents a trust, and the people have a right, morally and legally, to know that every dollar taken from them by taxation is taken for a just and a meritorious purpose, and that the dollar will be expended for the benefit of the Government, which protects them in return. It is doubly important that every dollar of the people's money that is appropriated be a necessary dollar. The people do not object to being taxed for the support of their county, state, or Federal Government so long as they are getting value received for it, and so long as the burdens of taxation fall equally upon the shoulders of all.

The Republican party has been in complete control of Congress since March 4, 1895, and in complete control of the executive departments of the Government since March 4, 1897, and as every dollar of money appropriated for government use must be appropriated by Congress, the people have the right to and they will hold the party in power responsible for the public expenditure of their money during this long lease of power. If the party in power can not square accounts and render to the people a correct accounting of the trust reposed in them, I have no doubt the people will relegate them to the political scrap heap at the November election.

Retrenchment and reform was the slogan of the incoming present administration. Everyone heralded this as a day of joy, because they believed that at last the hope deferred would become a living reality. But let us examine the record made by the Republican party during its long lease of power and see whether this much-heralded promise can be made good. That the people's money has been recklessly and needlessly wasted, I call as a witness no less a personage than the Hon. NELSON W. ALDRICH, Senator from Rhode Island. On February 21, 1910, in speaking of the subject of the reckless and needless waste of the people's money, he said:

> There is no intelligent observer in Congress or out of it who does not know that the executive departments of this Government are carried on either under obsolete business methods or without any business methods at all. There is no man who has given this subject any attention whatever who does not know or believe that at least 10 per cent of the thousand million dollars which we are appropriating annually can be saved by the adoption of business methods—this question of saving $100,000,000 per year—and it can be demonstrated, in my judgment, that the saving will be much more than that—is a matter that should receive the serious attention of Congress. If I were a business man and could be permitted to do it, I would undertake to run this Government for $300,000,000 less than it is now run for.

Mr. Chairman, was ever any party in power indicted for high crimes and misdemeanors in language more scathing and rebuking than this terrible arraignment of the Senator of his own party for the reckless waste and extravagance of the people's money? This statement is enough to challenge the attention of every man, regardless of politics, and cause him to pause and think. Mr. Chairman, I believe in partyism, because through it I believe the equilibrium of our rights are best maintained, but I believe in the individual man himself. And with this statement confronting the voters in the coming campaign, no man's partisanship should carry him to the point where he will lightly cast aside these ominous statements.

Here is a man grown old in the service of his country; he has observed its growth from comparatively a small republic to be the greatest government upon God's green earth, and no doubt he has observed these appropriations since his party assumed complete control of every department of the Government, mounting up year by year until at last he realizes that the people are crying out, like Cain of old, saying that "our burdens are greater than we can bear;" and, hearing this cry, out of his own mouth he indicts his own party for this era of wild extravagance. The appropriation for the present fiscal year 1910 was $1,044,000,000, and the Senator, in dilating upon this question, says:

> That any man, whether in or out of Congress, knows that at least 10 per cent of this sum, amounting to more than $100,000,000 per year, could be saved by the practice of proper economy on the part of men in power.

Startling as this statement is, more startling is his closing statement:

> If I were a business man, and could be permitted to do it, I would undertake to run this Government for $300,000,000 less than it is now run for.

The farmer, the laborer, the miner, the business man, and, in fact, every man, woman, and child who contributes a dollar in the way of taxes for the support of this Government should read, and ponder well, this statement before he casts his vote in the coming election. Every voter, regardless of his previous political faith, should think of it before he casts his vote. Mr. Chairman, these were not idle words, spoken by an idle dreamer, nor by an inexperienced man, but they were the words of wisdom, spoken by a man of experience, trained in a school of finance, being himself the chairman of the Finance Committee in the Senate, which unerringly shapes the course of all legislation in that branch of the National Legislature.

If a saving of $100,000,000 per year can be made, and is not made, the people will characterize this $100,000,000 as graft! If three times this amount can be saved, and is not saved, they will call this treble graft! If $300,000,000 is collected each year in the way of taxes from the people more than is necessary for the actual support of the Government, to whom does it go? The people have a right to have this question answered, and correctly so. And it will not be answered until the people answer it themselves at the polls by rebuking the party now in power and installing the Democratic party, which has always stood for conservative appropriations. No party could long continue itself in power in any county, in any city, or in any State in the Union which annually collects in the way of taxes hundreds of thousands of dollars more than is necessary to economically administer the affairs of the county or State. The least inkling that this was going on the accounts would be examined, the books opened, and the party in power responsible for this condition righteously rebuked at the polls by the overburdened taxpayers.

Mr. Chairman, recognizing that there was more truth than poetry in the statement made by Senator ALDRICH, the Hon. JAMES A. TAWNEY, chairman of the Appropriations Committee in the House, on the 21st day of May, 1910, offered the following amendment:

> To enable the President to more effectively inquire into the methods of transacting the public business of the Government in the several executive departments, and other government establishments, with the view of inaugurating new or changing old methods of transacting such public business so as to attain greater efficiency; what changes in law that may be necessary to carry into effect such results of his inquiry as can not be carried into effect by executive action alone, and for each and every purpose necessary hereunder, including the employment of personal services at Washington, D. C., or elsewhere, $100,000.

I may add that this amendment was stricken out on a point of order, but it shows the dire straits of the Republican party in its desperate attempt to learn something about the rules of economy. The President is one of the coordinate branches of the Government under the Constitution of the United States. Why the necessity of this $100,000 of the people's money to enable him to examine and determine the methods by which the Government is being run with a view of seeing whether or not economy can be practiced in the executive departments of the Government? The people thought when the present occupant of the White House was elected that he was coming there as an experienced man in public affairs. Nearly all his entire life has been spent in some department of the Government—for years he was upon the federal bench, for years he was governor-general of the Philippine Islands, for years he was Secretary of War, and for fifteen months he has served us as our Chief Executive. Notwithstanding all his varied experiences as a federal officeholder he was asking for an appropriation of $100,000 of the people's money to enable him to determine some way whereby economy can be practiced in the various executive establishments of the Government. Yet he is the head of the executive department of the Government, and under the law the Secretary of the Treasury is required to submit each year his estimates of the cost of running the Government for the

succeeding year. The legislative bill, which passed this House some time ago, carried an item of $75,000 to enable the Secretary of the Treasury to investigate accounts and records, and to secure better methods of administration with a view to greater economy, and for the employment of agents, stenographers, accountants, or other expert services, either within or without the District of Columbia. Why appropriate $75,000 for the Secretary of the Treasury to employ persons not in the government service to tell him how he can bring about economy in the administration of the affairs in his department? Why call in the heads of some of the great business concerns of the country, at the expense of the people, to teach him how he can practice economy in his department? And this is exactly what he has done in this instance. When the item giving to the President $100,000 was up for consideration the following colloquy took place between myself and Mr. TAWNEY in regard to the appropriation made by Congress to the Secretary of the Treasury:

Mr. Cox of Indiana. Can the gentleman say as to whether or not the Treasury Department, in bringing about this reform, has employed any outside experts?

Mr. TAWNEY. Yes. That is the purpose for which the appropriation was made, and the Treasury Department has employed, and it was necessary for this department to employ, outside experts; and I believe that to the employment of the outside experts is largely due the economies that have been effected as a result of the work in that department, because they have been men who are experienced in modern business methods.

Mr. Cox of Indiana. Do I understand the gentleman to say that these outside experts were men who heretofore had no connection with the Government?

Mr. TAWNEY. None whatever.

Here we have a man at the head of the Treasury Department, paid a salary of $12,000 per year, asking and receiving at the hands of Congress $75,000—what for? To enable him to hire outside experts to teach him how to economize. And closely following this appropriation the President asks for another $100,000. What is this for? To enable him to employ outside experts to teach him, and his Cabinet officers the true principle of economy in the administration of the affairs of the Government. This is but an open confession of their utter inability to bring about retrenchment and reform in public expenditure of the people's money. Yet demanding $175,000 of the people's money to aid them in reducing expenditure is a plea of guilty on the part of the Republican party to the charge of extortionate and useless expenditure of the people's money, exactly as charged by Senator ALDRICH.

This is indeed an expensive system of education to the people. The idea of electing a man to the high office of President of the United States, with full power to select his advisers in his Cabinet, and yet asking Congress for this enormous sum of money to help him educate himself as to how to practice the simple law of economy to me is absurd, and I believe that when the people understand it, it will be worse than absurd to them. The people believed when they elected the present incumbent of the White House as their Chief Executive that they elected a stalwart, a well equipped, all-round man for this important position, but it looks like he is but a weakling, unable to cope even with the question of economy.

Mr. Chairman, some reason exists for this deplorable condition of affairs. What is it? Is it due to an utter lack of knowledge on the part of the party in power, or have they been so faithless to their trust in their desperate attempt to hold on to their lease of power that they have neglected to give the proper amount of study to the question of public economy?

At the closing hour of the Sixtieth Congress, March, 1909, the salary of the President was increased from $50,000 to $75,000 per year, with the distinct understanding at the time that this increase of salary should be in lieu of the $25,000 which had been allowed the President since 1906 for traveling expenses. But before the special session of the Sixty-first Congress closed—last August—an act was passed appropriating $25,000 to defray the traveling expenses of the President, and since then, at the expense of the people, he has well earned the title of "the traveling President." Mr. Chairman, in my judgment, instead of traveling over this country from the Atlantic to the Pacific, at the expense of the people, defending the iniquities of the Payne-Aldrich Act, declaring it to be "the best act ever," thereby attempting to perpetuate his party in power—if he and his Cabinet would remain at home, devoting themselves to a study of the questions of public economy, we would not witness the weak and assinine attempt on the part of the President in asking the people to pay him $100,000 more to enable him to employ persons not connected with the government service to teach him something about the simple law of economy in the administration of the affairs of the Government. The urgent deficiency bill last August carried two items of $6,000 each for the purchase of two automobiles, one for the Speaker and one for the Vice-President of the United States, and in the legislative bill passed this House a few days ago it carried an item of $2,500 for the maintenance of the Vice-President's automobile and $2,500 for the maintenance of the Speaker's automobile, although, be it remembered, that his (Speaker) salary is $12,000 per year; and when this item of $2,500 was under debate the Speaker vacated the chair, took the floor in its defense, and ridiculed the idea of economy in the fight which the Democrats and insurgent Republicans were making against it; and in the course of his remarks he took occasion to ridicule and laugh at the acts of Hon. James Williams, ex-Member of Congress and ex-governor of the State of Indiana—now deceased—with whom the Speaker said he served in the Forty-third Congress. And in his criticism of "Blue Jeans" Williams the Speaker said:

I have seen in former days, in the Forty-third Congress, the country, by the aid of the press, greatly wrought up concerning the expenditure of the contingent fund of the House. I saw a Member of the majority party in the Forty-third Congress—Democratic—the late Governor Williams, called "Blue Jeans" Williams by his friends, and who was elected governor of Indiana, stand here on this floor as chairman of the Committee on Accounts, with a fan in his hand that retailed at a nickel, when the weather was almost as hot as Tophet. During that long summer, when iced tea and lemonade were served in the cloakrooms, and received universal applause on that side of the House—Democratic side—and universal applause on bringing about a great national issue, when he held up the fan and said: "Great heavens, fans furnished from the contingent fund of the House!"

Mr. Chairman, it is not my purpose to enter upon a defense of "Blue Jeans" Williams. He needs none. He was one of Indiana's great men; along by the side of Voorhees, Hendricks, McDonald, Turpie, and Gray he traveled. By his upright and honorable course in life he earned for himself both imperishable fame and name among all who knew him. He was one of the men who believed that a public office was a public trust, and that a public officer was a public servant, and along these lines he lived his life, and now that he has gone to his reward the Speaker may doubt his policy of economy as being the part of wisdom, but he can not doubt his consistency. And if there was a "Blue Jeans" Williams occupying the White House and one at the head of every department of the Government, I am absolutely sure that the people would not be asked for $175,000 to enable them to learn the road to economy, and I am equally sure that if "Blue Jeans" Williams had been Speaker of this House we would not have witnessed the spectacle of the Speaker vacating his chair, taking the floor in defense of the item that no one can find any warrant in law for whatever.

Let us see which one of these men hewed the closest to the lines of economy, the Speaker in accepting a $6,000 automobile from the Government last year and defending a $2,500 item for its maintenance, or "Blue Jeans" Williams in his criticism upon Congress for appropriating money to buy fans which retailed at a nickel apiece. The Forty-third Congress, in which Mr. Williams served, was a Democratic Congress, and it appropriated (two years) $653,794,991.21, or $326,897,495.10 per year. Mr. CANNON was elected Speaker of the House in the Fifty-eighth Congress and reelected in the Fifty-ninth, Sixtieth, and Sixty-first Congresses. The Fifty-eighth Congress (two years) appropriated $1,497,751,476.90, or $748,375,738.45 per year. The Fifty-ninth Congress (two years) appropriated $1,789,404,176.47, or $894,702,088.23 per year. The Sixtieth Congress (two years) appropriated $2,052,799,400.68, or $1,026,399,700 per year, or three and one-tenth times more per year than was appropriated during the Forty-third Congress. The total appropriations for the first session of the Sixty-first Congress are not yet made, but I imagine they will reach a figure as startling in magnitude as were the appropriations during the Sixtieth Congress. If we had a few more men in the House like "Blue Jeans" Williams who would constantly call the attention of the country to the wasteful extravagance of the people's money, not in buying fans that retail at a nickel apiece, but in buying automobiles at the rate of $6,000 each for the Speaker, the Vice-President, the President, members of the President's Cabinet, and the appropriations of thousands of dollars each year for their maintenance, I believe that the country would thoroughly approve of Mr. Williams's course instead of the course pursued by the Speaker. I am willing to submit the controversy between the present Speaker and Mr. Williams to an unbiased jury, 14,000,000 strong, at the coming November election, and let this jury determine the question as to which one of these men served the people best.

Mr. Chairman, that the public may draw its own conclusion and make its own comparison as to public expenditures of the people's money during the last four years of Cleveland's administration and the last four years of Roosevelt's administrations I print the following table, published at the close of the Sixtieth Congress, March, 1909, by the ranking Democratic member on that committee, and which has never been denied,

and which can not be denied, because the figures contained in these items are absolutely correct:

Department.	Appropriations.	
	Fiscal years 1894–1897.	Fiscal years 1907–1910.
Agriculture	$13,106,405.06	$44,044,872.00
Army	94,349,535.28	347,031,465.78
Diplomatic and consular	6,338,381.28	13,339,744.49
District of Columbia	22,604,665.21	41,260,305.13
Fortifications	13,919,504.50	29,438,800.00
Indian	34,667,053.57	39,273,952.00
Legislative, executive, and judicial	86,582,428.89	126,619,650.60
Military Academy	1,752,878.47	6,971,567.29
Navy	107,410,094.36	460,649,500.00
Pensions	614,972,794.85	610,349,500.00
Post-Office	353,358,475.85	861,720,453.75
River and harbor	61,915,595.00	46,543,833.00
Sundry civil	118,322,092.29	458,875,976.78
Deficiencies	44,805,651.46	128,503,173.11
Total	1,574,105,556.07	3,214,993,198.97

Or $1,640,000,000 more during the last four years of Roosevelt's administration than the last four years of Cleveland's. Nearly 105 per cent more to-day than fourteen years ago, although the population has only increased during this time about 32 per cent. When people double their expenditures either their wealth has correspondingly increased or they are going in debt. Our national wealth increased approximately 20 per cent in the last four years over the first four years, so it will be readily seen that our national increased expenditures are not properly chargeable to our increase in wealth. By this showing the Republicans expended $1,640,000,000 more under Roosevelt than Cleveland, which reduced to a mathematical certainty means that instead of uselessly squandering $300,000,000, the real misappropriation has been $410,000,000 per year. Evidently Senator ALDRICH knew what he was talking about, and this accounts for the demand upon the part of the President for $175,000 to enable him to call to his aid some of the great captains of industry to tell him how to economize with the people's money.

Mr. Chairman, in the language of Horace Greeley, who said "the way to resume is to resume"—the way to economize is to economize—stop spending so much money. I would not cripple any arm of the Government by refusing to appropriate the necessary money with which to administer it. I would appropriate every dollar that may be necessary for this purpose, but not one dollar more. The everlasting increase in federal officeholders, together with the continued increase of their salaries is one of the greatest evils now afflicting the country, and many of these increases in federal offices in my judgment is worse than useless. If the Government would inaugurate the motto "of a full day's pay for a full day's work," and make all live up to it, in my judgment this would obviate the necessity of so many new additional officeholders. The trouble with thousands of employees of the Government is, they are afraid of doing too much work for the pay now received by them, and hence the continued request for new and additional offices coupled with higher wages. Instead of devising means to reduce public expenditures we are engaged in devising new schemes of taxation to impose additional burdens upon the people. From March 15 to August 5, 1909, Congress was convened in extra session at an enormous expense to the people for the purpose of revising the tariff, and after the revision was effected, the law placed upon the statute books, its burdens felt by the people, it is now universally condemned by all, except the special interests, as the worst tariff act ever.

I want to call attention to some of the features of this bill. It contains a provision imposing a tax of 1 per cent upon the net incomes of all corporations whose yearly income is in excess of $5,000. This item of taxation is now held up by the Republican party as one of the blessings contained in the measure, because it will produce revenue to the Government of $30,000,000 per year. We all know that the corporations will not pay this 1 per cent out of their own net income; to do so would mean a reduction in their annual dividends. This burden will be shifted from the shoulders of the corporations to the shoulders of the people in the way of increasing the prices of the necessities of life all along the line. No one doubts the truth of this statement who gives it a moment's study. In the past few months people by the millions have organized themselves into anti-meat-eating societies, refusing to buy meat from the meat trust because of the high price of the same. The meat trust is subject to this 1 per cent tax, and in their attempt to recoup this amount from the people, the price of the meat has become so high that millions of people in this country must abstain from its use.

The country recently witnessed a bold attempt on the part of the railroads to increase freight rates over the United States, and this class of corporations, like the meat trust, are subject to this tax, and in order to shove this burden from their shoulders and place it upon the shoulders of the people and recover the tax back, the railroads made the attempt to uniformly increase the freight rates. This attempt on the part of the people in refusing to eat or buy meat sold by the meat trust is but an emulation of our forefathers prior to the days of the war of our independence when they organized and refused to eat or buy anything imported into this country from Great Britain.

But, Mr. Chairman, this is not the only expensive luxury contained in the tariff bill. It provides for the establishment of a customs court at an expense of $100,000 per year to the people, although the same class of cases now being tried by this court had been tried for more than a century by the federal courts, and then these courts were not overburdened with hard work. No one doubts that this customs court is now forever fastened upon the people and will go on from year to year at an ever-increasing cost.

But this is not the only luxury found in the tariff legislation of last year. The sundry civil appropriation bill which passed this House a few days ago carried an item of $250,000 to create a tariff board, designed to enable the President to collect data concerning the cost of the manufacture of articles at home and abroad, although we have a complete system of foreign consular service and other special agents at the Government's command which could readily do this work, if it was necessary to do it at all. No good will ever come of this appropriation, so far as the mass of the people are concerned. It will, however, serve one purpose, and serve it well; it will give several persons a good, fat job at the people's expense, and following the universal experience of all the bureaus and commissions heretofore established with a small beginning, this board will continue to grow in magnitude until in a few years it will be chiefly known by the amount of money it takes to keep it going.

For almost six months Congress has been dealing with the railroad rate bill with a view of giving the people some relief from the extortionate charges from freight and passenger charges now made by the railroads. And when this measure becomes a law it will contain some more expensive luxuries, and create new jobs for the faithful, but which the people must pay. It establishes a commerce court, to consist of five federal judges, marshals, clerks, and all other machinery necessary to put into operation, at an annual cost of $100,000 to the people, although the federal courts have heretofore taken care of this class of cases, and no one ever heard of these courts working overtime; but new jobs had to be created, the faithful had to be cared for, and to do it this court was created. The bill contains a provision for establishing a new commission. The duty assigned to it is the study of the question of issuing railroad stocks and bonds, carrying an appropriation of $25,000 to defray the expense of the commission. No one doubts that this is but the beginning of another large commission that ere long will cost the people hundreds of thousands of dollars per year to maintain it. We now have an Interstate Commerce Commission, well organized and well equipped to do this same work, but if this burden was imposed upon the Interstate Commerce Commission it would not provide room for new and high-salaried men, clerks, and stenographers, as the new commission will. We are fast becoming a government of commissions, every one of which, as soon as it is fastened upon the people, makes itself felt by enormous appropriations to support and maintain it. One of the most noted of these commissions is the Immigration Commission, created in 1907. This commission has expended $782,992.62. Many other instances like this could be cited, showing an utter waste and disregard of the people's money.

But, Mr. Chairman, a safe place to begin to practice economy is to begin at home. Congress annually appropriates $154,000 to pay the mileage of Members of Congress, at the rate of 20 cents per mile, in going to and returning from the capital, although the salary has been increased from $7 per day to $7,500 per year. I have introduced two bills asking the repeal of this antiquated statute, and I have made repeated demands upon the chairman of the Committee on Mileage for a hearing upon these measures, and while the committee is furnished and equipped with a clerk and other necessary things to make it a thoroughgoing committee, yet I have been denied a hearing upon the bills, and they are now quietly sleeping in the pigeon-

holes of that committee, where I suppose they will remain until the people demand the repeal of this statute.

While the appropriations in all the departments have increased more than 100 per cent during the time the Republican party has had control of the Government, yet the appropriations for the army and navy have increased more than any other of the departments. The total appropriations for the army during the last four years of the Cleveland administration was $94,149,535.28. The appropriations for the army during the last four years of Roosevelt's administration was $351,029,878.78, or $259,880,343.58 more under the last four years of Roosevelt's administration than under the last "four years more of Grover." During the last four years of Cleveland's administration there was appropriated $107,410,094.36 for the navy, and during the last four years of Roosevelt's administration there was appropriated for the navy $460,649,262.29, or $353,239,067.93 more during the last four years of Roosevelt's administration than during the last four years of Cleveland's. These enormous appropriations for the army and navy continue to go on year by year at a time when we are at profound peace with all the world. The special interests of the country demand a strong army and a powerful navy to protect their interest, yet when this class of people are asked to support an income and an inheritance tax they throw up their hands in holy horror and cry "socialism." And these systems of taxation are the fairest systems of taxation in existence, being systems of taxation the burden of which can not be shifted from the shoulders of one to the shoulders of another.

The immortal Lincoln at the close of the great civil war, when our country was sodden with human blood, rent and torn in twain, bleeding from its countless thousands of wounds, looking down the corridors of time with a prophetic eye, said:

> Yes, we may congratulate ourselves that this cruel war is nearing to a close, but I see in the near future a crisis arising that unnerves me and causes me to tremble for the safety of my country. As a result of the war corporations have been enthroned, an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before.

With the era of extravagance now sweeping over the country, imposing burdens upon the people greater than they can bear, this is enough to cause one to tremble for the safety of his country and to hope that in the near future real retrenchment and reform will be affected, to the end that the burdens of the people may be lightened. How necessary it is that every man look to the government of his country. How important partisan rancor and individual ambition should be supplanted by true statesmanship, and graft and wrongdoing should give way to rightousness and patriotism, and that the flag of our country should continue to be the emblem of genuine liberty and the token of all the best and purest in government.

Mr. MALBY. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. LAWRENCE, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the general deficiency bill (H. R. 26730), and had come to no resolution thereon.

ADDITIONAL AIDS TO NAVIGATION.

Mr. MANN. Mr. Speaker, I call up the conference report on the bill (H. R. 24877) to authorize additional aids to navigation in the Light-House Establishment, and to provide for a bureau of light-houses in the Department of Commerce and Labor, and for other purposes.

The SPEAKER. The gentleman from Illinois calls up a conference report on a bill the title of which the Clerk will report.

The Clerk read the title of the bill.

Mr. MANN. I ask unanimous consent to have the statement read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the statement of the House conferees.

(For conference report and statement see RECORD of House proceedings of Saturday, June 11, 1910.)

Mr. MANN. I move the adoption of the conference report.

Mr. UNDERWOOD. I desire to ask the gentleman from Illinois whether the report is agreed to by all the conferees?

Mr. MANN. It is agreed to by all the conferees, including the gentleman from Georgia [Mr. BARTLETT], the minority conferee. It is perfectly satisfactory to him.

The conference report was agreed to.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 8354. An act relating to the establishment and expenses of the International Joint Commission under the waterways treaty of January 11, 1909—to the Committee on Foreign Affairs.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. WILSON of Illinois, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 25641. An act providing for the quadrennial election of members of the Philippine legislature and Resident Commissioners to the United States, and for other purposes;

H. R. 24739. An act granting pensions and increase of pensions to certain soldiers and sailors of the civil war and certain widows and dependent relatives of such soldiers and sailors;

H. R. 24450. An act granting pensions and increase of pensions to certain soldiers and sailors of the civil war and certain widows and dependent relatives of such soldiers and sailors;

H. R. 24137. An act granting pensions and increase of pensions to certain soldiers and sailors of the civil war and certain widows and dependent relatives of such soldiers and sailors;

H. R. 25290. An act to authorize the President to convey to the people of Porto Rico certain lands and buildings not needed for purposes of the United States; and

H. R. 23430. An act to authorize the Gary Land Company to construct two bridges across the Grand Calumet River in the State of Indiana.

ADJOURNMENT.

Mr. MALBY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 43 minutes p. m.) the House adjourned.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. COX of Indiana, from the Committee on the Post-Office and Post-Roads, to which was referred the bill of the House (H. R. 25925) authorizing the Postmaster-General to advertise for the construction of pneumatic tubes in the city of Cincinnati, State of Ohio, reported the same without amendment, accompanied by a report (No. 1563), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HILL, from the Committee on Ways and Means, to which was referred the bill of the House (H. R. 13448) amending the statutes in relation to the immediate transportation of dutiable goods and merchandise, reported the same with amendment, accompanied by a report (No. 1564), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 6882, reported in lieu thereof a resolution (H. Res. 737) referring to the Court of Claims the papers in the case of William H. Richhart, accompanied by a report (No. 1505), which said resolution and report were referred to the Private Calendar.

Mr. MOREHEAD, from the Committee on War Claims, to which was referred House bill 9558, reported in lieu thereof a resolution (H. Res. 738) referring to the Court of Claims the papers in the case of Emily Donnelly, or her legal representatives, accompanied by a report (No. 1506), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 21251, reported in lieu thereof a resolution (H. Res. 739) referring to the Court of Claims the papers in the case of Louis Laforest, deceased, accompanied by a report (No. 1507), which said resolution and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 21249, reported in lieu thereof a reso-

lution (H. Res. 740) referring to the Court of Claims the papers in the case of Caroline Pierront, deceased, accompanied by a report (No. 1508), which said resolution and report were referred to the Private Calendar.

Mr. MOREHEAD, from the Committee on War Claims, to which was referred House bill 26051, reported in lieu thereof a resolution (H. Res. 741) referring to the Court of Claims the papers in the case of Grief S. Green, deceased, accompanied by a report (No. 1509), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26627, reported in lieu thereof a resolution (H. Res. 742) referring to the Court of Claims the papers in the case of Silas Crump, deceased, accompanied by a report (No. 1510), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26418, reported in lieu thereof a resolution (H. Res. 743) referring to the Court of Claims the papers in the case of Martha Bilbo, deceased, accompanied by a report (No. 1511), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 22494, reported in lieu thereof a resolution (H. Res. 744) referring to the Court of Claims the papers in the case of William H. Sewall and Jane S. Sewall, executors of Sarah M. Sewall, deceased, accompanied by a report (No. 1512), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26384, reported in lieu thereof a resolution (H. Res. 745) referring to the Court of Claims the papers in the case of T. M. D. Coln, deceased, accompanied by a report (No. 1513), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 8839, reported in lieu thereof a resolution (H. Res. 746) referring to the Court of Claims the papers in the case of Ann M. Meehan, deceased, accompanied by a report (No. 1514), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 25352, reported in lieu thereof a resolution (H. Res. 747) referring to the Court of Claims the papers in the case of Hicks King, deceased, for the use of his steamboat *Des Arc* during the civil war, accompanied by a report (No. 1515), which said resolution and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 25600, reported in lieu thereof a resolution (H. Res. 748) referring to the Court of Claims the papers in the case of Henry Bisch, sole surviving partner of the firm of Henry Bisch & Co., accompanied by a report (No. 1516), which said resolution and report were referred to the Private Calendar.

Mr. MOREHEAD, from the Committee on War Claims, to which was referred House bill 21618, reported in lieu thereof a resolution (H. Res. 749) referring to the Court of Claims the papers in the case of William H. Watson, deceased, and Leonhard Fehner, deceased, accompanied by a report (No. 1517), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 19133, reported in lieu thereof a resolution (H. Res. 750) referring to the Court of Claims the papers in the case of Edward P. M. Robinson, accompanied by a report (No. 1518), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 19134, reported in lieu thereof a resolution (H. Res. 751) referring to the Court of Claims the papers in the case of John G. Brice, accompanied by a report (No. 1519), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 23124, reported in lieu thereof a resolution (H. Res. 752) referring to the Court of Claims the papers in the case of James C. Slaght, accompanied by a report (No. 1520), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 20228, reported in lieu thereof a resolution (H. Res. 753) referring to the Court of Claims the papers in the case of Bland Massie, accompanied by a report (No. 1521), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 25685, reported in lieu thereof a resolution (H. Res. 754) referring to the Court of Claims the papers in the case of Louis Charles Dumonet, deceased, accompanied by a report (No. 1522), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26213, reported in lieu thereof a resolution (H. Res. 755) referring to the Court of Claims the papers in the case of Independent Order of Odd Fellows, of Trenton, Tenn., accompanied by a report (No. 1523), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 15574, reported in lieu thereof a resolution (H. Res. 756) referring to the Court of Claims the papers in the case of William H. Patterson, accompanied by a report (No. 1524), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 22800, reported in lieu thereof a resolution (H. Res. 757) referring to the Court of Claims the papers in the case of C. W. Smith for services and disbursements made in the war with Spain, accompanied by a report (No. 1525), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 24342, reported in lieu thereof a resolution (H. Res. 758) referring to the Court of Claims the papers in the case of Bernard Moore, accompanied by a report (No. 1526), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 11823, reported in lieu thereof a resolution (H. Res. 759) referring to the Court of Claims the papers in the case of Alexander Williams, deceased, accompanied by a report (No. 1527), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the House bill 20075, reported in lieu thereof a resolution (H. Res. 760) referring to the Court of Claims the papers in the case of Thomas B. Posey, deceased, accompanied by a report (No. 1528), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 5540, reported in lieu thereof a resolution (H. Res. 761) referring to the Court of Claims the papers in the case of S. M. Gentry, accompanied by a report (No. 1529), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 16112, reported in lieu thereof a resolution (H. Res. 762) referring to the Court of Claims the papers in the case of J. C. Creed, of Winchester, Ky., accompanied by a report (No. 1530), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 9833, reported in lieu thereof a resolution (H. Res. 763) referring to the Court of Claims the papers in the case of Elizabeth Bevins, accompanied by a report (No. 1531), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 19350, reported in lieu thereof a resolution (H. Res. 764) referring to the Court of Claims the papers in the case of Elizabeth Smith, deceased, accompanied by a report (No. 1532), which said resolution and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 9636, reported in lieu thereof a resolution (H. Res. 765) referring to the Court of Claims the papers in the case of Sarah Crabtree and the estate of Eli Crabtree, deceased, accompanied by a report (No. 1533), which said resolution and report were referred to the Private Calendar.

Mr. MOREHEAD, from the Committee on War Claims, to which was referred House bill 9723, reported in lieu thereof a resolution (H. Res. 766) referring to the Court of Claims the papers in the case of H. B. Henegar, deceased, accompanied by a report (No. 1534), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 18114, reported in lieu thereof a resolution (H. Res. 767) referring to the Court of Claims the papers in the case of Nathaniel R. and William C. Carson, of Bradley County, Tenn., accompanied by a report (No. 1535), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26144, reported in lieu thereof a resolution (H. Res. 768) referring to the Court of Claims the papers in the case of Lydia A. Newby, accompanied by a report (No. 1536), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 23740, reported in lieu thereof a resolution (H. Res. 769) referring to the Court of Claims the papers in the case of F. Edwena Willis, accompanied by a report (No. 1537), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26619, reported in lieu thereof a resolution (H. Res. 770) referring to the Court of Claims the papers in the case of legal representatives of Richard V. Durham, accompanied by a report (No. 1538), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 6845, reported in lieu thereof a resolution (H. Res. 771) referring to the Court of Claims the papers in the case of the heirs of George Small, accompanied by a report (No. 1539), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 5383, reported in lieu thereof a resolution (H. Res. 772) referring to the Court of Claims the papers in the case of Richard Workman, accompanied by a report (No. 1540), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 5418, reported in lieu thereof a resolution (H. Res. 773) referring to the Court of Claims the papers in the case of William Grigsby, deceased, accompanied by a report (No. 1541), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 22817, reported in lieu thereof a resolution (H. Res. 774) referring to the Court of Claims the papers in the case of Bayard T. Garrabrant, accompanied by a report (No. 1542), which said resolution and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 26029, reported in lieu thereof a resolution (H. Res. 775) referring to the Court of Claims the papers in the case of Edward P. Johnson, deceased, accompanied by a report (No. 1543), which said resolution and report were referred to the Private Calendar.

Mr. MOREHEAD, from the Committee on War Claims, to which was referred House bill 17706, reported in lieu thereof a resolution (H. Res. 776) referring to the Court of Claims the papers in the case of Mrs. E. S. Dancy, accompanied by a report (No. 1544), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 19606, reported in lieu thereof a resolution (H. Res. 777) referring to the Court of Claims the papers in the case of Mary E. Stout, accompanied by a report (No. 1545), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26717, reported in lieu thereof a resolution (H. Res. 778) referring to the Court of Claims the papers in the case of Mrs. S. W. Alspaugh, heir of Sarah Eustice, accompanied by a report (No. 1546), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 9398, reported in lieu thereof a resolution (H. Res. 779) referring to the Court of Claims the papers in the case of J. M. Johnston, accompanied by a report (No. 1547), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 9399, reported in lieu thereof a resolution (H. Res. 780) referring to the Court of Claims the papers in the case of Charles Flanders, accompanied by a report (No. 1548), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 21650, reported in lieu thereof a resolution (H. Res. 781) referring to the Court of Claims the papers in the case of Jesse Mason, accompanied by a report (No. 1549), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 19521, reported in lieu thereof a resolution (H. Res. 782) referring to the Court of Claims the papers in the case of David B. Dowdell, deceased, accompanied by a report (No. 1550), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 19840, reported in lieu thereof a resolution (H. Res. 783) referring to the Court of Claims the papers in the case of Mrs. Cassandra Ferguson, deceased, accompanied by a report (No. 1551), which said resolution and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 23946, reported in lieu thereof a resolution (H. Res. 784) referring to the Court of Claims the papers in the case of Erdix F. Dustin, accompanied by a report (No. 1552), which said resolution and report were referred to the Private Calendar.

Mr. MOREHEAD, from the Committee on War Claims, to which was referred House bill 25056, reported in lieu thereof a resolution (H. Res. 785) referring to the Court of Claims the papers in the case of Thomas Fahey, accompanied by a report (No. 1553), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 10718, reported in lieu thereof a resolution (H. Res. 786) referring to the Court of Claims the papers in the case of Ransom Vick, deceased, accompanied by a report (No. 1554), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 10742, reported in lieu thereof a resolution (H. Res. 787) referring to the Court of Claims the papers in the case of Durant Lane Tyer, deceased, accompanied by a report (No. 1555), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 26532, reported in lieu thereof a resolution (H. Res. 788) referring to the Court of Claims the papers in the case of Samuel E. Howell and James H. Howell, in their own right and as sole heirs of Mary Ann Thomas, deceased, and William T. Howell, deceased, accompanied by a report (No. 1556), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 16173, reported in lieu thereof a resolution (H. Res. 789) referring to the Court of Claims the papers in the case of Mrs. Thomas S. Ferral, accompanied by a report (No. 1557), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 11059, reported in lieu thereof a resolution (H. Res. 790) referring to the Court of Claims the papers in the case of Francisco Deccoro, deceased, accompanied by a report (No. 1558), which said resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred House bill 25452, reported in lieu thereof a resolution (H. Res. 791) referring to the Court of Claims the papers in the case of Caroline Hatkinson D'Autry, Adele Hatkinson Lacour, Estelle Hatkinson Comstock, Cidalise Hatkinson Dayries, and heirs or estates of Mrs. Edward Hatkinson, deceased, and Edward Hatkinson, deceased, accompanied by a report (No. 1559), which said resolution and report were referred to the Private Calendar.

Mr. LINDBERGH, from the Committee on Claims, to which was referred the bill of the House (H. R. 2016) for the relief of the Nebraska Mutual Life Insurance Company, of Stromsburg, Nebr., reported in lieu thereof a resolution (H. Res. 797), accompanied by a report (No. 1567), which said resolution and report were referred to the Private Calendar.

ADVERSE REPORTS.

Under clause 2 of Rule XIII, adverse reports were delivered to the Clerk and laid on the table, as follows:

Mr. ADAIR, from the Committee on Claims, to which was referred the bill of the House (H. R. 12825) for the relief of Killian Simon, reported the same adversely, accompanied by a report (No. 1568), which said bill and report were laid on the table.

Mr. TILSON, from the Committee on Claims, to which was referred the bill of the House (H. R. 8668) for the relief of J. Walter Duncan, reported the same adversely, accompanied by a report (No. 1569), which said bill and report were laid on the table.

Mr. CANDLER, from the Committee on Claims, to which was referred the bill of the House (H. R. 16624) authorizing the Secretary of the Treasury to adjust and settle the account of James M. Willbur, deceased, with the United States, and to pay the heirs or legal representatives of the said Willbur, deceased, such sum of money as he may be justly and equitably entitled to, reported the same adversely, accompanied by a report (No. 1570), which said bill and report were laid on the table.

Mr. MILLINGTON, from the Committee on Claims, to which was referred the bill of the House (H. R. 23554) for the relief of the estate of Arthur Ambrose Maginnis, deceased, reported the same adversely, accompanied by a report (No. 1571), which said bill and report were laid on the table.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. SMITH of Michigan: A bill (H. R. 26787) for the erection of a statue of Maj. Gen. George A. Custer in the city of Washington, D. C.—to the Committee on the Library.

By Mr. ANDREWS: A bill (H. R. 26788) providing for the construction of a test well at Byried, Chaves County, N. Mex.—to the Committee on the Territories.

By Mr. ANSBERRY (by request): A bill (H. R. 26789) to amend section 860 of the Revised Statutes of the United States—to the Committee on the Judiciary.

By Mr. McHENRY: A bill (H. R. 26790) to inform rural inhabitants of weather predictions—to the Committee on Agriculture.

By Mr. HANNA: A bill (H. R. 26791) to provide and pay additional compensation to the rural free-delivery carriers of mail in the United States, and providing an appropriation therefor—to the Committee on the Post-Office and Post-Roads.

By Mr. COUDREY: Resolution (H. Res. 794) to pay Edward Reichard for services to the Committee on Mileage—to the Committee on Accounts.

By Mr. MARTIN of Colorado: Resolution (H. Res. 795) to investigate the sale of Philippine lands—to the Committee on Insular Affairs.

By Mr. WILSON of Illinois: Resolution (H. Res. 796) authorizing the appointment of an additional clerk to the Committee on Enrolled Bills—to the Committee on Accounts.

By Mr. CRAIG: Joint resolution (H. J. Res. 227) directing the Attorney-General to make investigations and begin prosecutions of persons unlawfully conspiring together to increase the price of wheat—to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 228) directing the Attorney-General to make investigations and begin prosecutions of persons unlawfully conspiring together to reduce the price of cotton—to the Committee on the Judiciary.

By Mr. DENBY: Joint resolution (H. J. Res. 229) authorizing the Secretary of War to loan certain tents, etc.—to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. ALEXANDER of New York: A bill (H. R. 26792) for the relief of the surviving heirs of John Tankard—to the Committee on War Claims.

By Mr. ANDERSON: A bill (H. R. 26793) granting an increase of pension to John J. Kraft—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26794) granting an increase of pension to Wilson S. Van Horn—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26795) granting an increase of pension to Tillman McLaughlin—to the Committee on Invalid Pensions.

By Mr. ANDREWS: A bill (H. R. 26796) granting an increase of pension to Sophia Sherman—to the Committee on Invalid Pensions.

By Mr. ANDRUS: A bill (H. R. 26797) granting an increase of pension to Thomas Hampson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26798) granting an increase of pension to Mary E. Brewer—to the Committee on Invalid Pensions.

By Mr. BARTHOLDT: A bill (H. R. 26799) for the relief of the Lewis Publishing Company—to the Committee on Claims.

By Mr. CAPRON: A bill (H. R. 26800) granting an increase of pension to Ellen Minot—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26801) granting an increase of pension to Georgianna M. Williams—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26802) granting an increase of pension to Charles G. Hendrick—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26803) granting an increase of pension to Martha E. Robbins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26804) granting an increase of pension to Margaret Wiley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26805) granting an increase of pension to Mary M. Geer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26806) granting an increase of pension to Ann Porter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26807) granting a pension to Caroline H. Hill—to the Committee on Invalid Pensions.

By Mr. CALDER: A bill (H. R. 26808) for the relief of Robert E. Burke—to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 26809) granting an increase of pension to Lydia E. Short—to the Committee on Invalid Pensions.

By Mr. CRUMPACKER: A bill (H. R. 26810) granting an increase of pension to William H. Hall—to the Committee on Invalid Pensions.

By Mr. DUREY: A bill (H. R. 26811) granting an increase of pension to John W. Lane—to the Committee on Invalid Pensions.

By Mr. DICKSON of Mississippi: A bill (H. R. 26812) for the relief of heirs or estate of Louis Summers, deceased—to the Committee on War Claims.

By Mr. FLOYD of Arkansas: A bill (H. R. 26813) to correct the military record of John A. Smith—to the Committee on Military Affairs.

By Mr. FOSTER of Illinois: A bill (H. R. 26814) granting an increase of pension to Henry F. Smith—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26815) granting an increase of pension to Jacob Ley—to the Committee on Invalid Pensions.

By Mr. GILL of Missouri: A bill (H. R. 26816) granting an increase of pension to Elizabeth Bosch—to the Committee on Invalid Pensions.

By Mr. GOULDEN: A bill (H. R. 26817) granting an increase of pension to William R. Dyer—to the Committee on Invalid Pensions.

By Mr. HAMLIN: A bill (H. R. 26818) granting an increase of pension to Elisha Enox—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26819) granting an increase of pension to Andrew Kepler—to the Committee on Invalid Pensions.

By Mr. HELM: A bill (H. R. 26820) granting an increase of pension to William Poynter—to the Committee on Invalid Pensions.

By Mr. HOLLINGSWORTH: A bill (H. R. 26821) granting a pension to Serena A. Fink—to the Committee on Invalid Pensions.

By Mr. HUBBARD of West Virginia: A bill (H. R. 26822) for the relief of Henry Borman—to the Committee on Military Affairs.

By Mr. LANGHAM: A bill (H. R. 26823) granting an increase of pension to J. C. Miller—to the Committee on Invalid Pensions.

By Mr. LOUD: A bill (H. R. 26824) for the relief of Michael Mahoney—to the Committee on Military Affairs.

By Mr. MORGAN of Missouri: A bill (H. R. 26825) granting an increase of pension to George M. Baker—to the Committee on Invalid Pensions.

By Mr. A. MITCHELL PALMER: A bill (H. R. 26826) granting an increase of pension to James B. Armstrong—to the Committee on Invalid Pensions.

By Mr. RANSDELL of Louisiana: A bill (H. R. 26827) to carry into effect the findings of the Court of Claims in the case of Robert Norris—to the Committee on War Claims.

By Mr. SHARP: A bill (H. R. 26828) granting an increase of pension to William I. Rugg—to the Committee on Invalid Pensions.

Also, a bill (H. R. 26829) for the relief of Marcus Billstine—to the Committee on Military Affairs.

By Mr. SIMS: A bill (H. R. 26830) for the relief of Mildred J. Bray—to the Committee on Claims.

By Mr. TOU VELLE: A bill (H. R. 26831) to remove the charge of desertion from the record of Harvey S. Miller—to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BURLEIGH: Petition of Cumberland Pomona Grange of Maine, against free-seed distribution—to the Committee on Agriculture.

By Mr. CAPRON: Petition of sundry citizens of Rhode Island, favoring an eight-hour workday in construction of battle ships—to the Committee on Naval Affairs.

Also, papers to accompany bills for relief of Martha E. Robbins, Charles G. Hendrick, Mary M. Geer, and Caroline H. Hill—to the Committee on Invalid Pensions.

Also, petition of Local Council of Women of Rhode Island, for bill making illegal transmission by mail of pictures of prize fights—to the Committee on the Post-Office and Post-Roads.

Also, petition of the Kent County Medical Society, of Rhode Island, indorsing the Owen bill for department of health—to the Committee on Interstate and Foreign Commerce.

Also, petition of West Side Republican and Social Club, of Central Falls, R. I., for removal of oleomargarine tax—to the Committee on Agriculture.

Also, petition of Narragansett Grange, of Wakefield, and Union Grange, No. 13, Patrons of Husbandry, of North Smithfield, all in the State of Rhode Island, for extension of agricultural work—to the Committee on Agriculture.

Also, petition of New England Shoe and Leather Association, against amendment to section 4 of the interstate-commerce law as proposed in House railway rate bill—to the Committee on Interstate and Foreign Commerce.

Also, memorial of the general assembly of Rhode Island, favoring an international congress—to the Committee on Foreign Affairs.

By Mr. FLOYD of Arkansas: Paper to accompany bill for relief of John A. Smith—to the Committee on Military Affairs.

Also, paper to accompany bill for relief of Josiah C. Hemingway—to the Committee on Invalid Pensions.

By Mr. FULLER: Paper to accompany bill for relief of John Baker—to the Committee on Invalid Pensions.

By Mr. HAMLIN: Papers to accompany bills for relief of James Taylor and Robert C. Grove—to the Committee on Invalid Pensions.

By Mr. HANNA: Petition of North Dakota State League of Postmasters, protesting against the injustice of the present law governing postage on undelivered catalogues from catalogue houses—to the Committee on the Post-Office and Post-Roads.

Also, petition of business men of Grand Forks, for Senate bill 3776, placing regulation of express companies with the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, petition of citizens of Walhalla, N. Dak., for Senate bill 6931, appropriating $500,000 for extension of the work of Office of Public Roads—to the Committee on Agriculture.

By Mr. HOLLINGSWORTH: Paper to accompany bill for relief of Serena A. Fink—to the Committee on Invalid Pensions.

By Mr. PAYNE: Paper to accompany bill for relief of John Melvin—to the Committee on Invalid Pensions.

By Mr. RANSDELL of Louisiana: Paper to accompany bill for relief of Robert Norris—to the Committee on War Claims.

SENATE.

TUESDAY, *June 14, 1910.*

The Chaplain, Rev. Ulysses G. B. Pierce, D. D., offered the following prayer:

Almighty God, our heavenly Father, who hast gathered us from the North and from the South, and hast called us from the East and the West, and hast made us to dwell in peaceable habitations, and hast blessed us with fruitful industries, for this day, which gave unto us the emblem of our Union and of our liberty, we thank Thee. Preserve us, we pray Thee, from all dangers from without and from all discord within. And grant that evermore our country may be the land of the free because it is the home of the brave. And unto Thee, who art the God of nations, will we render praise, now and forever more. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. KEAN, and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

WOMAN AND CHILD WORKERS.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of Commerce and Labor, transmitting, in partial response to the resolution of the 25th ultimo, a report showing the results of the investigation into the condition of woman and child wage-earners in the cotton textile industry of the United States, which, with the accompanying papers, was referred to the Committee on Printing.

COTTON GOODS IN LATIN AMERICA.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of Commerce and Labor, transmitting, pursuant to law, a report by Special Agent W. A. Graham Clark on cotton goods in Latin America, in which is included the results of his investigations in Brazil, Colombia, and Venezuela (H. Doc. No. 964), which was ordered to be printed and, with the accompanying report, referred to the Committee on Commerce.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by W. J. Browning, its Chief Clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 538) to amend sections 2586 and 2587 of the Revised Statutes of the United States, as amended by the acts of April 25, 1882, and August 28, 1890, relating to collection districts in Oregon.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 6073) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to certain widows and dependent relatives of such soldiers and sailors.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 6738) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to certain widows and dependent relatives of such soldiers and sailors.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 7229) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to certain widows and dependent relatives of such soldiers and sailors.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 24877) to authorize additional aids to navigation in the Light-House Establishment, and to provide for a bureau of light-houses in the Department of Commerce and Labor, and for other purposes.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice-President:

S. 4179. An act authorizing the Omaha tribe of Indians to submit claims to the Court of Claims;

S. 5071. An act for the relief of William Frye White, owner of lots 103, 104, 105, and 106, square 754, Washington, D. C., with regard to assessment and payment of damages on account of changes of grade due to construction of the Union Station, District of Columbia;

S. 5167. An act to provide an enlarged homestead;

S. 7285. An act to pay funeral and transportation expenses of certain Bois Fort Indians;

S. 7409. An act for the relief of the First National Bank of Minden, Nebr.;

H. R. 20686. An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; and

H. J. Res. 149. Joint resolution to enable the States of Wisconsin, Illinois, Indiana, and Michigan to determine the jurisdiction of crimes committed on Lake Michigan.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a memorial of Local Union No. 2336, United Mine Workers of America, of Diamondville, Wyo., remonstrating against the establishment of a national department of health, which was referred to the Committee on Public Health and National Quarantine.

Mr. WETMORE presented a petition of the Rhode Island State Federation of Women's Clubs, praying that an investigating for the passage of the so-called "parcels-post bill," which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of the congregation of the Roger Williams Baptist Church, of Providence, and of the Woman's Christian Temperance Unions of Centerville, Pascoag, and Woonsocket, all in the State of Rhode Island, praying for the passage of the so-called "white-slave traffic bill," which were ordered to lie on the table.

Mr. CULLOM presented a petition of Local Lodge No. 20, Amalgamated Association of Iron, Steel, and Tin Workers of America, of Madison, Ill., praying for the enactment of legislation providing for the admission of publications of fraternal societies to the mail as second-class matter, which was referred to the Committee on Post-Offices and Post-Roads.

Mr. GALLINGER presented a petition of Pomona Grange, No. 6, Patrons of Husbandry, of Cheshire County, N. H., praying for the passage of the so-called "parcels-post bill," which was referred to the Committee on Post-Offices and Post-Roads.