

law. The touchstone for such judicial power is the Constitution and nothing else. It remains to be determined whether the Constitution has conferred authority on Congress to enact this law. Clause 11 of Article I, section 8, of the Constitution empowers Congress 'to raise and support armies.' This power is plenary. It is not restricted in any manner. Congress may summon to its army thus authorized every citizen of the United States. Since it may summon all, it may summon any. Said the Supreme Court in the case of *The United States v. Tarble* (13 Wallace, 408): 'Among the powers assigned to the National Government is the power to raise and support armies; * * * Its control over the subject is plenary and exclusive. It can determine without question from any State authority how the army shall be raised, whether by voluntary enlistment or forced draft, the age at which the soldiers shall be received, and the period for which they shall be taken; the compensation he shall be allowed, and the service to which he shall be assigned.'

"It is urged that by this legislation Congress has taken over and in this way conscripted the National Guard.

"This, it is said, is the State Militia. It is contended under clause 14 of the article and section, above quoted that such militia can be used only to execute the laws of the Union to suppress insurrection and repel invasion. Since these petitioners are not members of the National Guard, in no event could their rights in this way be affected. But the National Army is not the militia. An army is a body of men whose business is war, *Burroughs vs. Peyton*, 16 Gratt., Virginia, 475. The militia is 'a body of men composed of citizens occupied temporarily in the pursuits of civil life but organized by discipline and drill, and called into the field for temporary military service when the exigencies of the country require it.' *Idem*.

"As we have seen, Congress in the exercise of the power to raise armies may summon to the colors every citizen. It follows that the States, even if they so desire, can not defeat this power by enlisting such citizens in the State troops or National Guard. Was this possible, it would be also possible for the States to prevent altogether the raising of armies by Congress.

"There remains to be considered the contention that Congress can not employ the National Army to be created by virtue of this legislation in foreign lands or beyond the seas. If this is true, then indeed is our country impotent. Then must its people indeed suffer in their own homes, in their cities and on their farms, all the horrors of invasive war. Its military leaders must ignore the settled principle of their science, that the best defensive is the most vigorous offensive. The keen swords of its sons, instead of flashing over the guard of the enemy and piercing his vitals, must be held immovable as if on an anvil to be shattered by the reiterated blows of his hammer. Deprived of our aid in the field, successive defeats will visit and crush our allies. Their lands conquered, their navies taken, we must then in turn, solitary and alone, meet on our own soil the impact of victorious and barbarous legions whose laws do not forbid their service abroad, but which inspire their fierce and veteran armies to deeds of conquest in every clime.

"Was this contention maintainable the misguided men, who for their personal ease advance it, might all too late discover their fatal error. They would discover it in the flaming homesteads, in the devastated fields, in murdered brethren, in outraged wives and daughters, in their lands, their factories, their merchandise, their stock, their all, coolly appropriated by the conqueror, as his own; their institutions destroyed; homeless, landless, and beggars to spend whatever interval of degraded life remains to them in abject slavery to the conqueror. But our organic law does not so shackle the gigantic energies of the great Republic. After the enumeration of the powers of Congress, among them as we have seen, 'the power to raise and support armies,' in clause 17 of Article I, section 8, it provides the power 'to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof.' Here is the great reservoir of power to save the national existence.

"It is said that there is no express power to send armies beyond the sea. True, but there is no express power to enact the criminal laws of the United States, none to convey the public domain, to build a transcontinental railroad, nor to construct the Isthmian Canal, nor to create the Interstate Commerce Commission, nor to declare the Monroe Doctrine, nor to make the Louisiana Purchase, nor to buy Alaska, or to take over Porto Rico and the Philippines. This has all been done under the great power to promote the general welfare, just as the selective Army will be created under the law here assailed, 'to provide for the common defense,' and beyond and above all is the inherent power of every nation however organized to

utilize its every man and its every energy to defend its liberty and to defeat the migration to its soil of mighty nations of ferocious warriors, whose barbarous inhumanity for three years has surpassed all others since the death of Attila, the scourge of God. The writs are denied."

ARTICLE BY OTTO H. KAHN.

Mr. SUTHERLAND. I ask unanimous consent to have printed as a public document an article by Otto H. Kahn on Americans of German origin and the war. I believe it will be very helpful to the German-Americans of this country, and I believe it will be well to have it widely distributed.

The PRESIDENT pro tempore. The Senator from West Virginia asks unanimous consent that the paper he has sent to the desk be printed as a public document.

Mr. SMOOT. I thought the Senator asked that the matter be referred to the Committee on Printing.

Mr. PENROSE. Let it go to the Committee on Printing.

Mr. SUTHERLAND. Very well.

The PRESIDENT pro tempore. Without objection, the article will be referred to the Committee on Printing.

DISTRICT ARMORY.

Mr. CURTIS (for Mr. GALLINGER) introduced a bill (S. 2814) to provide for the erection of an armory in the District of Columbia, which, with the accompanying papers, was referred to the Committee on Public Buildings and Grounds.

AMENDMENT TO DEFICIENCY APPROPRIATION BILL.

Mr. CURTIS (for Mr. GALLINGER) submitted an amendment proposing to transfer the plot of land known as reservation 26, in the District of Columbia, to the Commissioners of the District for playground purposes, etc., intended to be proposed by him to the urgent deficiency appropriation bill, which was ordered to be printed and, with the accompanying papers, referred to the Committee on Appropriations.

RECESS.

Mr. SIMMONS. I move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m., Wednesday, August 22, 1917) the Senate took a recess until to-morrow, Thursday, August 23, 1917, at 11 o'clock a. m.

SENATE.

THURSDAY, August 23, 1917.

(Legislative day of Wednesday, August 15, 1817.)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

I. W. W. MENACE.

Mr. MYERS. Mr. President, I have received a copy of the *Helena* (Mont.) Independent, a highly reputable and independent daily newspaper in Montana, of the 19th instant, which contains a very comprehensive article about the activities of the Industrial Workers of the World in Montana and conditions arising therefrom. The owners of the Independent, I am sure, are in no wise financially interested in any mines or smelters, sawmills, lumber camps, or other industrial institutions, and therefore I believe the paper is in a position to speak advisedly and disinterestedly of those conditions. I ask to have put in the Record three extracts from that article.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

"'Sabotage,' according to William D. Haywood, head of the I. W. W., originally meant 'to push back, pull out, or break off the fangs of capitalism.'

"Whatever it may have meant in the beginning of the so-called I. W. W. movement, which aimed its work of destruction at capitalism, 'sabotage' has come to mean nothing more nor less than a threefold conspiracy against organized society.

"First, the I. W. W. would 'push back, pull out, or break off the fangs of capitalism,' as Haywood says, or rather destroy all industries which they could not take over and operate for their own profit and abolish the wage system.

"Second, the I. W. W. conspire against the various crafts unions, well organized and recognized everywhere, in its mad determination to be the 'one big union.' The I. W. W. is the actual enemy of organized labor and considers a union man who remains loyal to his contract with his employer as big a 'scab' as the man who belongs to no union at all. And they call him a 'scissor-bill.'

"Third, the I. W. W. conspire against the Government of the United States of America and its people by its open efforts to

'keep the soldiers so busy in the western industrial centers they will have no time to fight Germany.'

"Thus 'sabotage' has come to mean a threefold conspiracy against organized society—it is the slogan of the enemies of our industries, the battle cry of those who would crush organized labor and force it to come under the sway of the I. W. W. and it is the watchword of men who every day commit actual treason against the United States and who in any other era would be shot as traitors to the country which has given them life and liberty."

THE I. W. W. PREAMBLE.

[Adopted at the second convention, I. W. W., held in Chicago, September, 1906.]

The working class and the employing class have nothing in common. There can be no peace as long as hunger and want are found among the millions of working people and the few, who make up the employing class, have all the good things of life.

Between these two classes a struggle must go on until the workers of the world organize as a class, take possession of the earth and the machinery of production, and abolish the wage system.

We find that the centering of the management of industries into fewer and fewer hands makes the trade-unions unable to cope with the ever-growing power of the employing classes. The trade-unions foster a state of affairs which allows one set of workers to be pitted against another set of workers in the same industry, thereby helping to defeat one another in wage wars. Moreover, the trade-unions aid the employing classes to mislead the workers into the belief that the working class have interests in common with their employers.

These conditions can be changed and the interest of the working class upheld only by an organization formed in such a way that all its members in any one industry, or in all industries, if necessary, cease work whenever a strike or lockout is on in any department thereof, thus making an injury to one an injury to all.

Instead of the conservative motto, "A fair day's wage for a fair day's work," we must inscribe on our banner, "Abolition of the wage system."

It is the historic mission of the working class to do away with capitalism. The army of production must be organized, not only for the every-day struggle with the capitalists but also to carry on production when capitalism shall have been overthrown. By organizing industrially we are forming the structure of the new society within the shell of the old.

I. W. W. TACTICS OR METHODS.

[From The History, Structure, and Methods of the I. W. W., by Vincent St. John, published by the I. W. W. Publishing Bureau, New Castle, Pa.]

As a revolutionary organization the Industrial Workers of the World aim to use any and all tactics that will get the results sought with the least expenditure of time and energy.

The tactics used are determined solely by the power of the organization to make good their use. The question of "right" and "wrong" does not concern us.

No terms made with an employer are final. All peace, so long as the wage system lasts, is but an armed truce. At any favorable opportunity the struggle for more control of industry is renewed.

The Industrial Workers realize that the day of successful long strikes is past. Under all ordinary circumstances a strike that is not won in four to six weeks can not be won by remaining out longer. In trustified industry the employer can better afford to fight one strike than he can six strikes that take place in that period.

The organization does not allow any part to enter into time contracts with the employers. It aims, where strikes are used, to paralyze all branches of the industry involved when the employers can least afford a cessation of work—during the busy season and when there are rush orders to be filled.

The Industrial Workers of the World maintain that nothing will be conceded by the employers except that which we have the power to take and hold by the strength of our organization. Therefore we seek no agreements with the employers.

Failing to force concessions from the employers by the strike, work is resumed and "sabotage" is used to force the employers to concede the demands of the workers.

During strikes the works are closely picketed and every effort made to keep the employers from getting workers into the shops. All supplies are cut off from strike-bound shops. All shipments are refused or mislabeled, delayed, and lost if possible. Strikebreakers are also isolated to the full extent of the power of the organization.

Interference by the Government is resented by open violation of the Government's orders, going to jail en masse, causing expenses to the taxpayers—which is but another name for the employing classes.

In short, the I. W. W. advocates the use of militant "direct-action" tactics to the full extent of our power to make good.

Mr. MYERS. I ask leave to furnish and have put in the RECORD, in addition, a few extracts from official declarations and literature of the I. W. W.

Mr. SMOOT. Mr. President, I am not going to object at all to the articles going into the RECORD.

Mr. MYERS. They are short, and I make them a part of the brief remarks I am going to make.

Mr. SMOOT. I am not going to object, I say to the Senator; but I suggest to the Senator—it seems to me that if we are going to do anything with the I. W. W. proposition at all, we ought to act instead of paying attention to newspaper articles. We can fill the RECORD every day with articles from all the papers of the United States and from individuals upon this question, and it will not assist one iota. If Congress is to act in the matter, we ought to act by law; if a State is to act in the matter, it ought to put its laws into force, and not do so much talking. I wanted to say that much to the Senate.

Mr. MYERS. The further clippings which I ask to be inserted in the RECORD I now send to the desk and ask that they be here inserted in my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Sabotage is to this class struggle what the guerilla warfare is to the battle. The strike is the open battle of the class struggle. Sabotage is the guerilla warfare, the day-by-day warfare between two opposing classes. (Sabotage.)

The I. W. W. is fast approaching the stage where it can accomplish its mission. This mission is revolutionary in character. (The Revolutionary I. W. W.)

We are not satisfied with a fair day's wage for a fair day's work. Such a thing is impossible. Labor produces all wealth. Labor is therefore entitled to all wealth. We are going to do away with capitalization by taking possession of the land and the machinery of production. We don't intend to buy them, either. The capitalist class took them because it has the power to control the muscle and brain of the working industry. Organized, we the working class, will have the power. With that power we will take back that which has been stolen from us. We will demand more and more wages from our employers. We will demand and enforce shorter and shorter hours. If we gain these demands, we are diminishing the profits of the boss. We are taking away his power. We are gaining that power ourselves. All the time we become more disciplined. We become self-reliant. We realize that without our labor power no wealth can be produced. We fold our arms. The mills close. Industry is at a standstill. We then make our proposition to our former masters. It is this: We, the workers, have labored long enough to support idlers. From now on he who does not toil, neither shall he eat. (Revolutionary I. W. W.)

By the "working class," which is waging war upon society and which hopes to institute "the future society," is meant the "proletariat," and the proletariat is thus defined: "We mean a class of laborers, possessing neither property nor specialized skill, who sell their labor power in the open market to the highest bidder, and are able to sell that power only so long as it will produce a profit for the purchaser." (The Advancing Proletariat, p. 14.)

Property—either material or in the form of specialized skill—has ceased to exist for the proletariat: access to the machine is the sole basis of his life. And, following the loss of the property idea, comes a complete revolution in the mental attitude of the worker. Man becomes the dominant factor and all his problems are again translated in terms of human rights. He thinks in the terms of a class, for he now realizes his class position and knows that only as such can he hope to survive. He finds that he must attack the structure of a society based on private property and his point of attack is at the point of production, the point where he daily meets his enemy. His whole attitude is one of opposition—opposition to the property of the master class—an attitude utterly subversive of all modern ethics, morals, religions, and laws—an utterly revolutionary attitude. (The Advancing Proletariat.)

Craft unionism can not survive. (The Advancing Proletariat, p. 13.) Any economic system built upon the rights of property is a confiscatory system. (Ibid., p. 13.) Stripped of his property the "aristocrat of labor" sinks to the level of the common herd. (Ibid.)

Two facts stand prominently in an examination of modern society: First, the proletariat is the subject class; and, second, the special function of the State is to keep the proletariat in subjection. Therefore any organization of the proletariat as a class must at once be considered a menace to the privileged classes and be declared illegal. All the activities of the proletariat furthering its program for a new society must necessarily be revolutionary and be beyond the law. Therefore the Socialist politicians' "legal revolution" idea is regarded as absurd. (Ibid.)

There is but one bargain that the I. W. W. will make with the employing class: Complete surrender of all control of industries to organized workers. (The I. W. W., Its History, Structure, and Methods.)

The I. W. W. disclaims any nationality. (The Revolutionary I. W. W.)

The Industrial Workers of the World is an international movement, not merely an American movement. We are "patriotic" for our class—the working class. We realize that as workers we have no country. The flags and symbols that once meant great things to us have been seized by our employers. To-day they mean naught to us but oppression and tyranny. As long as we quarrel among ourselves over differences of nationality, we weaken our cause, we defeat our own purpose. (The Revolutionary I. W. W.)

Sabotage is defined by official I. W. W. publications in several ways as follows:

"Any conscious and willful act on the part of one or more workers intended to slacken and reduce the output of production in the industrial field, or to restrict trade and reduce the profits in the commercial field, in order to secure from their employers better conditions or to enforce those promised or maintain those already prevailing, when no other way of redress is open.

"Any skillful operation on the machinery of production intended not to destroy it or permanently render it defective, but only to temporarily disable it and to put it out of running condition in order to make impossible the work of scabs and thus to secure the complete and real stoppage of work during a strike."

Elizabeth Gurley Flynn, the noted I. W. W. agitator, describes sabotage under several heads, the principal among which are:

"Adulteration.
"The slowing down of work.
"A general reduction of efficiency.
"Placing kerosene in ovens to make food unfit to eat.
"Intimidation, coercion, and any means necessary to gain the end."

Mr. MYERS. Mr. President, I take the remarks of the Senator from Utah for what they are worth when he says we should not do so much talking. They can not apply to me. I am not one of those Senators who have consumed an enormous amount of the time of this body and caused Congress to be in session on this 23d day of August when we might have completed all necessary business long ago. I offer these extracts as a part of some remarks that I intend to make at this time. I think the subject is worthy of them and that there is cause for them.

Mr. SMOOT. The Senator did not understand that I object to the articles going into the Record. I simply wanted to say to the Senator that, as far as I am concerned, I do not care for talk; I am perfectly willing to act. I think that that is the only thing that will ever in any way, shape, or form lessen the evils that are existing to-day through the labors of that organization.

Mr. MYERS. I agree with the Senator that we should act. He can not favor action any more than I.

Mr. PENROSE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Pennsylvania?

Mr. MYERS. With pleasure.

Mr. PENROSE. I am not going to object. I have on more than one occasion referred to the absurdity of making the Record a newspaper-clipping exhibit, but if Senators choose to persist in it and feel that they are the only people who read the newspapers and the rest of the Senate ought to have these newspaper clippings called to their attention, let them go ahead.

Mr. MYERS. Mr. President, I have the floor, and under the rules am entitled to it. I intend to exercise my right to make some remarks, and my remarks will not be shortened by such interruptions as that of the Senator from Pennsylvania. I am the judge of my conduct here. Each of the other Senators has received a copy of the newspaper to which I have referred, and if it is not beneath their dignity to learn something of I. W. W. conditions in Montana and other Western States, I commend the article to their attention as being a comprehensive review of those conditions which constitute a serious menace to the country.

The I. W. W. is a criminal organization, devoted to avowedly and professedly criminal objects, and it is a menace to the country. For a number of years it has been a growing menace, and never has it been a greater menace than it is now in this serious crisis, when the Government needs the devoted support, loyalty, and fidelity of all its citizens.

The clippings which I have furnished as a part of my remarks show something of the object, nature, and tendencies of this organization. I have in my possession extracts from other literature of the organization, showing its attitude on other matters of public concern. Its references to the Almighty and to religion are so exceedingly blasphemous and vile that I would not repeat them or have them printed.

A few months ago Montana was never more prosperous. All of its industries were flourishing. Mining, lumbering, agriculture, the production of everything produced in the State was at a high tide of prosperity. Everybody who would work had work. Everybody who wanted work could get work at the highest wages which had ever been known in the State.

The lumber industry, which had gone through a long period of depression for a number of years, was revived and was in full operation and there was a demand for all the products of the State, when suddenly, last spring, about the time of our entrance into the war, the State was invaded by a horde of I. W. W. agitators from the east and from the west. Some came from Minnesota and North Dakota, to the east; others came from the States of Washington, Oregon, and Idaho, to the west, and suddenly upon their advent there was a change in the industrial conditions of the State. Nearly every lumber camp and sawmill in the State was closed down, and some men who wanted to work at good wages were thrown out of employment. The mines were affected by total or partial strikes of their workmen. There were strikes in other lines of industry and still other strikes were threatened. It is reported it was threatened that unless farmers paid extortionately high prices for farm work the crops would be burned and destroyed.

This condition of affairs came about suddenly and simultaneously with the invasion of the State by I. W. W. agitators, one of whom was Frank Little, a notorious and confessed I. W. W. agitator, who came into the State from Arizona, where widespread strikes had been instituted, and he indulged in such inflammatory language and disloyal utterances that he was lynched, presumably by people who were exasperated by his utterances of disloyalty to the Government and his abusive denunciation of the soldiers and other instruments of authority.

Even prior to that time, at the time the draft was to be put into effect, there was a disloyal parade in the city of Butte, which bore a banner with the words "Damn the war" on it, and soon thereafter, with the advent of Little, the strike in Butte spread to an alarming extent and became a very serious menace to the copper production of the State, which is vitally necessary to the Government in the conduct of the war. I have described what followed the advent of outside I. W. W.'s into Montana.

Now, it has been openly charged in the Halls of Congress, I am sorry to say, that this deplorable situation in Montana was due to Mr. John D. Ryan, a highly reputable and respected citizen of Montana, who is president of the Anaconda Copper Mining Co., the principal mining company of Montana. Never was a more untrue or unjust charge made in this country. I am not spokesman for Mr. Ryan. I have not seen him for months. I have not heard a word from him in regard to this cruel and unjust charge. He is now devoting a great part of his time and energies to Red Cross work of the Government, without compensation, and thus serving his country in its time of need to the best of his ability.

All these disturbances in Butte, including a disloyal procession and rioting and lynching, have been charged to Mr. Ryan, when there is not a particle of foundation for such a charge. It is absurd and monstrous to bring such a charge against Mr. Ryan, who has the esteem of the great body of the people of Montana and is a highly respectable citizen of that State. He is president of a mining company employing many men, but until the present strike his company had never had a strike of its employees.

Three years ago there was a serious labor disturbance in Butte, but it arose from two contending factions of the miners' union, each striving to gain mastery of the union, and involved no dispute with the mine owners or the employers, and that was amicably settled, and the miners returned to work and prosperity ensued. Mr. Ryan's company, in all its history, until this strike, so far as I have heard, had never had any open trouble with its workmen. It has paid the equivalent of the highest wages prevailing in the mining industry, as high as any, and its general reputation has been that of fair dealing with its employees.

It is my understanding that the American Federation of Labor is in no wise connected with this strike and is giving it no support, moral or otherwise.

And now it has been suggested in the Halls of Congress that on account of this condition of affairs, brought about, it seems to me, by the invasion of the State by I. W. W., the Government should take hold of the copper mines of Montana. The time may come before the war is over when it would be legitimate, justifiable, and proper and in the interest of the prosecution of the war for the Government to take over the copper mines of the country, but I do not believe it has yet come, and I do not believe it should be done on account of an invasion of the State by I. W. W.

It is true that the strike to which I referred started when there was a fire in a mine in Butte, and a large number of miners lost their lives, but that lamentable and deplorable catastrophe did not occur in one of the mining properties owned by the company of which Mr. Ryan is president. Neither he nor his company is responsible for that fire; they had nothing whatever to do with it. It is unjust and unfair to hold Mr. Ryan responsible for all the disorders, disturbances, and strikes and all the labor unrest in Montana. I believe the most of them grew out of the invasion of the State by I. W. W. agitators, who have made many well-meaning and honest workmen dissatisfied with their condition. There may have been some just grievances, but if so, I believe they were aggravated and inflamed by agitators from outside the State.

Mr. NORRIS. May I interrupt the Senator?

Mr. MYERS. With pleasure.

Mr. NORRIS. I think it would be gratifying to the Senate—I know it would be to me—if the Senator would state just what the dispute is now in that particular company between the company and its workmen.

Mr. MYERS. I am not authoritatively advised of that. I understand that it has come from a number of different sources; I can not speak with authority, but from all that I can learn the chief complaint of the striking miners is of what is known as the rustling-card system. Also they want, I understand, or some want, higher wages and better conditions. There are a number of reasons assigned, but as far as the rustling-card system is concerned, which seems to be the chief complaint, it had prevailed for quite a number of years and had caused no strikes before I. W. W. agitators invaded the State, so far as I ever heard.

Mr. NORRIS. Will the Senator explain just what that is?

Mr. MYERS. I am not conversant with the working details of it, but it is a system by which anyone who desires employment in the mines must file his application and give certain information on a card about himself, to be signed by him. I am not versed in the details of the practice or working of it, but it seems to me, in these serious times, that any employer, whether a mining company or a farmer, is entitled to know something about the character of the people who want to work for it or him. It seems to me that that is a privilege of an employer, unless it be abused. I suppose any privilege may be abused. I do not know whether this one has been abused or not. It is claimed that it has been. Others claim that it has not been.

It seems to me in these serious times it is essential for a mining company to know something of the character of the men who apply to work for it. One applicant for work out of 10,000 might be a man with a malevolent intention or disposition, who, by planting a fuse or something of that kind, could cause an explosion that would destroy millions of dollars' worth of property and hundreds of innocent lives of honest workingmen.

Now, as I have said, I believe that the most of these conditions and disturbances have been brought about by the agitation of nonresident I. W. W. members, who have invaded Montana and stirred up trouble not only in Butte but in other parts of the State. I do not believe that the resident workingmen of Montana, who as a rule are men of good intentions and good faith, are responsible for these conditions. I believe they are a part of the I. W. W. menace which is threatening the entire country in this crisis.

Mr. NORRIS. Mr. President, can the Senator tell us what wages they have been getting and how much they are demanding?

Mr. MYERS. I understand that miners in the mines of Butte are getting, as a rule, \$5 or \$5.25 a day; I think some as high as \$5.75 perhaps. There may be some cause for dissatisfaction; I can not say and I do not say there is not, but I think such cause as there may be, if any, would be greatly lessened and would be much more speedily settled if the pernicious and disloyal activities of the I. W. W. were suppressed.

Now I come to the point that the Senator from Utah spoke of, and I am in accord with him about it, and I have talked longer than I expected. I did not expect to consume more than a few minutes. I have had some interruptions, and I am about to close. I believe there should be legislation directed at the disloyal and pernicious activities of the I. W. W. menace in this country. It appears there is not adequate legislation. It will require legislation to rid the country of this menace, and I have introduced a bill which is aimed at that object. The Senator from Utah [Mr. KING] has introduced two other bills on the same subject. Of course, we expect to do nothing on the subject while the revenue bill is before the Senate, and can do nothing until it is disposed of. I am in hope that these bills of which I make mention will be speedily enacted and put in force, and if so I believe they will very much better the situation.

My idea in these few extemporaneous remarks has been to call the attention of the Senate in a preliminary way to the necessity for legislation and to the menace as it exists in the West, and to call particular attention to the newspaper article of which I made mention. If legislation be enacted to suppress the pernicious and disloyal activities of the I. W. W., I believe that any honest differences between the mine owners and the miners who want work at good wages can be speedily settled, to the benefit and welfare of the country, and that satisfactory industrial relations throughout the West will be resumed.

Mr. KENDRICK. Mr. President, I present a brief letter from the chairman of the Wyoming State Council of National Defense, which has a direct bearing upon the proposed legislation which has been introduced by the Senator from Montana [Mr. MYERS]. I should like to have the letter printed in the Record without reading.

There being no objection, the letter was ordered to be printed in the Record as follows:

WYOMING STATE COUNCIL OF NATIONAL DEFENSE,
Cheyenne, Wyo., August 17, 1917.

HON. JOHN B. KENDRICK,
United States Senator from Wyoming,
Washington, D. C.

DEAR GOV. KENDRICK: In accordance with the request made by the Johnson County Council of National Defense, the State Council of National Defense of Wyoming asked that the chairman petition you as follows:

"Since the labor situation in Wyoming has grown acute and we need many men to help harvest the increased crop acreage planted this year, there is a shortage of men, due to Wyoming's large enlistment in the Army service; and it being impossible to get many men from out-

side because the demand for labor is heavy all over the country. It is recommended that since there are a large number of homesteaders on dry lands in this State who are raising little or nothing on their own lands but who can not leave their homesteads and help those who need them because of the necessity of complying with homestead laws as to residence, steps should be taken to support a bill for special relief by Congress excusing all homesteaders in Wyoming from residence on their homesteads from now until December 30."

The State council respectfully petitions that you take especial interest in this matter so that we may have some relief.

Sincerely, yours,

HENRY G. KNIGHT, Chairman.

DEATH OF EX-SENATOR JOHN W. KERN.

Mr. NEW. Mr. President, I send to the desk, and ask unanimous consent to have printed in the Record without reading, an account from the Roanoke World News, of Virginia, of the funeral of Hon. John W. Kern, late a Member of this body, and also editorials concerning him which appeared in the leading Indianapolis newspapers the day following his death.

The PRESIDENT pro tempore. Without objection, it is so ordered.

[From the World News, Roanoke, Va.]
IN THE EVERLASTING HILLS.

The burial of John W. Kern at Kern Cliff on yesterday was in keeping with the character of the man.

One for whom over 6,000,000 of his fellow men had cast their vote for the second highest office in their power to bestow; whom his own State had ever delighted to honor; who had for four years been the leader of his, the dominant, party in the Senate; who had through a great world crisis been the intimate friend and trusted counselor of the President; and who had measured up to the full stature of a man under every test which high office and trying times could apply to him, was laid to rest in the presence of a few friends and neighbors and with a burial service of a sweet and beautiful simplicity appropriate to the strength and gentleness of his exalted character.

Had time and circumstances permitted it, the Nation would have chosen to give a patent expression to its sense of loss; his former colleagues and followers in the Congress would have wished to pay the tribute of their presence, and his casket would have been covered with a profusion of flowers from the thousands who had learned to love as well as honor him.

But his brief last illness was not known to many, and even to these his sudden death was a sad surprise. So when it was decided to bring his body to his summer home in Carvins Cove for burial only a few friends made during his occasional brief stays in Virginia and his neighbors there in the mountains had opportunity to attend his funeral.

These, numbering about 200, assembled at the Kern Cliff home, where the services were conducted under the direction of Dr. George Braxton Taylor, minister at the near-by Enon Baptist Church, and in conformity with the Senator's well-known love of simple and unpretending things. A passage from the Scriptures read by a young man, friend and tutor to his sons; a prayer by Dr. Taylor, the singing of "Abide With Me" and "Come Ye Disconsolate" by a few of the ladies from Hollins, a few words from the heart of his friend, Mr. Lucien H. Cocke, telling of his life and its great service, followed by the removal of the body to the grave, where Mr. Joseph A. Turner closed the service with appropriate prayer, and the body of John W. Kern was laid to its last and perfect rest.

It was at sunset, above the waters of Carvins Creek, on one of the western foothills of Tinker Mountain that he was buried. There his father and his grandfather had lived; there he himself had spent many of the years of his early youth; there he had hoped to find an age of rest from his long life of generous and untiring service to his country; and there he sleeps to-day.

"I lift up mine eyes to the hills from whence cometh my strength," says the Psalmist. So in all ages have said the nations of the world in their hours of trial. The strength of those great mountains woven into the warp and woof of his sturdy ancestry was John Kern's heritage; the serene peace of their silent places was typified in the quality of calmness which was so marked in him; in his heart was the low, deep music of their murmuring waters, and in his soul the majesty of those everlasting hills.

A sweet, a gentle, and withal a masterful life has come to its close, a nation has lost a leader and a statesman, a family has lost a father and a friend, and in the quiet peace of that secluded valley lies his weary body now at rest, but the influence of his great, strong, simple, unpretentious manhood can not die.

[From the Indianapolis News, Aug. 18.]

JOHN WORTH KERN.

The death of Mr. Kern, which occurred yesterday, will bring sorrow to thousands of people in Indiana, for he was widely known as a man of friendly and kindly nature. Though a strong partisan, he had many admirers among Republicans. For many

years Mr. Kern had been prominent in politics. Twice his party's candidate for governor under conditions that made election impossible, and once its candidate for Vice President when success was out of the question. Mr. Kern fought three losing battles in such a way as greatly to strengthen his hold on the people. As Senator he had the confidence and respect of his colleagues, who gladly accepted him as majority leader of the Senate. President Wilson had no more steadfast supporter in that body.

He was, as all know, a man of integrity and character. He made no money out of politics. On the contrary, his participation in public life cost him much. His ambition was to serve the people to the best of his ability. But it is of Mr. Kern as friend and neighbor that the people of Indiana are to-day thinking. To many his death will bring the feeling of personal loss. For even those who met him but casually felt that they knew him, and that he was their friend. He had a keen, though kindly, sense of humor. There was no bitterness in his make-up. Even those who differed with him could not help liking him. He never allowed political antagonisms to degenerate into personal enmity.

There was no selfishness in him, and no trace of commercialism. On the contrary, Mr. Kern, throughout his public life, fought those interests by whose help others have risen to power. The people of Indiana will sympathize with his family in its great affliction, an affliction in which many of them will feel that they share.

[From the Indianapolis Star, Aug. 19.]
JOHN WORTH KERN.

In the death of John Worth Kern Indiana loses one of her favorite sons, whose name probably was familiar to more homes than that of any of his contemporaries. He was one of the conspicuous men of his own State for many years, but it must be said for him that he never assumed any superiority; for in spite of the prominence he attained as the Democratic nominee for the Vice Presidency and the distinction won as floor leader of the United States Senate throughout the first administration of President Wilson, he was not given to boasting of his own achievements. In fact, his great and enduring popularity with the masses in his own State was due more largely to his simplicity of character, his gentle and kindly attitude toward people, than to any quality of leadership and statesmanship he developed.

He loved his State and was a distinct credit to it. No man could be as active as he was for 30 or 40 years in public life without arousing antagonism and criticism, but in both parties he had warm personal friends. He was an intense partisan, and for a long period of years he was at the front fighting the battles of his party. The varying fortunes of the latter were reflected in the life of Mr. Kern. He took to politics naturally, becoming a candidate for the legislature in Howard County when he was barely of voting age. He was ever ready to champion the principles for which his party stood, and because he was defeated twice for governor and for the Vice Presidency he became known as a "leader of forlorn hopes."

A man of less cheerful and optimistic frame of mind would have become discouraged by defeat and would have dropped out of politics, but Mr. Kern accepted his defeats philosophically. His reward came in 1910 when a break in the Republican Party enabled him to win a seat in the United States Senate. His election as floor leader was a great honor that came to him unexpectedly. It is not unlikely that his elevation to that position was due in a great measure to the fact that he was so constituted mentally that it was easy for him to get along with his associates without friction. He was not a party boss in any sense, but he was loyal to his chief and faithful to the obligations imposed upon him.

He was always a man of the people, and in the closing years of his life was known as a staunch champion of labor. Though he was a devoted follower of William J. Bryan, he was loyal to President Wilson and was a Democrat of the most intense, unchangeable type. Whatever differences his opponents may have had with him, no one could take from him the high regard in which he was held by thousands of people who loved him simply as John Worth Kern, a man of sweet and gentle impulses. By them his loss will indeed be felt. It is decidedly to his credit that he made his own way in life so successfully; that he broadened his vision as he grew older; and that in the face of poor health he never attempted to shirk his responsibilities.

WAR REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes.

The PRESIDENT pro tempore. The question before the Senate is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. CURTIS. Mr. President, I present a letter from Mr. Charles S. Keith, of Kansas City, Mo., in favor of the so-called Bankhead amendment to the pending revenue bill, which I should like to have printed in the RECORD without reading.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CENTRAL COAL & COKE CO.,
Kansas City, Mo., August 20, 1917.

HON. CHARLES CURTIS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I am in receipt this morning of your favor of the 16th instant relative to the war-revenue bill, and I appreciate very much, indeed, the kindly attitude that you have taken in connection with my suggestions to you on this matter.

In this connection I am sending you a compiled statement of the earnings of 28 sawmill companies, having a production of one-seventh of the total yellow-pine production of the South, wherein you will note the earnings of these companies, by years, for 1912, 1913, 1914, 1915, and 1916, and from which you can readily see that the taking of any particular set of years as a basis for the assessment of war taxes might work very much of a hardship upon us.

I would direct your especial attention, as an illustration of what I mean, to the earnings of 1914 and 1915. Assuming that this same condition had applied in 1911 and 1912—and, if you will notice, 1911 and 1912 show red-ink figures for 7 out of the 24 months—these companies would have lost over \$5,700,000, or an average loss of approximately \$2,800,000 per annum.

Now, if the tax were to be assessed as at present contemplated on 1916 earnings—when these same companies earned \$4,206,000—using as a basis the loss of \$2,800,000, as above mentioned, these companies would be paying a tax of 50 per cent on \$7,000,000, or \$3,500,000, and this would leave them only \$700,000 profit to carry on their business and renew their properties, on a production of 2,500,000,000 feet of lumber.

I think you can readily appreciate that this would be manifestly unfair. Now, if, on the other hand, we would make exempt from the surtax 8 per cent of the cash value of the assets of these companies at the beginning of the accountancy period for which the tax was to be assessed, and then make the surtax apply over and above that, with a normal tax on the 8 per cent, it seems to me that that would be a fair, honest, and reasonable way of handling this tax.

Unfortunately the lumber and coal business in the United States during the period which it is proposed to take as a basis for these taxes were extremely unprosperous. As a matter of fact, conditions following the anthracite strike of 1902, bringing on an extremely prosperous year in 1903, so speeded up development and improvements that the production has largely exceeded since that time the consumption of the product. The situation in the Southwest has been better than the situation east thereof, but the State of Illinois, for instance, has had capacity enough, and has it to-day, to produce in five months as much coal as the State will consume in 12 months. This resulted in 1914 in the idleness of 40,000 men in the State of Illinois, and if the car situation were such to-day that the production could be put out, Illinois would still be producing more coal in 7 months than the State would consume in 12 months. All of this for the purpose of indicating that the effect of supply and demand upon market conditions and market prices has resulted in extremely unfavorable conditions in the coal business since 1903.

After the panic of 1893 the lumber business continued on the down-hill grade until 1897, at which time the consumption of the United States caught up with the production of lumber and resulted in rising values, which, during the period of exploitations in the early nineties and the building of more railroads and cars brought about an extremely heavy consumption of lumber and a very large increase in production and development, so that since the panic of 1907 up to the last three-quarters of the year 1916 there has been an overproduction of lumber and a consequent reduction of values. Under present conditions, with a shortage of labor and the extraordinarily heavy demand for lumber for Government cantonments and ship-building material, factory consumption, and other sources, the situation is more prosperous; but if you take the years 1911, 1912, and 1913 as the basis for the assessment of these war taxes you catch a most unprosperous period for both the lumber and the coal business and will work a direct hardship on them if they are forced to pay a surtax based on earnings over and above the average earnings for those particular years. The

fact of the case is, as I have tried to set out in the above, until very recently the lumber and coal business have not been prosperous since the panic of 1907.

With personal regards, I am,
Respectfully, yours,

CHAS. S. KEITH,
President.

Realization—Lumber.

Date.	Shipments.	Receipts.	Average per M.	Cost.	Cost per M.	Profit.
1912.						
January...	166,695,537	\$2,271,181.06	\$13.62	\$2,413,318.01	\$14.4771	\$142,131.35
February...	162,372,590	2,283,046.02	14.03	2,350,732.93	14.4774	167,693.31
March.....	160,656,575	2,298,267.09	14.31	2,325,889.57	14.4771	127,621.83
April.....	177,709,472	2,548,319.89	14.33	2,573,639.72	14.4774	125,319.83
May.....	213,222,339	3,104,537.55	14.55	3,081,905.11	14.4774	17,632.44
June.....	177,298,832	2,323,245.21	15.35	2,561,821.52	14.4774	159,418.99
July.....	192,843,580	3,055,089.09	15.84	2,791,873.95	14.4774	263,215.41
August.....	194,445,638	3,101,040.33	15.95	2,815,967.31	14.4771	285,973.32
September...	156,231,831	2,617,065.94	16.71	2,261,816.22	14.4774	355,843.72
October.....	174,775,103	3,051,629.79	17.45	2,530,289.18	14.4771	521,340.61
November...	168,678,011	2,934,121.27	17.75	2,442,019.02	14.4774	552,102.25
December...	163,767,184	2,927,619.95	17.83	2,370,922.97	14.477	556,696.93
Total...	2,108,755,727	32,975,764.99	15.637	30,529,330.21	14.4774	2,444,404.78
1913.						
January...	205,317,055	3,669,913.95	17.83	3,192,073.86	15.1081	558,940.12
February...	177,741,198	3,237,996.59	18.21	2,685,437.11	15.187	552,554.45
March.....	198,605,398	3,601,547.88	18.13	3,093,533.71	15.1087	607,954.15
April.....	190,405,588	3,453,675.69	18.12	2,875,780.94	15.1087	573,894.72
May.....	200,701,115	3,603,792.28	17.95	3,032,348.12	15.1081	571,451.16
June.....	164,233,653	2,911,683.53	17.72	2,481,357.13	15.1081	430,326.41
July.....	182,637,187	3,029,622.51	16.53	2,783,165.95	15.1081	266,456.55
August.....	198,903,900	3,151,957.80	15.84	3,005,179.35	15.1081	146,778.45
September...	188,351,380	2,913,411.17	15.47	2,845,744.50	15.1087	67,664.67
October.....	199,231,248	2,991,872.15	15.02	3,010,125.49	15.1081	18,253.34
November...	188,724,201	2,752,946.25	14.63	2,851,377.32	15.1957	98,431.07
December...	179,334,834	2,570,142.55	14.33	2,703,516.15	15.1081	189,373.60
Total...	2,274,232,657	37,876,544.30	13.6540	34,380,699.60	15.1087	3,515,844.70
1914.						
January...	205,181,491	2,833,950.23	13.91	2,974,259.84	14.4958	140,310.61
February...	185,688,505	2,591,534.00	13.95	2,691,703.50	14.4958	100,113.63
March.....	194,971,411	2,810,505.48	14.42	2,826,265.56	14.4958	115,700.03
April.....	208,167,145	2,979,969.07	14.32	3,017,549.37	14.4958	137,590.11
May.....	210,191,839	3,023,792.89	14.01	3,133,873.67	14.4958	105,920.81
June.....	215,738,157	2,980,538.36	13.82	3,127,297.22	14.4958	146,753.83
July.....	229,853,628	3,168,030.09	13.73	3,331,912.25	14.4958	163,822.15
August.....	203,970,972	2,810,834.98	13.73	2,956,722.39	14.4958	145,887.53
September...	186,083,943	2,570,251.08	13.81	2,697,435.58	14.4958	127,184.50
October.....	174,502,285	2,303,014.40	13.20	2,529,550.15	14.4958	226,555.75
November...	164,166,335	1,955,080.59	11.91	2,379,722.43	14.4958	424,641.81
December...	174,837,521	2,045,377.52	11.70	2,534,409.15	14.4958	489,031.64
Total...	2,359,353,246	32,077,999.44	13.5931	31,200,712.12	14.4958	2,122,712.63
1915.						
January...	178,066,248	2,111,825.52	11.83	2,581,212.72	14.4958	469,387.23
February...	164,831,914	2,037,224.60	12.33	2,380,370.46	14.4958	352,145.77
March.....	195,935,993	2,420,528.83	12.35	2,849,247.62	14.4958	419,718.77
April.....	197,068,718	2,448,681.02	12.43	2,856,639.73	14.4958	407,958.11
May.....	206,067,559	2,581,190.71	12.53	2,987,114.12	14.4958	405,923.41
June.....	202,663,917	2,575,204.05	12.71	2,937,804.60	14.4958	362,602.54
July.....	227,042,876	2,883,315.18	12.63	3,282,168.12	14.4958	401,852.91
August.....	206,218,604	2,608,894.61	12.94	2,980,303.64	14.4958	323,404.03
September...	233,431,646	3,007,437.75	12.83	3,383,778.45	14.4958	376,290.73
October.....	243,148,037	3,211,108.08	13.21	3,524,625.31	14.4958	313,517.23
November...	241,051,817	3,437,112.29	14.26	3,494,238.93	14.4958	157,126.04
December...	194,937,243	3,047,793.38	15.63	2,826,061.20	14.4958	221,738.18
Total...	2,490,484,479	32,427,372.72	13.0203	35,092,564.90	14.4958	43,665,192.18
Total for 4 years.						
	9,232,826,110	135,357,681.45	14.63	135,183,276.83	74,404.62
1916.						
January...	181,813,052	2,953,397.29	16.2442	2,688,644.86	14.7883	264,752.43
February...	165,910,624	2,748,823.45	16.5631	2,481,782.42	14.9585	267,041.03
March.....	203,931,089	3,423,276.83	16.7804	2,871,409.80	14.0803	551,867.03
April.....	210,712,377	3,556,273.78	16.8774	2,949,930.83	13.9999	606,342.95
May.....	204,187,220	3,400,878.52	16.6557	2,813,080.43	13.7773	587,798.09
June.....	174,272,673	2,779,412.79	15.9489	2,512,839.90	14.4190	266,572.89
July.....	174,324,684	2,667,897.73	15.3037	2,584,061.49	14.8234	88,746.24
August.....	252,251,656	3,768,993.33	14.9414	3,348,002.27	13.2725	420,996.03
September...	190,721,177	2,912,777.99	15.2724	2,725,508.42	14.2905	187,269.57
October.....	172,132,408	2,699,870.59	15.6674	2,560,176.86	14.8734	136,693.73
November...	181,697,270	2,956,573.05	16.2719	2,597,443.49	14.2954	359,129.59
December...	215,989,935	3,658,227.98	16.8590	3,183,477.32	14.6711	474,750.66
Total...	2,328,941,165	37,523,318.43	16.1117	33,316,358.09	14.3053	1,206,969.34

¹ Loss.

NOTE.—The cost as used for the year 1915 is the average cost as compiled from data furnished by these various companies for the year 1914, no cost figures having been assembled for the year 1915.

Mr. CURTIS. I also present a telegram from the governor of Kansas in reference to the increased rates proposed on first and second class mail matter in the pending revenue bill, which I should like to have printed in the Record without reading.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

HON. CHARLES CURTIS,
Washington, D. C.:

TOPPEKA, KANS., August 21, 1917.

Publishers will cheerfully contribute any percentage of profits that may be levied upon business in general, but any increase in postal rates will only tend to cripple a great industry already seriously hampered by enormous increases in cost of production. The Government needs as never before the assistance of the farm press. I urge that present postage rates be undisturbed.

ARTHUR CAPPER.

Mr. TRAMMELL. Mr. President, since the revenue bill which is now before the Senate was reported from the committee and I became familiar with its provisions, I have been firmly impressed that the bill should be so amended as to more equitably impose the tax burdens upon the wealth of this country upon those who are more able to bear them and thereby eliminate from this measure provisions which seek to reach and burden the great rank and file of the people of this country by consumption or direct taxes. I do not agree with the policy of the measure which seeks to exempt a very large part of the war profits from taxation and at the same time shift the burden upon the man in this country who is a consumer. I do not believe that we should exempt 70 to 90 per cent of the war profits, and, in order to make up the deficit on account of that exemption, then in turn impose a tax upon tea and coffee and sugar and molasses and other articles that are consumed by the great masses of this country, also a tax on every shipper of freight, on every person who purchases a railroad ticket, a tax on every person who mails a letter and who uses the parcel post.

I believe, Mr. President, that we should impose a greater tax upon incomes. I do not believe that the percentages as fixed in the measure as reported to the Senate impose such a tax as should be imposed upon the fabulous incomes of this country under the impending necessity. Therefore, Mr. President, I am in favor of amending the bill so as to raise a greater amount of the revenue necessary by increasing the tax upon large incomes.

I am also in favor of increasing the tax upon excess war profits. I believe in this way we can raise a substantial part of the necessary revenue; and by raising the necessary revenue through these sources we can eliminate the tax suggested upon coffee, tea, sugar, and molasses, the tax suggested upon the parcel-post package, and the tax suggested upon the shipper of freight and express and purchasers of railroad tickets. I do not believe that a proposition which favors the exemption of a large percentage of excess war profits, and on account of that exemption shifts the burden to people, for instance, who are patronizing the parcel post, who necessarily have to patronize the railroad companies, is right in policy or in principle at this time.

We have said to the young manhood of this country from 21 to 31 years of age, "We ask of you, if need be, that you sacrifice your lives upon the altar of your country; that pending this conflict your opportunity of building for the future, your opportunity of gathering together any little accumulations which may assist you in success in after years shall at least be suspended, if you survive this war, during the period in which we are engaged in the conflict."

By drafting our young men and calling them to arms for their country as the necessity has required we have eliminated their opportunity even of making an income or even of acquiring meager accumulations during this period. Therefore, I feel that if it is right to conscript them, to call upon them to sacrifice their service and, in a great many instances, their lives in behalf of their country, we can not with proper grace plead here for exemption against conscripting the wealth of the country. Our young men of military age are patriotic; they are loyal to the flag; they are responding nobly to their country's call. I do not mean, Mr. President, that we should go so far in taxing incomes or that we should go so far in taxing war profits that we would impose unnecessary hardships upon those who, perchance, are so fortunate as to have those incomes and to reap those profits, but it is my opinion that we can easily raise the amount of taxes upon incomes and upon excess war profits without inflicting any great hardship upon the people of this country who are able to pay them.

What do you think, Mr. President, the young manhood of this country, who are going forth to rally around our flag and to fight to defend the honor of this country, will say if you tell them that you had such solicitous feeling in regard to large incomes, although you have demanded and required of them their services, you propose to allow a man who is receiving, say, fifty thousand, one hundred thousand, five hundred thousand, or a million dollars a year income a very large exemption on that income? It is just as necessary, Mr. President, to raise the revenue to carry on this war as it is to have the men to fight

the battles. It is the policy of the country to select its young manhood to carry on the actual fighting upon the firing line, and I say, Mr. President, I am firmly convinced that it is also right and proper to say to those who are holding the wealth of this Nation, those who are able to pay the taxes, "Now that we have called upon the stalwart manhood of our country to fight our battles upon the firing line, we are going to call upon you, who are able, to bear our financial burdens; to bear that part of the hardship which war necessarily inflicts." Our manhood's patriotism should not wane in bearing the Nation's arms; it shall not. Let the wealth of the country also be patriotic and be willing to bear their burdens of this war.

I think that this measure contains a number of provisions which should be eliminated. I think we should eliminate the provision imposing a tax upon coffee, tea, sugar, molasses, or sirups, and other articles of consumption, and I think we should not impose the income tax upon a single man receiving only \$1,000 per year and on a married man receiving only \$2,000 per year, as is provided by this bill. Certainly, the people of our country who are only making a reasonable living should have a larger exemption, and the bill should be so amended.

Take the tax in this measure levied upon molasses. It is a direct tax upon the producer of this country—a direct tax upon the farmer. It is the only instance in the bill that I recall where it is sought to tax directly the producer. It provides that 2 cents per gallon shall be paid upon molasses and sirups by the importer or the producer. We all know, Mr. President, that the molasses and sirup which are consumed in this country are not imported, but that they are of our own production.

I have not been able to become reconciled to the position of the committee and of a number of the other distinguished Senators who are so solicitous in behalf of having the inheritance tax eliminated, and at the same time favor and urge that a tax, for instance, should be imposed upon parcel post and upon commodities of consumption. I believe, Mr. President, that the inheritance tax on large estates should not have been eliminated. I do not know of any property upon which a tax can be more justly applied.

Of course, it was argued that we should leave this source of revenue to the States. Much more aptly, I say, Mr. President, could it have been contended that the annual excise tax which is imposed upon the user of automobiles could have been left to the States. When we attempt to impose a tax upon the user of automobiles, then most assuredly we invade the field of taxation of the States of the Union.

We know that excise or occupation taxes, as they are designated in the States, upon automobiles are one of the customary and familiar means of raising revenue. I voted, Mr. President, against imposing a direct tax upon the users of automobiles in this country. I felt the manufacturers who have enjoyed splendid profits, or a great many of whom at least have enjoyed even exorbitant profits during the last few years, many of them having amassed enormous fortunes out of the business, should have the tax imposed upon them, and that it should not be imposed upon those who use the automobiles and who, under the present policy of the States and the cities of the country, are already required to pay a considerable tax as an occupation or a license tax upon the use of the automobile.

I do not favor the policy in the bill regarding the exemption of the profits of corporations under the method prescribed for ascertaining the war profits by first determining the prewar profits. As I analyze that feature of the bill, it seems to me it places a premium upon the business concerns which during the prewar period sought to make enormous and abnormal profits out of the people with whom they were doing business. The portion of the bill to which I now refer provides that corporations shall have an exemption equal to their prewar profits and that such profits shall be ascertained by reference to the basic years of 1911, 1912, and 1913. Therefore, Mr. President, the corporation that made enormous profits during those years shall have as an exemption unreasonable profits, while the corporation which was making a reasonable profit shall only be exempt to that extent. The measure is discriminatory in its application. This rewards the corporation which was charging exorbitant prices and making exorbitant profits prior to the war, but penalizes the industries of this country which were satisfied with moderate profits, or perchance, were not making any income upon their investment. I think that the tax should be based upon the war-profit earnings and not upon the system as suggested in this measure. The measure, as proposed by the Senate committee, would make large exemptions to companies making abnormal profits prior to the war.

Entertaining these ideas, Mr. President, and believing that there is no necessity at the present time for inflicting unnecessary tax burdens upon the consumers of the country in the

nature of the various taxes which I have heretofore enumerated, because we can, by amending this bill, provide the necessary revenue by imposing proper taxes upon the wealth of the country, which is amply able to bear the burden, without inflicting any hardship upon them. I am heartily in favor of amending the measure so as to bring about these results.

I may not agree in every detail with the amendment now pending before the Senate, but entertaining as I do these views, that the tax burden should be borne by those who are amply able to bear and capable of carrying the burden, instead of by shifting it to those who are already enduring hardships, those who are already feeling the weight of their burdens, I propose to support the amendment which is now pending before the Senate providing for an increase in the tax imposed on large incomes. The people of this country who are receiving a normal or possibly a meager wage, the people of this country who enjoy but small or moderate incomes are not in a position to profit during this war. Instead of their opportunity to build for the future being enhanced, instead of their opportunity for accumulating being greater, instead of their opportunity being increased for bringing about a greater degree of happiness in their homes, it is lessened. Then why, sir, unnecessarily impose upon them a burden which can be borne by the wealth of the country? The poor people of this country are patriotic. In the hour of the Nation's peril they will always fearlessly and loyally do their duty as American freemen. To tax the man of moderate means when his earnings are so small a hardship would be imposed upon himself and his family. A larger tax upon the rich, upon the swollen fortunes of the country, will impose no hardships, will not deprive any citizen or his family of their comforts and luxuries.

I shall support, Mr. President, the amendment that is now pending before the Senate.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Wisconsin.

Mr. VARDAMAN. Mr. President, in times like these statesmen can afford to be honest with themselves and candid with their constituents. In war times the individual and all he possesses belong to the Government, if the Government needs him and it, in the prosecution of the war. The Congress is now engaged in the arduous and difficult task of raising revenue with which to defray the expenses of the Government in conducting this war, and of course the thing needful to be done must be done.

Men between 21 and 31 years of age have been conscripted to do the fighting. They were not consulted about that. They must give their lives in defense of the Nation's flag whether they will or not. The strong iron autocratic hand of conscription has been laid upon them and the sovereignty of private citizenship has been transferred to the Chief Executive of the Republic. It was an unfortunate departure from the time-honored custom of this Republic, from the days when the private citizen was the ruler and the officeholder but the people's hired man, but under the pressure of the autocratic spirit, which seems to be in the ascendancy throughout the world to-day, the Congress yielded and this unfortunate piece of legislation was put upon the statute books. It now becomes the duty of the Congress to raise the necessary money with which to pay the bills of the war. The amount demanded staggers the conscience and strains the imagination, so great the magnitude. The far-reaching influence of this enormous tax levied upon the generations living and those yet to come will be felt in all the walks of life, falling most heavily upon the people who toil. It is my judgment, Mr. President, that the most just and the least burdensome of all taxes that can be levied upon the people of America at this time, or at any time, is a tax upon incomes and excess profits. Under that system of taxation a man pays in proportion to what he has, and from what he has received from society for his services.

Mr. President, I think the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE], if somewhat modified or extended, is a good law in time of peace, and I regard it as a most excellent law in time of war. I would amend the amendment proposed by the able Senator from Wisconsin by increasing the tax on the larger fortunes; but, taking it as it is, it is far preferable, in my judgment, to the measure proposed by the majority of the committee. It must not be forgotten that the system of income taxes and taxes on excess profits and the further tax on liquors which are embraced in the scheme proposed by the minority of the Finance Committee will take the place of the tax upon the necessities of life carried in the bill reported by the majority of the committee. Upon whom will fall the burden of taxation which this so-called La Follette amendment imposes if enacted into law? Who and what character of men are protesting through the newspapers and other-

wise against the enactment of this proposed amendment? I think if Senators will consult their memories and indulge in a little retrospection, they will find that it is that peculiar type of gentleman known for the last three years as the patriotic advocate of "preparedness," the man who paid for the bunting that decorated the houses, who paid the bills for the bands that furnished the music for the preparedness parades, who bought the flags that were flaunted in the air by the hired claquers along with the real patriots who marched in the parade, who rented the screens in the moving-picture theaters to show the necessity for organizing a great army and a great navy and to demonstrate our utter unpreparedness for defense. That class of men who capitalize their pretended patriotism and who have made fabulous fortunes out of war contracts are the men who are now protesting against the enactment of the La Follette amendment or similar legislation.

It should not be forgotten, Mr. President, that these same patriots for pelf are now trying to make it appear that those of us who are endeavoring to put the burden of the expenses of this war upon that class of men who have profited by the war are guilty of disloyalty to the administration. But that is in keeping with the policy of certain Senators and newspapers. I shall not animadvert upon their conduct, rather preferring to leave to time and trial the determination of the question as to who is right in this controversy. I am willing to submit to the judgment of the American people the wisdom and unselfishness of my course, since it has the unqualified approval of my own conscience and sense of duty. But, O God, I do hope the patriotic white voters of this country may wake up and take notice. The hope of the future of this Republic lies with the patriotic plain man who will not sell his ballot for money or barter his manhood for place.

I confess that I am unable to find an objectionable feature in the proposed amendment save those that I have mentioned. Increase the tax on swollen fortunes and the amendment will be practically perfect. The suggestion that the income and excess-profits taxes should be held in reserve for another levy of taxes strikes me as being rather thin and flimsy, without sufficient spissitude to fool anybody. If the war ends, there will be no excess profits, and therefore no taxes can be levied upon them, because the result will be that the patriots who were influential in bringing on the war will get away with their booty, and we all know it will be utterly futile to talk about enacting a law that will be retroactive in its effect. But the plain, patient toiler, the men of moderate means, are always here, and therefore subject to taxation. Would it not be prudent to hold them in reserve and only tax them when the other method fails? Congress can lay its hands on the excess profits now, which amount to more than \$6,000,000,000—the value of the cotton crop of America for seven years, and I submit that it should be conscripted before it gets away. Let this money, coined of the blood of the soldiers and the tears of the women and children, be compelled to pay a part of the expenses of war.

Mr. President, revenue is needed now, just as soldiers are needed, and all patriotic men who have more wealth than they need to meet the responsibilities of their homes and those dependent upon them will not object to these taxes. If a man is a traitor who refuses to give his life in the defense of the flag, what character of monster is the man who will decline to give a part of his wealth—wealth which he does not need for the necessities of life—what sort of monster is he who will decline to give his surplus wealth for the defense of his Nation in time of war? Are the dollars of the munition manufacturers more sacred and holy than the precious son of a loving mother or the devoted husband of a faithful wife? I want to say, Mr. President, that the citizen who will take advantage of the exigencies of the war to grow rich on the misfortunes of his country and the unhappy state of his countrymen is the most despicable and undeserving of all citizens. He is the basest and most abandoned of all traitors.

Mr. President, it is generally understood that this war was brought about and entered upon without my approval or consent; but we are in it, and we are in it to win. At this or any other time when the opportunity presents itself I should like to have the President of the United States extend to the nations involved in this brutal, inhuman conflict—which I have on other occasions characterized as an impeachment of our Christian civilization and gives the lie to our pretended faith in the Prince of Peace—an opportunity to come to some understanding whereby honorable peace could be restored. The people of Europe are not permitted to speak their honest thoughts and will not so long as the war continues. They are under the command of a military despot and dare not give expression to their views. But it is my judgment that if the people of Germany were per-

mitted to act as freemen, they would dethrone the Kaiser in 24 hours. Even in free America the strong hand of the censor has been laid upon certain editors who, while they may have been indiscreet, are nevertheless exercising their constitutional rights in criticizing their public servants. I, perhaps, more than any other man in public life have been the victim of a mendacious and slanderous press, but I prefer to suffer that injustice rather than muzzle the press. Their lies will do no harm as long as truth is free to combat them. Certainly it could not do any harm to give the belligerent nations a chance to consider a proposition for peace, and if it should hasten the day for the restoration of peace it might be the means of saving millions of men and billions of dollars, together with broken hearts and the blighted lives of the loved ones of those who may fall in the forefront of battle.

But if the war must be carried on—and I see no way around it, unless the President, as I suggest, should end it—it must be done effectively, with verve, vigor, and relentless determination. But, let the duration of the war be long or short, I do most heartily desire that the policy of our Government be such in the levying of taxes as to remove all taint or suspicion of war for financial conquest or pecuniary gain.

No nation on earth was ever confronted with the situations such as this country is confronted with at this moment. The problems which we are called upon to solve are unique in character and far-reaching in their consequences, and I fear will be exceedingly difficult to handle. We are fighting a country 3,000 miles away across the seas—seas that are infested with the rapacious submarine—and it has fallen to our lot, it seems, to furnish men and money with which to carry on the war until the common cruel enemy shall be exhausted. We went into this war side by side with autocratic Russia. At that time a Czar ruled with an iron hand, the people were, as dumb cattle, driven to the slaughter. Democratic Russia grew tired of fighting, as they had a right to do. I wish the people of Germany would do likewise. The people of Russia were not consulted about going into the war, and therefore they felt that they were not in honor bound to carry on the war. It is my belief, and has been all the time, that Russia will not be able to rally her forces for the further continuation of the war; but, for the good of America, I hope she may be able to restore order and carry her part of the war to a successful issue. All of this, Mr. President, shows the danger and un-wisdom of the United States forming entangling alliances with the kingdoms of Europe, whose rulers never consult the wishes or the interests of their people. It further shows how profoundly wise and patriotic were those incomparable statesmen, Washington and Jefferson.

It is all right for us to furnish money to our allies; but, do you know, the thought of hiring anybody to do the fighting for the United States does not set well on my constitution. I recall, Mr. President, the contempt in which I was taught in my youth to hold the man who hired another man to represent him in doing a citizen's duty on the field of battle—in other words, hiring a substitute. I can not conceive of anybody or any character more contemptible—a creature who more completely disgraces the image of his Maker—than a man who would hire another to do his fighting in time of war. There are a few survivors of the period of the Civil War who took advantage of the exigencies of that war between the States to feather their nests while their substitutes were fighting for them on the field of battle. That class of men are now very impatient with anybody who dares to make a suggestion of bringing about an early peace or hasten the end of the war. I would not trust such a creature under any circumstances. Treachery is the gush of his genius, and the price of his soul is the thing he wants. I am decidedly in favor of America doing a man's part in this war if she is to do anything at all. And from the outlook she is going to do it.

Mr. President, I expect our boys at the front, God bless them, to do their duty. Patriotism with the American citizen is a common attribute. The coward and the slacker are exceptions to the rule. I will be pardoned if I suggest just at this point, that it is my judgment that every man who volunteered—mark you, I said volunteered—his services in this war, this morning desires to go to the front. They are all patriotic. Every white American soldier will do his duty, whether he be a conscript or a volunteer. There is no question, I repeat, about the patriotism and courage of the American youth. If permitted, they would have offered their services without compulsion, but another method was employed for raising an army, and I do not desire to be understood as criticizing anybody at this time for it. But I shall never consent that conscription shall be the established

policy of this Government. I was made very happy a few days ago to have the assurance from my boy, who has recently received a commission in the volunteer service, that it is his desire to go where the shot and shell fall the thickest. I should have been disappointed if I had found that he felt any other way about it. I am sure his comrades share his thoughts and aspirations on the subject. While I deprecate the war, and I wish that I had been able to have averted it, but since it has come and my country is involved, I would to God that my circumstances were such that I might go with the young men, and share their hardships and their sacrifices. But, Mr. President, that privilege will be denied me. I must be content to do my bit in some other way.

In the matter of levying taxes, let us put the burden upon those most able to bear it. Let us take the tax off of the breakfast table and the other necessities of life. Do not, for God's sake, tax the food that sustains the starving babe, that nourishes the tired and poorly clad mother and the overworked laborer, whose toil keeps the wheels of commerce rolling, while there are billions of excess profits hoarded in the coffers of the corporations of this country. Let the wealth of the present generation, as largely as possible, pay the expenses of this war. Do not put the burden upon posterity. Do not require the men who are fighting our battles and their children and children's children in the years to come to pay the debts that this generation ought to bear. Let us not, for God's sake, bequeath this legacy of disaster to our children. They will have enough troubles of their own, and I submit that it is cowardly and unjust for the present generation to impose upon the future generations those burdens that we ourselves should carry. It is my thought that if war expenses could be fixed upon the generations that bring about war it would be a strong incentive for world peace. There is no doubt but that war contracts are a potential influence in creating public sentiment favorable to war. We have seen that demonstrated. I do not charge that that is the sole cause of this war, but I do charge, without the fear of successful contradiction, that some of the largest fortunes ever amassed by man have been made out of this war. And those same men are the ones who are now trying to escape taxation and put the burden of the expense of this war upon posterity. If the sufferings, the sorrows, and sacrifices which war imposes were forced upon the leaders, the rulers of the world, we would have no more wars. And America is not an exception to that rule.

Now, in conclusion, I repeat, Mr. President, let us not require the children of the young men who are doing battle at the front, and who must tote the load and suffer the almost infinite sacrifices of this war, to pay the larger part of the expenses of the war.

Mr. SIMMONS. Mr. President, the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE] is in the nature of a substitute for the income-tax rates carried in the bill as reported to the Senate by the Finance Committee.

The Finance Committee is composed of 17 Senators, the great majority of them Senators who have had long service in this body, who have been returned often to this Chamber by the vote of their constituents. As has been stated before by myself and others, the Finance Committee gave many weeks of consideration to this bill, especially to the first two titles of this bill, because they are away and beyond the most important provisions of the measure.

As has been stated before, during all of these deliberations there was no open manifestation in that committee, absolutely no evidence, that anybody there was seeking to lift burdens off of one class of the people of this country and place them upon another class. There was no evidence that anybody around that board desired to protect especially any industry of his section. I think I can say with absolute safety, Mr. President, that if any mistakes have been made by the committee they did not grow out of any purpose on the part of any member of the committee to distribute improperly the burdens and the expense of war.

Of course, I understand that it is a very easy matter for gentlemen who have not had to wrestle with these questions, who are opposed to the final action of the committee, or who for any other reason do not like the method which is recommended by the committee for raising this money, to try to call to their aid certain well-known class prejudices in this country. There is not, in my opinion, one line or one provision in this bill that justifies the charge that some Senators have seen fit to make against the bill that it attempts to impose unduly the burdens of this war upon men of small means while dealing lightly with men of large means.

I want now to make a solemn appeal to Senators on this side of the Chamber who have not read or studied this measure

that they carefully read and study this bill and the reports thereon.

I am satisfied that if they will put themselves in possession of the information and the facts, understanding thoroughly the provisions of the bill in its application of these facts, they will reach a conclusion that this committee has dealt equitably and fairly with all interests in the imposition of these taxes.

Mr. President, if the income-tax rates contained in the Senate committee bill as it was amended here yesterday are unjust to the men of moderate means in this country, if they display favoritism to the men of large incomes in the country, then the amendment or the substitute which the Senator from Wisconsin has offered in tenfold degree deals unjustly with the men of moderate means and in tenfold degree deals favorably with the men of large incomes.

Gentlemen say they want to support the amendment of the Senator from Wisconsin because they want the swollen fortunes, the great incomes, the profits of the millionaires, to bear the burden and not the small incomes of men of moderate means.

There never has been written and proposed to a legislative body as ingenious a scheme to lift the burden from the big incomes and put it on little incomes as the amendment offered by the Senator from Wisconsin. If his ingenuity had been ten times as great as it is, if he had called to his assistance the sinister cunning of all those who deal unjustly with men of small incomes, he could not have written to more successfully accomplish that purpose.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. SIMMONS. I yield.

Mr. SMOOT. In this connection I simply want to ask any Senator if he can justify the proposition, as it will be found in the fact that under the amendment offered by the Senator from Wisconsin on incomes exceeding \$13,000 and not exceeding \$15,000 there is to be collected \$144,220,197 out of the total tax in those two brackets?

Mr. SIMMONS. Mr. President, there are those who do not believe in this stupendous war in which we are engaged. They are not in sympathy with the Government in its entrance in that struggle. They are not in sympathy with any of the measures which the Government has seen fit and necessary to take in order to bring the conflict to a successful issue. I make no personal application, but I do say, Mr. President, that that class of people in this country—I am not speaking about the Senate now—have been demanding, first, that we pay all the expenses of the war by taxation, and that this year and this generation shall bear the whole burden. They are exceedingly sensitive about placing even a small fraction of it upon future generations. Their conscience is punctured to the very core at the suggestion that the men who are to come 50 years from now, when these bonds become due, may have to pay some of the expenses of the war. They want it all placed upon the burdens of the people of this country now, right now—\$10,000,000,000—\$12,000,000,000—raise it by larger taxation.

Mr. President, I charge no man with wrong, but I do charge that the inspiration of that suggestion when carried to the extent that it has been carried by some in this country finds its genesis in hostility to the war itself, in a desire to make that war as unpopular as is possible. We all know that people, neither in peace times nor in war times, like taxes. We all know that you can not make a cause more unpopular in this country or in any other country than by imposing upon the people a burdensome and oppressive rate of taxation. For that reason, not only in our wars but in the wars of other countries, not only to-day but in past generations throughout the whole history of man, wars have been paid for generally more largely by the issuance of bonds than by taxation.

Yet, Mr. President, the demand comes from some sources that practically all this money shall be raised by taxation, and where the circumstances are such as to make that sort of an appeal obnoxious to the common sense of the body to which it is made it is somewhat changed, and it comes in the form of an appeal that two-thirds or three-fourths of the money shall be raised by taxation. There is no desire to spare the people who live here now. There is no desire to spare the people who are furnishing their sons to the cause, no desire to spare the people who are burdened and laboring under the load that this war has necessarily imposed upon them. Pile it higher and higher upon them. In Heaven's name, however, do not allow any portion of it to be passed on to those who are to come after us, and who are to enjoy the benefits of our success in this war, if we shall win it, as much as we shall.

Mr. President, I want to say this about the amendment proposed by the Senator from Wisconsin before I begin to analyze it. If you want to make this bill unpopular with the masses of the people of this country, the people of small and moderate incomes, if you want to make the load that is imposed upon them already heavier and heavier, if you want to exact from them an unfair proportion of the expenses of this war, then you can do it and do it very effectively by adopting the amendment of the Senator from Wisconsin.

If we should undertake to raise all the money for this war by taxation it would make it an unpopular war. If we shall undertake to raise a part of the money in a way that will be oppressive to the man of small income and light upon the man with a large income, that would be unpopular in this country. I say the bill as presented by the Senate Committee does not do that, and I do say that the amendment presented to this body by the Senator from Wisconsin does do that and nothing else but that. You could not write into this bill a provision that would make it more unpopular, a provision that would tend more to shift the burden from wealth and put it on moderate incomes, small incomes, than by the adoption of this amendment.

Mr. President, let us look at the amendment. The amendment deals with individual incomes. We have not reached corporate incomes yet; we are dealing with individual incomes. Under the bill every man in this country, every woman in this country, who has an income in excess, under the bill, of \$2,000 is subject to this income-tax law; subject to it, however, in different degrees according to the income. When your committee was considering the bill in order that it might bring about equality of burdens, in order that it might call upon the whole resources of the United States for its equitable contribution to the expenses of the war, when it reached the excess profits of the bill it radically changed the House scheme, which applied that law only to corporations and copartnerships by bringing in and making subject to the law the income from the business of all individuals and citizens of the country. So, Mr. President, the individuals who are subject to this income-tax law are also subject to the excess-profits tax law. The individual first must pay the rate prescribed in that section of the bill running from 12 per cent up to 50 per cent, according to the amount of earnings, a tax upon whatever he may earn on the farm, in the mines, in the factory, in the storehouse, wherever he is engaged in carrying on his business. Whatever income he earns over and above the exemption which is allowed to individuals he must pay his excess-profits tax upon it at this rate, and after he has paid that excess-profits tax he must then pay his income tax upon the balance. It is not subject to one tax only, as it has been heretofore. It is not subject only to the income tax, but before it reaches that stage of taxation it must bear the additional burden which has been placed upon the individual.

Taking all this into consideration your committee thought that the amounts that it had prescribed for the income tax, especially in view of the fact that the individual had been made subject to the excess-profits tax, were quite high enough.

Mr. President, another thing, too. In imposing this income tax, these additional rates on the incomes after they had been subjected to the excess-profit tax, we thought that we ought to deal gently, if you will permit me to use that word, with a man of small income, that we ought not to impose upon him a tax bearing anything like the proportionate tax that we impose upon the large income. So we begin our surtaxes at \$5,000, and then we run it up by good leaps where the incomes are small, and by small increases, and as the incomes grow large and larger the increases grow large and larger so as to make it light upon the man at the bottom and heavy for the man at the top.

Now, the Senator from Wisconsin has reversed that process and has laid the burden of his increase upon the small income. The Senator has explained to you this step proposition. He said if you wanted to be equitable and fair, bring your steps close together. Mr. President, if you want to make a burden heavy, you will bring your steps close together, too.

What has the Senator done? He has started with \$5,000. The first increase in the tax of 1 per cent begins there, and then every time he goes up a thousand dollars he adds another per cent to the tax rate. He follows that scheme. Every time the income increases a thousand dollars he adds another 1 per cent to the surtax until he reaches incomes of \$30,000. When he reaches incomes of \$30,000 he has reached a maximum rate of 25 per cent increase in the surtax.

His total increase is 45 per cent, I believe, upon incomes of over a million dollars and yet of this 45 per cent increase 25 per cent is levied upon incomes of less than \$30,000. He has, therefore, laid more than half the burden of his increases not upon the highest possible incomes, not \$1,000,000, not \$10,000,000,

not \$20,000,000, but he has added more than one-half of the increase that he makes upon all those incomes upon incomes of less than \$30,000.

Mr. President, when the Senator was dealing with these low incomes, these incomes below \$30,000, he went by very close steps; he only skipped a thousand dollars at a time, and he added another per cent for each thousand; but when he got above \$30,000, when the income began to get a little bigger, he began to make his steps a little bit higher, a little bit wider, a little bit longer.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Idaho?

Mr. SIMMONS. I hope the Senator from Idaho will not divert me.

Mr. BORAH. I was going to ask if the Senator makes that objection to the amendment would he be willing to add an increase himself?

Mr. LA FOLLETTE. After the amount of income gets above \$30,000.

Mr. SIMMONS. What increase?

Mr. BORAH. After the income gets above \$30,000, would you prefer an increased rate?

Mr. SIMMONS. I prefer the increases reported by the committee and I agree to the increases made by the Senate yesterday. I think they are just and equitable and have been worked out fairly.

Mr. BORAH. The objection which the Senator makes to this amendment is that the increase of the rate after the income reaches \$30,000 is not sufficient?

Mr. SIMMONS. No; that is not the objection I am making to it. The objection I am making to it now, and the sole point I am making now is, that by the scheme which the Senator has devised it places the burden of this tax more heavily upon low incomes than it does upon the high incomes. That is the point I am making.

Mr. BORAH. It is precisely—

The PRESIDENT pro tempore. The Chair understood the Senator from North Carolina to decline to yield.

Mr. SIMMONS. No; I did not decline to yield.

The PRESIDENT pro tempore. Then the Chair misunderstood the Senator and begs the Senator's pardon.

Mr. BORAH. The Senator from North Carolina, then, in order to remedy that situation, would certainly favor increasing the per cent on incomes after they reach \$30,000?

Mr. SIMMONS. I might do that; but, if the Senator from Idaho will pardon me, I would rather not be diverted from the matter which I am now discussing. When I get through with that I will take up the question which he suggests.

Mr. BORAH. Very well.

Mr. SIMMONS. Mr. President, when the Senator gets to the \$30,000 income let us see how he deals with that. Then, instead of jumping a thousand dollars at a time, he proceeds to jump \$2,500 at a time and makes just the same increase—1 per cent every time he jumps. He continues to make that jump of \$2,500, adding 1 per cent for every \$2,500 on these higher incomes in place of 1 per cent on \$1,000, as on the lower incomes, until he reaches \$50,000. When he reaches \$50,000, Mr. President—and \$50,000 is not a very big income—the Senator deals much more leniently with incomes ranging between \$30,000 and \$50,000 than he does with incomes ranging between \$5,000 and \$30,000; when he gets to \$50,000—not a very big income, I repeat—the rate which he fixes is 33 per cent; in other words, Mr. President, in a total increase of 45 per cent in these surtaxes the Senator from Wisconsin, in the name of the common people, but I think in the interest of the rich, at least in the interest of making this an unpopular measure—in a total increase of 45 per cent the Senator puts 33 per cent of that on incomes below \$50,000. All except 12 per cent, just three-fourths of the total increase under the amendment of the Senator, is upon incomes less than \$50,000, and the other fourth is upon incomes running from \$50,000 to \$10,000,000 or more. It is said we want to fix it so that a man will pay according to his ability to pay; yet the Senator, the great tribune of the people in this body, would take 33 per cent out of the incomes of \$50,000, from which there is perhaps not so much to spare, and would only take 45 per cent out of the incomes of the Rockefellers and the Goulds and the Vanderbilts.

Well, having reached that stage, the Senator gets a little more severe upon the man of small income and a little more kind to the man of larger income. He now changes his step again, and starting there he jumps \$10,000 at a time; in other words, the tax on a \$10,000 income that lies in between \$50,000 and \$60,000 is increased 1 per cent, but if that \$10,000 income

lies at the bottom of the schedule it is increased 10 per cent. Then the Senator goes on until he reaches incomes of \$80,000.

Mr. LA FOLLETTE. Mr. President—

Mr. SIMMONS. Leaping—

Mr. LA FOLLETTE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Wisconsin?

Mr. SIMMONS. Mr. President, I yield to the Senator.

Mr. LA FOLLETTE. If you do, then that is what I wanted to ascertain—whether you would yield.

Mr. SIMMONS. I think the Senator should have addressed me in a more courteous tone of voice.

The PRESIDENT pro tempore. Senators must address the Chair.

Mr. LA FOLLETTE. I did address the Chair. I simply wanted to know whether the Senator was willing to receive a correction.

Mr. SIMMONS. Yes.

Mr. LA FOLLETTE. He said that the increase from \$50,000 to the next bracket above was 1 per cent, and that the increase below that was 10 per cent.

Mr. SIMMONS. No.

Mr. LA FOLLETTE. The increases below are 1 per cent for each bracket and the increase—

Mr. SIMMONS. I did not say that.

Mr. LA FOLLETTE. That is exactly what you said.

Mr. SIMMONS. It is exactly what I did not say.

Mr. LA FOLLETTE. It is exactly what you did say, for I took it down as you said it.

Mr. SIMMONS. I will let it stand at that, then.

Mr. LA FOLLETTE. That is the reason why I thought you would want it corrected, because it is not in accordance with the facts.

Mr. SIMMONS. If I said that, I did not mean that; and I do not think I did say that.

Mr. LA FOLLETTE. That is what you said, and I thought you would desire to have it corrected.

Mr. SIMMONS. What I did say was this—

Mr. LA FOLLETTE. The increase in the next bracket is 2 per cent instead of 1 per cent.

Mr. SIMMONS. The increase is from 33 to 34, from 34 to 35, from 35 to 36; that is the way it is written in the copy I have.

Mr. LA FOLLETTE. Very well; I will take care of that matter when I come to follow the Senator.

Mr. SIMMONS. I was absolutely right; I repeat it; that the \$10,000 income that lies between \$50,000 and \$60,000 under the Senator's amendment gets an increase of 1 per cent, but if that \$10,000 lies at the base of the bill, beginning with the \$5,000 income, that same \$10,000 would get 10 per cent increase under the Senator's amendment. He goes on at that rate of increase, Mr. President, jumping \$10,000 at a time, and only adding 1 per cent. In the beginning he jumped \$1,000, and when he was dealing with low incomes he added 1 per cent every time, and then when he gets to \$30,000 he jumps \$2,500 and adds only 1 per cent; and then when he gets to \$50,000 he leaps \$10,000 at a time and adds only 1 per cent.

He then leaps \$20,000—from \$60,000 to \$80,000. The incomes that pass \$60,000 can go on and on until they reach \$80,000 and only get an increase of 1 per cent; but if it was at the bottom of this bill, that same \$20,000 would get an increase of 20 per cent.

Mr. HARDWICK. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. SIMMONS. Yes.

Mr. HARDWICK. I notice that the bill as reported by the committee makes a few leaps in a good many multiples of \$10,000. How does the Senator defend that?

Mr. SIMMONS. It does make leaps, and leaps are right when they are made fairly and equitably; but when those leaps are made in the interest of the big income and against the interest of the little income they are not fair. When the leap on a \$1,000 increase, on an income from \$5,000 to \$6,000, is charged 1 per cent and the leap from \$60,000 to \$80,000 is charged only 1 per cent, or one-twentieth as much on each \$1,000 as is charged to the man of low income, I leave it to the conscience and common sense of this body to say whether that is just to the poorer man.

Now, Mr. President, we have finally reached incomes of \$100,000. Under this amendment there seems to be something very sacred about a hundred thousand dollar income, because as soon as the Senator leaves a hundred thousand dollars—he reached 36 per cent when he got to a hundred thousand dollars—he is within 9 per cent of his maximum; he is within 9 per cent

of the increase he is going to apply to the great fortunes of the rich. When he has reached a hundred thousand dollars he puts a surtax on that \$100,000 of 36 per cent. The next leap is \$50,000, I believe. He jumps from \$100,000 to \$150,000, and only adds 1 per cent. How lightly that \$50,000 gets off compared with the \$5,000 and \$10,000 income.

He is now at 37 per cent on an income of \$150,000. Then he goes on from \$150,000 to \$200,000, and then he goes on another \$50,000 to \$250,000. Then he goes on another \$50,000 to \$300,000. So that between \$100,000 and \$300,000 he has increased his rate 1, 2, 3—just exactly 4 per cent. The first \$100,000 increase carries with it a surtax under the Senator's substitute of 36 per cent. The next \$100,000 increase—now, we are getting to the fortunes of the very wealthy class—the next \$100,000 increase only carries an additional increase of 2 per cent.

Now, finally, we get to \$300,000, and then there is a jump to \$500,000, a leap of \$200,000, and only 1 per cent is added. Then there is a jump from \$500,000 to a million dollars, and only another 1 per cent is added. Then there is a jump from a million dollars to \$1,500,000, and only another 1 per cent is added. Then there is a jump from \$1,500,000 to \$2,000,000, and only another 1 per cent is added.

On the first \$100,000 the rate is 36 per cent. That vast chasm between \$100,000 and \$2,000,000—a chasm so broad that the mind of man can hardly comprehend it—only bears an increase, Mr. President, in all of 8 per cent more than the \$100,000 income. Incomes lying between \$100,000 and the maximum income taxable under the amendment only are subject to 9 per cent additional; and yet, Mr. President, when you start with the beginning of the Senator's amendment the increase that he makes on the first \$9,000, after deducting the \$5,000 that is exempt, is 9 per cent. So that the per cent of the surtax is the same upon that \$9,000 income as the per cent which represents the increase from \$100,000 to incomes of over \$2,000,000.

Mr. President, that is held up here to this body as an amendment to lift the burdens of this income tax off the shoulders of the poor man and off the shoulders of the man of moderate income and to put it upon the man of large income.

The Senator from Wisconsin is an adroit logician; he is an analyst of great power; but I defy his brilliant intellect, I defy his trained mind to demonstrate that his amendment does lift the burden off the poor man and put it on the rich. I assert—and I think my analysis of this amendment confirms and demonstrates the truth of my proposition—that his amendment is an ingenious scheme—I do not mean to say intentionally so, but it nevertheless is an ingenious scheme. Mr. President, of lifting the burden of this income tax off the big fortunes and placing it, in larger proportion, upon the small fortunes.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator for just a moment?

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Oregon?

Mr. SIMMONS. Yes.

Mr. CHAMBERLAIN. I desire to ask the Senator if he has made any estimate as to how much money will be raised in the whole country on incomes of \$100,000 or less, and how much altogether will be raised on incomes of \$100,000 and over up to the limit under the amendment of the Senator from Wisconsin?

Mr. SIMMONS. No; I have not.

Mr. CHAMBERLAIN. The Senator from North Carolina claims that the burden is shifted to the lesser incomes, and I wanted to know what total would be raised on incomes of \$100,000 and less and what amount would be raised on incomes of \$100,000 and more.

Mr. SIMMONS. I have not made those calculations. The Senator from Wisconsin did not present his amendment until late yesterday evening.

Mr. BORAH. Mr. President, the same question would be interesting with reference to the committee bill as to how much would be raised on incomes below \$100,000 and how much on incomes above.

Mr. CHAMBERLAIN. I should like to add that to the question I asked the Senator and request him to furnish information on that subject.

Mr. SIMMONS. Mr. President, in conclusion let me say that your committee was asked to raise revenue to meet the estimated expenditures, which at the time of its original report amounted to something over about five billions of dollars. I am not now prepared to say the exact amount. Your committee has in this bill, together with the other revenue legislation, provided for raising that amount of money. Under existing law, taxes have been levied estimated to raise \$1,357,000,000. It is estimated that this bill as it was presented to the Senate will raise something over two billions of dollars, making \$3,366,000,000. There has been authorized to be sold, specifically to

meet war expenses, two billions of bonds, and about three hundred and ninety millions in addition to that.

When the Secretary of the Treasury sent his estimate to us before we framed the bill, his estimate was that the House bill, which raised one billion nine hundred and forty-odd millions of dollars, would not raise enough to meet the estimated expenditures of that time. As I have shown by the figures I have just given, we presented a bill that not only raises the additional amount that the Secretary said was necessary but raises some forty-odd millions of dollars, probably sixty-odd millions, in addition to that amount. In other words, Mr. President, we have provided for these estimates. We have not provided for certain estimates that have only recently been presented, but for which no appropriations have yet been made. When the Secretary sent those estimates up to our committee, we considered them and said: "No appropriations have been made for these estimates, and it would be probably an unprecedented thing to levy taxes upon the people to pay an indebtedness that the people have not yet approved and for which Congress has not yet appropriated." When that statement was made to the Secretary, he made no further insistence.

Mr. President, we have therefore provided for the payment of every dollar that has been appropriated by the Congress, and we have provided that of these five billions six hundred and ninety-three millions of dollars which the people are to pay this year three billions three hundred and sixty-six millions shall be paid by taxation. I undertake to say that the history of all the nations at war to-day will not show as great a percentage of annual expenditure raised by taxation. I undertake to say that the history of this country will not show any such percentage, and I undertake to say that the common sense of mankind will approve this distribution as a very liberal part for the present generation to pay—more, in my judgment, than it ought to pay. I think we should pay one-half of the expense of this war by taxation, and pay another small part of it by small serial bonds, to be spread out for 8 or 10 years, so that it will be a debt to be paid by this generation, but so as to give the people of this country 10 years in which to pay it instead of making them pay it all in one year, and let the balance, which I think ought to be at least one-third, be provided for by bonds to be paid by our posterity.

Mr. President, the blessings that are to come to this country from success in this war, the woe that is to come if we fail, will be known of our descendants. History will tell the story, and they will be worthy descendants of the people of this day. They will not hesitate, Mr. President. They will not regard it as a wrong done them by their ancestors when they are called upon to contribute their mite to the glory and to the perpetuity of their country and its institutions.

Mr. President, in the life of a man 50 years is a long time, but in the life of a nation it is but a brief span. The men who are to come after us, and to pay these bonds which we do not provide shall be paid by this generation, will reap a benefit as great as we will reap, without any of the other burdens, discomforts, and calamities to which, in these troubled times, we are subjected.

The plea, Mr. President, is a specious plea. It never has been made in this country before with the persistence and the vehemence with which it is being made to-day; and why, Mr. President? Because there was not the motive to make it that there is to-day.

Oh, Mr. President, tell me who the people are who are making this demand that we shall place the burden of all these expenses upon the people of this day and this year. Some of them are in favor of this war, but a great many of them have no sympathy with it. A great many of them have no sympathy with our taxation schemes, Mr. President, because they do not sympathize with the cause. There are men in this country to-day who are trying in every way in their power to make this war a failure, who are trying in every way in their power to embarrass this administration. I hope to God that that sentiment and that purpose and that motive will not find a lodgment in the hearts and minds of the United States Senate and control this great representative body of the people.

Mr. LA FOLLETTE. The Senator from North Carolina [Mr. SIMMONS] has sought to discredit those who have, as he says, been demanding that we pay all the expenses of this war by taxation. In order to disparage those who favor paying for the war as we go he strongly intimates, if he does not distinctly assert, that they belong to a class who are opposed to the war in which we are engaged, who desire to make the war as unpopular as possible.

Mr. President, I know of no body of men in this country who favor paying all the expenses of this war by taxation, excepting about 350 of the greatest economists in Amer-

ica, connected with the leading universities and colleges of the country. They believe that it would insure sound government finance for and promote justice as between classes, both now and in the generation to follow ours, if we should pay for this war as we go by taxation. I am advised of this by the fact that I found in the files of the Ways and Means Committee of the House of Representatives a petition in which they have joined, urging Congress to provide by taxation for paying the expenses of the war as we proceed.

Mr. President, in the minority report filed with the Senate a part of that petition is quoted. It was in the files of the Committee on Ways and Means of the House, and has been printed in the CONGRESSIONAL RECORD, which was the only reason for not publishing it in its entirety in the minority report. It is a very strongly reasoned petition from men who have devoted their lives to the study of economics and of government finance; and it is entitled to the respectful consideration of the United States Senate without there being lodged against the signers by any Senator an impeachment of the loyalty of these university professors to this Government.

Personally, I happen to know some of the signers of that great petition. Out of the 350 professors of political economy who signed that remarkable memorial I know of but one, sir, who was opposed to a declaration of war against Germany; and yet the chairman of the Committee on Finance proceeds to put under suspicion as to his loyalty every one of these university professors who is devoting himself strictly to the ideals and principles of the science which he has made his life work. Indeed, this is the lot of everyone who does not accept the majority report, which was so discredited in this body yesterday that it may, in part, account for the extraordinarily bitter speech to which we have listened here to-day. It is a common practice with some lawyers to seek at the outset—by casting suspicion upon the motives of the opposition—to destroy the soundness of the arguments and the value of the testimony presented by that side.

Mr. President, I might retaliate. I might say that loyalty to this Government is not devotion to the owners of big incomes and the producers of immense war profits. Devotion to this war against Germany, I say to the Senate, is not the making of a revenue bill that will place the burden of paying for the war upon the wage-earners and allow the rich and powerful to escape paying their just share of that cost.

The Senator from North Carolina, so tender of the incomes of gentlemen in this country who get \$30,000 a year without drawing upon their principal, might have saved some of his sentiment for those from whom will be exacted \$86,000,000 by his tax on tea, coffee, and sugar. To relieve great wealth, he, with others acting with him, imposed that tax upon these necessities of life used by all the people of this country. He might have reserved some of his sympathy expressed so strongly for those with incomes that ranged from \$20,000 to \$100,000 for the people who, under the provisions of the bill that he and the group of the Finance Committee who acted with him reported to the Senate, are to pay \$70,000,000 in higher transportation charges by reason of the imposition of a tax upon freight rates.

He might have reserved a bit of his tenderness of feeling for the people who are to pay \$50,000,000 additional to put 3-cent stamps on their letters instead of 2-cent stamps. So on through the list of consumption taxes amounting to \$406,350,000, imposed upon people already burdened with excessive war taxes in the form of war prices for the necessities of life. And why is this unjust tax imposed upon the poorly paid and poorly fed, as the great mass of the people are at this time? Are they so well able to pay this tax of over \$406,000,000 as the owners of surplus incomes and fat war profits? It is pretty late for gentlemen who agreed to that report to come before the Senate and the country and pose as the defenders of people of small and moderate incomes. It will be difficult for them to establish or maintain themselves as the friends of the poor and the people of moderate means when they favor taxing swollen fortunes at the lowest possible amount and force through these consumption taxes. I will read a few of the figures:

Seventy-seven million five hundred thousand dollars on freight rates.

Thirty-seven million five hundred thousand dollars on passenger rates.

Seven million dollars on telephone and telegraph messages.

Two million dollars voted by the Senate into this bill increases the parcel post in order to protect the express companies of the country.

I am glad to know that the Senate will have another opportunity, under the notice served by the distinguished junior Senator from Georgia [Mr. HARDWICK], to vote again upon that

amendment when the bill reaches the Senate. Before it reaches that stage I shall tender to the Senate for its consideration a substitute bill cutting out all these taxes to which I am now calling attention and increasing fairly and justly, as it seems to me, the taxes upon incomes and war profits by such an amount as will render it unnecessary to levy these consumption taxes, imposed upon the great mass of the people, and which are so ardently defended by the Senator from North Carolina.

Eighty-six million dollars on tea, coffee, cocoa, and sugar.

The total of all these taxes which will be paid directly by the people will amount to \$406,350,000.

Now, Mr. President, I come to take up the amendment, which has been subjected to the severe denunciation of the Senator from North Carolina, who is the sponsor for this bill, that proposes to levy such a meager tax upon war profits as has already condemned the bill before the country and I think before the Senate. The Senator, who stands for raising the meager sum on incomes as a whole provided in the bill under the criticism of the people of the country who have made any study of it, admits its inadequacy. As evidenced by the vote taken in the Senate yesterday, the bill was rejected in the form in which it was presented to the Senate.

Now, Mr. President, I want to take up this amendment which I have proposed, and if Senators will give me their attention I am confident they will be convinced of the reasonableness of these rates. Mr. President, this amendment is not by any means a perfect assessment of taxes upon incomes. I made the rates as high upon the high incomes as I dared to and offered it with the hope that the Senate would adopt it. It does not, in my judgment, tax the large incomes at as high a rate as they should bear.

Now, let us see what it really does, for I am prepared to tell you exactly how much money a man with a given income under the amendment which I have offered will have to pay and what per cent it is of his income.

A man with a \$3,000 income will have to pay \$20 under the amendment as I have proposed it, and I shall ask leave now to print this table in connection with the amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table referred to is as follows:

The amount of tax a married person would pay at each bracket upon a given income under the proposed amendment; showing the rate per cent upon each income compared with the British rate.

Income.	Total tax.	Per cent.	Rate under the British law.	
			Earned.	Unearned.
\$3,000.....	\$20	0.66	12½	17½
\$5,000.....	80	1.60	15	20
\$6,000.....	130	2.17	15	20
\$7,000.....	190	2.71	15	20
\$8,000.....	260	3.25	18½	22½
\$9,000.....	340	3.78	18½	22½
\$10,000.....	430	4.30	21½	25
\$11,000.....	530	4.82	21½	25
\$12,000.....	640	5.33	21½	25
\$13,000.....	760	5.85	29½	37½
\$14,000.....	890	6.36	29½	37½
\$15,000.....	1,030	6.87	30½	38½
\$16,000.....	1,180	7.37	30½	38½
\$17,000.....	1,340	7.88	30½	38½
\$18,000.....	1,510	8.39	30½	38½
\$19,000.....	1,690	8.89	30½	38½
\$20,000.....	1,890	9.45	32½	40½
\$21,000.....	2,100	10.00	32½	40½
\$22,000.....	2,320	10.54	32½	40½
\$23,000.....	2,550	11.09	32½	40½
\$24,000.....	2,790	11.62	32½	40½
\$25,000.....	3,040	12.16	34½	42½
\$26,000.....	3,300	12.69	34½	42½
\$27,000.....	3,570	13.22	34½	42½
\$28,000.....	3,850	13.75	34½	42½
\$29,000.....	4,140	14.28	34½	42½
\$30,000.....	4,440	14.80	35½	43½
\$32,500.....	5,215	16.05	35½	43½
\$35,000.....	5,815	16.61	37½	45½
\$37,500.....	6,840	18.24	37½	45½
\$40,000.....	7,690	19.22	39½	47½
\$42,500.....	8,590	20.21	39½	47½
\$45,000.....	9,515	21.14	40½	48½
\$47,500.....	10,465	22.03	40½	48½
\$50,000.....	11,440	22.88	42½	50½
\$60,000.....	15,540	25.90	42½	50½
\$80,000.....	24,140	30.17	42½	50½
\$100,000.....	33,140	33.14	42½	50½
\$150,000.....	56,140	37.76	42½	50½
\$200,000.....	81,140	40.57	42½	50½
\$250,000.....	106,640	42.66	42½	50½
\$300,000.....	133,140	44.38	42½	50½
\$500,000.....	243,140	48.63	42½	50½
\$750,000.....	383,140	51.08	42½	50½
\$1,000,000.....	533,140	53.31	42½	50½
\$1,500,000.....	863,140	57.54	42½	50½
\$2,000,000.....	1,198,140	59.91	42½	50½

Mr. LA FOLLETTE. A man who has a taxable income of \$3,000 will pay \$20 tax, which amounts to two-thirds of 1 per cent upon his taxable income. Under the British law such an income would pay 12½ per cent.

Upon a \$5,000 income he will pay 1.6 per cent, or \$80. Does that seem to Senators here like an unreasonable income tax to pay upon an income of that amount?

Upon an income of \$6,000 he will pay the sum of \$130 to help support this war. That is, the total tax that he will pay amounts to 2.17 per cent, as against an English rate of 15 on earned and 20 per cent on unearned incomes of like amount.

Mr. TOWNSEND. To make it clear, may I ask the Senator if this is the additional tax that he will pay?

Mr. LA FOLLETTE. No; it is the total tax that he will pay.

Mr. VARDAMAN. May I ask the Senator a question in order to make his proposition thoroughly understood? The Senator's amendment takes the place of other taxes levied in the majority bill?

Mr. LA FOLLETTE. Proposed to be levied by the majority bill.

Mr. VARDAMAN. It takes the place of the taxes in the brackets?

Mr. LA FOLLETTE. Yes, sir. It is contemplated that if we shall add sufficiently to the war-profits tax and to the individual income taxes when we come to consider that question in this connection, with this we will be able to eliminate all consumption taxes.

Mr. VARDAMAN. That is the point I wanted the Senator to make.

Mr. LA FOLLETTE. Then we could strike from the bill all taxes included in the bill from Title V to Title IX, inclusive, and Title XI.

Mr. VARDAMAN. It takes the place of the taxes on the necessities of life and on freight rates—

Mr. LA FOLLETTE. All those taxes that have been under discussion here.

Mr. VARDAMAN. On parcel-post packages and all?

Mr. LA FOLLETTE. Yes, sir.

Mr. BROUSSARD. Will the Senator yield for a question?

Mr. LA FOLLETTE. Certainly.

Mr. BROUSSARD. The Senator speaks of a tax on an income of \$3,000. I understand that incomes of \$3,000 are exempt from the tax.

Mr. LA FOLLETTE. Under the old law, but not by the bill as reported by the majority, and so I have followed the majority with regard to taxing those incomes.

Mr. BROUSSARD. A further question. What amount of money is exempt from taxation under the bill of the majority?

Mr. LA FOLLETTE. Incomes of \$1,000 or below for unmarried men, and incomes of \$2,000 or below for married men.

Mr. BROUSSARD. Does the \$3,000 income referred to in the first statement made by the Senator mean \$3,000 above the exemption fixed?

Mr. LA FOLLETTE. If I understand the Senator.

Mr. BROUSSARD. I am not clear in my mind as to that. As I understand the bill of the majority, there is an exemption of \$1,000 for single men and \$2,000 for married men. Is the \$3,000 upon which the Senator calculates the tax the amount of money in excess of the exemption or does it include the tax upon the entire amount?

Mr. LA FOLLETTE. No; it is just the amount over and above the \$2,000 that pays that percentage.

Mr. SMITH of Georgia. Let me ask the Senator a question, as I am not very sure about the tax proposed.

Mr. LA FOLLETTE. If the Senator will just let me add one sentence, let me say that upon incomes up to \$5,000 the amendment as I have proposed it carries exactly the same rate per cent as the committee amendment. I have made no increase until I reach incomes of \$5,000 and over. Now I will be glad to yield to the Senator from Georgia.

Mr. SMITH of Georgia. The committee bill does not impose a tax on incomes of \$3,000 of \$200 or \$150, as I understand it.

Mr. LA FOLLETTE. Oh, no.

Mr. SMITH of Georgia. As I understand it, it is only 2 per cent for a married man on the \$1,000 between the \$2,000 and the \$3,000, which would really be only \$20.

Mr. LA FOLLETTE. Yes.

Mr. SMITH of Georgia. And this new tax of 2 per cent starts at \$2,000.

Mr. LA FOLLETTE. For married people.

Mr. SMITH of Georgia. Yes; that is what I mean. It would then be only \$40 for the \$2,000 between \$2,000 and \$4,000.

Mr. LA FOLLETTE. The amendment which I propose makes no changes in the committee report up to \$5,000. I would like to get that straight.

Mr. HOLLIS. I think the Senator is in error there. There is no change until it reaches \$6,000.

Mr. LA FOLLETTE. Above \$5,000 and up to \$6,000.

Mr. HOLLIS. No; above \$6,000. At \$6,000 the majority plan taxes 5 per cent, and so does the Senator under his plan. From \$6,000 up the Senator would increase it.

Mr. LA FOLLETTE. That is true. I did misstate myself there. My tables show that at above \$5,000 and not exceeding \$6,000 the rate is the same as the total rate of the committee.

Above \$6,000 and not exceeding \$7,000, my rate is 6 per cent and their rate is 5 per cent. There is where the line of departure occurs. I had made the division here wrong.

If Senators will be so kind as to follow me I should like it, because a statement of the amounts paid in the proposed amendment and the rate at which they are paid is a complete answer to the argument made here by the Senator from North Carolina that this proposed amendment is unjust.

On an income of \$7,000 the amount paid is \$190 and the rate is 2.71 per cent.

On a taxable income of \$8,000 under the amendment the amount paid is \$260 and the equivalent rate is 3.25 per cent.

On \$9,000 the tax paid is \$340 and the rate is 3.78 per cent.

On \$10,000 the tax paid is \$430 and the rate is 4.3 per cent.

On \$11,000 the tax paid is \$530 and the rate is 4.82 per cent.

On \$12,000 the total tax paid is \$640 and the rate is 5.33 per cent.

On \$13,000 the amount paid is \$760 and the rate is 5.85 per cent.

On \$14,000 the total tax paid is \$890 and the rate is 6.36 per cent.

Mr. SMITH of Georgia. May I ask the Senator a question there, so as to understand his figures a little better? Does that mean that the total income is \$14,000, or that the income in excess of the exemption is \$14,000?

Mr. LA FOLLETTE. It means where the total income is \$14,000.

On \$15,000, under my amendment, he would pay \$1,030, or 6.87 per cent.

On \$16,000 he would pay \$1,180, or 7.37 per cent.

On \$17,000 he would pay \$1,340, or 7.88 per cent.

While a little later I shall state the British income tax, I pause just here to say that I should like Senators to know that where our normal rate is 2 per cent the British normal is 25 per cent, attaching to all incomes over \$12,500, and then they add a supertax on top of that. Now I am talking about an income of \$17,000, which pays \$1,340, or 7.88 per cent, including the normal of the existing law and the war normal and the war surtax. The British income normal upon that amount would be 25 per cent, and with the supertax the British rate on an income of \$17,000 is 30½ per cent. Yet the chairman of the Finance Committee shouts his denunciation of a proposed amendment that would levy a tax upon a \$17,000 income of 7.88 per cent, when Great Britain's normal tax alone is 25 per cent on that amount, to say nothing of the supertax imposed in addition to the normal tax.

Mr. OWEN. What is the supertax?

Mr. LA FOLLETTE. I will have to refer to the table to give that. I will again, referring to the British rates in order that Senators may understand just what they are doing, after I have gone through this normal tax. It is a normal tax of 25 per cent.

Mr. SMOOT. No; the Senator is mistaken.

Mr. LA FOLLETTE. It is right here. I read from a little work by a member of the British Parliament. I am diverted to do it because the Senator from Utah interrupts me:

Unearned incomes of upward of \$10,000 pay 25 per cent on the whole income. Unearned incomes of more than \$12,500 pay similarly.

Now, that is what we call our normal 2 per cent. Great Britain's normal and constant tax that runs through all these schedules is 25 per cent, and discussing the supertax imposed this author says:

Supertax applies to all incomes in excess of \$15,000, is an additional duty, irrespective of ordinary income tax.

What we call the normal tax they call the ordinary tax.

It is levied upon amounts in excess of a fixed sum of \$12,500; and the tax is graduated from a minimum of 4½ per cent of the first \$2,500 of the excess over \$12,500 to a maximum of 17½ per cent, payable on that portion of the income exceeding \$50,000.

Which is added to the 25 per cent ordinary or normal tax, bringing it up to 42½ per cent.

Now, Senators, go with me step by step through the taxes which this amendment proposes upon incomes. I have given you what you would pay upon incomes of \$17,000, upon incomes of \$18,000, mind you, over and above your exemption, which for this war tax is \$2,000 if you are married. Upon incomes of

\$18,000 over and above the exemption you would pay \$1,510 or 8.39 per cent.

Mr. JONES of Washington. Mr. President; there seems to be a misunderstanding among Senators as to just what that covers. I understand that is all the tax a man would have to pay under existing law.

Mr. LA FOLLETTE. All the tax he would pay under existing law and under the proposed amendment as reported by the committee and as proposed to be amended by myself.

Mr. JONES of Washington. I wanted to get that clear. That is the way I understand it.

Mr. LA FOLLETTE. This would tax only the incomes of individuals. I want it understood that the total amount of income tax that is to be paid, if this amendment which I propose is adopted, includes what is to be paid under existing law and what will be paid under the new law, if my amendment is adopted. I thank the Senator for the interruption, because I can not afford to have any misunderstanding. This is a matter that is going to be subject to review.

Upon incomes of \$19,000 \$1,690 is to be paid, or 8.89 per cent tax. Does that seem to any Senator here like an unreasonable tax upon an income of \$19,000? Mark you, that is the income with your exemption of \$4,000 under the existing law and of \$2,000 under this proposed tax deducted. That would mean for every married man with an income of \$19,000 he would pay under my amendment only a 8.89 per cent tax. Under the British law he would pay 30½ per cent.

Upon an income of \$20,000 he would pay \$1,890 of it to the Government in this great emergency, which would be 9.45 per cent only.

Upon an income of \$21,000 there would be paid a total tax of \$2,100, or 10 per cent.

Upon an income of \$22,000 there would be paid \$2,320, or 10.54 per cent income tax.

Upon an income of \$23,000 you would pay as the measure of your patriotism \$2,550, or 11.09 per cent.

Mr. OVERMAN. I should like to ask the Senator what, under the majority report, would be the tax on \$25,000 compared with the Senator's amendment?

Mr. LA FOLLETTE. I am not sure that I can give that. As they furnish it in their table they give it for \$20,000 and not \$25,000. You would have to figure it. Under the several rates you pay a different rate on every bracket on your income. It is a combination of several rates. If your income is \$20,000, you do not pay the amount that happens to be set opposite \$20,000 bracket in the bill.

You pay at each step a lower rate as you ascend to \$20,000, according to the brackets in the bill. They have not figured it out for \$25,000, but they have figured it out for \$20,000, and I am able to make the comparison.

Mr. OVERMAN. Take the per cent on \$20,000.

Mr. LA FOLLETTE. I will give that to you in just a second.

Mr. SMITH of Georgia. It is 12.30 per cent on \$20,000 and 25.30 per cent on \$30,000.

Mr. LA FOLLETTE. I will in just a moment give precisely what the rate is. They do not give in their table how much will be paid, but they give the total per cent.

Mr. SMITH of Georgia. They give the total amount also on page 23. It shows that on an income of \$20,000 the tax is \$1,230 and on an income of \$30,000 the tax is \$2,530.

Mr. LA FOLLETTE. Yes, sir. Now I will give it to you and give you the per cent. I will go back to \$20,000, under the amendment which is before the Senate. Under my amendment a \$20,000 income, over and above the exemption, will pay \$1,890, or 9.45 per cent; under the proposed committee amendment it will pay \$1,230, or 6.1 per cent. That is the difference. If your income is \$20,000, if you vote for the majority plan you will only have to pay an income tax which is equivalent to 6.1 per cent.

Mr. SMITH of Georgia. That would be upon the total income if it were calculated without regard to any exemption whatever?

Mr. LA FOLLETTE. Yes; I think that is understood by everybody now. If you vote with the chairman of the committee for the majority plan, instead of for my amendment, and you have a \$20,000 income, you will get off with 6.1 per cent; you will only have to pay \$1,230; but if you should vote for my amendment, you will have to be a little bit more patriotic; you will have to pay 9.45 per cent, or \$1,890.

Mr. President, I had gotten down, I think, if anybody has followed me and can tell me—

Mr. OVERMAN. To incomes of \$25,000.

Mr. LA FOLLETTE. To incomes of \$23,000. I now come to taxable incomes of \$24,000. Upon an income of \$24,000 you

would have to pay under the amendment which I have offered \$2,790, or 11.62 per cent.

Mr. SHAFROTH. Will the Senator please answer me a question? What is the exemption under the English law? The Senator has stated, I think, that the English rate is 25 per cent on all incomes over \$15,000.

Mr. LA FOLLETTE. The exemption, or abatement, as it is termed, under the English law varies with the size of the income and is not allowed on incomes in excess of \$35,000. Incomes under \$650 are not taxed in England.

Mr. SHAFROTH. That is, all above \$650 must bear an income tax?

Mr. LA FOLLETTE. Yes; but it does not have to bear what they call the ordinary tax and what we call the normal tax of 25 per cent until it reaches for unearned incomes \$10,000 and for earned incomes \$12,500. At that point the normal tax of 25 per cent attaches; below that they have a graduated tax, which is heavier than I should like to see imposed upon small incomes in this country.

Mr. BORAH. Mr. President, may I make a suggestion there with reference to the tax upon the small incomes in England, to which reference was made on yesterday? They have there the distinction between earned and unearned incomes—

Mr. LA FOLLETTE. Yes.

Mr. BORAH. Which makes a vast difference in the situation. We have not yet that distinction in this country, though we shall have to come to it at some time. If we had the distinction between unearned and earned incomes, we could afford to go much lower in taxing the incomes than we do at this time; that is, make the exemption much smaller.

Mr. LA FOLLETTE. Mr. President, perhaps it will save time for me to read a statement from Mr. Urban H. Broughton, a member of Parliament, on the English income tax. This is a recent publication—1916:

Income tax is now levied upon all incomes exceeding \$650, but certain special abatements are granted in respect to all persons whose total incomes do not exceed \$3,500. The rate upon unearned incomes is higher than that upon earned incomes—

Earned incomes are derived from a man's efforts, unearned incomes are derived from accumulations, from reserve capital, from investments, and all that sort of thing—

but when the income is greater than \$12,520 this distinction disappears.

The rate upon incomes (less abatements) from \$650 to \$10,000 is graduated from a minimum of 11½ per cent of the income remaining after deduction of the abatements referred to, up to a maximum of 22½ per cent payable on the total income; and the rate varies accordingly as the income is earned or unearned. Unearned incomes of upward of \$10,000 pay 25 per cent on the whole income; earned incomes of more than \$12,500 pay similarly.

Supertax applies to all incomes in excess of \$15,000 as an additional duty, irrespective of ordinary income tax.

That is the normal tax, as we call it here—

It is levied upon amounts in excess of a fixed sum of \$12,500; and the tax is graduated from a minimum of 4½ per cent of the first \$2,500 of the excess over \$12,500 to a maximum of 17½ per cent payable on that portion of the income exceeding \$50,000.

Then, after the income gets to \$50,000, the rate is 17½ per cent added to the 25 per cent normal or ordinary, which makes 42½ per cent tax on incomes from that on. They do not have any tenderness of feeling; they have not that highly commendable consideration for the distinction between incomes of \$50,000 and above that the chairman of the Committee on Finance manifested to such moving degree this morning. They tax all incomes above \$50,000 a flat 42½ per cent. They do not raise that rate as incomes mount up into the millions, though I think they should, and I shall be very glad to raise the rate on such incomes higher than anything which is suggested by the majority. The only reason why I fixed the rates in this amendment as I have done is because, in the first place, if you want an income tax to be effective you have got to gather the greater portion of it upon incomes ranging from twenty, thirty, forty, fifty, sixty, seventy, eighty, one hundred, one hundred and fifty, two hundred, two hundred and fifty, three hundred, and four hundred thousand dollars. It is right in there that the great mass of the incomes of the country—the large number of incomes—are to be found from which we can derive a considerable revenue. It is a mockery, Mr. President, to present a bill that puts very high income taxes—only upon the incomes which reach a million dollars and two million dollars and more; there are only 120 incomes in this country above a million dollars.

It will sound well; it will go to the country as a big tax on Rockefeller; but all of that great body of rich, that great body of incomes ranging from \$50,000 to \$500,000 are not affected by

a 50 or 60 or 70 per cent rate on incomes of a million dollars or more.

Mr. VARDAMAN. Mr. President—
The PRESIDING OFFICER (Mr. GERRY in the chair). Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LA FOLLETTE. I do.
Mr. VARDAMAN. May I suggest to the Senator that I think it would improve his amendment if he would so frame it as to increase the tax on great fortunes?

Mr. LA FOLLETTE. I should be most happy to do so if I could get support on this floor for reaching down into the pockets of those who receive big incomes. This amendment does not represent my ideal of an income tax, but it represents all I hope to get out of the United States Senate.

Mr. VARDAMAN. I hope the Senator will offer an amendment in harmony with the views he has expressed. I should like to vote for it, and I think every other Senator would do so; certainly the chairman of the committee would vote for it, as he criticized the present basis on which the Senator's amendment is framed.

Mr. LA FOLLETTE. But the Senator must understand that one who presents an amendment of this kind labors under the embarrassment that when he offers the amendment he is called upon to make an estimate as to what the amendment will produce in revenue, and if he can not do that he is more or less at sea. Conservative Senators scratch their heads and say: "Well, we do not know just what revenue this will produce as a whole." Then when the amendment is presented if the Senator offering it begins to vary it, all calculations and tables which he has made upon it as it was prepared, the result of days and nights of labor, are no longer strictly applicable and must be modified to meet the changes in the amendment.

Mr. JONES of Washington. Mr. President—
The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. LA FOLLETTE. Mr. President, while it is no part of the explanation which I started out to make of the table, I am going to ask to insert in this connection and as an appendix to my remarks the figures as to personal income, the number of returns, and so forth, as found in the Statistical Abstract for 1915, and also for 1916, if that has been issued.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LA FOLLETTE. Now I yield to the Senator from Washington.

Mr. JONES of Washington. I think that covers what I was going to ask. I notice that the chairman of the committee seems to think that the adoption of this amendment would cause widespread dissatisfaction among the 100,000,000 people in this country, and I was just going to ask the Senator if he knows how many people, according to the last report, would be affected by this income tax? My recollection is that I have seen somewhere that the income tax affects a little over 300,000 people out of over 100,000,000 of people of the country.

Mr. LA FOLLETTE. I thank the Senator. The Senator from North Carolina said that this amendment was manifestly offered and that this movement to raise a large amount by taxation on incomes was backed by those who want to make this war unpopular with the people, and that my amendment will have the effect of spreading, like a prairie fire, discontent among the great masses of the people of this country because of the increases made in the tax on incomes as I have been reading them, and as they are covered by my amendment. A reference to the Statistical Abstract shows that there are about 350,000 people out of 104,000,000 people who are affected at all by this amendment.

Mr. JONES of Washington. Mr. President, if the Senator will permit me, the Senator from Iowa [Mr. KENYON] gives me the figures for 1915 of those who paid income taxes, and the number was 336,672.

Mr. LA FOLLETTE. I have the figures accurately, then—336,672 are to be aroused to hostility to the war. The Senator from North Carolina is much disturbed lest the war spirit of this country will be dampened and chilled by an increase in the taxes upon incomes affecting a little over 300,000 people, when I think it will rejoice, Mr. President, the 103,700,000 people to know that those who have incomes and are able to bear their share in the great struggle are called upon in the amendment which I have proposed to make some sort of a stagger toward doing their bit.

If either one of the propositions now before the Senate is calculated to arouse hostility to this war and sow widespread discontent among the people against a war unpopular to start

with, augmenting its unpopularity, I ask you whether it is the majority report that takes such tender care of war profits and the taxes upon the incomes of the rich and places a burden of nearly a half billion dollars onto the great body of the people of this country already taxed by war prices from 50 to 100 per cent, or this proposition to make surplus incomes pay a just share of these war costs? I ask you, Mr. President, which proposition is most likely to be productive of disturbance and discontent and to spread dissatisfaction and render the war unpopular, that which is brought in here by the majority or that which comes here backed by not only the three Members of the minority who signed the report but, as evidenced yesterday, by another Member of the majority? I know, Mr. President, however they may go on record here in response to what is called committee loyalty, that deep down in the hearts of enough members of the Finance Committee to make a majority is the feeling that this bill is a monumental blunder.

Mr. President, when I was diverted, or when I myself digressed from the presentation of the table which elucidates and explains the amendment I have offered, I had read in the regular order of brackets in the table as applied to that amendment the figures as to taxable incomes of \$24,000.

On a taxable income of \$25,000 the total tax paid would be \$3,040 and the rate per cent 12.16.

On a \$26,000 taxable income under my proposed amendment the total amount paid in taxes would be \$3,300 and the rate 12.69 per cent.

On a \$27,000 taxable income the amount paid in taxes would be \$3,570 and the actual rate would be 13.22 per cent.

A \$28,000 taxable income would pay a total tax under my amendment of \$3,850, or 13.75 per cent.

A \$29,000 income under my proposed amendment would pay a total tax of \$4,140, and would pay that tax based upon an actual rate of 14.28 per cent.

A \$30,000 income would pay \$4,440, or 14.80 per cent.

Let us see what the committee proposition would take out of a \$30,000 income. Where my amendment would take \$4,440, the bill as reported by the committee would let the man off with \$2,530 and the rate per cent would be 8.43. The rate per cent under my amendment would be 14.80 and the rate per cent under the British law would be 25 per cent flat—more than the combined rates both of the majority bill and the amendment proposed by me, and added to that the surtax, making the total under the British law 35½ per cent.

Mr. SMITH of Georgia. Is not that English tax based upon an income from investment rather than from individual effort?

Mr. LA FOLLETTE. No; after you reach \$12,500 earned and unearned incomes take the same rate. I have just read into the Record a statement as to the English law.

On an income of \$32,500 the amount paid under my amendment would be \$5,215, and the rate is 16.05 per cent.

On an income of \$35,000 the amount paid under the amendment I have offered would be \$5,815, and the rate per cent 16.61.

Mr. President, I am going to ask to supply in the table from which I have been reading, and which I already have the consent of the Senate to print in another column, the per cent that would be paid on the same incomes under the British income tax.

The PRESIDING OFFICER. Without objection, permission is granted.

Mr. LA FOLLETTE. The comparison would be very interesting.

Upon a taxable income of \$37,500 the total tax paid under the amendment I have proposed would be \$6,840, and the rate per cent would be 18.24.

I wonder if Senators would be interested in knowing what the British rate is? Where the rate which would be imposed by my amendment would be 18.24 per cent, the British rate on exactly the same income would be 37½ per cent—almost twice as much.

Mr. BRADY. Mr. President, I think it would be well for the Senator to furnish that comparison all the way through.

Mr. LA FOLLETTE. I will do so. I have just obtained the consent of the Senate to do that. I might have read them if I had found earlier this table of British incomes.

Mr. BRADY. I think that will be very beneficial information.

Mr. LA FOLLETTE. Yes, sir; I will furnish it all the way through.

On an income of \$40,000, under my proposed amendment, a total tax of \$7,690 would be paid, and the actual rate on that income would be 19.22 per cent. I will now ask the Senator from Washington to state what the British rate would be? I have handed him a table which shows it. I will ask him just to follow me, and read from that table what the British rate would be on an income of \$40,000.

Mr. JONES of Washington. The British rate would be 39½ per cent.

Mr. LA FOLLETTE. Thirty-nine and one-sixth per cent, as against 19.22 per cent in the amendment which I have proposed—just double.

An income of \$42,500 would pay, under my amendment, an income tax to help prosecute this war of \$8,590, at an actual taxable rate of 20.21 per cent.

Mr. JONES of Washington. The British rate is 39½ per cent.

Mr. LA FOLLETTE. An income of \$45,000 under the amendment which I have proposed would pay a tax of \$9,515, the actual rate being 21.14 per cent.

Mr. JONES of Washington. The British rate is 40½ per cent.

Mr. LA FOLLETTE. An income of \$47,500 under the amendment which I have proposed would pay a total tax—including the tax of the existing law, of course—of \$10,465, or 22.03 per cent.

Mr. JONES of Washington. The British rate is 40½ per cent.

Mr. LA FOLLETTE. An income of \$50,000 would pay a total tax under the amendment which I have offered of \$11,440, the total rate of taxation being 22.88 per cent. What is the total rate of a \$50,000 income tax in Great Britain?

Mr. JONES of Washington. Forty-two and one-half per cent.

Mr. LA FOLLETTE. Mr. President, from that time on the British rate does not increase. It remains, upon all incomes, at 42½ per cent. In the pending amendment the rates are increased, as will be observed as I proceed to present the table; and I will say that I should be very glad if the Senate would increase these rates upon the higher incomes. You can not get them too high for me unless you put them so high—and there is no danger of the United States Senate doing that—as to interfere with the efficiency and the production of our industrial and commercial enterprises. I should not like to see the rates placed at a point where that would result.

Mr. JONES of Washington. Mr. President, I might suggest here that the Senator has placed as a part of his amendment at the close, covering the very high incomes, the amount fixed by the Senate by a unanimous vote yesterday.

Mr. LA FOLLETTE. Exactly, Mr. President. I have gone as far as the Senate has given any indication of its willingness to go in the high incomes.

Mr. KING. Mr. President, will the Senator permit an inquiry?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. Very gladly.

Mr. KING. In making the investigations, limited as they are, that I have made respecting these matters, it seemed to me that the increases, if increases were to be had over the Senate bill, ought to be more largely upon income tax than upon the profit tax of corporations, for the reason that a large portion of the profit tax of corporations, after being taxed in the hands of the corporations, would be distributed as dividends, and, of course, would be taxed again, and a considerable portion of those dividends would reach the hands of small income holders. Therefore it seemed to me that it would be more advantageous to tax incomes than to tax corporation profits; that is, to increase the rates more largely upon incomes than upon corporation profits. Has the Senator considered that feature, and has he reached a similar conclusion or a different conclusion?

Mr. LA FOLLETTE. Mr. President, I will say that I have been rather forced to the conclusion that we should raise about double the amount from war profits that we raise from incomes, because a considerable portion of the amount which we raise from incomes is derived from fixed investments that are not affected at all by the war, while all that we raise from war profits is derived from sources that are created by the war itself, and we leave untaxed so far as the war-profits tax is concerned all of the normal profits. But I should prefer to defer a further discussion of that until we come to the war-profits tax.

Mr. President, proceeding with the statement of this amendment and the amount of tax derived from each bracket, I give now the next.

Upon an income of \$60,000, the total tax paid would amount to \$15,540, and the rate would be 25.90 per cent under the proposed amendment; while the rate per cent under the British income-tax law would be 42½.

Mr. President, if you should adhere to the committee provision, instead of the proposed amendment, upon a taxable income of \$60,000, instead of \$15,540, you would pay \$6,630. Instead of 25.90 per cent, you would pay 11.05 per cent.

Upon a taxable income of \$80,000, under the amendment which I have proposed, added to the existing law, you would pay a total tax of \$24,140, or at an actual rate of 30.17 per cent. Now, if that is not big enough to suit the distinguished

Senator from North Carolina, I will accept, if he will offer it, an amendment increasing that amount, without any argument whatever. Indeed, I would be mighty glad to get the approval of the chairman of the Finance Committee for increasing all of these amounts from \$30,000 up to any number of millions.

Upon an income of \$100,000 there would be a total tax paid under my amendment of \$33,140, the actual tax rate being 33.14 per cent. Where you would collect under my amendment \$33,140 you would collect under the committee proposition, which I seek to amend, \$15,630, and where the rate per cent would be under my amendment 33.14 the rate per cent under the committee report would be 15.63.

Upon an income of \$150,000 there would be paid \$56,140 under my amendment, at an actual tax rate of 37.76 per cent. Where a man with an income of \$150,000 would pay \$56,140 under my amendment he would pay under the committee provision \$30,130. Where he would pay at the rate of 37.76 per cent under my amendment he would pay at the rate of 20.9 per cent under the committee amendment.

Upon an income of \$200,000 under the amendment which I have proposed there would be paid a total tax of \$81,140, or 40.57 per cent. Under the committee bill there would be paid \$46,630, as against \$81,140 under the amendment I have offered, at an actual tax rate of 23.30 per cent under the committee bill, as against the tax rate of 40.57 per cent under my proposed amendment.

An income of \$250,000 would pay under the pending amendment \$106,640, or 42.66 per cent, and under the majority bill \$65,130, at an actual tax rate of 26.05 per cent.

An income of \$300,000 would pay, under the amendment which I have proposed, a total tax of \$133,140, which would be 44.38 per cent of the income. If that is not high enough to suit the Senator from North Carolina, let him rise and propose an amendment increasing it. I will accept it. Where under my amendment you would collect \$133,140, under the bill, as reported by the chairman of the committee, you would collect \$85,630. Where my rate per cent would be 44.38, the rate per cent of the majority of the committee would be 28.5.

Upon an income of \$500,000, under the amendment which I have proposed there would be paid \$243,140 at an actual tax rate of 48.63 per cent.

Mr. TOWNSEND. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. In just a minute.

Where the total tax under my amendment for that taxable income would be \$243,140, under the committee amendment it would be \$173,630, or 34.73 per cent, against the actual tax rate proposed under my amendment of 48.63 per cent.

I now yield to the Senator from Michigan.

Mr. TOWNSEND. I was just trying to follow the Senator. If I get his amendment right, he does not include in one bracket income from \$500,000 to \$1,000,000, but from \$500,000 to \$750,000, under the amendment which he proposed last evening.

Mr. LA FOLLETTE. It may be that in the press of making up this table one of those brackets was missed. I am not certain; but the Senator may not have the amendment which I proposed. I have three amendments upon the tables of Senators.

Mr. TOWNSEND. This is the one that the Senator proposed late last night.

Mr. LA FOLLETTE. I understand how that came about, Mr. President. I accepted yesterday afternoon, before I had given the order for this table, the amendments offered by the Senator from Rhode Island [Mr. GERRY], which brought in that new bracket of \$750,000; but it will not very materially change the result.

My attention has just been called by the Senator from North Dakota [Mr. GRONNA] to the fact that according to the official report only 174 people in the United States pay taxes under the existing tax law upon taxable incomes of \$500,000 or more.

Mr. BRADY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LA FOLLETTE. I yield.

Mr. BRADY. At this point I want to call the Senator's attention to the number of persons who made returns in 1915, according to the Statistical Abstract of the United States for that year, to demonstrate that the amendment offered by the Senator from Wisconsin is not going to create the great dissatisfaction in the country that the chairman of the committee seemed to think it might. While my figures may not be entirely accurate, since the matter has been under discussion just a few moments ago I have taken the figures from the records here before me.

According to the minority and majority reports of the committee, the tax rate does not change, or is entirely equal, up to \$25,000. Is that correct, according to the committee reports here?

Mr. LA FOLLETTE. Does the Senator mean the committee bill?

Mr. BRADY. I refer to the Senator's amendment offered yesterday. What is the income tax on \$25,000 according to the Senator's amendment?

Mr. LA FOLLETTE. The actual tax would be \$3,040.

Mr. BRADY. And what is the rate?

Mr. LA FOLLETTE. The rate per cent is 12.16 per cent.

Mr. BRADY. That is practically the same as the committee rate. Up to that amount, incomes of \$25,000 and under, there were 335,830 taxpayers, so you do not affect the large majority of those who are paying taxes and making returns. Over \$100,000 and up to \$500,000 there are only 2,148, and from \$500,000 up there are only 174. Taking all those above 13 per cent, where the amendment of the Senator from Wisconsin commences to raise the income tax, it only affects 21,085 people, so it is very easy to see that there is not going to be any particular revolution on account of the additional income tax.

Mr. GRONNA. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from North Dakota?

Mr. LA FOLLETTE. I do, with pleasure.

Mr. GRONNA. I said a moment ago that I had been unable to secure a copy of the Statistical Abstract for 1916. It has been issued, however. I want to call the Senator's attention to the fact that the number of people who would pay an income tax on incomes between \$250,000 and \$300,000 according to the last report is 216; the number that would pay on incomes of \$300,000 to \$400,000 is 254; the number who would pay on incomes from \$400,000 to \$500,000 is 122; and the number that would have to pay on incomes from \$500,000 to \$1,000,000 has increased from 174 in 1915 to 209 in 1916. So comparatively few persons would be affected by the income tax on these large incomes.

Mr. LA FOLLETTE. I am obliged to the Senator from North Dakota for giving me those facts; and now, Mr. President, I soon shall have completed this table.

An income of \$1,000,000, under the amendment which I have proposed, would pay a total tax of \$533,140. The actual rate would be 53.31 per cent. As against the \$533,140 which would be collected under the amendment as I have proposed it, the bill as reported by the committee would collect \$408,630 on a million-dollar income, or at an actual rate of 40.8 per cent, as against 53.31 per cent, the actual rate under the amendment as I have proposed it.

Upon an income of \$1,500,000 the total amount of tax actually paid under the proposed amendment would be \$863,140 by each person having an income of \$1,500,000, or 57.54 per cent of the total income. A \$2,000,000 income would pay, under the amendment as presented to the Senate, a total tax of \$1,198,140, or 59.91 per cent.

Mr. GRONNA. Mr. President, would it disturb the Senator to yield at this point?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from North Dakota?

Mr. LA FOLLETTE. I shall be very glad to yield to the Senator from North Dakota.

Mr. GRONNA. I want to suggest to the Senator from Wisconsin that the chairman of the committee criticized very severely the pending amendment, because the Senator from Wisconsin proposed in his amendment steps ranging all the way from \$100,000 to \$250,000. I find in the majority report that they take steps from \$1,000,000 to \$10,000,000, and I want to call the Senator's attention to the number of people who would be affected in the entire United States under the maximum rate as proposed by the majority of the committee.

I understand that one man in the United States receives an income of more than \$10,000,000—just one. One hundred and twenty-two people pay taxes on incomes of more than \$1,000,000; but the entire number affected by the maximum rate proposed by the majority of the committee would be 552, according to the Statistical Abstract of 1916.

Mr. LA FOLLETTE. I am obliged to the Senator.

Upon all incomes over \$2,000,000 the tax proposed by the amendment which I have offered is at precisely the same rate as that adopted unanimously by the Senate yesterday, and it would tax all incomes of \$2,000,000 at 59.91 per cent.

Mr. President, I had intended to take up the British Income-tax law and analyze it somewhat, but I think in connection with

the presentation of this table I have adverted to it sufficiently, so that Senators who have not found time to examine it critically will get the distinction between the British income-tax law and ours, the existing law as well as the proposed income-tax law. I might say that if there are any Senators here who were not in when I did refer to it that, under the British law, whenever incomes reach the amount of \$10,000, if they are unearned, or \$12,500, if they are earned, the British law levies a tax of 25 per cent upon all those incomes, and upon all incomes of larger amounts whatever they may be from that on. Now, that is called in the British law the ordinary tax. It is similar to the normal tax of 2 per cent which we have in our old law. We make an addition of 2 per cent tax apply to all taxable incomes for war purposes, an additional normal. So we will have when this bill is law a normal and constant tax of 4 per cent.

Great Britain has a constant tax after you reach incomes of \$12,500 of 25 per cent—what they call the ordinary tax—and to that are added surtaxes from 1 to 17½ per cent, graduated as the income increases, until at incomes of \$50,000 there is a surtax of 17½ per cent added to the 25 per cent ordinary rate, and from that point on the English law carries an income tax of 42½ per cent on all incomes above \$50,000.

I think we should tax at a higher rate as the incomes go up, and we have provided in the bill as reported from the committee for small increases in taxes for these higher incomes, and in the amendment which I have proposed I have followed that same plan, excepting that I have introduced more brackets than are to be found in the committee amendment, and apply a higher rate of war surtax upon all incomes up to \$750,000.

Now, Mr. President, with just this summing up of what would be collected in revenue under the proposed amendment I shall yield the floor, at least for the present.

The Senator from North Dakota [Mr. GROENNA] makes a suggestion to me which I am grateful to him for making. It is that the attention of the Senate be directed to the fact; that is, with reference to the total amount of revenue which will be collected under my proposed amendment.

Under the amendment which I have proposed on taxable incomes not in excess of \$10,000 there would be collected \$80,123,890.

On taxable incomes upon incomes not in excess of \$20,000 there would be collected \$161,358,022. That is the total of all incomes to \$20,000, and it equals 18 per cent of the total income collected.

On taxable incomes not in excess of \$30,000 there would be collected a total of \$228,724,152, or incomes up to \$30,000 would provide 26.91 per cent of the total revenue collected.

The taxable incomes not in excess of \$50,000 under my amendment would bear a total of \$313,352,362 or 36.87 per cent of the total estimated revenue.

From taxable incomes not in excess of \$100,000 there would be collected a total revenue of \$442,881,122, or 52.1 per cent of the total revenue.

The war revenue which would be collected under my amendment is estimated to amount to \$712,941,442 and a total revenue of \$850,142,772. Of this, incomes in excess of \$30,000 would pay over 73 per cent.

Mr. GORE. At what rate?
Mr. LA FOLLETTE. I say incomes in excess of \$30,000 at the rates proposed in my amendment will pay 73 per cent of the total tax that would be collected under the amendment.

Incomes in excess of \$50,000 would pay over 63 per cent of the total tax.

Incomes in excess of \$100,000 would pay over 48 per cent.

Mr. President, I submit this amendment to the just consideration of the Senate. Taking into consideration everything which we ought to weigh carefully and with the utmost scruple, taking into account the influence of our legislation upon public thought,

having due regard for the people whose sons we are drafting into this war, I believe, Mr. President, that we shall fall far short of our duty if we do not make at least as great an increase in the income taxes to be collected as are covered by the amendment which I have proposed.

I appeal to Senators in the interest of promoting the great enterprise with which we are charged here now, with the highest responsibility that can rest upon men, to make this tax the greatest in the history of all legislation, a tax that shall be accepted by the millions of the people who have to bear the great burdens which this war imposes upon them. Lift the load from those who must furnish the great body of the soldiery that will be sent to slaughter and place it upon those who are able to bear it, the owners of surplus incomes and those making profits from war. I appeal to you to have consideration and regard for all that is involved in our work here and to pass such a tax bill, so far as incomes are concerned, as will meet with something like general approval of the country.

APPENDIX.

Estimated revenue under proposed amendment.

Income in excess of—	Rates of proposed amendment.		War revenue.	Total revenue.
	War normal.	War surtax.		
\$1,000 and not in excess of \$3,000	2	2	\$16,000,000	\$16,000,000
\$3,000 and not in excess of \$5,000	2	2	16,102,700	12,102,700
\$5,000 and not in excess of \$6,000	2	1	6,000,000	10,000,000
\$6,000 and not in excess of \$7,000	2	2	6,432,000	9,648,000
\$7,000 and not in excess of \$8,000	2	3	7,005,000	9,807,000
\$8,000 and not in excess of \$9,000	2	4	7,236,000	9,648,000
\$9,000 and not in excess of \$10,000	2	5	6,936,370	8,918,190
\$10,000 and not in excess of \$11,000	2	6	6,778,160	8,472,700
\$11,000 and not in excess of \$12,000	2	7	6,840,000	8,360,000
\$12,000 and not in excess of \$13,000	2	8	7,118,200	8,541,840
\$13,000 and not in excess of \$14,000	2	9	7,260,000	8,580,000
\$14,000 and not in excess of \$15,000	2	10	6,960,000	8,120,000
\$15,000 and not in excess of \$16,000	2	11	7,020,000	8,100,000
\$16,000 and not in excess of \$17,000	2	12	7,168,000	8,192,000
\$17,000 and not in excess of \$18,000	2	13	6,972,337	7,901,982
\$18,000 and not in excess of \$19,000	2	14	6,851,200	7,707,600
\$19,000 and not in excess of \$20,000	2	15	6,494,000	7,258,000
\$20,000 and not in excess of \$21,000	2	16	6,120,000	7,140,000
\$21,000 and not in excess of \$22,000	2	17	6,080,000	7,040,000
\$22,000 and not in excess of \$23,000	2	18	5,972,000	6,868,800
\$23,000 and not in excess of \$24,000	2	19	5,781,000	6,606,960
\$24,000 and not in excess of \$25,000	2	20	5,698,000	6,475,000
\$25,000 and not in excess of \$26,000	2	21	5,773,000	6,526,000
\$26,000 and not in excess of \$27,000	2	22	5,880,000	6,615,000
\$27,000 and not in excess of \$28,000	2	23	5,908,375	6,617,380
\$28,000 and not in excess of \$29,000	2	24	6,032,000	6,728,000
\$29,000 and not in excess of \$30,000	2	25	6,075,000	6,750,000
\$30,000 and not in excess of \$32,500	2	26	8,871,800	9,822,350
\$32,500 and not in excess of \$35,000	2	27	11,315,655	12,486,240
\$35,000 and not in excess of \$37,500	2	28	10,588,700	11,625,570
\$37,500 and not in excess of \$40,000	2	29	9,318,600	10,230,400
\$40,000 and not in excess of \$42,500	2	30	9,008,000	10,134,000
\$42,500 and not in excess of \$45,000	2	31	9,109,650	10,213,850
\$45,000 and not in excess of \$47,500	2	32	9,088,200	10,157,400
\$47,500 and not in excess of \$50,000	2	33	8,946,000	9,968,400
\$50,000 and not in excess of \$60,000	2	34	34,284,600	38,094,000
\$60,000 and not in excess of \$80,000	2	35	46,884,180	53,219,880
\$80,000 and not in excess of \$100,000	2	36	35,003,780	38,214,880
\$100,000 and not in excess of \$150,000	2	37	56,299,395	66,369,000
\$150,000 and not in excess of \$200,000	2	38	32,008,200	38,409,840
\$200,000 and not in excess of \$250,000	2	39	22,317,120	27,216,000
\$250,000 and not in excess of \$300,000	2	40	17,450,370	21,605,220
\$300,000 and not in excess of \$350,000	2	41	39,894,540	50,100,120
\$350,000 and not in excess of \$400,000	2	42	27,467,000	34,058,000
\$400,000 and not in excess of \$450,000	2	43	23,735,000	29,795,000
\$450,000 and not in excess of \$500,000	2	44	30,201,600	37,752,000
\$500,000 and not in excess of \$750,000	2	45	23,491,000	29,815,500
\$750,000 and over	2	50	55,214,640	71,141,940
Total			712,941,442	850,043,772

Personal net income: Number of returns, with sex and marital condition, of persons reporting net income in excess of \$1,000 for the year ended Dec. 31, 1914, by States. [Source: Report of the Commissioner of Internal Revenue, Treasury Department.]

State or Territory.	\$3,000 to \$4,000.	\$4,000 to \$5,000.	\$5,000 to \$10,000.	\$10,000 to \$15,000.	\$15,000 to \$20,000.	\$20,000 to \$25,000.	\$25,000 to \$30,000.	\$30,000 to \$40,000.	\$40,000 to \$50,000.	\$50,000 to \$75,000.	\$75,000 to \$100,000.	\$100,000 to \$150,000.	\$150,000 to \$200,000.	\$200,000 to \$250,000.	\$250,000 to \$300,000.	\$300,000 to \$400,000.	\$400,000 to \$500,000.	\$500,000 and over.	Married.	Single.			Total returns.
																				Men.	Women.	Married women rendering separate returns.	
Alabama	489	377	761	192	19	54	16	16	5	6	2	1	1	1	1	1	1	1	1,589	282	127	7	1,998
Alaska	49	30	48	9	4	2	1	5											116	30	2		148
Arizona	192	125	272	72	28	14	10	5	1	3	3	2	1	1					613	107	9		729
Arkansas	466	350	556	109	42	16	10	4	4	4	1								1,291	191	77	16	1,562
California	5,038	3,900	6,765	1,730	784	433	247	263	102	119	40	46	9	3	2	4	5	1	15,150	2,681	1,047	231	19,481

Personal net income: Number of returns, with sex and marital condition, of persons reporting net income in excess of \$3,000 for the year ended Dec. 31, 1914, by States—Continued.

[Source: Report of the Commissioner of Internal Revenue, Treasury Department.]

State or Territory.	\$3,000 to \$4,000.	\$4,000 to \$5,000.	\$5,000 to \$10,000.	\$10,000 to \$15,000.	\$15,000 to \$20,000.	\$20,000 to \$25,000.	\$25,000 to \$30,000.	\$30,000 to \$40,000.	\$40,000 to \$50,000.	\$50,000 to \$75,000.	\$75,000 to \$100,000.	\$100,000 to \$150,000.	\$150,000 to \$200,000.	\$200,000 to \$250,000.	\$250,000 to \$300,000.	\$300,000 to \$400,000.	\$400,000 to \$500,000.	\$500,000 and over.	Married.	Single.		Married women rendering separate returns.	Total returns.
																				Men.	Women.		
Colorado.....	875	875	999	269	112	69	24	36	16	15	9	4	2	1	1	2	2	2,474	388	147	29	3,009	
Connecticut.....	1,508	1,250	2,557	669	337	170	131	152	85	80	30	25	9	7	2	3	1	5,282	1,052	685	104	7,019	
Delaware.....	178	158	302	97	38	15	20	19	6	10	4	6	2	1	1	1	1	633	134	59	16	856	
District of Columbia.....	1,388	1,057	1,648	351	145	92	55	48	29	30	13	12	4	5	2	1	1	3,099	781	400	70	4,880	
Florida.....	478	303	625	180	82	26	19	24	7	6	4	2	1	1	1	1	1	1,461	218	75	8	1,751	
Georgia.....	811	648	1,174	291	120	43	31	26	20	10	2	1	1	1	1	1	2	2,601	426	152	21	3,179	
Hawaii.....	245	145	233	79	33	16	12	15	10	7	3	1	1	1	1	1	1	643	107	49	20	792	
Idaho.....	118	131	193	41	18	9	3	4	1	3	2	1	1	1	1	1	1	455	57	13	3	525	
Illinois.....	8,118	6,543	12,162	2,975	1,369	738	466	513	258	303	131	88	38	17	13	15	14	27,840	4,307	1,621	267	33,788	
Indiana.....	1,370	1,140	2,041	515	189	104	59	65	24	34	12	8	5	1	5	1	1	4,591	716	266	18	5,573	
Iowa.....	2,167	1,434	2,564	551	204	92	65	64	27	32	5	9	4	1	1	1	1	6,161	762	292	31	7,215	
Kansas.....	933	626	1,114	246	72	36	28	17	12	11	3	3	1	1	1	1	1	2,641	345	115	7	3,101	
Kentucky.....	836	584	1,133	296	121	58	26	38	19	21	13	5	1	1	1	1	1	2,548	445	158	9	3,151	
Louisiana.....	963	683	1,285	378	168	98	43	49	18	21	8	6	1	2	1	1	1	2,876	630	218	20	3,724	
Maine.....	152	275	544	166	67	53	25	29	16	20	4	4	1	2	1	1	1	1,043	198	119	23	1,363	
Maryland.....	1,824	1,535	2,711	654	306	158	87	99	40	57	15	25	5	4	1	1	1	5,596	1,346	586	100	7,528	
Massachusetts.....	4,129	3,846	8,001	2,246	1,063	665	436	540	294	375	154	126	44	18	6	11	6	17,192	3,300	1,471	342	21,963	
Michigan.....	1,855	1,529	2,901	804	390	234	129	145	71	88	43	25	9	5	2	6	4	6,853	960	427	76	8,240	
Minnesota.....	1,211	1,154	2,279	671	273	178	107	122	67	70	36	20	9	1	2	1	2	5,147	731	225	52	6,103	
Mississippi.....	265	173	356	70	37	14	13	4	5	2	1	1	1	1	1	1	1	761	130	49	4	940	
Missouri.....	3,139	2,192	3,891	1,037	489	290	153	165	78	111	40	17	15	2	1	4	3	9,336	1,643	649	69	11,628	
Montana.....	301	275	509	131	56	25	19	10	5	5	2	2	1	1	1	1	1	1,096	206	39	4	1,341	
Nebraska.....	998	673	1,201	262	108	46	29	18	8	9	3	1	1	1	1	1	1	2,890	399	100	14	3,339	
Nevada.....	88	66	102	15	9	2	1	1	1	1	1	1	1	1	1	1	1	235	42	9	2	286	
New Hampshire.....	170	198	380	107	36	33	15	27	17	11	6	3	1	1	1	1	1	805	131	67	15	1,003	
New Jersey.....	3,518	2,863	5,500	1,447	614	348	220	240	128	151	63	58	10	10	2	2	3	12,129	1,883	1,171	178	15,183	
New Mexico.....	142	98	177	44	17	7	10	6	3	1	1	1	1	1	1	1	1	420	75	11	1	505	
New York.....	16,849	14,612	29,392	8,720	4,245	2,462	1,613	1,836	1,017	1,216	500	426	158	99	65	66	27	62,882	14,252	6,271	1,418	83,405	
North Carolina.....	452	337	703	169	63	36	7	16	5	6	1	1	2	1	1	1	1	1,500	245	56	19	1,801	
North Dakota.....	43	132	320	80	24	9	6	9	2	3	1	1	1	1	1	1	1	518	93	18	1	629	
Ohio.....	3,053	3,060	6,034	1,598	703	398	275	282	159	173	58	52	8	9	3	3	1	13,859	2,208	711	108	16,775	
Oklahoma.....	318	273	544	136	57	39	11	29	14	13	3	4	1	2	1	1	1	1,234	174	38	5	1,446	
Oregon.....	827	534	898	187	89	41	27	19	10	10	5	1	1	1	1	1	1	2,157	352	140	14	2,649	
Pennsylvania.....	7,138	5,980	12,220	3,447	1,758	879	552	617	354	404	164	134	59	30	15	15	3	25,763	5,223	2,803	454	33,789	
Rhode Island.....	486	429	1,014	300	135	99	66	63	38	47	34	16	2	5	1	3	1	2,107	403	231	62	2,741	
South Carolina.....	230	198	350	86	29	11	11	7	3	2	1	1	1	1	1	1	1	747	141	41	8	922	
South Dakota.....	29	124	240	42	28	12	3	6	2	1	1	1	1	1	1	1	1	427	57	12	1	496	
Tennessee.....	851	591	1,155	307	160	54	33	50	11	14	4	4	1	1	1	1	1	2,648	425	163	21	3,236	
Texas.....	2,383	1,806	2,934	723	334	147	103	98	48	34	21	12	1	3	1	1	1	7,022	1,002	426	26	8,450	
Utah.....	204	189	345	97	50	20	22	14	9	7	5	1	1	1	1	1	1	830	105	29	11	964	
Vermont.....	77	134	261	65	31	17	20	10	1	11	2	2	1	1	1	1	1	494	99	41	9	634	
Virginia.....	1,042	863	1,590	433	189	88	76	58	35	26	9	13	1	1	1	1	1	3,473	662	289	39	4,424	
Washington.....	1,371	850	1,383	333	135	65	38	33	29	17	10	2	1	1	1	1	1	3,674	452	144	13	4,270	
West Virginia.....	484	400	783	212	100	33	34	30	16	9	10	5	2	1	2	1	1	1,714	305	102	9	2,121	
Wisconsin.....	1,877	1,194	2,176	560	234	115	68	70	54	52	22	15	2	2	1	1	1	5,216	810	417	15	6,443	
Wyoming.....	128	73	122	42	16	9	8	2	2	2	1	1	1	1	1	1	1	344	45	13	1	402	
Total.....	82,754	66,525	127,448	34,141	15,790	8,672	5,483	6,008	3,185	3,660	1,501	1,189	405	233	130	147	69	282,803	51,729	22,980	3,985	357,515	

Personal income tax: Number of returns, with sex and marital condition, of persons reporting net income in excess of \$3,000 for the year ended Dec. 31, 1916, by States.

[Source: Report of the Commissioner of Internal Revenue, Treasury Department.]

State or Territory.	\$3,000 to \$4,000.	\$4,000 to \$5,000.	\$5,000 to \$10,000.	\$10,000 to \$15,000.	\$15,000 to \$20,000.	\$20,000 to \$25,000.	\$25,000 to \$30,000.	\$30,000 to \$40,000.	\$40,000 to \$50,000.	\$50,000 to \$75,000.	\$75,000 to \$100,000.	\$100,000 to \$150,000.	\$150,000 to \$200,000.	\$200,000 to \$250,000.	\$250,000 to \$300,000.	\$300,000 to \$400,000.	\$400,000 to \$500,000.	\$500,000 to \$1,000,000.	\$1,000,000 and over.	Married.	Single.		Married women rendering separate returns.	Total.
																					Men.	Women.		
Alabama.....	437	319	679	183	81	36	21	14	6	11	2	1	1	1	1	1	1	1,428	242	121	9	1,791		
Alaska.....	33	21	31	6	5	1	1	1	1	1	1	1	1	1	1	1	1	76	22	2	2	108		
Arizona.....	184	163	257	85	40	16	10	8	4	4	2	1	1	1	1	1	1	642	131	7	4	780		
Arkansas.....	412	296	599	120	45	22	9	8	3	4	1	1	1	1	1	1	1	1,258	180	80	19	1,510		
California.....	4,465	3,269	6,309	1,756	819	410	244	272	145	166	64	44	15	9	5	4	3	14,055	2,367	1,532	22	18,004		
Colorado.....	839	576	1,052	301	125	65	42	38	35	26	12	9	4	1	1	1	1	2,618	375	136	3	3,129		
Connecticut.....	1,317	1,184	2,610	730	380	249	158	180	106	126	37	25	13	14	3	3	4	5,457	967	728	14			

Personal income tax: Number of returns, with sex and marital condition, of persons reporting net income in excess of \$3,000 for the year ended Dec. 31, 1916, by States—Continued.
 [Source: Report of the Commissioner of Internal Revenue, Treasury Department.]

State or Territory.	\$3,000 to \$4,000.	\$4,000 to \$5,000.	\$5,000 to \$10,000.	\$10,000 to \$15,000.	\$15,000 to \$20,000.	\$20,000 to \$25,000.	\$25,000 to \$30,000.	\$30,000 to \$40,000.	\$40,000 to \$50,000.	\$50,000 to \$75,000.	\$75,000 to \$100,000.	\$100,000 to \$150,000.	\$150,000 to \$200,000.	\$200,000 to \$250,000.	\$250,000 to \$300,000.	\$300,000 to \$400,000.	\$400,000 to \$500,000.	\$500,000 to \$1,000,000.	\$1,000,000 and over.	Married.	Single.		Married women ren- dering separate returns.	Total.
																					Men.	women.		
Maryland.....	1,487	1,337	2,526	633	346	154	117	118	60	81	24	27	7	3	2	3	1	2	1	5,215	1,125	589	64	6,923
Massachusetts.....	3,176	3,151	7,154	2,138	1,085	748	487	693	336	446	188	191	63	26	14	23	10	13	2	15,478	2,935	1,441	433	19,851
Michigan.....	1,719	1,503	3,043	967	451	267	158	190	96	121	68	53	22	9	1	4	4	7	2	7,229	1,018	438	92	8,685
Minnesota.....	151	761	1,798	508	271	193	108	137	81	81	28	34	4	8	2	5	1	1	1	3,431	519	188	73	4,163
Mississippi.....	263	194	390	106	48	26	12	12	9	5	2	1	1	1	1	1	1	1	1	891	127	50	8	1,033
Missouri.....	2,598	1,924	3,633	997	520	300	173	169	125	104	45	31	16	7	2	3	1	3	1	8,535	1,512	599	66	10,647
Montana.....	263	251	548	156	66	26	14	17	11	10	1	2	2	2	1	1	1	1	1	1,109	215	45	7	1,599
Nebraska.....	1,013	648	1,233	280	129	75	33	41	10	13	7	2	1	1	1	1	1	1	1	3,024	385	89	16	3,476
Nevada.....	85	53	101	23	9	1	1	1	1	1	1	1	1	1	1	1	1	1	1	230	37	8	1	275
New Hampshire.....	261	219	503	130	44	40	22	27	18	19	4	4	4	1	1	1	1	1	1	1,044	162	89	15	1,295
New Jersey.....	3,473	2,898	5,844	1,538	733	422	261	322	161	181	91	78	35	11	8	15	5	2	7	12,864	1,916	1,307	207	16,087
New Mexico.....	161	103	248	51	25	8	8	13	3	3	1	1	1	1	1	1	1	1	1	529	87	12	3	623
New York.....	11,840	11,571	25,663	8,116	4,213	2,744	1,830	2,173	1,310	1,638	745	659	291	160	105	106	57	117	74	55,008	12,424	5,977	1,674	73,403
North Carolina.....	404	394	700	170	80	30	21	15	5	10	5	1	1	1	1	1	1	1	1	1,528	236	65	10	1,823
North Dakota.....	61	160	452	96	40	15	13	12	3	5	1	1	1	1	1	1	1	1	1	720	222	16	2	853
Ohio.....	3,578	2,879	5,983	1,650	785	479	298	314	202	197	85	75	34	17	6	12	2	5	6	13,773	2,091	743	185	16,637
Oklahoma.....	338	300	540	148	56	31	29	26	23	33	13	12	4	3	1	1	1	1	1	1,311	200	51	19	1,532
Oregon.....	736	491	785	188	88	44	20	31	11	12	7	3	3	2	2	1	1	1	1	2,002	269	150	10	2,421
Pennsylvania.....	6,049	5,513	12,143	3,717	1,877	995	692	723	487	537	211	198	77	47	26	28	10	12	10	25,494	4,982	2,874	614	33,359
Rhode Island.....	512	431	1,020	325	140	100	69	77	48	45	28	22	13	7	5	4	3	4	1	2,203	387	264	62	2,851
South Carolina.....	316	229	413	92	34	20	8	9	3	5	2	2	1	1	1	1	1	1	1	940	155	40	2	1,135
South Dakota.....	64	140	283	77	25	14	9	6	3	3	1	1	1	1	1	1	1	1	1	536	73	12	2	621
Tennessee.....	886	636	1,162	324	145	68	38	42	15	22	9	5	2	1	1	1	1	1	1	2,762	419	175	16	3,355
Texas.....	2,034	1,472	2,905	762	353	184	105	122	67	72	23	16	5	3	1	1	1	1	1	6,631	1,013	483	43	8,127
Utah.....	188	173	371	96	47	34	13	27	6	16	3	4	2	1	1	1	1	1	1	846	99	35	21	930
Vermont.....	194	147	322	68	28	21	13	21	5	10	6	4	1	1	1	1	1	1	1	682	107	54	18	813
Virginia.....	861	644	1,228	333	163	78	46	46	27	19	9	6	1	1	1	1	1	1	1	2,759	512	192	17	3,463
Washington.....	1,315	854	1,280	318	138	68	43	47	29	27	5	9	2	4	1	1	1	1	1	3,519	468	152	22	4,139
West Virginia.....	447	375	711	193	87	41	31	34	11	14	9	6	2	1	1	1	1	1	1	1,990	285	91	13	1,993
Wisconsin.....	1,900	1,281	2,213	609	261	138	80	79	46	51	18	25	10	3	2	1	1	1	1	5,459	850	400	14	6,713
Wyoming.....	149	108	189	55	13	8	7	10	3	2	1	1	1	1	1	1	1	1	1	462	61	23	1	543
Total.....	69,045	58,940	120,402	34,102	16,475	9,707	6,196	7,005	4,100	4,791	2,058	1,793	724	336	218	254	122	209	120	266,153	47,583	22,916	4,819	336,625

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. JONES of Washington. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

- | | | | |
|---------------|----------------|-------------|--------------|
| Bankhead | Harding | McNary | Simmons |
| Beckham | Hardwick | Martin | Smith, Ga. |
| Borah | Hitchcock | Nelson | Smith, Mich. |
| Brady | Hollis | New | Smoot |
| Brandegee | Husting | Newlands | Sterling |
| Broussard | James | Norris | Stone |
| Calder | Johnson, Cal. | Overman | Sutherland |
| Chamberlain | Jones, N. Mex. | Page | Swanson |
| Colt | Jones, Wash. | Penrose | Thompson |
| Culberson | Kellogg | Phelan | Townsend |
| Curtis | Kenyon | Pittman | Trammell |
| Dillingham | King | Polindexter | Underwood |
| Fletcher | Kirby | Pomerene | Vardaman |
| France | Knox | Ransdell | Wadsworth |
| Frelinghuysen | La Follette | Reed | Watson |
| Gerry | Lewis | Saulsbury | Weeks |
| Gore | Lodge | Shafroth | Wolcott |
| Gronna | McCumber | Sheppard | |
| Hale | McKellar | Sherman | |

Mr. SUTHERLAND. I desire to announce the absence of my colleague [Mr. GOFF] on account of illness. I will let this announcement stand for the day.

Mr. KIRBY. I announce the absence of the senior Senator from Arkansas [Mr. ROBINSON] on official business.

Mr. FRELINGHUYSEN. I desire to announce the absence of my colleague, the senior Senator from New Jersey [Mr. HUGHES], on account of illness. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-four Senators have answered to their names. There is a quorum present.

Mr. BORAH. Mr. President, I desire to submit some observations upon this bill before we come to dispose of it finally, and I propose to do so at this time, although it is not my purpose to discuss in detail the particular amendment which is now pending.

Any phase of this war is of sufficient moment to engage our most serious consideration. When war is declared it is natural

for the public mind to wander exclusively to the battle lines, to think of the place and of that feature of the war where men are fighting and dying. But that is not all there is to modern warfare. Perhaps one of the most difficult phases, the most stupendous task associated with modern warfare arises out of the situation with which we are now dealing, that of raising revenue with which to sustain the army and with which to maintain the Government; and in the particular situation in which we now find ourselves, not only our own Government but all the governments and peoples involved on the side of the allies. The burden of expense, though we are only at the beginning, seems vast beyond anything the people of this country ever contemplated. The public mind is bewildered; the ordinary citizen is restless. In meeting the crisis two things we must keep in view—we must be frank and we must be fair. We must tell the people what it is costing and where the money is going, and we must show them that we propose to place the burden where in good conscience and equity it ought to rest.

What is the financial task before us—the tax situation? We have not only our own Government's legitimate and necessary expenses to meet, great enough indeed, but we have with much haste and marvelous freedom upon the part of the Government assumed to underwrite all the entente nations of the earth. Every imperiled nation arrayed against Germany and every needy nation of Europe unfriendly to Germany have been told, ask and ye shall receive, knock and the door of the Treasury shall be opened unto you. I do not stop now to discuss the necessity or exigency or wisdom of such a policy. My views were early expressed and have in no sense been modified. But the policy has become the policy of our Government. The money is being poured by the millions into the depleted treasuries of Europe. With a generosity never before known in the history of the world the broken and humbled dynasties of the Old World are being financed. We have given, and will continue to give, freely and generously to all who come, even to some who are not able to give us any assurance that they will remain a responsible government a fortnight after the money should be received. This is the easy part of the task, this is the glory. This is the pomp and circumstance of glorious war. Now, sir, comes the grind. Now, we take up the task of levying tribute upon industry, upon toil, even upon necessity, to meet the obligations so freely and so generously made. This part of the

task means business worry, means countless hours of patient, grinding toil, means sacrifice, means children deprived of education, means families deprived of the necessities of life. When we think of the deprivation, the hours and weeks and months and years of drudgery to meet these obligations, we realize that the suffering and the agony of the battle field are not the only suffering, the only agony of this horrible sacrifice now imposed upon us as if by fate.

But how shall we meet the situation? There are three ways to meet it, one by loans, the other by taxes, and another by a combination of loans and taxes. The latter is, of course, the one we will pursue. It is extremely important to my mind, however, that we make taxation the fundamental principle of our revenue-raising policy and loans the incident. We ought to have the courage and the wisdom to raise all we can possibly raise by taxes. We ought to endeavor to pay as we go, in so far as we can do so. That is business; that is just; that is wise. The loan system is calculated to produce inflation and to demoralize business. It is bad finance and it is worse morals.

We are not without advice in regard to this matter by reason of the vast amount of experience which has gone before. First, let us see what the condition of this country is with reference to meeting the financial program now confronting us. The estimated wealth of this country is something around \$250,000,000,000. As we turn those figures over in our mind we feel that fundamentally we have a very sure foundation upon which to build. We not only have an estimated wealth of some \$250,000,000,000, but at the time this bill is under consideration and when we begin our financial program we have back of us two years of war profits. We have already accumulated, earned, and distributed among the stockholders and the business men, and the people of the country to a certain extent, some \$4,000,000,000 of war profits, covering the years 1915 and 1916. Mr. Kahn, of Kuhn, Loeb & Co., the famous bankers of New York, has estimated that this year we will have at least \$2,000,000,000 in the way of war profits. I take it that any estimate coming from Mr. Kahn is not only conservative but reliable, among other reasons because of his great knowledge of the subject upon which he is passing his opinion. Others, however, have estimated the war profits of this year as high as three billion or three and a half billion dollars. At any rate, Mr. President, we have some \$4,000,000,000 of earned war profits for the two years past and some two or three billion dollars being added in this year. That is the condition in a general way which supports us, so far as our ability to meet the situation is concerned.

In the light of these figures, what are we proposing to do in this bill in the way of raising taxes and in the way otherwise of issuing bonds? We will expend unquestionably this year, aside from the amounts which we send to the allies, at least \$10,000,000,000. I would much prefer to say, in order that I may be more accurate, that as time goes on we will expend \$15,000,000,000 in addition to the amount which we send to the allies. We are proposing to raise by this bill something over \$2,000,000,000. In other words, we initiate a program with a \$2,000,000,000 tax bill, depending upon bonds to cover the other eight to ten billion dollars. Mr. President, I think from every standpoint that that is an unwise program. I think it fraught with peril. I believe evils of incalculable menace will flow from it. I know it is condemned by all the experience of the past and by the great students of this subject everywhere. We are falling miserably to meet the duty devolving upon us. I think it not only unwise economically and from a financial standpoint, but I think it unjust and unfair. I do not believe that it is at all meeting this situation as it presents itself to this body.

The distinguished Senator from North Carolina [Mr. SIMMONS] this morning paid a feeling tribute to our posterity, saying that they would be worthy of their ancestors, and that they would take care of these amounts which we would place upon them in the way of bond issues. We need not waste any words upon posterity in the way of a tribute if we proceed to the consummation of this program, because the highest possible tribute we can pay to them is the fact that we are to take care of \$2,000,000,000 and give to them from eight to ten billion dollars to take care of. They who come after us will appreciate the fact that we had full confidence in their ability, their patriotism, and their capacity to bear their portion of the burdens of the war.

They may not read the speech of the distinguished Senator from North Carolina as a tribute to them, but they will know that we have passed over to them that which will mortgage them and their posterity perhaps for a hundred years. They will know that when we were doing this there was lying alongside of us, within our easy reach, that kind of profits which come with the war and go with the war—accumulations of

\$2,000,000,000 and \$4,000,000,000; in all, \$6,000,000,000, of which we have taken in this bill the paltry sum of \$562,000,000. Let us not waste words upon posterity; our deeds will tell posterity how highly we prize their ability and their patriotism in comparison with our own.

Mr. President, may I go back and briefly recur to the experience of some other countries with reference to bond issues and taxes and the proportion which they bore to each other? At the beginning of the Napoleonic wars Mr. Pitt, who had prided himself that he was to be the great peace prime minister of England, undertook to do precisely what we are here undertaking to do, to raise a comparatively small portion of the expenses of the war by taxation and to raise a very large portion—from four to five times the amount which he was to raise by taxation—by loans or by bond issue. We ought to take into consideration, however, in passing upon his plan, that he took charge of his country at a time when it was practically depleted in industrial force. England had just come out of a war of nearly a hundred years, with only short intervals of peace. Mr. Pitt did not have, as we have, untold billions of wealth and billions of accumulated war profits. He was dealing with a country which was in a large measure already undermined by war exhaustion, and there was justification for the position which he took in raising revenue by a small amount of taxes and a large amount of bonds. But had he had by him this fund which we have, a fund created by war, it is reasonable to believe his program would have been different. Mr. Pitt in the very midst of the war, at a time after his people had become less capable of taking care of taxes, was compelled to change his program entirely and to raise 50 per cent of the war expenses by taxes and the remainder by bonds. Had he not changed that program, it is the judgment of those who are capable of passing upon the question that his financial system might have done for England what Napoleon's soldiers could not do, reduced her to a subject power.

After the war had proceeded for some three or four years he changed his program entirely, and, as I have said, raised a larger sum by taxes. So when the war closed, when it was finished, according to Mr. Lloyd-George's budget speech in 1914, Mr. Pitt had raised by loans £440,000,000 and by taxes £391,000,000. But notwithstanding the change which he made, while the change enabled him to so finance the war, all writers upon the subject declare that it was the early years of Pitt's financial system which entailed upon England at the close of the war the most serious industrial depression through which that great nation ever passed. When the war closed and peace had been restored, instead of business reviving and industry again taking its place, it was found that the people were loaded with an enormous and superhuman debt which depressed where there should have been exhilaration and restrained where there should have been energy upon the part of the people. Inflation had run its enervating and demoralizing course and the common people paid the forfeit of Pitt's early mistake.

I read a paragraph from the work entitled "Finance and Politics," by a member of the English Parliament, in order to bring more clearly to the attention of the Senate this point:

At first Pitt did not realize the gravity of the situation or appreciate the nature of the struggle into which he had been forced. France, bankrupt and apparently in a state of disruption, seemed no very formidable foe; and Pitt, greatly as he disliked the war, looked confidently to a successful struggle and an early peace. He fell, therefore, into the fatal error of making at first no special effort to meet the heavy war expenditure, and with the exception of the imposition of taxation sufficient to meet the interest and sinking funds on the new loans, he did little or nothing to prevent the increase of debt. Indeed, it was not for some four or five years after the outbreak of the war—when in France order had emerged out of chaos, when instead of being subdued she had been victorious over our allies and had actually threatened our own shores, when at home financial pressure had necessitated the suspension of specie payment and credit had fallen low indeed—that the gravity of the contest was realized and a determined effort was made to overtake the ever-increasing liabilities.

The author then gives an account of the increase of taxes and the manner in which the people responded to the increase of taxes, notwithstanding the fact that they had been crippled by the situation which had been superinduced by the bond issue; but here it is said after the close of the war, in speaking of the effect of this bond issue and the small amount of taxes raised:

The first seven years succeeding the restoration of peace were among the darkest in modern English history. The excitement and glory of the war had evaporated. Peace but accentuated its hardships and confirmed its burdens.

The author further proceeds to describe the industrial conditions and the want which prevailed throughout the country; and, in the opinion of the writer, it is attributable to the unfortunate financial system which characterized the first four years of Pitt's administration as prime minister.

When we come to the Crimean War, Mr. President, we meet for the first time with Mr. Gladstone's views upon this question. He was in favor of meeting the situation by taxes and not by

bonds; in other words, making taxation the principal and the issuance of bonds the incident to a financial system. I take the time of the Senate to read a single statement from Mr. Gladstone:

The system of raising funds necessary for wars by a loan practices wholesale, systematic, and continual deception upon the people. The people do not really know what they are doing. The consequences are adjourned into a far future.

It is easy, it is a facile task to issue bonds and to pass the burden over to posterity; but we ought to bear in mind that the burden will rest upon them in a different way from what it would rest upon those of this day; for when they come to pay these bonds they will have nothing in the way of war profits or these things which enable governments to finance war out of which to meet it. At that time there will be no escape from the proposition of unloading these bonds and the interest upon the bonds upon consumption. When posterity comes to pay it, having no \$2,000,000,000 to \$4,000,000,000 of war profits with which to meet a portion of it, they will have to meet the bond issues and these vast interest increases by taxes upon consumption to a very large extent. There is where the deception rests; there is where the injustice is. There is the wrong, the great wrong, of this system.

How can we, Mr. President, consent to take but \$562,000,000 from these billions of dollars of war profits and pass on to posterity eight or ten billion dollars in bonds? But let us not digress now. Great Britain adopted a different policy in the Crimean war. According to the budget speech of Mr. Lloyd-George they raised £32,000,000 by means of loans and £35,000,000 by means of taxes. Even that proportion, Mr. President, has received severe criticism from financiers as not being a sufficient amount of taxes and too large an amount of bonds. It was a change, however; it was a step in the right direction; and England experienced the benefit of the change of the financial system from that which had prevailed in the first years under Pitt's administration.

Mr. President, I do not want to dwell too long upon this subject, but I call attention to the War of 1812 in our own country. If I recall the figures correctly, we expended about \$70,000,000 in carrying on that war and raised only about 10 per cent of it by taxation and the remainder by bonds. There is no writer upon the subject who has not criticized that policy unmercifully and who has not clearly demonstrated that the financial distress which followed the War of 1812 was the result of that system. Yet that is not very far from the policy which we are proposing to inaugurate at this time; that is not very far from the proportion which we propose to incorporate in this bill. If we should run our expenses this year to \$15,000,000,000, as it is very probable we may, aside from the amount which we loan to entente allies, the proportion under the War of 1812 will not be far from the proportion which will be covered by this measure. And think of our country in 1812, and think of it now. Reflect more seriously on this situation. We have many many people struggling against the burden of high prices, many families anxious over the future because of the increased and ever increasing cost of living, which bond issues will accentuate and aggravate, and we have here this stupendous fund made out of the war, these billions coined out of the miseries of Europe, and out of this fund we take \$562,000,000 and make up by putting millions upon the necessities which sustain life in our meager homes. If this is not a moral breakdown, a shameless disregard of duty, then I have studied the cause of our country in vain.

In the beginning of the war of 1860, Mr. Chase provided for \$80,000,000 in the way of taxes and a bond issue of \$250,000,000—about 3 to 1. During the year of 1861, however, there were issued demand notes, afterwards transformed into "greenbacks," as they were called, to the amount of about \$60,000,000. This policy was pursued for nearly two years, when Mr. Chase was compelled, out of the exigency of the situation, to change his entire policy. The peculiar and extraordinary feature of the change was that the people responded to the change and were very much gratified, as expressions went from one part of the country to the other, that the Government had adopted a system of taxation instead of a system of issuing bonds.

In his report in 1863, Mr. Chase says:

The great importance of providing beyond all contingency for our expenditures and interest on debt and for the largest possible amount of extraordinary expenditures by taxation is now manifest.

Yes, it had become manifest. The system of raising money by taxation and by bonds in the ratio of 1 to 3 or 1 to 5 had been tried, and it had failed. In the midst of war, when the people were less capable of responding, when inflation had occurred, when high prices had imposed a great burden, this extraordinary effort was made, and the people, as has been so well said, were compelled to pay, perhaps, \$500,000,000 more for the prosecution of the Civil War than they would have been called upon

to pay had the taxation system been adopted in the beginning.

Mr. Chase added:

It is hardly too much, perhaps hardly enough, to say that every dollar raised for extraordinary expenditures or reduction of debt is worth two in the increased value of national securities and increased facilities for the negotiation of indispensable loans.

Prof. Henry C. Adams, in his discussion of the Civil War finances in the United States, stated that:

It is not easy to overestimate the financial benefits that would have accrued if the receipts from internal revenue could have been moved forward two years.

Mr. Miller, of the Federal Reserve Board, in an address a short time ago, in referring to this matter said:

Inflation as an expedient of public finance has long been practiced, although it has never had the sanction and approval of those whose business it has been to lay down canons of finance rather than to engage in the practice of finance. The record of our own great wars and the records of the great wars of other nations in modern times show pretty uniformly that timidity in facing the serious realities of war finance has usually developed a situation from which escape was finally sought through the desperate and costly expedient of government currency inflation. Such was our disastrous experience in the Civil War, when resort was had to the greenback currency, which was nothing but a device of inflationism, and some \$500,000,000 thereby added to the cost of the war—

I think, Mr. President, that I shall not pursue further the proposition of what relation our taxes should bear to our bond issues. I am not going to engage in niceties of discussion with reference to this financial question. Others here are far more able to discuss it than I in that respect, but I want to submit this plain proposition to the Senators of the United States at a time when the most tremendous task devolves upon us that ever devolved upon a Senate in the history of our country. I want to submit this plain, simple proposition, which will go home to every lay mind in this land upon whose public opinion this war must be fought: Do you think that you are meeting the situation when you take \$562,000,000 from some \$6,000,000,000 of war profits? How shall we face our constituencies and what answer shall we make to posterity in leaving these accumulated profits practically untouched and unscathed while we impose upon the common people of the country—and that is what a bond issue means—some \$10,000,000,000 in the way of indebtedness and accumulated interest? Bonds mean that wealth will buy them, hold them, collect interest, and that when war profits are gone the necessities of life will be taxed to pay. Is this the purpose for which we have been sent here? Is this our portion of the task?

Instead of conniving at this increase of the cost of living, instead of conspiring to aid inflation we ought to exert every energy along opposite lines. It is one of the remorseless axioms of war that, do the best we may, it is impossible to distribute its burdens, its sufferings, and sacrifices equally among the people. The poor will grow poorer and often the rich are made richer even under the most equitable and just laws which can be passed. The most of the fighting is done by the humbler or less well-to-do people—if for no other reason because there are more of them and they make up the fighting forces. They make the supreme sacrifice. When they leave their homes to go to the front those they leave behind are less equipped, less fitted to meet the struggle for existence. The rise in prices which always accompanies war and which is aggravated, as I have said, by bond issues, pinches with more poignant effect those who were but poorly living upon their means. To thousands and hundreds of thousands the rise of prices means children kept out of school, handicapped in the battle of life; means less food, stunted bodies, and disappointed and broken plans and ambitions. If in addition to all this we lay on even a slight additional tax, while it may seem slight to us, it falls with a heavy and crushing effect upon them.

To a family eagerly and anxiously planning to get through the week or the month or the year the slightest additional weight may break through their whole feebly contrived scheme of living. If the grim necessity were here to impose such a burden for the protection of our country, there would be no hesitation; but when the necessity is not here, when there are vast war profits to meet the situation, it is a betrayal of a solemn trust to impose a single additional dollar upon this class of people. We should, above all things, seek to preserve, if possible, through this fearful ordeal the physical and moral well-being of the average citizen, to protect the health and insure the physical development and outlook in life of the countless children of the poor and of the average citizen. I have no war upon wealth, I have no prejudice against the man of wealth that I am conscious of, but as between preserving profits and preserving citizenship there can be no choice. The future of the Republic rests upon the one; we can at least during the war forego the enjoyment of the other.

In dealing with this question of taxation we ought not to overlook the fact that it is the wont of a tax to seek the low man. Wherever the tax can be passed on, in time that will be done. We may think we are taxing at this point, but the incident of the tax may be elsewhere. We may suppose we are levying a tax upon this business institution or that, but when the tax comes to be paid it may be paid by the purchaser of the goods, the consumer.

In 1898 we fixed a tax upon petroleum, upon tobacco, and upon sugar in the form of what was called a corporation tax. After levying that tax we went home with the idea, apparently, that we had taxed certain large corporations. Two years afterwards investigation disclosed beyond the question of a doubt that every dollar of that tax had been passed on to the consumer. The tobacco companies, the oil companies, had not paid a dollar of the tax. Aye, in the passing on of the tax they passed on an additional charge, which they failed to take off when the tax was removed. Mr. Payne, speaking with reference to this subject in December, 1900, said:

Of course, Mr. Chairman, some may say why not put this tax directly upon the express companies and telegraph companies? Well, we did consider that, but the express companies had a right to say to their customers how much they would charge for carrying packages from place to place and could easily add the amount of the Government tax to their charges. I know sometimes gentlemen will close their eyes and proceed blindly, as was the case in dealing with the tax on the Standard Oil Co. and putting a tax on a sugar refinery, as was done. They forget to consider that these taxes might possibly not affect the companies at all, but the consumers; and a review of the history of the last two years shows what some gentlemen then anticipated when the tax went on in the Senate, that the companies not only got the amount of the tax back, but that the companies got a little additional sum from their customers to enable them to swell their dividends. That was the legislation in that regard. In other words, the tax in all instances seeks the consumer, and usually, if not arrested in its progress, it finds him and forces him to pay the amount due the Government and a little additional also to help swell the dividends of the companies upon whom it was supposed the tax was levied.

Again he says:

This latter tax—

Speaking of the tax upon insurances—

is paid almost entirely by the man who receives the insurance. The man who provides for the future of his family in the event of his death by securing a life insurance or in providing an indemnity for the family—for his wife and children in case the home should burn down—was forced to pay this tax.

In another place Mr. Payne said:

If we impose this tax upon the express companies they will simply add it to their rate of freight. * * * They would simply put it back in additional charges on the people who send packages by express.

I accept the principle as wholesome, as just, as perfectly sound in morals and patriotism that every man should contribute to the support of the Government. I shall not wittingly seek through legislation to evade or eliminate that principle. I would not make wealth pay all the taxes if I could. But I know that the man with a family who has an income of \$2,000 only, pays more taxes than his just proportion, though not one cent be lodged upon his income. He pays it in the tax shifted to the many things he must wear and things he must eat. He pays it in his rent, he pays it in countless ways, and at every turn of life. I do not seek to exempt; I simply seek to protect him against paying more than his rightful proportion. And then think of the thousands and hundreds of thousands still below him. Think of the man with a family in these times whose income is from \$700 to \$1,000 a year. Fifty per cent of the families of the United States have incomes of \$800 or less. Seventy per cent of the families of our country have incomes of \$1,000 or less. Tell me how a man so situated can have shelter for his family; how he can provide food and clothing. He is an industrial peon. His home is scant and pinched beyond the power of language to tell. He sees his wife and children on the ragged edge of hunger from week to week and month to month. If sickness comes, he faces suicide or crime. He can not educate his children; he can not fit them for citizenship; he can not even fit them as soldiers to die for their country. It is the tragedy of our whole national life—how these people live in such times as these. We have not yet gathered the fruits of such an industrial condition in this country. We have been saved thus far by reason of our newness in national life, our vast public lands now almost exhausted, our great natural resources now fast being seized and held, but the hour of reckoning will come. In my opinion the man who would consider that situation now, who would legislate with that condition ever in mind would be the true friend of honest wealth, the real defender of law and order, and the patriotic defender of republican institutions. I know one thing beyond peradventure, for it is written upon every page of the experience of man, that neither wealth nor order and law nor free institutions can rest upon hunger and want, upon a starved or starving proletariat. In all the history of the world there is no stupidity equal to the stupidity of

wealth in the presence of economic danger. It is well illustrated by one who in a great economic crisis of the world brutally declared that if the people had not bread to eat they could eat grass and whose horrible visage was shortly thereafter floating through the streets on the end of a pike serving as a banner to an infuriated, remorseless mob of hungry human beings.

The Senator from Massachusetts [Mr. WEEKS] said that we should not so tax the business of this country as to destroy its productive efficiency. We are all agreed as to that. Certainly that would be disastrous. It would injure the whole country—labor even as much as capital. Do you think, when you take \$562,000,000 out of some six billion dollars of war profits, that you are destroying, or touching the line where you may destroy, the productive efficiency of this country? If you should take, in addition to \$562,000,000 another \$562,000,000 from the six billions of war profits, do you think you would have reached the point where you need to discuss the productive efficiency of the business of this country? If you should in this great exigency take all the war profits, leaving the normal profits, would it destroy productive efficiency?

But there is another point with reference to this question of efficiency. Neither must we destroy the efficiency, the physical well-being, or the capacity of the ordinary citizen to meet the duties and the obligations of this great war; and when you put an additional tax upon the man who has an income of \$800 or \$1,000 or \$1,200, you are then laying a tax where it has an effect direct and substantial in the matter of efficiency.

As for me, sir, I can not comprehend, I can not understand—it is one of the unsolvable mysteries of this country in which we live—how a man with an income of \$1,000 a year under the present high cost of living feeds himself and his family. Do you know that when the Boer War took place England found that the point where efficiency had broken down was with the working men in England, because they had been underfed and underclothed and insufficiently cared for, and were unable to meet the standards and the measurements which the Britons had met who had fought the wars of former years?

Let us see, Mr. President, to what extent we will affect the business interests of this country. Suppose we took 80 per cent of the war profits upon a flat rate. Let us take a few figures and see how they would escape even under that taxation, see what sacrifices they would make under such a rule as England now adopts. I have made some figures, and while I always give figures in the presence of the Senator from Utah [Mr. SMOOT] with a good deal of caution, I invite his attention to them to see if I am not correct. If I am in error, I would beg to be corrected.

The American Smelting & Refining Co. in 1913 earned \$9,756,540 of normal profits, peace profits. In 1916 their profits were \$23,252,248. If you will take 20 per cent of that which is their war profits, the difference between \$9,000,000 and \$23,000,000, and add it to their peace profits, leaving to the Government 80 per cent, they would still have profits to the amount of \$12,455,681. We have not touched the principal, we have not touched the normal profits, we have not touched the business capital. It is there in complete, efficient working order, with \$12,000,000 to distribute among the stockholders—quite enough, sir, for the man who sits at home and draws in his profits when the soldiery of the United States are forfeiting their lives upon the front.

Let us take another—Armour & Co. In 1913 the profits of Armour & Co. amounted to \$6,028,197. Their profits in 1916 were \$20,100,000. Twenty per cent added to their peace profits would give them for the year 1916—it is on that basis that I am estimating—\$8,842,561, something over \$2,000,000 in excess of their peace profits. Shall any man complain who goes through this war, in this dread situation, a little better off than he was in time of peace?

But that is not all. The Armour Packing Co. in the year 1916, in addition to distributing that \$20,000,000 of profits, issued a stock dividend of \$80,000,000.

The Bethlehem Steel Co. earned in 1913 \$5,122,708 in the way of profits. Their income in 1916 was \$43,593,968. Twenty per cent added to their peace profits gives them for 1916 \$12,816,956. I am not honored by the presence of the distinguished and able Senator from Massachusetts [Mr. WEEKS]. I know his business capacity and his business judgment. I should like to have his opinion as to whether or not the Bethlehem Steel Co. would be affected in its productive efficiency with its capital untouched, its peace profits untouched, and some \$7,000,000 of war profits added?

The Du Pont Powder Co. earned in 1913 \$4,582,075 in the way of profits. In 1916 they increased their profits from \$4,000,000 to \$82,107,693. Take 20 per cent of the war profits and add it to their peace profits and you have undisturbed profits, untouched profits, to the amount of \$20,087,198.60, nearly five

times in excess of their peace profits in 1913; and they were doing fairly well and thriving fairly well even before the war came. I believe they could pull through on twenty million profits. I see no danger here of destroying productive efficiency.

The Hercules Powder Co. earned \$1,017,212 in the way of profits in the year 1913. They earned \$16,658,873 in 1916. Twenty per cent added to their peace profits gives them a profit of \$4,145,544.20.

Phelps, Dodge & Co., a corporation, earned \$7,907,710 in 1913. They earned \$21,974,263 in 1916. Adding 20 per cent to their peace profits, they would still have left \$10,721,020.

Swift & Co., another packing company, earned \$9,250,000 in 1913. In 1916 their profits were \$20,465,000. Twenty per cent added to their peace profits would give them \$11,493,000 undisturbed, untaxed. In addition to that, Swift & Co. also declared a stock dividend of somewhere about \$75,000,000, but I have not the exact figures.

The United States Steel Corporation had an income in 1913 of \$81,216,985. Their income in 1916 was \$271,531,730. Add 20 per cent to their peace profits, and you have \$119,279,934.

Mr. TOWNSEND. Mr. President—

The PRESIDING OFFICER (Mr. GERRY in the chair). Does the Senator from Idaho yield to the Senator from Michigan?

Mr. BORAH. I do.

Mr. TOWNSEND. I am deeply interested in what the Senator is stating, and I am a little bit confused on one statement. For instance, he mentioned Swift & Co. He said its profits in 1915 were \$9,000,000, and its profits in 1916 were \$20,000,000. Then he adds 20 per cent of that to their peace profits?

Mr. BORAH. No; I subtract the 1913 profits from the 1916 profits and take the difference and take 20 per cent of that.

Mr. TOWNSEND. That is correct. I did not understand that that was what the Senator was doing.

Mr. BORAH. Mr. President, I have a number of other figures here, showing the profits which would still remain to these companies after we had taken 80 per cent of their war profits. But I shall, in the interest of time, pursue this matter no further. I leave these figures to speak for the record.

Now, in the matter of treating these people fairly and from the standpoint of conscience and of justice, should any man desire during this war, while everybody is to sacrifice, to earn more than three or four times what he was earning in time of peace? I do not say, Mr. President, that the gentlemen who control these industries desire to do so. I do not challenge their patriotism. I do not assail their loyalty to their country by assuming that they would not be willing to make the same sacrifices that their other countrymen must make. Indeed, sir, if we are to take the statements of such men as Mr. Gary and such statements as were made by Mr. Schwab, some of them printed in the public press and some which I had the honor to hear, they would not complain if they were simply left their normal profits during the war. I do not speak for them. I am only speaking of the fact that they have said over and over again during this war that every citizen must meet the responsibility which rests upon him according to his ability to do so; and that being true, I do not assume, sir, when I advocate taking this amount of profits, that I am assailing these men or challenging their patriotism; and I will not assume so until some one who has the right to speak for them says that they are opposed to being confined to reasonable profits during this war.

I leave these figures to speak for themselves. I leave them to take care of my defense when I am charged with being unfair or radical. I leave them to answer those who say this is an attack upon wealth, and particularly I leave them to caution those who would leave such profits so slightly taxed and pass the burdens on to the necessities of life.

Tax laws, unjust and unfair tax laws, have been the source of more misery, more agony, though often voiceless, and, finally, more bloodshed and slaughter, than any other form of legislation to which men have given their efforts. The unequal burdens of government distributed unjustly by those in power have been the undermining influence of governmental organizations time and time again. It was the refusal of the king to listen to his great finance minister, Turgot, which brought on the French Revolution. Turgot said to his king, I will redistribute these taxes. I will take off the taxes on the necessities of life, the taxes which are crushing your peasantry and reducing 90 per cent of your people to poverty and drudgery, and breeding discontent and disloyalty everywhere, and I will lay it on the great estates, the wealth which surrounds you. The king was pleased, for while Louis did not have a great mind he had a better heart than it is usually given to kings to possess. He told the minister to proceed. The minister did not proceed far, however. The wealthy estates demanded an audience with the king on the

question of taxes. They asserted they were too heavily taxed; that it would cripple his kingdom and destroy its prestige. The king listened, wavered, and in that wavering lost his head. Turgot was dismissed, the taxes were distributed as of old, hunger and want and crime came together and executed their wild system of justice, and lords and satellites and kings paid the forfeit of their crime. The French Revolution was the most stupendous exhibition of retributive justice in the history of the human race, and its origin, its source, and its moving force were the unjust tax laws of France.

Mr. President, in conclusion allow me to say we must bear in mind that this is now our war; that the citizen must meet the situation according to his ability. We must bear in mind that it is now our country that is involved; that it is a matter not of gratuity, not merely to give as you would give to Belgium suffering or to Serbia suffering. It is a situation, sir, in which each and every citizen has resting upon him the responsibility to respond according to his capacity.

Yes; it is our war; it is an American war, and we must prepare to meet its burdens and fight its battles in harmony with American principles, in harmony with what is just and what is right to each and every member of the Republic. We are now dealing with the question of revenue, and no question will more accurately and pointedly gauge among us the spirit of democracy. No problem with which we shall have to deal will more thoroughly reveal our real faith in the great principle for which we are fighting. If there is any question among men that will uncover human character, it is the laying on of a tax, and we are now dealing with a proposition which will reveal to all just how sincere we are when we say that we are in this contest for democracy.

In this struggle some will lay down their lives. Some will give up their chosen companions. Some will yield the prop and stay of old age, and some as a result of the war will carry on through life broken health and maimed and diseased bodies. Now the question is, will ease, will luxury, will wealth lay upon the same common altar not merely of their excess, not merely of their surplus but that which also represents sacrifice? Will the people who are abundantly blessed give up their surplus estates, their gathered wealth; will they, too, deny themselves in the hour of national danger? We are entering a period of sacrifice and these sacrifices must be borne and shared in accordance with the ability of the respective citizens to bear them and to share them. If this is a fight to make democracy universal let us also make it a fight to make democracy decent and just—to make democracy real and worth while. If when this fearful struggle is past and men look back upon the awful tragedy and reflect upon its sorrows and its sufferings it shall be found that the great burdens of the war have been borne and are to be borne by those of limited means, by those of a mere competency, by labor, and by the man of small salary, as will be true under a loan system, while a few have still gathered wealth and made vast fortunes, God pity the future of this country. Men will mock at your Government; they will deride your democracy; they will denounce your Republic and its Constitution, and discontent, disobedience, lawlessness, and disaffection will permeate and demoralize the whole vast fabric of our free institutions. If when the war shall have closed and peace has come you would have respect for your Government, obedience to her laws, and devotion to the flag, make no mistake as to the equitable distributions of the burdens of this great war.

The war has already served to widen the economic chasm in the life of our people. The increased cost of living accentuated in part by the war has already weighed most heavily upon the working and producing classes, while a few have gathered millions and accumulated vast fortunes. If you say to me that wages have increased, my answer is that only in certain vocations and in those by no means in proportion to the increased cost of living.

Last winter we saw widespread suffering and want. Investigation disclosed that hundreds and thousands of children were underclothed and insufficiently fed and were being deprived of schooling. This was in a time of peace. Indeed, the most serious effect of the war in our country thus far has been the way in which it has weighed down upon the man of ordinary means. In other words, the war has already served to take from those who had not and give to those who had. I do not myself want to overlook this fact in dealing with this problem. I do not think it is wise or just that we should overlook it. I think the future contentment and happiness of our people demand that we should not overlook it. If anyone supposes that public opinion in this country upon these questions is at ease and content, he is greatly in error. The fires of passion burn low, but they are widespread and it will not require any extraor-

dinary event to cause them to burst forth. Let us so construct our revenue laws that there may not be any cause for resentment, any sense of injustice, any feeling of revolt. It makes no difference what the outward form of our government may be, how splendidly our institutions are framed, if there is not content among the people, if there is not a feeling throughout of equity and justice, of equal laws, there can be neither strength nor guaranty of perpetuity. The Good Book tells us that beneath the purple robes of power the worms coiled and crawled and fed upon Herod's body and he gave up the ghost. At a time when we are reaching out to maintain our prestige upon the sea and to carry success and relief to other nations let us make sure that discontent and dissatisfaction, injustice and inequity do not wither up a nation's soul at home.

In the name of a country which we love, in the name of those free institutions in the ultimate triumph of which is to be found the final solution of the great problem of free government, whatever else we do in this great struggle, let us preserve justice and equality of burden as nearly as we can at home and among our own people. Let us guard with vigilance the indispensable virtues and principles of our own democracy. Let us as a Senate be brave enough and strong enough and patriotic enough to equalize as nearly as we may the load now pressing down upon our people.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. STONE. Mr. President, so far I have not spoken during the consideration of this bill. And now about all I have to say is that I would like to see the bill as reported agreed to by the Senate. I support the bill as reported. I had not supposed that it would be worth while for me to address the Senate in support of this measure, and I doubt if it can be of any possible advantage for me to do so now. I have supposed that the masterful presentation by the chairman of the Committee on Finance [Mr. SIMMONS], supported as it has been most ably in the addresses of the senior Senator from Massachusetts [Mr. LODGE] and others, would be sufficient; but now, to my surprise, I find that there is an unexpected and somewhat formidable opposition to the bill. Therefore, as a member of the Finance Committee, I am not willing to sit silent in the face of this opposition.

Mr. President, this bill is the composite work of the Finance Committee. This composite work does not represent the individual view of any single member of that committee. The committee had a hard task before it. It labored assiduously and faithfully for many weeks. There are provisions in the bill that I may say various individual members of the committee did not favor. There are provisions in the bill I did not approve, and things left out of the bill I personally sought to incorporate in it. What I say of myself is true of every member of the committee. Indeed, Mr. President, that is almost always true of all committees having under consideration important subjects of legislation like this.

I join in the well-deserved compliment paid to the chairman of the Finance Committee [Mr. SIMMONS] by the Senator from Massachusetts [Mr. LODGE] on Wednesday; but the chairman had no more his way than any other member of the committee had his way.

And I wish to impress this because of some things that have just come to me here and which in large measure have induced me to take the floor. The chairman of the committee did not have his way any more than any other member of the committee had his way. Of course, the diligent, laborious work of the chairman reflected its influence, as it should have done, on the membership of the committee. There is not a member of the committee who will not vouch for the absolute verity of the statement I make that the report made by the chairman represents the final judgment of the committee itself.

After a long and tedious service, the committee, aided by the best experts the Government could furnish and after a patient hearing from selected representatives of almost every important industry affected, agreed upon the bill as reported. As I have said, the bill does not represent the individual view of any member of the committee. It is a composite work, the joint result of work done by numerous men—I think sincere and honest men—having divergent opinions. At the end of our deliberations the committee directed the chairman of the committee, the Senator from North Carolina, to report the bill as finally agreed upon to the Senate. Three or four Senators reserved the right to present or re-present certain particular disputed questions to the judgment of the Senate, and 3 out of 17 members of the committee disagreeing to the final action of the committee reserved the privilege of presenting a minority report. After that, the committee as a whole voted to direct

the chairman of the committee to report the bill as finally adopted.

These particular remarks may not be of especial interest to Senators generally, for I am now addressing myself especially to the members of the Finance Committee.

Mr. President, whenever, as a member of a committee, I vote to direct the chairman of the committee to report a bill to the Senate I shall support him. As a member of a committee I have no right to direct the chairman to report a bill to the Senate and then throw the whole burden of maintaining the bill—the whole responsibility of conducting it—upon him. There is a sense of personal honor and obligation in all this, as I think. If I were not willing to stand by the chairman and aid him I would not direct him to report the bill; I would not throw the whole burden upon his shoulders and desert him when the stress was on. I thus address myself with freedom and on my own responsibility to Senators who are my colleagues on the Finance Committee.

The three Senators mentioned—the Senators from Wisconsin, Colorado, and Oklahoma—declared their opposition to the bill agreed upon and reserved the right to present a minority report. Against that I have nothing to say. Other Senators reserved the right to present certain specific questions passed on by the committee to which they did not individually agree. There were only three or four such reservations made. Beyond that the committee, 14 to 3, directed the Senator from North Carolina to present this bill to the Senate.

I do not know how other members of the committee feel about it, but for myself I say to my colleagues on the committee I shall not be recreant and leave the chairman to shoulder the whole responsibility of the bill which he has reported by our direction. But after all I think he could well afford to shoulder the whole responsibility, but that is not fair to him. For myself, I shall support the bill as reported.

MY PERSONAL ATTITUDE.

Mr. President, we are at war; you know that I did not approve this war adventure. But as long as we are in war we must fight, and successful fighting requires, among other very essential things, that we should provide the financial sinews of war. How are these necessary financial resources to be supplied? I know only two ways, namely, first, by levying taxes on the people, and, secondly, by asking loans to the Government.

Immediate taxes are always an immediate burden on the people and on the industries of the country. Loans are a burden transmitted to those who succeed us. With respect to this division of burden as between the present and future generations, I have heretofore declared my attitude. But, repeating what I have previously said, I believe that the greater part of the burden of this war upon which we have entered should be imposed on the people of this generation, who are responsible for it. Fundamentally that position is sound, and I stand for it. But as we go along we must be sensible; we must be always very conscious of the tremendous task we have undertaken, and the successful execution of that task is, in my opinion, very, very largely dependent upon the uninterrupted, continuing activity of the multitudinous industries of the country. And so, from the start, I maintained before the Finance Committee what I here maintain, that it was the part of wisdom to make the immediate increased tax burden as light as possible to meet the exigencies pressing upon the Government. Already, before this bill came to us, the burden of taxation in various forms had been enormously augmented; already these burdens of taxation were without precedent. I could not ignore that fact. Then came this new demand upon us. The immediate question presented was that the committee should provide for approximately \$4,000,000,000 additional revenue for the uses of our own Government. This did not include the loan of other billions to the allies nor include other things I will not stop to specify. It concerned only our own immediate governmental needs. Therefore the immediate question before the committee was how to raise this enormous sum called for by the Government for their own urgent uses. The Secretary of the Treasury, with the approval of the President, recommended that this new burden of some four or five billion dollars should be divided so as to impose something like one half the weight of the burden in the form of immediate taxes on the people and that the remaining half should be floated in the form of bonds to be redeemed at a more or less remote period. Personally I doubted the wisdom of laying as much as \$2,000,000,000 of new taxes in bulk for immediate assessment and collection. Before the committee I took the position—I think I was the first to urge that position—that the two billion to be levied on this immediate generation should be split up, so as to make it payable by annual installments.

My idea was this: To levy one-fourth or one-third of this vast sum for immediate collection during the current year, and

that the remainder should be divided into three or four installments, the deferred installments to be taken care of by Treasury certificates or some form of serial obligations to be taken up within fixed periods. My idea was that some such proposition as indicated should be made the basis for actual collections during the current fiscal year and that the remainder required for the fiscal year should be divided into such installments as I have indicated, to be taken up in one to three years, as might be deemed most advisable. My idea was to have these deferred payments taken up by issuing short-time Treasury obligations, interest bearing and nontaxable. Further, my idea was that these obligations should be issued in small denominations—ranging from ten dollars to a thousand dollars—in the belief that while they would not have the quality of a legal-tender currency—and this itself would avoid the danger of inflation—they would in a large way pass current for the time being; and I thought this in itself would be an important advantage to the Government in making contracts for supplies. But all that is a big question not worth while at this moment to discuss. Later on it may become important. I may say, Mr. President, I was only seeking some way to avoid the imposition of an excessive burden of taxation on industrial activity. In principle my suggestion was seemingly approved by a majority of the committee, although not visibly apparent in the construction of the bill.

Mr. President, as a fundamental policy I believe that a great part—yes, the greater part—of this tax burden falling upon us now should be borne by the people of this day and generation; but I can not convince myself that it is a wise policy to impose too great a part of this burden on our industries in a single year. I thought and still think it would have been wiser to levy approximately one-third of this required amount for collection this year and to limit the other two-thirds to be collected in equal parts in the next two succeeding years—something like that.

Surely it must be that the per cent the committee has recommended for immediate assessment and collection is as much as the industries of the country should be made to bear in a single year. Productivity depends on the vital energy and activity of industry; and upon that in a very great degree the revenues of the Government correspondingly depend.

New tax burdens are to follow those we are imposing by this bill. The extent of these additional burdens no man can now foretell. Since we declared war we have already expended or incurred obligations amounting to approximately \$17,000,000,000. Our total national wealth is estimated at about \$180,000,000,000, and economists tell us that when our obligations reach forty billions we will have arrived close to the line which divides national solvency from national insolvency. Therefore, is it not evident that we should move with deliberate thought and careful step as we go forward with this dangerous enterprise upon which we are embarked? There are certain things we must keep in mind, namely, (1) the success of the war; (2) the raising of revenues essential to the prosecution of the war, and to this end that the prime sources of revenue shall not be unduly impaired; (3) the ultimate solvency of the Nation.

Mr. President, to reach a true solution of these great problems, we must move studiously and with caution. It is easy for any Senator to start something on the floor of the Senate; it is easy to kick up a row, leading to possible confusion and likely to hasty and unwise conclusions; but, Senators, we should not lose our heads. The influence, the pressure, of the present moment—even the politics of the present moment—must not make us forget there is a future or forget the task we have in hand.

Mr. President, in dealing with questions of this kind now daily coming to me, I deal with them patriotically. I do not permit my convictions as to the unwisdom of this war to enter into my calculations. I merely recognize the fact that we are in war, and that in that emergency it is my duty to serve my country in the same spirit in which I would serve it if I had been an advocate, instead of an opponent, of this war policy. As long as we are in the war I shall support the Congress which declared war, and the President who is prosecuting it, with respect to every proposal which concerns the effective execution of the congressional mandate. The question before us this hour is one of those questions—that is, the question of raising money, the wisest and best way of raising money to wage war.

Mr. President, in my opinion it would be the height of unwisdom at this juncture to go further than the committee has in the way of imposing taxes on the industries of the country and the individual resources of the people. Moreover, I desire to say that I regard it as fallacious to contend, as it has been here contended, that substantially all the burdens of the war should be laid upon two or three sources of revenue. This is

said to be a war for world democracy, a war that will give assurance to democracy that it shall have a chance to live and flourish. If that be true—if, indeed, that be the spirit of the people—then it must be that it is a war in which every man and woman in America is vitally interested; and if that be true, then everyone who is able should contribute something in some way to the maintenance of this crusade, for it is a crusade. I have always believed that even in normal times the burdens of maintaining the Government should be as universally distributed among all the people as it is possible equitably to distribute them. Above all things, I hate the idea that only the rich shall pay taxes and support the Government. I am a poor man, but I say that. Any other theory would make this a rich man's government. Possibly it may be that sort of government now, but let us adopt no public policy admitting it. Is it not true that to the extent that men and women contribute nothing to the support of the Government, to that extent they lose the patriotic spirit, and lose the sense of personal responsibility? Let everyone do his part. That is the true doctrine; that is the true American spirit; that spirit lies at the very base of our democratic institutions, and every time we do anything to weaken or ignore this great basic principle of universal American individual responsibility and the right and duty of individual participation in the affairs of the Government, including the burdens of the Government, to that extent we undermine the very foundations of the Republic.

Mr. OWEN. Mr. President, I desire to inquire whether we shall probably be able to reach a vote on this amendment to-night?

Mr. SMOOT. Mr. President, I intended to submit some remarks at length upon the pending amendment in answer to a number of statements that have been made, but there seems to be an evident feeling among Senators that they would prefer to vote at this time. Therefore I will say to the Senator from Oklahoma that I shall not take the floor, and as far as I am personally concerned I shall be content with a vote upon the amendment right now.

Mr. OWEN. I shall be very glad to defer to the wishes of Senators, if that is the desire.

Mr. SMOOT. Then the Senator can follow with his remarks after the vote is taken.

Mr. OWEN. I shall be pleased to do so.

The PRESIDING OFFICER (Mr. BRANDEGEE in the chair). The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. LA FOLLETTE]. On that the yeas and nays have been ordered.

Mr. SIMMONS. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER. The Senator from North Carolina suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hitchcock	McNary	Simmons
Beckham	Hollis	Martin	Smith, Ga.
Brady	Husting	Nelson	Smith, Md.
Brandeggee	James	New	Smith, S. C.
Calder	Johnson, Cal.	Norris	Smoot
Colt	Jones, N. Mex.	Overman	Sterling
Cuberson	Jones, Wash.	Owen	Stone
Curtis	Kellogg	Page	Sutherland
Dillingham	Kendrick	Penrose	Swanson
Fletcher	King	Phelan	Thompson
France	Kirby	Polindexter	Trammell
Frelinghuysen	Knox	Reed	Vardaman
Gerry	La Follette	Robinson	Wadsworth
Gronna	Lewis	Saulsbury	Watson
Hale	Lodge	Shafroth	Weeks
Harding	McCumber	Sheppard	Wolcott
Hardwick	McKellar	Shields	

Mr. SHAFROTH. I desire to announce the unavoidable absence of my colleague [Mr. THOMAS] on account of illness, and to state that he is paired with the senior Senator from North Dakota [Mr. McCUMBER].

The PRESIDENT pro tempore. Sixty-seven Senators have answered to their names. There is a quorum present. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE], on which the yeas and nays have been called for and ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. GALLINGER], but I understand that he would vote as I shall vote on this question. I vote "nay."

Mr. FRELINGHUYSEN (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WALSH]. Because of his absence, I withhold my vote.

Mr. KENDRICK (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. FALL],

I transfer that pair to the junior Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN]. As I do not see him present, I withhold my vote.

Mr. McCUMBER (when his name was called). I have a general pair with the senior Senator from Colorado [Mr. THOMAS]. The senior Senator from Montana [Mr. MYERS] has a pair with the junior Senator from Connecticut [Mr. McLEAN]. We have arranged to transfer these pairs, so that the Senator from Colorado may stand paired with the Senator from Connecticut, allowing both the Senator from Montana and myself to vote. I therefore vote "nay."

Mr. MYERS (when his name was called). I have a pair with the Senator from Connecticut [Mr. McLEAN], who is absent, which pair I transfer to the Senator from Colorado [Mr. THOMAS] on the terms stated by the Senator from North Dakota [Mr. McCUMBER]. I vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. By arrangement, that pair may be transferred to the Senator from Montana [Mr. WALSH], who is also absent, thus permitting me to vote. I therefore vote "nay."

Mr. PENROSE (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS], who is absent; but as I am informed that he would vote to sustain the committee I will release the pair, so that it may be used, if necessary, with some other absent Senator, and will vote. I vote "nay."

Mr. MYERS (when Mr. WALSH's name was called). My colleague [Mr. WALSH] is necessarily absent on account of illness. He is paired with the Senator from New Jersey [Mr. FRELINGHUYSEN].

Mr. LEWIS (when Mr. WILLIAMS's name was called). I announce the absence of the senior Senator from Mississippi [Mr. WILLIAMS] on official business. His pair and the situation in regard to it has been stated by the Senator from Pennsylvania [Mr. PENROSE].

The roll call was concluded.

Mr. BANKHEAD. I desire to announce the unavoidable absence of my colleague [Mr. UNDERWOOD]. If present, he would vote "nay."

Mr. CURTIS. I desire to announce the unavoidable absence of the senior Senator from New Hampshire [Mr. GALLINGER]. If present, he would vote "nay."

Mr. FRELINGHUYSEN. I transfer my pair with the junior Senator from Montana [Mr. WALSH] to the senior Senator from Wyoming [Mr. WARREN] and vote "nay."

Mr. HARDING (after having voted in the negative). When my name was called I answered and voted in the negative. I note the absence of my general pair, the junior Senator from Alabama [Mr. UNDERWOOD], but I have been informed that if he were present he would vote as I have voted. I will therefore allow my vote to stand.

Mr. KNOX. I transfer my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] to the senior Senator from New Hampshire [Mr. GALLINGER] and vote "nay."

Mr. LEWIS. I desire to announce the absence of the senior Senator from South Carolina [Mr. TILLMAN] on account of illness. He is paired with the senior Senator from West Virginia [Mr. GOFF].

Mr. CURTIS. I desire to announce that the senior Senator from Maine [Mr. FERNALD] is paired with the junior Senator from South Dakota [Mr. JOHNSON].

Mr. LEWIS. I desire to announce that the senior Senator from Arizona [Mr. ASHURST] and the senior Senator from Oregon [Mr. CHAMBERLAIN] are necessarily absent on official business.

The result was announced—yeas 21, nays 58, as follows:

YEAS—21.

Borah	Husting	McKellar	Townsend
Brady	Jehson, Cal.	McNary	Trammell
Gore	Jones, Wash.	Norris	Vardaman
Gronna	Kenyon	Owen	
Hardwick	Kirby	Polindexter	
Hollis	La Follette	Reed	

NAYS—58.

Bankhead	Hitchcock	Overman	Smith, Md.
Beckham	James	Page	Smith, Mich.
Brandegge	Jones, N. Mex.	Penrose	Smith, S. C.
Broussard	Kellogg	Phelan	Smoot
Calder	Kendrick	Pittman	Sterling
Colt	King	Pomerene	Stone
Culberson	Knox	Ransdelt	Sutherland
Curtis	Lewis	Robinson	Swanson
Dillingham	Lodge	Saulsbury	Thompson
Fletcher	McCumber	Shafroth	Wadsworth
France	Martin	Sheppard	Watson
Frelinghuysen	Myers	Sherman	Weeks
Gerry	Nelson	Shields	Wolcott
Hale	New	Simmons	
Harding	Newlands	Smith, Ga.	

NOT VOTING—17.

Ashurst	Gallinger	Smith, Ariz.	Warren
Chamberlain	Goff	Thomas	Williams
Cummins	Hughes	Tillman	
Fall	Johnson, S. Dak.	Underwood	
Fernald	McLean	Walsh	

So Mr. LA FOLLETTE's amendment was rejected.

Mr. HOLLIS. Mr. President, I offer an amendment, which I ask to have printed and lie on the table.

The PRESIDENT pro tempore. It is so ordered.

Mr. TRAMMELL. I offer an amendment, which I ask to have printed and lie on the table.

The PRESIDENT pro tempore. That order will be made.

Mr. McCUMBER. I offer an amendment, which I ask to have printed and lie on the table.

The PRESIDENT pro tempore. It is so ordered.

Mr. SIMMONS. Mr. President, the Senator from Oklahoma [Mr. OWEN] has advised me that he desires to occupy some time about another matter than the bill. I will ask, therefore, that the bill be temporarily laid aside, not to be taken up again this afternoon.

The PRESIDENT pro tempore. The bill will be temporarily laid aside.

PROPOSED INTERNATIONAL CONVENTION.

Mr. OWEN. Mr. President, on August 20 I introduced a joint resolution which I think may have a most far-reaching effect upon this war if it should meet the approval of the Congress.

This joint resolution proposes, as a war measure, an international convention for the purpose of terminating international anarchy, establishing international government in lieu thereof, and coercing the Teutonic military conspiracy by the organized commercial, financial, military, and naval powers of the world. I desire to read the joint resolution to the Senate, because it explains itself, requires but little explanation, and is the shortest way in which to present the proposals which I wish to offer.

"A joint resolution (S. J. Res. 94) proposing as a war measure an international convention for the purpose of terminating international anarchy, establishing international government in lieu thereof, and coercing the Teutonic military conspiracy by the organized commercial, financial, military, and naval powers of the world.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the opinion of the representatives of the people of the United States assembled in Congress that international government, supported by international force, should be immediately organized to take the place of the existing international anarchy; that competing armaments should be replaced by a noncompetitive international army and navy; that the Teutonic military conspiracy to dominate the world should be overthrown by the combined commercial, financial, military, and naval powers of the world.

"That international government should be based upon the following principles:

"First. Every civilized nation and informed people should have the unquestionable right of internal self-government, with exclusive control within its own territory over immigration, emigration, imports, exports, and all internal affairs, with the right to make its own political and commercial affiliations.

"Second. The oceans and high seas should be free and open under international rules. All international waterways, straits, and canals should be open on equal terms to the citizens of all nations. Equal terms should be arranged for fuel, repairs, and dockage in all ports for the ships belonging to the citizens of all nations.

"Third. All interior nations having no seaports should have the right of shipment of their goods in bond on equal terms and conditions, without tax, through any intervening territory to the seaports of any other nation with equal access to shipping facilities.

"Fourth. That there should be established by international agreement an international organization of all civilized nations with an international legislative council to draft rules of international law to be submitted to the several nations for approval. That when such rules of international law are approved by the parliaments, or lawmaking branch of the governments of three-fourths of the member nations, representing three-fourths of the total population of all the member nations, such international rules should be binding on all member nations. Such rules should be limited to the powers expressly delegated to such international legislative council and strictly confined to international affairs.

"Fifth. The international legislative council should elect and define the duties of a representative international executive cabinet to execute and enforce the rules established as international law.

"Sixth. The international legislative council should have representatives from each member nation exercising a voting power according to relative population, relative wealth, and relative

governmental development, to be determined by international agreement.

"Seventh. The international legislative council should establish and define the duties of an international supreme court, with power to pass upon all questions of international controversy incapable of diplomatic adjustment but with no power to pass on questions affecting the reserved rights of nations.

"Eighth. The international legislative council should formulate the method for raising an international army and navy and for establishing an international blockade and other means for enforcing the rights of member nations under international law, such army and navy to be provided and sustained by the member nations pro rata according to relative population and wealth.

"Ninth. With the conclusion of the present war the nations of the world should agree to reduce in progressive stages their land and sea forces to a point preferably not to exceed internal or local police purposes and the quota required for the international army and navy.

"With progressive disarmament and international peace safeguarded by world government dissatisfied nations now held captive by dominant nations for strategical purposes could be safely given their liberty.

"Tenth. That the international army and navy should not be authorized to exercise military force further than to prevent or suppress the invasion of the territorial integrity of any of the member nations and in the blockade and embargo to enforce international law.

"Eleventh. That it should be a violation of international law and the highest international crime for any nation on any alleged ground to invade the territorial limits of another nation. The penalty of such invasion should be immediate international blockade of the invading nation, embargo on all mail, express, and freight to or from such nation, and the suppression of such invasion by the international army and navy.

"Twelfth. That nations backward in education, industrial, and economic development, and in the knowledge of the principles of government should have their rights safeguarded on the principles of freedom, humanity, and justice by international agreement with a view to future self-government.

"Thirteenth. It is clearly realized that the program of progressive disarmament or permanent world peace is impossible of attainment until the military forces now ruling the Teutonic people, first, either voluntarily acquiesce in progressive disarmament and international justice as the basis of world peace; second, are forced to do so by the Teutonic people; or, third, are coerced to do so by the combined powers of the world.

"Fourteenth. That in order to bring this war to an early termination, the belligerent nations opposing the Teutonic powers should immediately cohere on a plan of international government pledging justice and peace to all member nations and the coercion of the military autocracy of Prussia by the commercial, financial, military, and naval forces of the world, giving assurance, nevertheless, to the Governments of Germany and Austria of their willingness to admit the Teutonic powers as members of the proposed international union on equal terms with other nations when they shall have met the conditions and given satisfactory guarantees.

"Fifteenth. In our opinion no reliance should be placed upon the vague suggestions of peace of the Teutonic military autocracy, but that their obscure proposals should be regarded merely as a military ruse. The peace resolution of the Reichstag, while promising well for the attitude of the German people, when they achieve self-government, can not at present be regarded as a proposal binding on or capable of enforcement by the German people, because they do not control their own Government, but are mere subjects and puppets of a military autocracy which has long conspired and still dreams of conquering the world by military force and terrorism. The United States and the nations opposing militarism should strenuously prosecute the war with every available resource, and no separate peace should be made by any of them until the menace of the military autocracy of Germany is removed.

"Sixteenth. It is our opinion that if a world-wide agreement can be established on the above principles, and the men now engaged in slaughter and destructive activities can be returned to productive industry, the world could quickly recover the gigantic shock of the present war and would be able without serious difficulty to soon repair the material injuries and losses already suffered.

"Seventeenth. The United States does not enter this war for material advantage, for any selfish purpose, or to gratify either malice or ambition. The United States will not approve forcible annexations or mere punitive indemnities, but it will approve a free Poland, the restoration of territory wrongfully taken from France and Italy, and restorative indemnity to Belgium

and Serbia, and the adjustment of other differences by international conferences. It will favor extending international credits for the restoration of all places made waste by war. The United States enters this war in self-defense; to protect its own citizens and the nations of the world in their present and future rights to life and liberty on land and sea. It does not wish the world to remain an armed camp.

"Eighteenth. No peace is desirable until the world can be safeguarded against a repetition of the present war. Competitive armaments must be ended and replaced by international cooperative armaments in order to assure permanent world peace.

"Nineteenth. That the President of the United States shall immediately submit the above resolution to the belligerent nations now defending themselves against Prussian military autocracy and invite them and all neutral nations by wire to an international convention for the purpose of considering the above principles and taking affirmative action for the early suppression of the Teutonic military autocratic conspiracy by the combined commercial, financial, military, and naval powers of all nations.

"Twentieth. The sum of \$400,000 is hereby appropriated to meet the cost of promoting such convention."

Mr. President, in waging war on the Prussian military autocracy for the suppression of its conspiracy to rule the whole world by military force and terrorism the people of the United States have determined to use every resource at their command until this object is accomplished.

The Pan-German leaders are in control of the governmental powers and of the Army and Navy of Germany. They demand world power. They demand annexations and indemnities. They regard treaties as scraps of paper. They have terrorized the seas, made war on us and on all nations, and conspired against our future peace. They are using the German people as puppets and pawns on the checkerboard of war.

In vain do the democratic elements of Germany—the sane elements of Germany—urge international justice. The military autocracy denounces the voice of moderation, of justice, of international reconciliation, except on their own terms and future dominance. They pretend to be willing to make peace, but it is a peace dictated by German victory that will leave the military group stronger than ever. They pretend to favor peace, but it is for the object of demoralizing the war-making activities of free Russia and of other opposing nations, while the military group gird up their loins for more strenuous efforts of a German victory with arms.

The conspiracy of the Prussian military autocracy to rule the world and destroy the democracies of the world is of long standing, as the secret treaty of Verona completely demonstrates. They capture neighboring territory and put the inhabitants to laboring for the military powers. They capture adjacent people and put the inhabitants in the trenches with rifles to help the military conspiracy in its lust for world-wide conquest.

Mr. President, heretofore I have submitted the language of the secret treaty of Verona. I call the attention of Senators again to this vital doctrine of the Hohenzollerns, the Hapsburgs, the Romanoffs, the Bourbons. It is strange it ever found the light of day. I beg you to listen to this language. It was made in 1822 and resulted in our issuance of the Monroe doctrine to tell them to keep off our democratic Western Hemisphere.

SECRET TREATY OF VERONA.

The undersigned, specially authorized to make some additions to the treaty of the holy alliance, after having exchanged their respective credentials, they agreed as follows:

ARTICLE 1. The high contracting powers, being convinced that the system of representative government is equally as incompatible with the monarchical principles as the maximum of the sovereignty of the people with the divine right, engage mutually, in the most solemn manner, to use all their efforts to put an end to representative governments and to prevent its being introduced in those countries where it is not yet known.

(See the CONGRESSIONAL RECORD, Aug. 13, 1917, p. 5983.)

Article 2 of that treaty pledged the destruction of the liberty of the press, because it was an agency by which representative governments, by which the liberty of men, made progress.

This treaty was framed in the interest of and signed by Metternich, representing the Hapsburg dynasty of Austria; by Bernstet, representing the Hohenzollerns of Prussia; by Nesselrode, representing the Romanoffs of Russia.

The Hohenzollerns have steadily pursued the policy to which it solemnly pledged its efforts in this treaty to destroy the democracies of the world and to suppress the liberty of the press.

They now have behind their policy 170,000,000 people—Bulgaria, Turkey, Austria—under the masterful control of the Prussian autocracy.

The world has not aroused itself any too soon if it wishes the democracies to survive.

It would be an act of madness for the world to temporize with this spirit, with this set and fixed policy of the Hohenzollerns of the Prussian autocracy.

German diplomacy throughout the world has been busy in weakening other nations whose powers might be used against the military autocracy.

I submit the record of the Hohenzollerns as compiled by the Security League (Exhibit D), which is convincing to any student of history.

They have gone to South America, to Central America, and to Mexico, and have made those people believe that the United States, loving liberty as it does, willing to make sacrifices for the good of mankind as it has been, free as it is from any desire to annex the territory of other nations—they have made those nations of the Western Hemisphere believe that the United States was the Colossus of the north, waiting a convenient time in which to absorb them and their property and overthrow their liberty.

Mr. SHERMAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Illinois?

Mr. OWEN. I yield to the Senator from Illinois.

Mr. SHERMAN. I am in full sympathy with what the Senator states. Would the Senator favor waging war to depose the present reigning house of Germany?

Mr. OWEN. Absolutely. That is what I am waging war on right now.

Mr. SHERMAN. And not leave it to the German people?

Mr. OWEN. And not leave it to the German people. I am not willing that the German people should be led by the Hohenzollern house under a military autocracy that threatens every neighboring nation and has finally gotten in its grasp 170,000,000 threatening the democracy of the world. If the Germans wish to use the Hohenzollerns as a social ornament, we should perhaps raise no objection; but if they use them as the head and front of a conspiracy to assault the democracies of the world and threaten our future peace, we should not agree to it; if the Hohenzollerns use the Germans, and, dominating them, compel the poor Germans to make war on others, then even the Germans should help to put this Jonah into the sea.

Mr. SHERMAN. May I inquire further if the Senator would restore the independence of Bohemia as a part of the Austria-Hungary Empire?

Mr. OWEN. Mr. President, the policies which are being laid down in this joint resolution will lead to the liberties of all the Teutonic people, including the people of Bohemia.

Mr. SHERMAN. That would follow with the restoration of Poland?

Mr. OWEN. It would follow with the restoration of liberty.

Mr. SHERMAN. I ask specifically about Poland.

Mr. OWEN. I will answer the Senator by saying that both the German authorities and the Russian authorities agree upon an independent Poland. They differ as to means.

Mr. SHERMAN. That was the point. I wish to go along with the Senator on all these things. I think we are substantially agreed that the restoration of Poland will require some disciplining of one of our present allies. In 1772 the original partition of Poland by Russia, Austria, and Prussia took place.

Mr. OWEN. I will place in the RECORD—that was done by the Romanoffs, by the Hapsburgs, by the Hohenzollerns—I will place in the RECORD now the evidence that free Russia desires a free Poland.

Mr. SHERMAN. There is no difference between the Senator and myself on that.

Mr. OWEN. No, there is no difference, I am sure, in policies and purposes between the Senator and myself. The time has come for the United States to use every energy to organize the powers of the whole world in suppressing the Teutonic military autocracy and suppressing forever its conspiracy to rule mankind by military force and terrorism.

Mr. SHERMAN. Mr. President—

Mr. OWEN. I yield to the Senator.

Mr. SHERMAN. The President not long ago, within the last two years, said that each independent sovereignty has a right to determine its own form of government. He was particularly speaking of Mexico at that time. That does not apply to Germany, does it?

Mr. OWEN. I think it does most fully, most completely. That is what I desire and hope to see.

Mr. President, in organizing the world to break down the Teutonic military conspiracy against the world the world should, nevertheless, give assurance to the Teutonic people that the world does not wish to crush the Teutonic people or require of them

more than absolute justice demands in the way of restoring territory wrongfully taken, property seized, appropriated, or destroyed by the Teutonic people under the leadership of the Prussian military autocracy.

I have submitted Senate joint resolution No. 94, containing a plan which I believe will lead to an earlier overthrow of the Teutonic military conspiracy, which will lead to an earlier awakening of the Teutonic people to the danger of such leadership, and to the necessity of their demanding the right of self-government in order that sanity may be restored to their councils. My proposal is an immediate international convention of all belligerent and neutral nations to establish an international government, with legislative, executive, and judicial powers and an army and navy to enforce the rights of member nations and to coerce Prussian militarism.

Mr. President, we have not any international law. The so-called Hague Conventions are scraps of paper; they are unanimous-consent agreements. Behind those conventions the Hohenzollerns concealed their military preparations until they could pounce upon their neighbors unawares. Those conventions are worse than useless, they have served an evil purpose. But the fact that 32 nations there agreed upon the adoption of compulsory arbitration, the fact that 32 nations there desired to bring about a means of ending international war and anarchy, the fact that those 32 nations represent seven-eighths of the people of the world, gives every reason to us to believe that they could now be cohered together in such a way as not to interfere with individual nations, not to interfere within the bounds of any nation, but use the combined efforts of all to prevent any nation becoming an international outlaw and threatening the liberties of the world.

Mr. SHERMAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Illinois?

Mr. OWEN. I yield to the Senator.

Mr. SHERMAN. What would the Senator do with the German philosophers like Nietzsche and historians like Treitschke?

Mr. OWEN. I would leave them to the German people, who will take care of them.

Mr. SHERMAN. They are the responsible foundation, Mr. President, of the servility of the German people who have submitted to the doctrines of militarism.

Mr. OWEN. I can not agree with the Senator from Illinois in that respect.

Mr. SHERMAN. If the Senator will permit me, the philosophy of Nietzsche is the foundation for the work of all the German professors who have led to the subordination of the civil to the military power.

Mr. OWEN. That is quite true; but these professors and these teachers are the hirelings of the Hohenzollerns, who for over a hundred years have had eulogy after eulogy paid for in Germany.

The Hohenzollerns are responsible for these moral, historical, psychological lunatics who have helped to make German opinion insane.

Mr. President, some critic has said, in relation to this world cooperation which I propose, "This is Utopia."

My answer is, first, Utopia is better than hell, and, second, that this proposition is not Utopian, and, third, it is already nearly an accomplished fact in the union of the great belligerents now waging a common war on Prussianism. Seventeen nations are now cohering on the battle line of Russia, of Italy, of Belgium, of France; 17 nations now are bound together in bonds of steel and of brotherhood against military autocracy ruling the world. We have only to take the step to bring them together around the council table, but it takes initiative to do it. Some nation has got to take the first step of inviting cooperation.

I pray the Father of us all it may be our great Republic that may perform this humane task and justify the prophecy of France in giving us the Bartholdi Statue—

"LIBERTY ENLIGHTENING THE WORLD."

You will remember, Senators, that in 1899 Nicholas, although a Romanoff, in the compassion of his heart, proposed to the nations of the world gradual and universal disarmament. Who was it that defeated it? It was William II and his Teutonic group of military autocrats. Who was it, when The Hague Convention met in 1899, stood in the way of a similar proposal? It was the same group. Who was it, in 1907, who prevented the coherence of the world to prevent future wars? It was the Teutonic group again, led by William II.

Mr. President, without any adequate organized effort on the part of the United States, 17 out of 44 nations at The Hague have already declared war on the Prussian autocracy, to wit, Great Britain, the United States, France, Portugal, Italy, Russia, Serbia, Montenegro, Roumania, Greece, Japan,

China, and little Cuba, and Panama, and Siam, and Liberia, and San Marino. These nations now at war with the Prussian military autocracy represent over three-fourths of the people of the whole world.

Brazil, Bolivia, Guatemala, Honduras, Nicaragua, and Haiti have severed diplomatic relations and are on the point of war.

Argentina, Peru, Chile, and others are on the point of severing diplomatic relations.

Seven-eighths of the people of the world are at heart opposed to the ambitions of the Prussian military autocracy, and the United States should strenuously take steps to induce every neutral nation to combine with the entente allies in making war on the Prussian military autocracy. There are compelling reasons to justify the neutral nations to cooperate. We should give voice at the same time to the aspirations of mankind for the establishment of a means by which to assure through all future time the liberty, the peace, the happiness of all mankind. This is what every nation wants. China, the reserved, the oldest of organized nations, understands this, as shown by the presidential mandate declaring war on the Teutonic powers.

I beg Senators to listen to this language of the Far East. The proclamation declares:

The chief aim of this declaration is to put an end to the calamities of war and hasten the restoration of peace. * * * Until considerations involving the existence of the nation forced this momentous decision, it was not thought possible that its rights—

China's rights—

under international law should have become impaired, the peace of the world retarded, and the position of the family of nations undermined. We are forced to fight in reestablishing the family of nations and to share in the happiness and benefits to be derived therefrom.

This mandate was signed by the premier of China and all the ministers.

Those ideas undoubtedly are American ideas, and if they were not transplanted to China previously, certainly they were presented by the representatives of the United States now at Peking. What persuades China will be persuasive also as to other nations.

Every nation which has already declared war upon the Prussian military autocracy has been moved by the spirit of self-defense against an international outlaw, against international anarchy, and in safeguarding its own future peace.

And the same considerations which have moved 17 nations to declare war, representing three-fourths of the inhabitants of the world, will suffice to cohere them in an international government against a future war by the Prussian military autocracy, and persuade every other self-respecting nation of the world to adhere to the same policy, except perhaps Denmark, Holland, and Switzerland, who stand in deadly awe of the contiguous Teutonic military forces, and they will adhere when the present war is over.

Mr. President, I believe the principles which are laid down in the proposed resolution as a basis of international government will be acceptable, in substance, to all the nations of the world, and to the better elements of the Teutonic people, but are not acceptable, of course, to the war-mad Prussian Pan-German elements. The Pan-German element demanding the doctrine of "Deutschland Uber Alles" will have to be coerced at home or conquered by foreign armies.

There is some reason to believe that the German people are about to awake from their dreams, and that even the military group may be coerced by German opinion; but certainly the world will never permit to prevail the conception of Gen. Von Liebert, a spokesman of the German war party, who is quoted in a speech at Rathenow, Prussia (Washington Post, Aug. 20, p. 3), as saying:

We can not sign a peace before we have Flanders coast, a colonial empire, and maritime bases. Should we not realize this now, we must prepare to work for it after the war in view of the next war.

Mr. President, the Prussian military autocracy is not going to have the power or opportunity to lead the world into any "next war." It is going to be disarmed by force, if necessary; and if the German people insist upon backing this war-mad Prussian conspiracy, the German people will unavoidably reap more unhappy consequences than are already in sight.

Gen. Von Liebert does not express the body of German opinion. The majority of the Reichstag seem ready for peace and to abandon the Pan-German military program of annexation and indemnity on their neighbors as a condition of peace. The willingness of the Reichstag to forgive Belgium and France and excuse them from the payment of indemnities is a sample of Teutonic magnanimity and lack of humor.

Hugo Haase on July 19 offered a resolution in the Reichstag representing a minority view, however, which shows some evidence of sanity, as follows:

The Reichstag strives for a peace without annexations of any kind whatever, and without war indemnification, upon the basis of the rights of the peoples to decide their own destinies. In particular, it expects the restoration of Belgium and the repair of the wrong done to Belgium. The Reichstag demands the initiation of immediate peace negotiations upon the foundation of this program. It demands an international agreement about general disarmament, freedom of international trade and intercourse unrestricted international freedom of movement, an international agreement for the protection of workmen from exploitation, recognition of the equal rights of a State without regard to nationality, sex, race, language, and religion; protection of national minorities, and obligatory international arbitration for the settlement of all disputes.

The urgent preliminary condition for the achievement of peace and the carrying out of this peace program is the immediate raising of the state of siege. Moreover, it is necessary to effect the complete democratization of the constitution and administration of the Empire and its several States, and this must end in the creation of a social republic.

Herr Scheidemann, leader of the Social Democrats, on August 7, at Monheim, demanded a government really representing the will of the German people, and said:

But that is still not enough. When the Reichstag met we said, "This thing has got to go further. We want democratization; we want a clear declaration on the question of our war aims."

The Reichstag with its peace program has invaded the foreign policy of the Empire and brought about a complete defeat of the annexationists. But now the fight is going on over the decisive influence of the people in Empire and State. We want a State government consistent with the meaning of the suffrage message, and we want an Imperial Government consistent with the meaning of the Reichstag program. Our whole foreign policy must be conducted consistently with this program. And the German press must not be made the instrument of those who would gladly abolish the Reichstag resolution altogether from the world. Press and parliament belong to one another.

It is significant, Mr. President, that the authorities of Germany are now permitting on the interior of Germany an "offensive campaign for peace." It is significant that the proposals of Pope Benedict are immediately approved by Austria, and that the German authorities are indicating their disposition to acquiesce.

But it is also true, Mr. President, that German opinion will be greatly stimulated in favor of peace on the terms of international justice and on the terms which the entente allies will accept if we cohere against the Prussian military autocracy, every nation on earth, which we can do, and do speedily, because they are anxious to establish world-wide liberty to end the terrorism of the Prussian conspiracy.

The proposal of the Reichstag and of the chancellor (Exhibit A) solemnly declare that—

Germany took up arms in defense of its liberty and independence and for the integrity of its territories. The Reichstag labors for peace and a mutual understanding and lasting reconciliation among the nations. Forced acquisitions of territory and political, economic, and financial violations are incompatible with such a peace.

Mr. President, the whole world knows that this statement, while offered as a theory by the Prussian military autocracy to the German people, is utterly false. The Prussian military autocracy took up arms for the purpose of annexation, indemnity, profit, and world domination, and their leaders still confess and declare this to be their plan in spite of the Reichstag resolution to the contrary.

The unfortunate German people were mobilized and sent to the shambles not in defense of German liberty but in unjust offensive war on the liberty of Serbia, France, and Russia; not in defense of German independence but in offensive war on the independence of innocent neighbors; not in defense of the integrity of the territory of Germany but in offensive war on the integrity of the territory of innocent Belgium, Serbia; then France and Russia—the fixed Hohenzollern policy.

But it should not be forgotten, Mr. President, that the majority of the Reichstag represents, in a way, and inadequately, the Social Democrats of Germany, who, with all the limitations on suffrage, had 4,000,000 voters before the war, and the opinion of the German socialist democracy is of importance in determining the opinion of the German people, subjects and vassals though they are. I submit the declared opinion of the German Social Democrats. (Exhibit B.)

The German socialist democracy are, in fact, opposed to annexations of territory by force. They are opposed to war indemnities. They are in favor of restoration of national independence of nations subjected in war, and while they take, naturally, a German view in various particulars, they do favor national disarmament and freedom of the seas, while the minority socialists go to the extreme of democracy. (Exhibit B.) The latter favor a republican Balkan federation of free people, and they seek an international understanding on the basis of democracy. These opinions in Germany ought not to be entirely ignored and these opinions will be immensely strengthened by the activity of the allies on the firing line against the Prussian military autocracy. They will be strengthened by the Germans discovering that the whole world is combined against the Prussian military conspiracy, and that the whole world desires to

deal justly by the Teutonic people, as well as to compel the Teutonic powers and people to respect the rights of other people with the same scrupulous decency.

The entente allies, while pressing the battle on the trench lines, should encourage the democratic elements of the Teutonic Empires by giving them assurance of the just purposes of the entente allies, and meet the false dogma of the Pan-German militarists that the entente allies, if victorious, will crush and enslave the Teutonic people.

The opinion of the Russian people is shown by the declaration of the Provisional Government and the councils of workmen and social delegates (Exhibit C) of April 9, 1917, of May 1, 1917, of May 4, 1917, and of June 13, 1917. The Russian Government desires an independent Poland. The Russian Government does not seek annexations or indemnities for free Russia. It strenuously demands, however, that the menace of the Prussian military autocracy shall be ended by military force, and Russia would agree, I hope, to the proposals which I have submitted.

English opinion, I am satisfied, would approve some world arrangement for the speedy coercion of the Prussian military autocracy and would approve a world plan for the maintenance of the future liberties, peace, and happiness of mankind. Mr. Asquith very properly pointed out that the military autocracy possessing the political power of Germany not only did not give its free and full assent to the Reichstag resolutions, limited as they were, but made equivocal comments that left the autocracy open to demand a "German peace" based on German victory, which will not be considered by the entente allies, and he asks the German chancellor plainly a question whether the German Imperial Government is ready to grant Belgium absolute independence and make full reparation for the colossal damage done that devastated country, and he stated with great force that—

The German Government does not speak for the Reichstag, so the Reichstag itself does not speak for, or at any rate does not give full expression to, the whole view and opinion of the mass of the German people. I believe that to be at this moment one of the greatest obstacles to the attainment of peace. It is one which does not lie within the power of the allies to remove. It lies within the power of the German people. It can not be too clearly, too emphatically, or too often stated this is a matter not for any governments, but for the peoples or for the governments only in so far as they can claim to be the authentic spokesmen and interpreters of the peoples for whom they stand. Once that is generally realized throughout the democracies of the world, I believe that we shall be within measurable distance of a lasting and an honorable peace. Meantime we should not be helping the advent of peace if we were to give the impression that there is any halting in our determination or any doubt of our ability to carry on, if need be, the burden which we took up with a clear conscience for great ends and which we can only in honor lay down when we feel sure that those ends are going to be achieved.

Mr. Bonar Law, chancellor of the exchequer, said—

They tell us that Germany is quite ready for a reasonable peace. Why have the Germans never put down their peace aims in any shape or form? Ours may have gone too far; but at all events, we had the courage to state them before the world. Germany has never done anything of the kind. And why? Because she does not mean what those honorable gentlemen say she means, and because that would be found out the moment any peace terms were put in black and white.

We are not only fighting for the freedom of ourselves, though that is the essence of our life; we are fighting for the rights of other nations besides Germany to live their lives in their own way.

Now I come to what is the real aim so far as this country is concerned in this war. I have thought from the beginning, and I repeat now, that the one thing which we are fighting for is peace, and security, for peace in the time to come.

Mr. President, there is only one way in which to have peace for time to come, and that is to end competitive armaments and the ambitions of military dynasties. This can be done by international government and the substitution of international police in lieu of competing armaments and in no other way.

Mr. President, the fact that Pope Benedict proposes "simultaneous and reciprocal diminution of armaments" with the approval of Austria and apparently with the approval of the German Imperial Government, seems to promise that even the Teutonic autocracy is coming to its senses.

We will help them to reach a condition of sanity by multiplying our war efforts and by coordinating every nation in the world in this struggle against the world domination of the Teutonic powers.

With the end of competitive armaments, the Teutonic military dynasties would have no important function; they would have no real power. The Teutonic peoples would then control their own governments.

There would be no demand then for vassal States, with their subject rifles and economic resources. The German people would then have no need for the iron mines of Alsace-Lorraine for war-making purposes, but the iron ores of Alsace-Lorraine would be equally available for the German factories, the French factories, or any other factories in Europe. The whole "doctrine of balance of power" would be ended in Europe because the balance of power would not be then weighed in the scales

between one alliance and an opposing alliance, between Teutonic alliance and entente alliance. The balance of power would be transferred to an international council of sovereign States in the interest of every nation in the world. There would no longer be any reason why there should not be organized republican States in the Balkans, where each people speaking a common language could enjoy their own development and own self-government in harmonious relations with others.

The struggle over the Italia Iridenta would end, and Austria, who offered the Government of Italia Iridenta to Italy before the war, would have no reason whatever for then refusing this point under such favorable circumstances. The suspicious and jealousies which have existed heretofore between the nations would disappear before the establishment of progressive disarmament and the establishment of international police.

Mr. President, Mr. Bonar Law very wisely said that there was a great difference between the German people and the German Government, and when he said:

We shall not have peace in the time to come unless the German people are convinced that war does not pay, that their greatness and development must be found in other directions and not in plunging the world into war.

Mr. President, I think the German people will ultimately be satisfied that war does not pay. I earnestly hope that they may soon be satisfied on this point. I hope so for the sake of the youth of Europe, as well as for the sake of the youth of America, and of the nations of the earth now at war with the Imperial German Government. This end will be more speedily attained when the German people see that all the nations of the world are organized to end the military autocracy that has led the German people into this bloody conflict. The Germans will get no profit, but severe losses in men and property, which daily grows more fatal to her interests.

Mr. President, on May 27, 1916, President Wilson, after the issuance of the ultimatum to the Imperial German Government, said:

We believe these fundamental things:

First. That every people has a right to choose the sovereignty under which they shall live. Like other nations, we have ourselves no doubt once and again offended against that principle when for a little while controlled by selfish passion, as our franker historians have been honorable enough to admit; but it has become more and more our rule of life and action.

Second. That the small States of the world have a right to enjoy the same respect for their sovereignty and for their territorial integrity that great and powerful nations expect and insist upon; and

Third. That the world has a right to be free from every disturbance of its peace that has its origin in aggression and disregard of the rights of peoples and nations.

So sincerely do we believe in these things that I am sure that I speak the mind and wish of the people of America when I say that the United States is willing to become a partner in any feasible association of nations formed in order to realize these objects and make them secure against violation.

There is nothing that the United States wants for itself that any other nation has. We are willing, on the contrary, to limit ourselves along with them to a prescribed course of duty and respect for the rights of others which will check any selfish passion of our own, as it will check any aggressive impulse of theirs.

On May 30, 1916, President Wilson stated at Arlington National Cemetery:

I have stated that I believe that the people of the United States are ready to become partners in an alliance of the nations that would guarantee public right above selfish aggression. Some of the public prints have reminded me, as I needed to be reminded, of what Gen. Washington warned us against. He warned us against *entangling alliances*.

I shall never myself consent to an entangling alliance, but would gladly assent to a *disentangling* alliance, an alliance which would disentangle the people of the world from those combinations in which they seek their own separate and private interests and unite the people of the world to preserve the peace of the world upon a basis of common right and justice. There is liberty there, not limitation. There is freedom, not entanglement. There is achievement of the highest things for which the United States has declared its principles.

Mr. President, the program I have outlined is thus shown to be in substantial accord with the views of the President of the United States. I want to call your attention to what he said in his address to the Senate on January 19, 1917:

No peace can last or ought to last which does not recognize and accept the principle that governments derive all their just powers from the consent of the governed, and that no right anywhere exists to hand peoples about from sovereignty to sovereignty as if they were property. * * * The world can be at peace only if its life is stable, and there can be no stability where the will is in rebellion, where there is not tranquility of spirit and a sense of justice, of freedom, and of right. * * *

There can be no sense of safety and equality among the nations if great preponderating armaments are henceforth to continue here and there to be built up and maintained. The statesmen of the world must plan for peace and nations must adjust and accommodate their policy to it as they have planned for war and made ready for pitiless contest and rivalry. The question of armaments, whether on land or sea, is the most immediately and intensely practical question connected with the future fortunes of nations and of mankind. * * *

Let us plan for peace, Mr. President, by disarming on sensible lines.

The President said further:

I would fain believe that I am speaking for the silent mass of mankind everywhere who have as yet had no place or opportunity to speak their real hearts out concerning the death and ruin they see to have come already upon the persons and the homes they hold most dear.

No nation should seek to extend its polity over any other nation or people, but that every people should be left free to determine its own polity, its own way of development, unhindered, unthreatened, unafraid, the little along with the great and powerful. There is no entangling alliance in a concert of power. When all unite to act in the same sense and with the same purpose all act in the common interest and are free to live their own lives under a common protection.

I am proposing government by the consent of the governed; that freedom of the seas which in international conference after conference representatives of the United States have urged with the eloquence of those who are the convinced disciples of liberty; and that moderation of armaments which makes of armies and navies a power for order merely, not an instrument of aggression or of selfish violence. These are American principles, American policies.

All these principles are involved in Senate joint resolution 94.

Mr. President, the Democratic platform of 1916 voiced these American principles, and the Republicans believe the same doctrine:

We hold that it is the duty of the United States to use its power not only to make itself safe at home but also to make secure its just interests throughout the world, and both for this end and in the interest of humanity to assist the world in securing settled peace and justice.

We believe that every people has the right to choose the sovereignty under which it shall live (government with the consent of the governed); that the small states of the world have the right to enjoy from other nations the same respect for their sovereignty and for their territorial integrity that great and powerful nations expect and insist upon; that the world has a right to be free from every disturbance of its peace that has its origin in aggression or disregard of the rights of peoples and nations; and we believe that the time has come when it is the duty of the United States to join with the other nations of the world in any feasible association that will effectively serve these principles and maintain inviolate the complete security of the highways of the seas for the common unhindered use of all nations.

Mr. Lloyd-George, who is the exponent of English opinion, at Glasgow, June 29, 1917, struck the keynote when he pointed out the necessity, in obtaining permanent world peace, of ending military autocracies. He said:

What will have to be guaranteed first of all by the conditions of peace is that they shall be framed upon so equitable a basis that nations will not wish to disturb them. They must be guaranteed by the destruction of the Prussian military power, that the confidence of the German people shall be in the equity of their cause and not in the might of their arms. May I say that a better guaranty than either would have been the democratization of the German Government.

No one wishes to dictate to the German people the forms of government under which they choose to live. That is a matter entirely for themselves, but it is right we should say we could enter into negotiations with a free government in Germany with a different attitude of mind, a different temper, a different spirit, with less suspicion, with more confidence than we could with a Government whom we knew to be dominated by the aggressive and arrogant spirit of Prussian militarism.

Mr. President, the destruction of Prussian militarism may come in one of three ways—first, by consent of the military leaders before physical destruction comes; second, by the will of the German people before physical ruin ensues; third, by the physical force of the military powers of the entente allies.

The third means will be more costly in life to all nations, but will be applied if necessary, and is in very active operation at this time.

Lloyd-George well said:

Now we are faced with the greatest and grimmest struggle of all—liberty, equality, fraternity not amongst men but amongst nations; great, yea small; powerful, yea weak; exalted, yea humbled; Germany, yea Belgium; Austria, yea Serbia—equality, fraternity amongst peoples as well as amongst men. That is the challenge which has been thrown to us. Europe is again drenched with the blood of its bravest and best, but do not forget these are the great successions of hallowed causes. They are the stations of the cross on the road to the emancipation of mankind. Let us endure as our fathers did. Every birth is an agony, and the new world is born out of the agony of the old world.

My appeal to the people of this country, and, if my appeal can reach beyond, it is this:

That we should continue to fight for the great good of international right and international justice, so that never again shall brute force sit on the throne of justice nor barbaric strength wield the scepter of right.

Mr. President, only by international government, backed by international force, is this ideal possible; only by terminating competing armaments and substituting therefor international cooperating armaments shall we see this great prayer adequately answered. Public opinion in the United States would assuredly approve permanent world peace on the basis proposed by Senate joint resolution 94.

The plan is essential—absolutely essential—to attain the ideal of permanent world peace and the overthrow of progressive militarism, so ardently desired by the statesmen of the entente allies.

Mr. President, we already have 17 nations waging this war in concert. We already have 17 nations allied together for the suppression of the Prussian autocracy. We already have nations representing three-fourths of the people of the world allied together for the purpose of crushing the menace to the

liberties of the world of Prussian militarism. These nations ought to have their representatives meeting around a table for common action, declaring a common policy, and not compelled to carry on an interchange of views at variable distances of thousands of miles which circle the earth from China to the United States, from Japan to London. We ought to get together in common concert, in a common understanding as to international rules to safeguard our future relations toward each other and toward the common enemy. What sound argument can be urged against it? It is not an entangling alliance; it is what President Wilson very appropriately called a "disentangling alliance." An alliance with one of two military groups contending for greater power would be an entangling alliance. An alliance with all the nations of the world to prevent any nation or group of nations threatening the world is a disentangling alliance, which we ought to establish as speedily as possible.

Mr. President and Senators, I have submitted the proposal. I pray it may be considered thoughtfully by you and by the thinking men of all nations.

Improve upon it, perfect it, but act; act at once, while the iron is hot to hammer in shape the links which shall bind us to other nations in bonds of fraternity, liberty, equality, and guarantee to all mankind, including the Teutonic people, perpetual prosperity and happiness.

APPENDIX. EXHIBIT A.

REICHSTAG'S PEACE PLANK CALLS FOR RECONCILIATION; ANNEXATIONS ARE OPPOSED.

The peace resolution of the majority bloc adopted Thursday by the Reichstag, as given in the Tageblatt of Berlin last week is as follows: "As on August 4, 1914, so on the threshold of the fourth year of the war the German people stand up on the assurance of the speech from the throne. 'We are driven by no lust of conquest.'

"Germany took up arms in defense of its liberty and independence and for the integrity of its territories. The Reichstag labors for peace and a mutual understanding and lasting reconciliation among the nations. Forced acquisitions of territory and political, economic, and financial violations are incompatible with such a peace.

"The Reichstag rejects all plans aiming at an economic blockade and the stirring up of enmity among the peoples after the war. The freedom of the seas must be assured. Only an economic peace can prepare the ground for the friendly association of the peoples.

"The Reichstag will energetically promote the creation of international juridical organizations. So long, however, as the enemy governments do not accept such a peace, so long as they threaten Germany and her allies with conquest and violation, the German people will stand together as one man, hold out unshaken, and fight until the rights of itself and its allies to life and development are secured. The German Nation united is unconquerable.

"The Reichstag knows that in this announcement it is as one with the men who are defending the Fatherland. In the heroic struggles they are sure of the undying thanks of the whole people."

POINTS MADE BY CHANCELLOR.

"The burning question in our hearts is how much longer the war is to last. With this I come to a matter which stands in the center of all our interest and all our proceedings to-day. Germany did not desire the war in order to make violent conquests, and therefore will not continue the war a day longer merely for the sake of such conquests if it can obtain an honorable peace.

"Germans wish to make peace as combatants who have accomplished their purpose and proved themselves invincible.

"One condition of peace must be the inviolability of German territory. No parley is possible with the enemy demanding cession of German soil.

"We must by means of understanding and in a spirit of give and take guarantee conditions of the existence of the German Empire upon the Continent and overseas."

"Peace must offer the foundation of a lasting reconciliation of nations. It must provide a safeguard that the league in the arms of our opponents does not develop into an economic offensive alliance against us.

"These aims may be attained within the limits of your resolution, as I interpret it. [The Reichstag peace resolution.] We can not again offer peace. We have loyally stretched out our hand once. It met no response, but with the entire nation and with the German Army and its leaders in accord with this declaration, the Government feels that if our enemies abandon their lust for conquest and their aims at subjugation, and wish to enter into negotiations we shall listen honestly and ready to peace to what they have to say to us. Until then we must hold out calmly and patiently.

"I declare, in fact, that the submarine war accomplishes in the destruction of enemy tonnage what it should. It impairs England's economic life and the conduct of the war month to month in a growing degree, so that it will not be possible to oppose the necessity for peace much longer. We can look forward to the further labors of the brave submarine with complete confidence."

EXHIBIT B.

MEMORANDUM OF THE MAJORITY SOCIALISTS.

1.

The German Socialist Democracy aspires to a peace based upon mutual understanding and demands guarantees for the freedom of political, economical, and cultural development of its own nation. It also disapproves all violence against the vital interests of other peoples. Only such a peace can bring with it guarantees of durability. It alone will allow the nations to triumph over an atmosphere of hostility and to place all their strength in the service of social betterment and the progress of civilization.

Starting out from this general viewpoint we have given our assent to the project of the Workmen's and Soldiers' Council of Petrograd

in view of a peace without annexations or indemnities on the basis of the right of peoples freely to dispose of themselves. Consequently our attitude toward the particular points of the questionnaire is as follows:

I. Annexations.

We are opposed to annexations of territory by force. As far as the modification of frontiers on the basis of a mutual understanding is concerned the people interested, when they desire to remain in their old government, must be assured regarding all judicial and economic possibilities connected with changing their residence. It is understood the rejection of all forced annexations also covers the restitution of invaded colonies.

II. War indemnities.

The imposition of war indemnities has been rejected. It could not be realized otherwise than by totally crushing one of the belligerents. But each day of continued struggle increases so much the sum of sacrifices in wealth and blood for both sides that, merely for that motive, it would be inadmissible to retard peace for the sake of obtaining indemnities. Otherwise, the economic oppression of one nation by another would make a durable peace impossible.

III. Restorations.

In so far as this question applies to political restoration—that is, to the reestablishment of national independence—our answer is in the affirmative. On the contrary, we reject the idea of one-sided obligations to repair damages in territories affected by the war. These damages have resulted on all fronts from acts of hostile as well as friendly troops advancing or in retreat. Sometimes they were the immediate results of gunfire, at other times they were measures taken for military safety.

It appears to us extremely difficult to determine the origin of each damage case and to examine military justification. An obligation binding on one side only to repair damages would be nothing less than a disguised form of war indemnity.

For States ruined by the war, which would be unable to reestablish by themselves their economic life, international financial assistance could be provided on the basis of mutual understanding.

Besides, we Socialists consider the destruction of private property only the least part of the damages produced. The greatest losses affecting humanity—the destruction of human life—can be repaired by no amount of effort and future human happiness.

IV. The right of nations to dispose of themselves.

By the right of peoples to maintain or to modify their conditions, we mean political independence.

The first States to be considered are those which, like Belgium, Serbia, and other Balkan States, have lost their independence in this war. We are in favor of the reestablishment of an independent Belgium. Belgium ought not to be a vassal State of Germany, of England, or of France.

As regards Serbia and the Balkan States, we refer the matter to what has been said by our Austrian comrades.

A second group, in reference to which the question of the right of nations to dispose of themselves comes up, is formed by peoples who lost their independence long ago, but who consider themselves freed from foreign domination by the events of the war. This applies to Poland of the times of the Congress of Vienna, and to Finland. They can not be denied the right to dispose of themselves.

Other alienogeneous territories, in so far as there is no question of the independence of a State, ought to have guaranteed to them at least autonomy sufficient to cover the development of their own national life.

A third group is composed of peoples formerly independent, of a higher civilization, which became the prey of imperialistic domination, but the political rights of which have undergone no changes during the present war. To this group belong Ireland, Egypt, Tripoli, Morocco, India, Tibet, Korea, and other countries, which once were independent States.

The German Socialist Democracy feels the greatest sympathy with the efforts of all these peoples to recover their national liberty and would be pleased if the socialists in the States which dominate those countries would raise their voices so that the oppressed nations might be freed from the yoke of foreign domination.

V. Autonomy of nationalities.

In regard to cultural autonomy of portions of populations speaking other languages than that of the larger State into which they were incorporated, the German Socialist Democracy, in accordance with the attitude it has hitherto held, insists on the greatest extension of that autonomy in the future.

The German Empire will have to consider the demands of our Danish, Polish, and French fellow citizens in Schleswig on the north, in Poland and eastern Prussia, as well as in Alsace-Lorraine.

We most rigorously condemn every attack made against the use of the mother tongue and all hindrances to the exercise of what constitutes the character and the particular national civilization of those nations.

The portions of alienogeneous nations bordering on the territories of a State ought not to form obstacles to friendly relations, but rather serve as bridges for a mutual understanding between one people and another, one civilization and another. The introduction of truly democratic conceptions in all countries would make possible the realization of this aim.

Regarding the situation of the different nationalities in Austria-Hungary, we refer their case to the statements made by our Austrian comrades.

VI. Alsace-Lorraine.

In regard to Alsace-Lorraine, which was counted in the questionnaire among the "nationalities," it must be said first of all that Alsace-Lorraine has never been an independent national State, and that, besides, it could not be considered a particular nationality. According to its ethnographic nature—that is, according to its race and language—the population of Alsace-Lorraine is nearly nine-tenths German. French as a mother tongue is spoken by no more than 11.4 per cent of the population.

Besides, Alsace-Lorraine is not a territory which has changed hands during the war: it has remained, all except a very narrow band near the frontier, under the dominion of the German State. It would be impossible, then, from this point of view, to open the question of annexing Alsace-Lorraine to this or that State.

The territories of Alsace-Lorraine, which originally, both politically and ethnographically, belonged to Germany, had been wrested by France from the German Empire together with other territories. By the peace of Frankfurt, in 1871, they resumed their original status. Consequently it is almost unjustified to speak of an historical right of

France to these territories. To force the restitution of Alsace-Lorraine would amount to nothing less than annexation on the part of France, an annexation of territory where a foreign language is spoken. The Socialist Democracy demands for Alsace-Lorraine the guaranty of a complete equality of rights as a confederate independent State in the German Empire and a free democratic constitution providing for its legislation and interior administration. The German Socialist Democracy made that statement at the congress of Jena in 1913, in a resolution presented by comrades from Alsace-Lorraine. This settlement of the question, granting to Alsace-Lorraine equality of rights in the confederation and extensive interior autonomy, was in accord with the views of our comrades of the French Socialist Party before the war. Besides it answers the wish expressed on several occasions and even recently manifested by the national representatives of Alsace-Lorraine, who are elected by universal, equal, direct, and secret suffrage.

The principle of peace without annexations naturally does not exclude friendly agreements on the question of modifying frontiers.

2.

FUNDAMENTAL ELEMENTS OF INTERNATIONAL RELATIONS.

Taking into account the vital legitimate interests of all peoples, the right of each people to political independence and to freedom of economic development can not be permanently guaranteed unless the future treaty of peace contains a general outline of the rights of men. The work of years of peace will be required to build up internationally on common principles, political law, labor law, civil law, and commercial law, aiming to create among the peoples a community of judicial and economic civilization.

1. Provision for the rights of men.

The aim for a world peace guaranteed by judicial international institutions is considered the highest moral obligation according to the principles formulated on August 16, 1915, by the national council and a fraction of the German Socialist Party.

In accordance with the resolutions of the International Socialist Congress at Copenhagen, we particularly demand in the treaty of peace:

(a) The recognition of an international court of arbitration, to which all disputes between States shall be submitted;

(b) A superior judicial organization for each State, to be created for the prevention of the violation of contracts established by human law.

II. Disarmament and freedom of the seas.

In the treaties of peace mention will have to be made of arrangements for the limitation of armaments on land and sea. The aim of these arrangements ought to be to create a popular armed force for the defense of territories against warlike aggressions and strong oppression. The period of service in each of these categories of armies ought to be reduced to a minimum.

The legitimate means of carrying on war ought to be limited by contract. The ammunition industry ought to be nationalized. The supplying of arms and munitions by neutral nations to belligerents ought to be forbidden internationally. The right of capture on the sea ought to be suppressed. The arming of commercial vessels ought to be forbidden. All straits which are important for world relations and all inter-oceanic canals ought to be under international control.

Efficacious guarantees must be made for the safety of world commerce during war. The nature of contraband ought to be internationally defined. All clothing and food materials ought to be banished from the lists of war contraband. Private property ought to be protected against the encroachments of belligerents. Postal relations between belligerents and neutrals, and between neutrals likewise ought to be guaranteed in times of war. The matter of blockade ought to be defined anew.

III. Economic and social political questions.

In order that the fraternizing of peoples may not be hindered, it will be necessary in the treaties of peace to include clauses guaranteeing against a continued war in the form of an economic war.

The freedom of communication by land and sea ought to be reestablished in the treaties of peace.

The system of protective laws ought to be entirely done away with. The aim of all commercial politics ought to be based on the suppression of customs duties and commercial barriers.

In the colonies the "open-gate" system—that is, the right of all peoples to economic activity—ought to be established.

The freedom of international circulation, the right of coalition, the protection of labor, workmen's insurance, the protection of working women and children, and home work ought to be regulated according to the well-known program of the International Federation of Syndicates.

IV. The suppression of secret diplomacy.

We demand that all treaties between States and all international agreements be submitted to the democratic control of national representatives.

3.

THE PRACTICAL REALIZATION OF THESE AIMS.

Commissions for the study of various problems would furnish valuable explanations in regard to national and economic questions. The main problem, however, for international socialism is to bring about peace as soon as possible. And peace, we are convinced, can be obtained by mutual agreement on the basis of "no annexations and no indemnities" even before the commissions begin their work.

4.

THE ACTIVITY OF THE INTERNATIONALE.

Neutral countries have been, without exception, more or less interested in the war. All have an interest in an early peace. Consequently it is necessary to summon them to regulate economic, social, and judicial questions of an international character.

The other questions concerning the collaboration of the internationale during peace negotiations have already received a sufficient reply.

As far as the Socialist parties in belligerent countries are concerned, their influence on the governments, national representatives, and official peace conference ought to become stronger every day.

5.

ACTIVITIES OF SOCIALIST PARTIES FOR PEACE.

We are coming now to the question of motives which led the German delegation to ask, on the 7th day of June, that a report of each delegation on the work of its party, in view of a permanent peace, be added to the questionnaire.

The bureau of the Social Democratic Party in Germany issued two pamphlets containing a collection of statements, manifestoes, and dis-

courses delivered in the Reichstag, in which the attitude of the party in regard to war and war aims is explained.

In this collection of documents proof is furnished that the German Social Democratic Party has worked from the first day of the war for an early peace, and that it knows no other conditions for a peace agreement than the fact that the adversaries are equally ready for such a peace.

But the German Social Democratic Party is not satisfied, in its work for peace, with more parliamentary discourses, manifestoes, and statements cited in the above-mentioned collection. It has held meetings for peace in all parts of the Empire and obtained signatures to petitions in which the Government was asked to declare its readiness for peace under the condition of renouncing all plans of conquest.

This work for peace has had a great measure of success. Unfortunately, the endeavors of the Social Democratic Party of Germany to renew the ties of friendship with the Socialist Parties in Germany and France have remained unsuccessful.

The work for peace can bring no favorable results unless it be undertaken simultaneously on both sides. This, we believe, could have been done and should have been done long ago, without necessitating either party's having to ask for something resembling the abandonment of the national cause.

We declare to all nations that we have no other obligation than that of defending our own Nation, and no mission to punish other peoples for the imaginary or real crimes of their governments. It is in this sense that the German Social Democratic Party has not ceased to work.

6.

GENERAL SOCIALIST CONFERENCE.

We are ready to participate without reserve in a general Socialist conference for peace, because we believe the first duty of all Socialists is to act for peace. An explanation of the attitude of all Socialist parties would be simplified if all of them would prepare a collection of documents regarding their activities in favor of peace.

In regard to the explanation of responsibilities, from which we can not escape, we believe such a statement would not facilitate the attainment of the aim of the conference. There is no need of discussing the past; what we ought to do is to come to an understanding in reference to the future, namely, in reference to the realization of a permanent peace in accordance with our principles and our ideals.

We have no objection to the participation of all minority Socialists at the general conference.

MEMORANDUM OF THE MINORITY SOCIALISTS.

In its peace views, as in its general policy, the German Independent Social Democratic Party proceeds from the common interests of the international proletariat and the development of society. These interests demand immediate peace.

In the peace to be concluded we demand an international arrangement for general disarmament as being the chief means of strengthening the debilitated States. General disarmament is the only way to break any militarist supremacy and to secure a lasting and peaceful understanding between the nations.

We demand the fullest freedom for international trade and intercourse, as well as an unlimited right of migration. We condemn any economic barriers or any economic struggle between States.

All disputes between States must be settled by compulsory international arbitration.

We demand international treaties to secure the workers against impoverishment, especially in regard to women and children.

Political rights for women we regard as a social necessity.

Equal rights should be granted for all the inhabitants of any country, without regard to tongue, race, or religion. This would also mean the securing to national minorities the right to develop their national life.

National and social liberation can not be achieved by the Governments at war. It can only be done by democracy.

Democratic control of foreign policy will prevent aggressive measures. Secret treaties must be abolished, and all State treaties must be made dependent upon the assent of the parliaments.

Though not regarding State boundaries as inviolable, we condemn the war and its prolongation as a means of regulating boundaries. Regulation of frontiers must be conditional upon the assent of the populations concerned and not an act of force.

With all firmness we object to the violation in any form of any nation.

From the beginning of the war we have consistently demanded peace without annexations or indemnities, based upon national self-government.

It is not our affair to draw up a program covering all the questions to be dealt with in the peace settlement, but in regard to the questions raised in the discussions now going on we declare the following:

The reestablishment of Serbia as a self-governing, independent State is our absolute demand.

The needs of a republican Balkan federation.

The uniting of all Serbs in a single national State, and its combination with the other Balkan States in a republican Balkan federation we regard as the best way of removing the eastern question as a cause of war.

We understand the deep feeling of the Poles for national unity. To admit the right of Russian Poland to national independence but to deny that same right to Prussian and Austrian Poland is contradictory.

Just as with Serbia and Poland, so do we condemn the prolongation of the war as a means of settling the question of Alsace-Lorraine. The population of Alsace-Lorraine, which in 1871 was annexed against its will, will not obtain peace any earlier than it will itself obtain the opportunity through a direct and free vote to express its wish as to the State to which it shall belong. The German people would obtain by this mode of settlement an economic, political, and moral gain that would be greater than any possible loss, even if the voting gave another result than it had anticipated.

The full independence and economic self-dependence (i. e., freedom from economic interference of Belgium is inevitable. In fulfillment of the German Government's promise at the beginning of the war, the Belgian nation has to be compensated for the damage caused by the war, and especially for the economic values that have been taken away. Such a repayment has nothing to do with the various kinds of indemnities, which simply mean the plundering of the vanquished by the victor, and which we therefore reject.

As opponents of any policy of conquest and foreign dominion we reject, as we have always done, a policy of colonial conquest. The

possession of any colony without its own self-administration is nothing else than the possession of an unfree people and, just as slavery, is incompatible with our principles.

Neither by the acquirement of colonies nor by a change of possessor is the population's right to self-determination respected. The possession of colonies, too, is not necessary for industrial development.

THE NEED FOR A COMMON PROGRAM.

Only if the Internationale is erected, independent and powerful; if the proletariat everywhere lend it its full force through keeping control over governments and maintaining peace, only then will there come in the future a state of mutual confidence between the nations instead of an armaments contest.

The proletariat in every country must now do its all to bring the war to an end. To attain this aim the independence of the Socialist parties in relation to their imperial governments must be presupposed.

The drawing up of a common peace program is important, but this program has no worth if it is not supported by the energetic international action of the masses. Every government must be challenged to give its unconditional adhesion to the international peace program.

Credits are to be refused to any government that refuses this program or answers evasively or does not declare itself ready to enter upon peace conversations on the basis of this program. Such government must be fought in the sharpest manner.

To undertake and further such common peace action must be the first object of the planned international peace conference. A proletariat organization that will not join in this action would thereby forfeit the right henceforth to be regarded as an organization of international socialism.

EXHIBIT C.

RUSSIA.

[Documents issued by the Provisional Government and the Council of Workmen's and Soldiers' Delegates relative to terms of peace, Apr. 9-June 13, 1917.]

Proclamation issued by the Provisional Government, April 9, 1917.

Having examined the military situation the Russian Government, in the name of duty and country, has decided to tell the people directly and openly the whole truth.

The régime which now has been overthrown left the defense of the country in badly disorganized condition. By its culpable inaction and its inept measures it introduced disorganization into our finances, into provisioning, and the transport and supply of munitions to the army. It weakened the whole of our economic organization.

The Provisional Government with the active cooperation of the whole nation will devote all its energies to repair the serious consequences of the old régime. The blood of many sons of the fatherland has been shed freely in the course of these two and a half long years of war, but the country still is capable of a powerful blow at the enemy, who occupies whole territories of our State and is now—in the days of the birth of Russian liberty—threatening us with a new and decisive thrust.

The defense, cost what it may of our national patrimony, and the deliverance of the country from the enemy who invades our borders constitute the capital and the vital problem before our warriors, who are defending the liberty of the people in close union with our allies.

The Government deems it to be its right duty to declare now that free Russia does not aim at the domination of other nations, at depriving them of their national patrimony, or at occupying by force foreign territories, but that its object is to establish a durable peace on the rights of nations to decide their own destiny.

The Russian nation does not just after the strengthening of its power abroad at the expense of other nations. Its aim is not to subjugate or humiliate anyone. In the name of the higher principles of equity it has removed the chains which weighed upon the Polish people. But the Russian nation will not allow its fatherland to come out of the great struggle humiliated and weakened in its vital forces. These principles will constitute the basis of the foreign policy of the provisional government, which will carry out unflinchingly the popular will and safeguard the rights of our fatherland, while observing the engagements entered into with our allies.

The provisional government of free Russia has no right to hide the truth. The State is in danger. Every effort must be made to have it let the country respond to the truth when it is told, not by sterile depressions and not by discouragement, but by unanimous vigor, with a view to creating a united national will.

This will give us new strength for the struggle and will procure our salvation. In this hour of rude trial let the whole country find in itself strength to consolidate the liberty won and to devote itself to untiring labor for the welfare of free Russia.

The Provisional Government, which has given its solemn oath to serve the people, is firmly confident that with the general and unanimous support of each one and all it will itself be able to do its duty to its country to the end.

LVOFF,

President of the Council.

Source: New York Times, April 11, 1917, page 4, column 2.

Note sent by the minister of foreign affairs to the Russian diplomatic representatives in the allied countries May 1, 1917.

Please hand to the Government to which you are accredited the following note:

The Provisional Government of Russia published on April 27 a manifesto to Russian citizens in which it explained the views of the Government of free Russia in regard to the objects to be attained in the war. The minister for foreign affairs instructs me to communicate to you the contents of the document referred to and to add the following considerations:

Our enemies have striven lately to sow discord among our allies by propagating absurd reports regarding the alleged intention of Russia to conclude a separate peace with the central powers. The text of the document annexed will form the best refutation of such inventions. The general principles therein enunciated by the Provisional Government are in entire agreement with the ideas which were repeatedly expressed up to quite recently by eminent statesmen of the allied countries. These principles were also lucidly expressed in the words of the President of our new ally, the great oversea Republic.

The Russian Government under the old régime was certainly not prepared to appreciate and share these ideas as to the liberating character of the war, the establishment of a stable basis for the pacific cooperation of nations, the freedom of oppressed peoples, etc. But emancipated

Russia can now use language which will be understood by modern democracies, and hastens to add her voice to that of her allies.

The declarations of the Provisional Government, being imbued with this new spirit of a free democracy, can not naturally afford the least pretext for the assumption that the demolition of the old structure has entailed any slackening on the part of Russia in the common struggle of all the allies. On the contrary, the nation's determination to bring the world war to a decisive victory has been accentuated owing to the sense of responsibility which belongs to all in general and to each one of us in particular. This spirit has become still more active by the fact that it is concentrated on the immediate task, which touches everybody so closely, of driving back the enemy who has invaded our territory. It is understood, and the annexed document expressly states so, that the Provisional Government in safeguarding the rights acquired for our country will maintain strict regard for the engagements entered into with the allies of Russia.

Firmly convinced of a victorious issue to the present war, and in perfect agreement with our allies, the Provisional Government is likewise confident that the problems which were created by this war will be solved by the creation on a firm basis of a lasting peace, and that, inspired by identical sentiments, the allied democracies will find a means of establishing the guaranties and penalties necessary to prevent any recourse to a sanguinary war in the future.

Source: London Times, May 4, 1917, page 6, column 5.

Explanation of the note of May 1, 1917, presented to the Council of Workmen's and Soldiers' Delegates May 4, 1917.

The note was subjected to long and detailed examination by the provisional government and was unanimously approved. It was obvious that this note, in speaking of a decisive victory, had in view a solution of the problems which were mentioned in the communication of April 9 and which was thus specified:

"The Government deems it to be its right and duty to declare now that free Russia does not aim at the domination of other nations or at depriving them of their national patrimony or at occupying by force foreign territories, but that its object is to establish a durable peace on the basis of the rights of nations to decide their own destiny.

"The Russian nation does not lust after the strengthening of its power abroad at the expense of other nations. Its aim is not to subjugate or humiliate anyone. In the name of the higher principles of equity the Russian people have broken the chains which fettered the Polish nation, but it will not suffer that its own country shall emerge from the great struggle humiliated or weakened in its vital forces."

In referring to the "penalties and guaranties" essential to a durable peace the provisional government had in view the reduction of armaments, the establishment of international tribunals, etc.

This explanation will be communicated by the minister of foreign affairs to the ambassadors of the allied powers.

Source: New York Times, May 6, 1917, page 1, column 5.

Statement issued by the Council of Workmen's and Soldiers' Delegates May 4, 1917.

The note of the minister for foreign affairs of May 1 (published on May 3), to which was attached for transmission to the governments of the allies the provisional government's declaration of April 9, evoked the disapproval of the executive committee of the Council of Workmen's and Soldiers' Delegates and a vigorous protest from the democracy, which took the form of meetings and mass demonstrations. On their side the bourgeois elements also began agitating, protesting against the said demonstrations of workmen and soldiers. The next day the movement spread to Moscow.

On the night of May 4 a joint sitting was held by the executive committee of the Council of Workmen's and Soldiers' Delegates, the Government, and the executive committee of the Duma. On the same day the provisional government communicated to the executive committee a supplementary note to be addressed to the ambassadors of the allied powers (published on May 5), declaring that the Government understood by the words "decisive victory" the renunciation by Russia of territorial conquests and the seizure of national property of other nations and of all extension of Russia's power at the expense of other States. In view of this supplementary note the Council of Workmen's and Soldiers' Delegates adopted the following resolution proposed by the executive committee:

The Council of Workmen's and Soldiers' Delegates warmly congratulates the revolutionary democracy of Petrograd, whose meetings, resolutions, and demonstrations have shown the close attention it pays to questions of foreign policy and its anxiety that that policy should not wander off in the direction of the usurping imperialism of the old régime. The note of the minister for foreign affairs of May 1 did indeed offer good ground for the above anxiety. The Provisional Government had taken a step which the executive committee had long urged and had communicated to the Governments of the allies the text of its declaration of April 9 announcing its renunciation of any policy of conquest. By that act the Government placed upon the allied States the necessity of stating their attitude on the policy of conquest and the general aims of the war before their respective democracies and before those of the whole world.

The note of the minister for foreign affairs, however, sent to the Governments of the allies, attached to the Government's declaration of April 9 explanations so worded that they could be understood as an attempt to minimize the real importance of the step taken. The terms and formulae of the note, borrowed from the vocabulary of the diplomacy of the old régime and incomprehensible to the people, were of such a nature as to give rise to a justifiable fear that, in the domain of international relations, the Provisional Government did indeed intend to depart from the path of the renunciation of the policy of conquests which it had proclaimed on April 9. The unanimous protests of the workmen and soldiers of Petrograd showed the Provisional Government and all the peoples of the world that the revolutionary democracy of Russia would never consent to the setting up anew of the problems and processes of the foreign policy of the epoch of the caesars and that its efforts are and will be directed to an implacable struggle for a world peace.

The Government's fresh explanations, called forth by these protests, brought to the knowledge of the public and communicated by the minister for foreign affairs to the ambassadors of the allied powers, put an end to all interpretations of the note in a sense contrary to the interests and demands of revolutionary democracy.

Source: London Times, May 8, 1917, page 6, column 4.

The report in the New York Times of May 6, 1917, states that the resolution concluded:

"The executive committee, while asserting its unalterable determination not to make peace except on these conditions, appeals to the entire revolutionary democracy of Russia to rally round the Council of Workmen's and Soldiers' Delegates, and declares its firm assurance that the peoples of all the belligerent countries will be able to overcome the resistance of their Governments and force them to enter upon negotiations for peace on the basis of renunciation of all annexations and indemnities."

Statement by the Council of Workmen's and Soldiers' Delegates, June 13, 1917.

The Russian revolution, which is a revolt of the people not only against the tyranny of Czarism but also against the horrors of the world war, the blame for which falls upon international imperialism, has placed before all countries with extraordinary acuteness the urgent need of concluding peace.

At the same time the Russian revolution has indicated to the nations a way for realizing this problem, notably a union of all the working classes to combat all attempts of imperialism to prolong the war in the interests of the wealthy classes and to prevent peace with annexations or indemnities.

The working classes of all countries can easily come to a speedy, solid agreement only if they are inspired with their own interests and remove the aspirations of imperialists and militarists, who often hide their true face under a seductive mask. It is evident that the conference can become the turning point in the terrible epoch of fratricidal war only if the members of the conferences are imbued with these ideas. And it is no less evident that all the questions you have raised can not be the subject of discord or a motive for a continuation of the war.

Having recognized the right of nations to dispose of their destiny, the members of the conference will come to an understanding without difficulty regarding the future of Alsace-Lorraine and other regions. Moreover, the working classes, relieved of the mutual distrust with which the imperialists have envenomed them, will agree regarding the means of granting compensation and the amount of such compensation to the countries devastated by war, like Belgium, Poland, Galicia, and Serbia. But it goes without saying that such compensation must have nothing in common with the contribution which is imposed on the conquered country.

Regarding your statement that it is impossible for you to break the secret union, this statement evidently is based on a misunderstanding, for the Council of the Workmen's and Soldiers' Delegates claims for no party as a preliminary condition the renunciation of the policy already pursued by it. The council expects from the conference of the Socialists of the belligerent and neutral countries the creation of an internationale, which will permit all the working classes of the whole world to struggle in concert for a general peace and break the bonds which unite them by force to the governments and the classes imbued with imperialistic tendencies which prevent peace.

The Council of the Workmen's and Soldiers' Delegates also considers it futile for parties to make it an absolute condition of their taking part in the conference that the preliminary consent of other parties shall be obtained to any obligatory decision, for that would give rise to irreconcilable contradictions on questions an amicable discussion of which might lead to a solution acceptable to both parties.

Regarding your desire to obtain a previous complete agreement between the allied Socialists, the way in which we put the problem renders futile any such understanding. We consider that the conference can succeed only if the Socialists consider themselves, not the representatives of the two belligerent parties, but representatives of a single movement of the working classes toward a common aim of a general peace.

Source: New York Times, June 15, 1917, p. 3.

EXHIBIT D.

I. THE ORIGINS OF PRUSSIA.

When in 1445 the Holy Roman Emperor Sigismund of Luxemburg sold the Electorate of Brandenburg—a war-ridden border mark on the Oder River somewhat larger than the State of Vermont—to the hitherto inconspicuous House of Hohenzollern, he little realized that he was taking the first step toward bringing into being a political organization which, just five centuries later, would have reduced the remnants of his Empire to a state of vassalage and would be contending with a fair prospect of success for the domination of the civilized world. During all of this long period of Prussian expansion it has been uniformly and consistently maintained that a Hohenzollern is accountable for his acts to God alone, and that considerations of private morality have no bearing upon the policy and actions of a state. The first conspicuous additions to the Hohenzollern holdings came in 1614 and 1618, when, through fortunate family alliances, they obtained control of the duchy of Cleves and Mark (which were formally awarded to Prussia in 1666) and of the Slavic duchy of East Prussia, a fief of the King of Poland. Thus, in 1618, the Hohenzollern family was linked up with the destiny of Prussia.

II. THE FIRST ERA OF PRUSSIAN EXPANSION, 1640-1815.

The first important stage of Prussian development began with Frederick William, the great Elector (1640-1688), who is one of the half dozen great figures in the history of Prussian expansion. Coarse, brutal, unscrupulous, and treacherous, but withal energetic and sagacious, the great Elector, by skillful intrigues and double-faced diplomacy rather than by war, obtained full sovereignty over East Prussia, made secure Prussian control of Pomerania, and added Halberstadt, Minden, and Magdeburg, and brought his somewhat scattered domains under the centralized control of his officials at Berlin. He introduced the typical Prussian policy of building up an effective military organization, and, by encouraging the settlement of refugee Huguenots, he brought economic prosperity to Prussia.

In 1701 the head of the Hohenzollern house was able to induce the Emperor Leopold to allow him to assume the royal title in return for aid against Spain, and the Hohenzollerns accordingly became Kings of Prussia.

The next important Prussian ruler was Frederick William I (1713-1740), a true Hohenzollern of the most vigorous type, who held that a paternal despotism was the ideal form of government, and maintained that an efficient State has for its primary purpose the supporting of a large and effective army. He continued the work of the great Elector

and perfected the two most typical Prussian institutions by making the army the best disciplined fighting machine in Europe and by establishing the extremely efficient centralized Prussian bureaucracy.

Frederick William added little to Prussian territory, but he handed down to his more famous son, Frederick the Great (1740-1786), the highly organized political and military system which enabled the latter to extend the Prussian domains more than any other ruler to the time of Bismarck. A self-confessed Machiavellian, Frederick's foreign policy was speedily indicated, when, in the first year of his reign, he trumped up the extremely flimsy pretext of a very ancient family claim, summarily invaded the realms of the youthful and helpless Maria Theresa, the Queen of Austria, and seized the Province of Silesia. A few years later he acquired Friesland on the North Sea. In 1756 practically all of Continental Europe united against Frederick, and, but for the aid of England, the Prussian military despotism, which already had begun to threaten the peace of Europe, might have been brought to an early and salutary end. With English support Frederick was able to fight his enemies to a draw and to establish the Hohenzollerns as the peers of the Hapsburgs and the Bourbons. In 1772, Frederick, in conjunction with Russia and Austria, participated in that most shameful international larceny—the first partition of Poland. By selecting as his share of the booty the district of West Prussia he was able to link it up with Brandenburg and East Prussia into a compact geographical unity.

Frederick William II (1786-1797), the successor of Frederick the Great, by two more equally disgraceful partitions of Poland, secured Posen and the adjoining districts and was thus able to round out the gap between Prussia proper and Silesia.

By the terms of the Congress of Vienna, 1815, Prussia secured the rich Rhine Provinces and northern Saxony.

III. THE ORIGIN OF A PRUSSIANIZED GERMAN EMPIRE, 1815-1871.

The task of the Hohenzollerns from 1815 to 1871 was clearly marked out, namely, to create a Prussianized German Empire.

Between 1818 and 1842 the first phase of this policy was facilitated by the Zollverein, or customs union, which brought the coveted territory into an economic alliance with Prussia. From 1842 to 1867 Prussia was busy with diplomatic intrigues and aggressive measures which were designed to convert her economic domination into political sovereignty.

The first step in this procedure was to regenerate the Prussian Army, which had failed to perform any particularly glorious exploits since Leipzig and Waterloo. This was accomplished through the efforts of William I, aided by the able but autocratic and reactionary statesmen and military experts, Von Roon, Von Moltke, and Bismarck. The latter, a true "Junker," was the most sinister genius in European politics in the nineteenth century. Though one of the most astute political leaders in history, he was, after Metternich, the bitterest enemy of democracy in his time, and was a more thoroughgoing exponent of Machiavellian diplomacy than Frederick the Great. For more than a quarter of a century he applied all of his truly terrific energy to making Prussia supreme in Germany through his famous policy of "blood and iron."

After having perfected Prussia's military preparations, Bismarck cast about for a pretext to induce a war with Austria in order that the latter might be humiliated and deposed from her predominant position in the German Confederation. This eagerly sought opportunity came in 1866 through the dispute over the future disposition of the Provinces of Schleswig and Holstein, which Bismarck had induced Austria to aid him in wresting from Denmark two years before. The carefully laid Prussian plans bore fruit in the crushing defeat and overthrow of Austria at the battle of Sadowa. Prussia was then free to seize Schleswig and Holstein, Hanover, Hesse-Cassel, and Nassau, and became dominant in the North German Confederation formed in 1867, thus completing the first chapter of Bismarckian policy.

The next task was to make Prussia supreme in a unified, autocratic, and militaristic German Empire. To accomplish this purpose Bismarck recognized that another foreign war would be necessary in order to weld the South German States to the Prussianized North German Confederation. Stirring up a false fear of France in the South German States, Bismarck was able to obtain their military alliance with Prussia. It was now essential to bring about a common war with a foreign country so that this military alliance might be transformed into a firm political union. Carefully calculating its effect upon French sentiment, Bismarck secretly urged the Hohenzollern Prince Leopold to accept the offer of the vacant Spanish throne. Through the storm of indignation which arose in France over this act, Bismarck, by the distortion of a telegram from the Prussian King, and aided unwittingly by the hot-headed and half-brained French foreign minister, the Duke of Gramont, and the Parisian war party, was able to induce France to make war on Prussia.

Prussia's elaborate military preparations, which had been in steady progress, made easy a humiliating defeat of France, and the enthusiasm of this brilliant success was sufficient to give rise to the German Empire, in which Prussia was supreme in policy, military strength, and constitutional arrangements. A crushing indemnity laid upon France and the seizure of the French Provinces of Alsace and Lorraine left an open sore in European politics. This would furnish a possible basis for another European war which Bismarck foresaw might be indispensable to the next move in Prussian policy to make the German Empire supreme in Europe.

IV. THE PRUSSIANIZATION OF THE GERMAN EMPIRE, 1871-1914.

The ambition for European supremacy furnishes the key to Prussian internal policies and diplomatic intrigues since 1871, as truly as the ambition for a German preeminence explains Prussian politics from 1815-1871.

Hardly had the new imperial system been thoroughly organized when its bureaucracy was used to crush the growing liberal party of social democracy. This was done by inducing the autocratic German Government to adopt the chief reform policies of the Social Democrats and thus take away the very ground from beneath their feet, and by retaining the semifederal system of representation which excluded them from their legitimate share in the Government.

Such was the condition of the German Empire in 1888 when there came to the throne of Prussia and hence to the head of the German Empire, William II, a Hohenzollern who seemed to combine all the typical characteristics of his family. He preserved the patrimonial divine-right theory of government of Frederick William I, thought himself possessed of the versatile genius of Frederick the Great, and maintained the energy and aggressive military policies of his grandfather. Bismarck's policy of "blood and iron" was fully adopted as the program of "I, God, and the army."

The new Emperor, while at first posing as a social reformer, was an even more bitter enemy of the party of social democracy than Bismarck, and allied himself to the "Junker" class, the mortal enemies of liberalism and the sworn devotees of autocracy, militarism, and Pan-Germanism. All phases of German policy and administration were directed to the achievement and preservation of autocratic irresponsible government and increased military power.

To make this policy an integral part of the popular sentiment of Germany, there issued from the center of junkerdom at Berlin the most systematic campaign of Chauvinistic, militaristic, and imperialistic education in the history of Europe. This was based on the pseudo-Darwinian philosophy expounded by writers like Bernhardi; on the anti-social, anti-Christian, "might makes right" philosophy of Nietzsche; and on the crude nationalistic doctrines of the great German philosophers and historians of the nineteenth century. It was all designed to glorify war as the supreme instrument of national development and to emphasize at every point the universal superiority of the German peoples when led by Prussia and her God-favored ruler.

Such a state of mind is intelligible only when one understands that Prussia, through diplomatic intrigues, military aggression, and the imitation of the culture and industry of other peoples, had passed from a semifederal condition to the head of a great national and industrial state in less than half a century. Thus, instead of representing an old and established stock people or "Urvoik," as Fichte had maintained, Prussia is really an upstart in international society and brings with her all the aggressiveness, arrogance, pride, and bad manners of the parvenu.

But William II, with all his bigotry and militarism, was a pacifist as compared with the extreme Pan-Germanic Junker Party, which allied itself to the semi-imbecilic crown prince and dominated the Prussian general staff. This party, which controlled the Emperors' actions in July, 1914, and his diplomacy during most of the previous decade, boldly and frequently proclaimed Germany's fitness and destiny to rule the world.

To carry out this criminal ambition to dominate the planet, Prussianized Germany secured the subordination of Austria to her plans and obtained by intrigues with the Balkan States and Turkey concessions for a direct line of communication from Hamburg to Bagdad, thus opening the way to the East. The colonial empire in Africa was strengthened and spheres of influence were developed in South America and the Far East.

By 1905 Germany began to be impatient to "feel out" her growing powers and to discover whether the other European nations entertained a healthy respect for her strength and destiny. No less than five serious international crises were forced upon Europe by German policy between 1905 and 1914, any one of which might have precipitated a European war if the other nation had not backed down before Germany's high-handed conduct. France was bullied in regard to Morocco in 1905-6, in 1908, and again in 1911. Russian weakness after the war with Japan was exploited by Prussia through a tariff war and the encouraging of Austria to seize Bosnia and Herzegovina and thus to violate the treaty of Berlin with the same equanimity that Prussia later displayed in violating neutral territory and treaties in 1914. Again, in the Balkan War of 1912-13, Austria was supported in that further bullying of Serbia which led to the extreme anti-Austrian feeling in Serbia that resulted in the murder of the Austrian Crown Prince in 1914.

V. THE PRUSSIAN WAR OF 1914.

In view of the Prussian attempts at diplomatic bullying just enumerated, it did not augur well for the peace of Europe, when in 1913 Germany planned greatly to increase her already enormous armaments. However, it is not difficult to understand this belligerent attitude. Russia had keenly resented the Prussian insults in 1908 and 1912-13 and had set herself to so thorough a military reorganization that she alone might seriously challenge the military supremacy of Prussia in a few years. The social democrats were attaining such strength and confidence that the representatives of the semifederal Prussian autocracy knew well that their days were numbered unless some great crisis, such as a European war, could bring a temporary check to the growing stream of liberalism. Again, the Pan-Germanists who had rallied around the Crown Prince were confident, domineering, and aggressive. Finally, the great army and its officers were chafing under its long inactivity. It was little wonder, then, that Prussian junkerdom eagerly availed itself of the opportunity of 1914 to make the final test of the power of the political system it had been building up for more than half a century.

The immediate events which led to the outbreak of the war in July, 1914, are too well known to need repetition. Germany's arrogant support of the atrocious demands of Austria upon Serbia; her bullying and summary ultimatum to Russia, which this time refused to be "bluffed" as in 1908 and 1912-13; her haughty rejection of diplomatic overtures; and her ruthless and cynical violation of treaties, neutral territory, and international law are now among the indisputable facts of history.

Though foiled in its attempt to effect a speedy conquest of western Europe, the Prussian military machine has achieved almost complete success in its eastern campaign. The whole of that vast and coveted territory from Hamburg to Bagdad has been brought under the complete control of Berlin. Were Germany to make peace by retiring to the Rhine in the West she would have won a military and territorial victory compared with which the military exploits of Frederick the Great and Bismarck pale into insignificance. She has more than trebled her territory and brought under Prussian domination since 1914 a population greater than that of the United States. The following table showing the situation at the beginning of 1917 will demonstrate that the previous statement is by no means an exaggeration:

1. The masters:		
Prussians	-----	40,000,000
2. Vassal peoples:		
South and Austrian Germans	-----	33,000,000
Magyars	-----	10,000,000
Bulgars	-----	5,000,000
Turks	-----	6,000,000
		54,000,000
3. Enslaved peoples:		
French	-----	3,000,000
Belgians	-----	7,500,000
Alsations, Lorrainers	-----	1,500,000
Danes	-----	200,000
Poles, Lithuanians	-----	22,000,000
Ruthenians	-----	5,500,000
Czechs	-----	8,500,000

3. Enslaved Peoples—Continued.

Jugo-Slavs	11,000,000
Roumanians	8,000,000
Italians	800,000
Armenians	2,000,000
Levantine	2,000,000
Ottoman Greeks	2,000,000
Arabs	8,000,000
	82,000,000

4. Total under Prussian domination, 1917..... 176,000,000

These figures, taken in conjunction with the above map, which shows the territory inhabited by these peoples, convey some impression of the tremendous task to which the United States has become a party in the effort to liberate Germany and the world from the domination of Prussian Junkerdom. It also gives an effective answer to those who contend that Prussia is already beaten.

It is plain that it will require great military pressure and the most intelligent diplomacy to detach the South Germans and the Austrians from their alliance with Prussian absolutism, to separate the Prussian Social Democrats from their doubly fatal alliance with the Prussian autocracy, and to liberate the alien races now enslaved by Prussia.

That the "Berlin philosophy" is not yet repentant can be easily seen from the closing words of the bitter diatribe against England recently written by Prof. Eduard Meyer, Germany's greatest living historian and a former exchange professor to the United States, in which he enumerates the three fundamental institutions to which Germany must cling if she is to fulfill her destiny in the world, namely: "Our military organization; our economic organization; and lastly, a virile monarchial government placed wholly beyond the influence of party strife, and wholly independent to act, that it may be free to combine and utilize all the forces of which the nation is capable. For the beneficent results of this action we had every reason to be grateful when the outbreak of the war found us fully prepared, while every day that the war continues gives us renewed evidence of its efficiency."

When the greatest Prussian historian speaks thus, American citizens must realize that Prussia must be beaten down by force of arms before she can again be treated as a liberalized modern nation.

CONCLUSIONS.

The foregoing shows how for centuries Prussia has been systematically building up an autocratic empire by aggressions and for further aggressions.

Her battle cry in August, 1914, was: "Weltmacht oder Niedergang" (World dominion or downfall). Thus in her mad pride she avowed her purpose to dominate the world.

By the war of 1870 against France she consolidated the South German Confederation into the German Empire.

Her essential purpose in the present war is to clinch her present hold on the vast and continuous domains of Austria-Hungary, the Balkans, and Turkey.

If Prussia can do this she will in reality have won the war even though she retire from France, Belgium, and Poland and indemnify them. She will have won because she will have increased her autocratic dominion from less than 70,000,000 people to over 170,000,000—an increase by the present war equal to the population of the United States.

Then at her chosen moment again she will attack, perhaps with new allies, to make complete in both hemispheres her world dominion. Her history and her present announcements both forecast this as her intent.

Her present peace talk and her future peace talk is and will be solely to preserve her present dominion approximately as shown in the last map.

For America and her allies to make peace until we have broken forever this dominion which Prussia has won in the present war would be to bequeath to our children the certainty of a still greater and more horrible war followed by fetters such as she is now attempting to rivet on her allies.

Therefore we must carry on this war, without one thought of peace, until we have shattered the grip of Prussia on Austria-Hungary, the Balkans, and Turkey for all time.

If we do not carry on this war to this end, our grandsons will be the conscript soldiers of Prussia to help her conquer Asia or Africa, or else our grandsons alone will have to defend their land against Prussia and her Asiatic or African allies of the future.

To end the world warring of Prussia the web she has woven from Hamburg to Bagdad must be shattered through force of arms supplemented by intelligent diplomacy.

It is as necessary to the safety of America as it is to that of her allies that we realize that now this war is our war as fully as it is their war—that we all fight it with all our might to the only end which will make the world safe for democracy.

EXECUTIVE SESSION.

Mr. STONE. 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 10 minutes spent in executive session the doors were reopened.

PETITIONS.

Mr. PHELAN presented a petition of sundry citizens of Long Beach, Cal., praying for the enactment of legislation providing that the Dental Corps shall consist of commissioned officers of the same grades and proportionately distributed among such grades as are now or may hereafter be provided by law for the Medical Corps, etc., which was referred to the Committee on Military Affairs.

He also presented a petition of the Chamber of Commerce of Santa Ana, Cal., praying that a labor census be taken and that a system of industrial conscription be put into force, and indorsing stringent measures for the suppression of criminal syndicalism, which was referred to the Committee on the Census.

LOCK AND DAM IN MERMENTAU RIVER, LA.

Mr. RANSELL. From the Committee on Commerce, I report back favorably without amendment the bill (S. 2785) to authorize and empower the Southwest Louisiana Waterways Association, of the State of Louisiana, to construct a lock and dam in Mermentau River, in the State of Louisiana, and I submit a report (No. 112) thereon. I ask unanimous consent for the immediate consideration of the bill, as it is an emergency matter.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The Senator from Louisiana asks unanimous consent for the immediate consideration of the bill just reported by him.

Mr. PENROSE. I did not hear what the bill is about.

Mr. RANSELL. It is a bill authorizing the Southwest Louisiana Waterways Association to construct a lock and dam on a little river in Louisiana, in order that the salt water may not back up on the rice and destroy it. It is a tidewater stream. The Government will not be involved in any expense. The bill simply grants a permit to the local people to construct this lock and dam. It has the approval of the Chief of Engineers, and everything about it is local. I hope no objection will be made.

Mr. PENROSE. I have no objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Southwest Louisiana Waterways Association, of the State of Louisiana, be and is hereby, authorized to construct a lock and dam in the Mermentau River at some suitable point, to be approved by the Secretary of War: *Provided,* That said lock and dam shall be constructed and maintained wholly at the expense of said association and in accordance with plans and specifications approved by the Chief of Engineers and the Secretary of War: *Provided further,* That no toll shall be imposed at any time for the passage of any craft through said lock: *And provided further,* That the operation and care of said lock and dam, with funds provided by the association, may, in the discretion of the Secretary of War, be assigned to the engineer officer of the United States Army in charge of the locality.

SEC. 2. That this act shall be null and void unless the privilege hereby granted shall be availed of within two years from the date hereof.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

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

TRADING WITH THE ENEMY.

Mr. RANSELL. From the Committee on Commerce I report back favorably with amendments the bill (H. R. 4960) to define, regulate, and punish trading with the enemy, and for other purposes, and I submit a report (No. 111) thereon.

The PRESIDING OFFICER. The bill will be placed on the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED.

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

By Mr. CHAMBERLAIN:

A bill (S. 2815) granting an increase of pension to Thomas Goodwin Davison (with accompanying paper); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2816) granting the consent of Congress to the Gainesville Red River Bridge Co. to construct a bridge across Red River; to the Committee on Commerce.

By Mr. LODGE:

A joint resolution (S. J. Res. 96) to grant American citizenship to William Francis Griffitt Blackler; to the Committee on Foreign Relations.

ADDRESS BY JAMES H. POU.

Mr. OVERMAN. Mr. President, I ask to have printed in the RECORD a copy of an address delivered by Hon. James H. Pou, August 14, 1917, at a patriotic meeting of citizens of Raleigh, N. C., under the auspices of the Red Cross.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

"A great war applies the acid test to the people of the countries involved. Like an X-ray picture, war makes manifest things which during peace were not disclosed, and whose existence was often not suspected. Many plain citizens during peace follow the even tenor of their ways and are regarded as commonplace ordinary men.

"War comes, and unconsciously to themselves and unexpectedly to the public, these men assume new habits and a totally different attitude. They cease to be plain men and they become heroes. They promptly answer the call to duty, and in answer

ing they achieve that nobility of soul which comes only from the performance of a patriotic and unselfish duty. And some attain immortality.

"The Rhode Island Quaker blacksmith toiled at his forge for years before his neighbors suspected what the Revolution would make of Nathanael Greene.

"Joseph Warren was a physician, well known in his own town, but scarcely heard of elsewhere. The Revolution came. He did a man's part. He did not believe the Americans had munitions sufficient to hold Bunker Hill. He advised against the attempt. He was overruled, and the effort to fortify and hold the heights was determined upon. He was offered chief command. He declined, but volunteered as a private, and was killed in the battle fighting as a private, with a commission as general in his pocket. At a stride he left the ranks on Bunker Hill for a place in the temple of immortality.

"Probably more places are named for these two men—Greene and Warren—than for any other men of the Revolution, Washington alone excepted.

"War is the great solvent. It separates the pure from the base metal and presents men as they are and not as they seem.

"War gives, along with its trials, hardships, and sacrifices, opportunities never available in peace. It gives the man who may have made a bad, unfortunate, or ineffective start in life a chance to begin again under different conditions. He has a second chance with the promise if he makes good in the second effort his former failure shall be forgotten, and the glory of his latter effort shall become a patent of nobility.

"When our Civil War began two of the least promising of men were Grant and Sherman. Both men were West Point graduates. Both had served in the Regular Army and had left it. Both went into other business and had not succeeded. Grant had farmed; then worked as a tanner; clerked in a store; then hauled wood. Bad habits chained him, and bad luck seemed his twin brother. He volunteered, and went to Springfield to offer his services. His record and his appearance were against him. His attitude was that of the conscious failure. He was given slight encouragement and was put to work copying muster rolls in the basement of the capitol. Civilian officers who could not drill their companies or regiments learned that a West Point graduate was working in the basement. They asked him to help in getting their troops in shape. His work immediately put new life and an altogether different appearance on these companies. His own worth was demonstrated and he was quickly given a regiment. Eight years later he was inaugurated President of the United States, the youngest man to attain that honor.

"Sherman, after leaving the Army, tried banking in California and commission business in New York without success. Then he opened a law office in the Middle West. No clients. Like many other competent lawyers, despite talents, character, and industry, he did not succeed. His office dried up and he blew away. The war found him teaching school in Louisiana, the very picture and image of a man without any bad habits who had failed to make good. 'He had gone up against it and bounced back.'

"He was so hard up that it was assumed that he would be glad to take any job offered to him, and without asking him where he stood in the contest a commission as an officer of Louisiana State troops was made out and tendered him. He declined, frankly stated his position, went North, joined the Army, rose rapidly, stated that 200,000 men were necessary to break the lines of the Confederacy in the West, was believed to be crazy, and was so regarded for a while.

"And when Grant became President he delivered the command of the Army to Gen. Sherman. Except for the war these two men would probably have been written down as complete failures; sore disappointments to friends and relatives.

"This war will develop many Greenes, Warrens, Grants, and Shermans, and countless thousands of less distinguished heroes.

"The men who shall render service in this war will, during the balance of their lives, rule the Nation, both in politics and in business. And better still, many a man who heretofore has not been able to control himself will hereafter become master of himself, his habits, and his circumstances. Many a man now regarded by himself and his friends as a failure, with nothing to hope for in the future, will come back from the war with head erect, eye steady, grip firm, and an air of confidence in himself never seen before. We will see the unsuccessful boy transformed into a seasoned, disciplined, efficient man.

"Horrible as it is this war has some compensation for those who shall do their part. And many men will find their success in life began the day they took their places in the ranks of the American Army. I never knew a man who went to the Civil War on either side and who returned with an honorable dis-

charge or worthy record express regret that he went to the Army. I have heard many who did not go express the keenest regret that they did not.

"The acid test of war likewise shows what is mean, unpatriotic, and vicious in our natures. It discloses the yellow in us, if there be any. It gives the bad citizen an opportunity to show how unpatriotic he can be. It enables the citizen of low, selfish, and groveling ideas an opportunity to register his name and call his true number. It enables every man to grade and register his peculiar and personal standard of citizenship. And these strange and unfortunate creatures, who by nature are against all things and particularly against their own Government, are given opportunity to show how closely their ideals of citizenship approximate what the law calls treason.

"You hear these men whispering words false in fact and approaching treason in purpose and intent. They are saying that the war is wrong and that the draft is unconstitutional. They say that we can not send our armies beyond the bounds of this country without their consent. They say that we should wait until the Germans land on American soil, then declare war. France, Belgium, Russia, and Serbia all waited until Germany attacked them. You see the result—destruction of life and property unheard of heretofore; old men, priests, children murdered—women outraged by countless thousands, shaming the dark ages. This is what it means to wait for the Germans to invade. The men who advise us to wait for the Germans to invade America mean that after American cities have been burned, after American farms have been turned into deserts, after American citizens not engaged in war have been butchered or enslaved, and after American women have been ravished, then they will be men enough to fight. But they are mistaken. They will not fight even then. They will grovel at the feet of the enemy, or they will hide in the swamps.

"We will fight to prevent these things, and we will fight now, that a German Army may never invade America. The man who will not fight now will never fight. Count on that and watch the man.

"These men say that this is a rich man's war, when never before in any war has America placed so nearly the entire cost of the war on the rich. They say it is a bondholders' war, when bonds were sold for par, at a low rate of interest, and are held by the largest number of people who ever participated in a bond issue.

"They say they can not approve of the draft and of universal military service, when they know this to be the only way to preserve equality of service. The sons of the poor and the unknown have the same rights and the same chances as the sons of the rich and the influential. The man who would keep his son out of the Army is the very man who would send his neighbor's son to the front. Universal service makes impossible the bounty soldier, the hired substitute, the 20-negro law exempt, and the other subterfuges behind which many cowards sought shelter in the Civil War, while better men went to the front.

"They say that in establishing a food control the Government—claiming to be against trusts—has established the greatest of all trusts. True; but Uncle Sam is the trustee, and all his children are beneficiaries. It is a trust to protect the public, not a trust to oppress. Uncle Sam is determined that none of his children shall suffer for the necessities of life while those necessities remain abundant in the land. Speculation shall not corner the market and fix high prices for the millions. The Government has decreed that the man with money shall not forestall the market, take over the food supply, and dictate prices to the man who buys next week's supplies with this week's wages.

"Some carping critics object to the food-production and conservation campaign. They say that the Government has no business trying to control the industries and habits of the people. All the Government is asking of us are the things we ought to do, which are to our advantage to do, without being asked. We are asked to make and save, as near as possible, what we eat, because of the world-wide scarcity of foodstuffs, and because of the difficulty of transporting food from one section where abundant to another where scarce. We have raised great crops of food—vegetables, fruits, and so forth. We are urging people to save these products against the time of certain need next winter. Instead of helping in this work these critics—who in the past have always advocated growing food supplies at home—are doing all they can to encourage waste. They write and talk against our movement, and advise that all food-producing and conservation work be stopped. They say that the people have all they can stand; that this is a bondholders' war; that the money powers are responsible, and so forth. I have seen the letter.

"They complain of railroad service, and forget that service has been reduced because the Government has taken over rolling stock and locomotives for use in France, and because vast amounts of rolling stock is being used and will be used for months yet in moving troops and their supplies.

"In all great wars of the past troops have been carried in freight or stock cars, and often on flat cars. Our Government is endeavoring to carry every soldier in a passenger car. To do this it must restrict civilian passenger service. We who do not go to war must consent to be crowded if we travel, and if sometime we fail to get a seat immediately, we should remember that our slight inconvenience is the result of an effort to make our soldiers more comfortable. We should be ashamed to complain. Our ladies should be willing to put their baggage on the floor when necessary to give other women seats beside them. Seats in a passenger car should not be piled with grips and bags, while a woman with a baby in her arms looks in vain for a seat until some man gives her his. Put the bags, grips, and so forth, on the floor, and let the woman have a seat, even though she be a stranger and be not fashionably dressed.

"These critics complain of the censorship, and say that free speech is denied. They prate of the inviolable rights of the citizen and assert the time-honored rights of life, liberty, and the pursuit of happiness, and so forth. But they fail to draw the distinction between freedom of speech and advising the commission of crime. The first is lawful, the latter unlawful, now and always. Always unlawful, it becomes dangerous and even treasonable during war.

"These people may abuse the President, criticize Congress, berate our Army and Navy much as they please. They show a low citizenship, an absence of patriotism, and exceeding great folly. But they commit no crime. But the moment they advise a man to disobey any rule, law, or lawful order of the Government, they commit a crime, and may be punished for felony or possibly for treason.

"Thus, these people may abuse President Wilson to their heart's content, and they will be visited with nothing worse than public contempt. But the moment they advise a drafted man not to appear, or an enlisted man to desert, they become guilty of felony.

"There are some who are very near to, if in fact they have not already, crossed the line which separates folly from criminality.

"These critics tell us that this is not our war; that we have no business in it; that we are fighting other peoples' battles. True, we are fighting with a large part of the civilized world, but we are not fighting for them any more than they are fighting for us. The mad dog of the world is after them as law is after us. We and they are fighting for life. If they slay the dog we are blessed. If they slay him we are fortunate we are fighting together, but each one fights for himself, and any assistance he may render to another is secondary and consequential. Civilization is in danger and all her children are fighting.

"Three years ago when Germany went to war she had no immediate hostile design on the United States. She planned and arranged for the war on the hypothesis that England would not fight, and consequently Japan would not; that Italy would remain neutral or join with her; and that Turkey would act as Germany should order. With this plan outlined, Germany thought she could immediately isolate Russia by closing the outlet from the Baltic to the North Sea, while Turkey kept the Dardanelles. Germany knew her fleet was stronger than that of France, and she expected to destroy the French fleet. Her plan contemplated that Germany should be supreme at sea. She planned to use sea traffic as an asset and to deprive her greatest enemy of all access to the sea and to close all French ports with a powerful and effective blockade, while easy access to Germany north of Great Britain and to Italy and Turkey through the Mediterranean should be maintained by German, Austrian, and, if necessary, the Italian fleets. She had her fleets planted in every sea and scout ships and cruisers near many harbors ready to seize all French and Russian ships and to blockade their ports. The army and fleet at Kio Chau were to guard Vladivostock and blockade Russia's Pacific coast. The Pacific fleet was to scour that great ocean and leave no enemy ship afloat. So convinced was she of the success of her plans that she left on purpose in all the great harbors of the world many of her finest ships. In English, American, Chinese, Portuguese harbors and in the ports of many other nations the finest and largest of Germany's merchant marine were purposely left when war was declared. Germany determined on war at the Potsdam conference early in July, 1914, and she could have drawn her ships home, but she wished them where they were, so they could be sent anywhere and converted into warships. They would first have swept the seas of French and Russian

ships and then they would have returned to peaceful commerce, carrying German trade to all the rest of the world, while Germany crushed France and Russia at her leisure. Germany planned to use the seas as an asset and as a weapon to defeat her enemies. She would have succeeded and she would have won the war before Christmas, 1914, but for the colossal crime and folly of the attack on Belgium.

"Germany planned to fight three wars in quick succession, using the gains in each to help win the next.

"She intended to crush France and Russia in 1914, then attack England, and if she would not trade with Japan, to attack Japan also, then to attack us. The Belgium crime combined all these wars into the struggle now being fought. Germany is now fighting for world mastery, and the fate of the whole world is at stake.

"Had Germany respected Belgium's neutrality and her own pledged word, attacked Russia in force while fighting France defensively, neither England nor Japan would have entered the war. The English harbors would have been open, likewise those of Belgium. Transportation would have gone on almost unimpeded in the Atlantic; absolutely so in the Pacific. The war would have ended on schedule time with an astounding victory for Germany. She would have stood across the world a very colossus, and no nation would have dared challenge or deny her supremacy. The world escaped this by the narrowest of margins. In blind, criminal folly and lust of blood Germany attacked Belgium. England grandly and heroically answered the challenge, and though unprepared, entered the war. Two weeks later Japan came in and Italy announced that she would never fight England or France. Germany, to her amazement, found that her plans had miscarried and that she could not use her fleets or ships purposely placed in every ocean and port. The seas were being used against her, not for her. German ships, not enemy ships, were driven from the ocean. She was not the hunter but the hunted. By Christmas, 1914, German sea commerce had disappeared and all German warships not in hiding in German ports had been captured or sunk. The great German ships in neutral harbors were afraid to leave. Instead of blockading and strangling her enemies, Germany was being blockaded and strangled. What did she do?

"For six months Germany had fought on the seas according to the laws of nations and the rules of civilized warfare, and she had lost the seas. On February 4, 1915, she announced she had up to that time conformed on the seas to the rules of civilized warfare but that in the future it would declare a paper blockade around the British Isles and, by use of her submarines, sink vessels going to England, and that her submarines might by mistake sink neutral vessels. President Wilson answered with his note of February 10, 1915, signed by Bryan, in which due notice was given that the Government would hold the German Government to a strict accountability if any American life were lost because of the unlawful acts of the German Navy. On February 16, 1915, Germany replied and in her note used these pregnant words:

"Up to now Germany has scrupulously observed the existing provisions of international law relative to maritime war.

"But she claimed that because England had been able to establish an actual and effective (and therefore legal) blockade of all German ports, she, Germany, would declare a paper blockade around the British Islands and sink any vessel attempting to reach English shores. An effective blockade of an enemy port is always legal. But an ineffective blockade is never legal, because it allows some vessels to pass while others must not. It becomes not a blockade, stopping all traffic, and thereby becoming a recognized and efficient instrument of war, but an attempted regulation by one power of the right of all other powers, even though friendly and neutral, to use the free high seas for commerce. A paper blockade is a claim of the ownership of the seas by one power, and if other powers acquiesce the claiming power acquires title.

"Germany asserted this claim in February, 1915, after she had lost all hope of sea dominion. We denied her claim and asserted our rights. On May 1, 1915, Count Bernstorff inserted in New York papers advertisements officially warning Americans not to travel on certain ships—an unprecedented act—and on May 7 the *Lusitania* was torpedoed, and over a hundred American citizens—many women and children—lost their lives. Germany had made war on us, and when she realized that war was imminent and that war with us was not at that time to her advantage she began a frantic effort to prevent, or at least postpone, the war she had begun. On May 9, 1915, she began to give President Wilson assurances that American lives would be safeguarded, all property damage paid for, and all disputed cases arbitrated. Germany's notes for 18 months after the sinking of the *Lusitania* demonstrate that she did not want

war with us then. The German communications of May 9 and September 1, 1915, show this attitude clearly.

"But the seas remained closed to Germany, and she gained many victories on land. She broke the Russian lines in May, 1915, and later captured almost all of Poland, Courland, and Livonia. Still later she overran Serbia, Montenegro, and Albania. Bulgaria came to Germany's aid, and the line to Constantinople was opened. The allies, though now aided by Italy, Portugal, and later by Roumania, could gain no great victory. All the combatants were getting tired. In the fall of 1916, in the high tide of success, Gen. Broussiloff was stopped by orders from Petrograd, and it became apparent that terms had been arranged or were being arranged for a separate peace between Russia and Germany. All fighting between these countries had ceased since September, except a little deceptive and fraudulent aid rendered by Russia to Roumania. The offensive on the Somme in the summer and fall of 1916 had been a keen disappointment to the allies. With Belgium and the Balkans conquered, Russia quieted, Japan compensated, Germany thought she had only England, France, and Italy to fight. She believed the submarines, if given free hand, could beat England, and she believed the German and Austrian armies could then quickly destroy France and Italy. She concluded that if she withdrew all her promises to us, made and oft repeated since the *Lusitania*, we might not fight. If we did not fight then, she knew we would never fight. We would be publicly acknowledging the supremacy of Germany. She was encouraged in this belief by the campaign watchwords magnifying peace and the slogan, 'He kept us out of war.' On the other hand she believed that if she entered the war she would win anyway, and she could collect out of us a huge indemnity, and she would be mistress of the world.

"Holding these views, Germany, without giving any notice, on the afternoon of January 31, 1917, curtly withdrew every promise she had heretofore made and with phrases of insult presented our minister at Berlin a note which contained a declaration of savage warfare against all mankind. In the note was this paragraph:

"Under these circumstances Germany will meet the illegal measures of her enemies by forcibly preventing after February 1, 1917, in a zone around Great Britain, France, Italy, and in the Eastern Mediterranean all navigation, that of neutrals included, from and to England and from and to France, etc. All ships met within that zone will be sunk.

"Before sending this note, and while pretending to be friendly with us, Germany proposed to Mexico to give her Texas and several other American States if she, Mexico, would join Germany in war upon the United States, and further requested Mexico to arrange with Japan to join Mexico and Germany in war upon us.

"Thus war came to America. Germany believed it was to her interest to avoid war in the spring of 1915, and she believed it was to her interest to force war in 1917. She did both. War in 1915 would have brought certain and quick defeat, and she made promises sufficient to preserve peace. In 1917 she believed war would not be to her disadvantage and she forced war with brutal frankness.

"President Wilson did not wish war. He ran great risk in preserving peace. The country ran grave risk in relying on German promises and in maintaining a precarious peace for two years. But the revolution in Russia may justify our cause. If we had entered the war in May, 1915, Germany would have been defeated but Russian tyranny would have been given a longer lease on life. Probably the greatest good has been accomplished and that all the world, including Russia and Germany, will hereafter be free.

"The war is our war, and it is not a Democratic or partisan war—Republicans and Progressives are just as earnest in their support of the war as Democrats. Roosevelt, Taft, and Hughes are as valiant and patriotic as Wilson and Parker, and these are all the men now living but one who have been nominated for the presidency by any party during this generation. It is a national war and the existence as well as the honor of the Nation is at issue.

"That our Army and our Navy will do their duty I do not for a moment doubt, and we who do not now go to the front have duties which we must perform with the same steadfastness, courage, and sacrifice that the soldier shows in battle.

"We must pay taxes willingly, promptly. We must produce, conserve, economize, and forego temporarily many rights we have heretofore exercised. Freedom of speech must be preserved. But to preserve freedom, it may be necessary to close the mouths and stop the presses of those who preach sedition and incite to treason. We may have to ask our railroad friends to forego temporarily the eight-hour law, but with the pledge to restore it when the war ends. The Army must be moved and

supplied at all hazards. Our railroad employees are patriots and they will make this sacrifice for the Nation's safety.

"So much for the general subject. Now, for home. Wake County has done everything she has been called upon to do. She has bought bonds. Her sons have enlisted or registered. She has given the war Y. M. C. A. and the Red Cross more than was asked. In every respect Wake has shown patriotic zeal.

"The State council of defense has appointed a committee of six men—Col. Charles E. Johnson, Messrs. B. S. Jerman, C. B. Barbee, Daniel Allen, J. Cooper Young, and the speaker—and has designated it 'The Soldiers' Business Aid Committee for Wake County.' A subcommittee, of which Col. James H. Young is chairman, will specially advise about colored soldiers.

"Its duties are to aid soldiers in their business affairs, by making loans on security which would not be accepted in banks, and allowing time after the end of service to repay. It is in no sense a charity. A soldier can avail himself of the committee's aid without loss of dignity or self-respect. He is required to give note, with such security as may be available; and he is expected to repay the loan. If he wishes the committee to pay interest on a mortgage and prevent foreclosure he will give security if he can. If he can not do better, he will be asked to give the committee a second mortgage on the land, to secure the interest the committee may pay on the first mortgage. If he wishes the committee to pay premiums on life insurance, he will give a note secured by a proper transfer of the policies so the committee can be safe for what it may advance. Other life arrangements will be made where business affairs require it. Other means of assistance will be offered as the different demand for them may arise. Help to dependents, while the soldier is away, will be made in deserving cases. If a soldier be disabled by wounds or disease he will be helped in obtaining special training, so he may enter any trade or profession open to one in his condition. In any legal proceedings in which a soldier may be interested, like partition of land, the committee will look after the soldier's interest if requested and without expense.

"After the war the committee will assist soldiers in getting jobs, and to that end will keep in touch with large employers and will ask them to give the soldier preference.

"Wake County lawyers will gladly prepare any legal papers, will, deeds, etc., for any soldier regardless of color on request.

"All soldiers are requested to register before the county election officers, so they may vote next year, even if they be out of the State. The absent voters law (Ch. 23, p. 78, Public Laws of 1917) provides for voting by men who may be away from home on election day provided the voter shall have personally registered before leaving. If he does not register before he leaves he can not vote. The law provides for absent voting but not for absent registration. If you wish to preserve your vote see the chairman of your county board of elections and see that you are properly registered. If you be registered, you can send your vote by mail. The chairman of the board of elections can register you now or at any time before you leave. Do not fail to register before you leave. Some men may be running for office next year on a yellow-dog platform, pro-German, pacifist, peace at any price, and you will wish to vote against him. You will shoot against enemies in front and vote against enemies at home. Election officers will make no charge for registering, and I am sure will aid every soldier regardless of race in preserving his franchise. If the soldier can substantially comply with constitutional amendment he will be registered even if his spelling, punctuation, and pronunciation be a little substandard. If a man fight for his country, technicalities and rigid scrutiny of his educational qualifications must not be used to deprive him of his rights to vote. This principle must be upheld whether the applicant for registration be black or white.

"The committee will keep a book, and the book will contain a complete history of its work. Every contributor will be listed with the amount contributed. Every soldier assisted will be listed; and if he repays or shall fail to repay loan that fact will be entered. After the committee shall have completed its work, this book will be delivered to the State council of defense for examination and audit. All moneys on hand, including all loans repaid, will be returned pro rata to the contributors, and the book preserved in the State library as part of the State's permanent records. This book will often be referred to during the next hundred years by persons who may wish to prove that they or their ancestors render some valuable and noncompulsory service in this great war.

"The work of this committee will largely be confidential, and no soldier need fear that his affairs will be made public.

"We have granted assistance in one case so far. The soldier has given his consent that I may mention it to show the work and the method. He was making \$25 per week at his trade and

was getting along comfortably with a wife and one child. He belonged to the Coast Artillery. Soon after he was called to the colors, his wife was taken sick and had to go to the hospital for an operation. He arranged with a physician to wait for his pay, arranged for his child's board but told us that he did not see how he could meet the hospital charges out of his pay, \$35 per month, as a soldier. We examined his case, conferred with the officers of his company, found him honorable and worthy. We promptly and gladly granted him the assistance he asked, will take care of the hospital bills, and allow him reasonable time after his service shall have ended to repay what we shall have advanced. He has given note to that effect. This is not charity. It is a business transaction, just like he would make at a bank, except that we take security which a bank could not lawfully take. I feel confident that this loan will be repaid, principal and interest. We are furnishing this patriotic soldier with credit to meet an unexpected and unavoidable expense.

"Now, two instances where we did not help. An insurance agent came with a note given him for the first premium on a policy he had just sold to a soldier. He wanted us to pay the note or buy it. In view of the intention of the United States to provide new insurance for all soldiers, we think we should restrict our efforts to taking care of premiums on policies already in existence. We told the agent that he had best hold his note.

"Another suggested that we take care of a mortgage on a drafted man's land and mules. But upon inquiry we found that the seller of the land was the father of the drafted man, that almost nothing had been paid on the land or mules. We thought this man might never go to the Army, and if he did, his father should hold the land for him. And if he goes to the Army, he had best sell his mules, as his crop is finished. These three cases are given as an idea of what this committee will do and what it will not do.

"Our idea is to help those who can neither help themselves and who have no kin or friends who will keep them.

"If a soldier can make his own arrangements, or if he has family or friends who will attend to such matters for him, our advice is not to come to us, but if he needs emergency help and can not get it elsewhere, we will gladly help in all worthy cases. We will promptly turn down unworthy applications. We will be careful not to have anything 'put over us.' We depend entirely on voluntary contributions. We hope to repay a great part, possibly all that is put in our hands. We are determined that no worthy Wake County soldier shall suffer deprivation of property, nor his dependents suffer hardship, if we can prevent.

"The committee has money for all present needs, but calls may increase, and we wish to have enough always in the hands of our treasurer, Mr. B. S. Jerman, to meet promptly any call made on us. We must not wait to raise money. We must have the money ready for instant use. I now ask the people of Wake County to place at least a thousand dollars in our treasury for use in this work. We may hereafter need more; if so, we will ask for it with full assurances that it will be supplied. Whatever be left or repaid—and we expect most of it to be returned—will be paid as a dividend to all contributors pro rata. Pay to Mr. B. S. Jerman, treasurer, to-morrow what you wish to advance for Wake County soldiers.

"Out of the horrors of this war will arise a greater and better people, a stronger and freer citizenship, and higher ideals of government and of life. Out of bloody welter of this war will come many compensations. We will find a higher efficiency, and we will have a warmer sympathy for our fellow creatures and a greater willingness to share burdens. We will understand as we never have before understood the fatherhood of God and the brotherhood of man.

"There will be a fuller understanding and a deeper sympathy between the races here at home. Misfortune has prevented that heretofore. Black men fought bravely in the Civil War, but against us. Politics estranged us. Now we will fight together. A white regiment will save a black regiment when sorely pressed, and in like circumstance a black regiment will risk its life for a white one. We will be comrades in arms. After the war better friends than ever.

"We are fighting, not for love of war, but because we love peace well enough to fight for it. We are making war upon the idea and incarnation of war. We are fighting to make this the last war. If it ends right, it will be the last great war—the last war between civilized, enlightened nations. If we can have such a peace, the war will have been worth all its costs. Our soldiers have proven their patriotism. They have answered their country's call. They have pledged their lives. We ask no proof of their devotion. But I want to know if we who remain at home be worthy of the men who go? I propose to this audience that we here and now take upon ourselves five simple but

solemn pledges. I have personally taken each and all, and God being my helper I will keep all.

"Here they are:

"1. We pledge ourselves not to say or do anything during this war which will weaken the hands of our Government, or which could give aid, comfort, or encouragement to the enemy. Will you pledge this? If so, raise your hands and say, 'Yes.' If you will not, answer, 'No' and bow your heads.

"2. We pledge ourselves during this war to do promptly and cheerfully all which our Government shall ask us to do, the same being in our power.

"3. We pledge ourselves not to support any candidate for office who does not wholeheartedly support our country's cause in this war.

"4. We pledge ourselves not to let the family of a soldier suffer for want of anything we can supply.

"5. We pledge ourselves to give preference in all things, where practicable, to the soldier who went and did his duty over the man of military age and fitness who did not go.

"My soldier friends, you have heard these pledges. They speak for Raleigh, for Wake, for North Carolina, for America, for most of the civilized world. They are the voices of not only thousands here to-night but of a thousand million human beings in every quarter of the globe. You have the gratitude, prayers, and love of the human race. May the God of our fathers go with you, remain with you, sustain you, guard, preserve, and save you; and in His own good time bring you back safe. Amen."

RECESS.

Mr. STONE. I move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m., Thursday, August 23, 1917) the Senate took a recess until to-morrow, Friday, August 24, 1917, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate August 23 (legislative day of August 15), 1917.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

John W. Garrett, of Baltimore, Md., to be envoy extraordinary and minister plenipotentiary of the United States of America to The Netherlands and Luxemburg.

ASSISTANT ATTORNEY GENERAL.

William L. Frierson, of Chattanooga, Tenn., to be Assistant Attorney General, vice E. Marvin Underwood, whose resignation is effective September 1, 1917.

COMMISSIONER OF PATENTS.

James T. Newton, now an examiner in chief in the Patent Office, to be Commissioner of Patents, vice Thomas Ewing, resigned.

CONSUL, CLASS 8.

Arthur H. Leavitt, of New Hampshire, lately assistant Turkish secretary of the American Embassy at Constantinople, to be a consul of class 8 of the United States of America.

APPOINTMENT IN THE NATIONAL ARMY.

GENERAL OFFICER.

To be brigadier general with rank from August 5, 1917.

Brig. Gen. Lloyd England, the adjutant general of Arkansas.

PROMOTIONS IN THE ARMY.

FIELD ARTILLERY ARM.

Lieut. Col. Richard H. McMaster, Field Artillery, to be colonel from June 22, 1917, vice Col. Samuel D. Sturgis, appointed brigadier general.

Capt. Ned B. Rehkopf, Field Artillery, detached officers' list, to be major from May 15, 1917, vice Maj. Fred T. Austin, promoted.

Capt. Marion W. Howze, Field Artillery, to be major from May 15, 1917, vice Maj. Charles C. Pullis, promoted.

Capt. Henry S. Kilbourne, jr., Field Artillery, to be major from May 15, 1917, vice Maj. Charles M. Bundel, promoted.

Capt. Lesley J. McNair, Field Artillery (General Staff Corps), to be major from May 15, 1917, vice Maj. Charles D. Herron, promoted.

Capt. George R. Allin, Field Artillery, detached officers' list, to be major from May 15, 1917, vice Maj. Robert C. Foy, promoted.

Capt. John R. Kelly, Field Artillery, to be major from May 15, 1917, subject to examination required by law, vice Maj. William McK. Lambdin, promoted.

Capt. Pelham D. Glassford, Field Artillery, to be major from June 4, 1917, vice Maj. Lesley J. McNair, detailed in the General Staff Corps.

First Lieut. William Spence, Field Artillery, to be captain from May 15, 1917, vice Capt. Henry S. Kilbourne, jr., promoted.

First Lieut. John W. Rafferty, Field Artillery, to be captain from May 15, 1917, vice Capt. Lesley J. McNair, promoted.

First Lieut. Robert B. McBride, jr., Field Artillery, to be captain from May 15, 1917, vice Capt. John R. Kelly, promoted.

First Lieut. Paul V. Kane, Field Artillery, to be captain from May 15, 1917, vice Capt. Lewis S. Ryan, promoted.

First Lieut. William H. Cureton, Field Artillery, to be captain from May 15, 1917, vice Capt. Pelham D. Glassford, promoted.

First Lieut. Fay B. Prickett, Field Artillery, to be captain from May 19, 1917, vice Capt. Donald C. Cubbison, detailed in the Quartermaster Corps.

First Lieut. Roland P. Shugg, Field Artillery, to be captain from May 19, 1917, vice Capt. Louis H. McKinley, detailed in the Quartermaster Corps.

First Lieut. Craigie Krayenbull, Field Artillery, to be captain from May 19, 1917, vice Capt. Robert H. Lewis, detailed in the Quartermaster Corps.

First Lieut. Clarence E. Bradburn, Field Artillery, to be captain from May 19, 1917, vice Capt. William H. Shepherd, detailed in the Quartermaster Corps.

CAVALRY ARM.

Capt. Grayson V. Heidt, Cavalry, unassigned, an additional number in his grade, to be major, subject to examination required by law, with rank from May 5, 1917, the date on which he would have been promoted to fill a vacancy in that grade in his arm had he not been retired from active service, and to be an additional number in that grade.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

CAVALRY ARM.

To be first lieutenants with rank from June 16, 1917.

Second Lieut. Russell T. George, Cavalry, vice First Lieut. John T. McLane, promoted.

Second Lieut. Thomas C. McCormick, Cavalry, vice First Lieut. John E. Lewis, promoted.

Second Lieut. Erskine A. Franklin, Cavalry, vice First Lieut. John D. Kelly, promoted.

Second Lieut. Robert D. Thompson, jr., Cavalry, vice First Lieut. Lindsley D. Beach, promoted.

Second Lieut. John E. Mahan, Cavalry, vice First Lieut. Terry de la M. Allen, promoted.

Second Lieut. John E. Selby, Cavalry, vice First Lieut. Joseph F. Richmond, promoted.

Second Lieut. Arthur L. Marek, Cavalry, vice First Lieut. Louis A. Falligant, promoted.

Second Lieut. Herbert E. Watkins, Cavalry, vice First Lieut. William A. Raborg, promoted.

Second Lieut. Raymond L. Newton, Cavalry, vice First Lieut. Harold Thompson, promoted.

Second Lieut. William R. Irvin, Cavalry, vice First Lieut. Carlyle H. Wash, promoted.

Second Lieut. Alfred L. Baylies, Cavalry, vice First Lieut. John F. Crutcher, promoted.

Second Lieut. Lathan H. Collins, Cavalry, vice First Lieut. Henry Abbey, jr., promoted.

Second Lieut. Ralph B. Skinner, Cavalry, vice First Lieut. Earl H. Coyle, promoted.

Second Lieut. Candler A. Wilkinson, Cavalry, vice First Lieut. Daniel G. Morrisett, promoted.

Second Lieut. Milton A. Lowenberg, Cavalry, vice First Lieut. Arthur D. Newman, promoted.

Second Lieut. John A. Hettinger, Cavalry, vice First Lieut. Edward L. N. Glass, promoted.

Second Lieut. George A. Goodyear, Cavalry, vice First Lieut. Charles W. Foster, promoted.

Second Lieut. Paul H. Morris, Cavalry, vice First Lieut. Thomas H. Rees, jr., promoted.

Second Lieut. Francis E. S. Turner, Cavalry, vice First Lieut. Joseph W. Byron, promoted.

Second Lieut. Guy D. Thompson, Cavalry, vice First Lieut. Robert D. McDonald, promoted.

Second Lieut. George A. Parsons, Cavalry, vice First Lieut. Benjamin F. Hoge, promoted.

To be first lieutenant with rank from July 13, 1917.

Second Lieut. Martin R. Rice, Cavalry, vice First Lieut. John Kennard, promoted.

To be first lieutenants with rank from August 7, 1917.

Second Lieut. Phillip C. Clayton, Cavalry, vice First Lieut. Stafford Le R. Irwin, promoted.

Second Lieut. Hans E. Kloepfer, Cavalry, vice First Lieut. Pearson Menoher, promoted.

Second Lieut. Edward A. Everett, jr., Cavalry, vice First Lieut. Winchell I. Rasor, retained in the Signal Corps.

Second Lieut. Herbert A. Myers, Cavalry, vice First Lieut. Harvey B. S. Burwell, detailed in the Aviation Section.

Second Lieut. Norman N. Rogers, Cavalry, vice First Lieut. Warren P. Jernigan, detailed in the Aviation Section.

Second Lieut. Temple E. Ridgely, Cavalry, vice First Lieut. Arthur A. White, transferred to Field Artillery.

Second Lieut. Harry W. Maas, Cavalry, vice First Lieut. Edwin B. Lyon, detailed in the Aviation Section.

Second Lieut. Peter T. Coxe, Cavalry, vice First Lieut. Norman J. Boots, detailed in the Aviation Section.

Second Lieut. Francis H. Bouche, Cavalry, vice First Lieut. Leo A. Walton, detailed in the Aviation Section.

Second Lieut. William H. Sweet, Cavalry, vice First Lieut. William B. Peebles, detailed in the Aviation Section.

Second Lieut. Louis Cansler, Cavalry, vice First Lieut. Carl C. Bank, promoted.

Second Lieut. William Van D. Ochs, Cavalry, vice First Lieut. Harry A. Harvey, transferred to Field Artillery.

Second Lieut. Horace W. Forster, Cavalry, vice First Lieut. George H. Peabody, promoted.

Second Lieut. Richard N. Mather, Cavalry, vice First Lieut. Henry McE. Pendleton, promoted.

Second Lieut. Lee L. Elzas, Cavalry, vice First Lieut. Edmund de T. Ellis, promoted.

Second Lieut. Owen G. Fowler, Cavalry, vice First Lieut. Robert W. Strong, promoted.

Second Lieut. Harry Foster, Cavalry, vice First Lieut. Clifford B. King, promoted.

Second Lieut. Alexander C. Strecker, Cavalry, vice First Lieut. Paul R. Frank, promoted.

Second Lieut. Stanley A. Ward, Cavalry, vice First Lieut. Edward C. McGuire, promoted.

Second Lieut. Dwight Hughes, jr., Cavalry, vice First Lieut. John McD. Thompson, promoted.

Second Lieut. William R. Stickman, Cavalry, vice First Lieut. John F. Davis, promoted.

Second Lieut. Lloyd W. Biggs, Cavalry, vice First Lieut. Reese M. Howell, promoted.

Second Lieut. Wilkie C. Burt, Cavalry, vice First Lieut. Henry J. F. Miller, promoted.

Second Lieut. Harry L. Sommerhauser, Cavalry, vice First Lieut. Frank D. McGee, promoted.

Second Lieut. Harold E. Dickinson, Cavalry, vice First Lieut. Victor V. Taylor, promoted.

Second Lieut. Adrian B. C. Smith, Cavalry, vice First Lieut. Horace Stringfellow, jr., promoted.

Second Lieut. Rufus S. Ramey, Cavalry, vice First Lieut. John F. Stevens, promoted.

Second Lieut. Carl T. Colt, Cavalry, vice First Lieut. Blackburn Hall, promoted.

To be first lieutenants with rank from August 8, 1917.

Second Lieut. Russell M. Herrington, Cavalry, vice First Lieut. Edward J. Dwan, promoted.

Second Lieut. Charles B. Malone, jr., Cavalry, vice First Lieut. Eustis L. Hubbard, promoted.

Second Lieut. James B. Taylor, Cavalry, vice First Lieut. Frederic W. Boye, promoted.

Second Lieut. Rollin A. Burditt, Cavalry, vice First Lieut. Karl H. Gorman, promoted.

Second Lieut. Richard H. Ballard, Cavalry, vice First Lieut. James K. Cockrell, promoted.

Second Lieut. Joseph D. Hungerford, Cavalry, vice First Lieut. De Rosey C. Cabell, jr., promoted.

Second Lieut. James C. Short, Cavalry, vice First Lieut. Ralph I. Sasse, promoted.

Second Lieut. Arthur D. Edmunds, Cavalry, vice First Lieut. Sylvester D. Downs, jr., transferred to Field Artillery.

Second Lieut. Francis J. Simons, Cavalry, vice First Lieut. William E. Shipp, promoted.

Second Lieut. Lawrence B. Wyant, Cavalry, vice First Lieut. Calvin De Witt, jr., promoted.

Second Lieut. Theodore L. Sogard, Cavalry, vice First Lieut. Byron Q. Jones, transferred to Field Artillery.

Second Lieut. John C. Howard, Cavalry, vice First Lieut. James M. Crane, promoted.

Second Lieut. Carlyle J. Hancock, Cavalry, vice First Lieut. Lucien S. S. Berry, promoted.

Second Lieut. James C. Miller, Cavalry, vice First Lieut. Victor W. B. Wales, promoted.

Second Lieut. Abraham W. Williams, Cavalry, vice First Lieut. Robert S. Donaldson, transferred to Field Artillery.

Second Lieut. James T. Duke, Cavalry, vice First Lieut. Cuyler L. Clark, transferred to Field Artillery.
 Second Lieut. Hiram F. Plummer, Cavalry, vice First Lieut. William Spence, transferred to Field Artillery.
 Second Lieut. Thomas W. Ligon, Cavalry, vice First Lieut. John W. Rafferty, transferred to Field Artillery.
 Second Lieut. Edward H. Brooks, Cavalry, vice First Lieut. John F. Goodman, transferred to Infantry.
 Second Lieut. Wayland B. Augur, Cavalry, vice First Lieut. Paul D. Carlisle, transferred to Field Artillery.
 Second Lieut. William B. Bradford, Cavalry, vice First Lieut. Joseph B. Treat, transferred to Field Artillery.

To be first lieutenants from August 9, 1917.

Second Lieut. Garibaldi Laguardia, Cavalry, vice First Lieut. William H. Cureton, transferred to Field Artillery.
 Second Lieut. Thamas M. Hagar, Cavalry, vice First Lieut. Fay B. Prickett, transferred to Field Artillery.
 Second Lieut. Will Shafroth, Cavalry, vice First Lieut. John K. Boles, transferred to Field Artillery.
 Second Lieut. William D. Savage, Cavalry, vice First Lieut. William A. Robertson, transferred to Field Artillery.
 Second Lieut. Richard R. Lytle, Cavalry, vice First Lieut. Orlando Ward, transferred to Field Artillery.
 Second Lieut. Harry C. Gilbert, Cavalry, vice First Lieut. Hugh P. Avent, transferred to Field Artillery.
 Second Lieut. Henry E. Atwood, Cavalry, vice First Lieut. Ronald D. Johnson, transferred to Field Artillery.
 Second Lieut. John C. Taliaferro, Cavalry, vice First Lieut. John H. Woodberry, transferred to Field Artillery.
 Second Lieut. Max. W. Tucker, Cavalry, vice First Lieut. Roland P. Shugg, transferred to Field Artillery.

TRANSFERRED TO ACTIVE LIST OF ARMY.

CAVALRY ARM.

First Lieut. Emory S. West, United States Army, retired, to the grade of captain of Cavalry with rank from September 1, 1914.

APPOINTMENTS, BY TRANSFER, IN THE ARMY.

CAVALRY ARM.

First Lieut. Charles S. Lawrence, Infantry, to be first lieutenant of Cavalry from June 14, 1917.

INFANTRY ARM.

First Lieut. William E. Kepner, Cavalry, to be first lieutenant of Infantry from June 14, 1917.

PROVISIONAL APPOINTMENT IN THE ARMY.

INFANTRY ARM.

Corpl. William Frank Johnson, First Company, Coast Artillery Corps, Massachusetts National Guard, to be second lieutenant to fill an existing vacancy.

APPOINTMENTS IN THE ARMY.

CHAPLAINS.

Rev. John Brandon Peters, of Virginia, to be chaplain with rank of first lieutenant from August 21, 1917, to fill an original vacancy.

To be chaplains with rank of first lieutenant from August 20, 1917, to fill original vacancies.

Rev. Walter D. Casey, of Connecticut.
 Rev. Aloysius Charles Dineen, of New York.
 Rev. Gerald Carr Treacy, of New York.
 Rev. Richard Rush Rankin, of New York.
 Rev. Robert B. Mulcahey, of New York.
 Rev. John Joseph Mitty, of New York.
 Rev. Thomas Dempsey, of New Jersey.
 Rev. Daniel William Sheeran, of New York.
 Rev. Edwin E. Lange, of New Jersey.
 Rev. Dudley Regis Tierney, of New York.
 Rev. John F. Mulligan, of New Jersey.
 Rev. Frederick J. Mitchel, of New Jersey.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

The following-named noncommissioned officers in the Marine Corps to be second lieutenants in the Marine Corps, for temporary service, from the 24th day of July, 1917:

Sergt. Maj. Frederick W. Karstaedt.
 Q. M. Sergt. Ery M. Spencer.
 First Sergt. Gaines Moseley.
 First Sergt. John H. Fay.
 Gunnery Sergt. Thomas B. Wood.
 Gunnery Sergt. Orlando C. Crowther.
 Sergt. David T. Jackson.
 Sergt. John H. Nichols.

Roswell Winans, a citizen of Indiana, to be a second lieutenant in the Marine Corps, for temporary service, from the 24th day of July, 1917.

Daniel J. Readey, a citizen of New Hampshire, to be a second lieutenant in the Marine Corps, for temporary service, from the 31st day of July, 1917.

First Lieut. Stanford W. Hoffman, National Naval Volunteers (Marine Corps Branch), to be a second lieutenant in the Marine Corps, for temporary service, from the 6th day of August, 1917.

The following-named citizens to be second lieutenants in the Marine Corps for a probationary period of two years from the 15th day of August, 1917:

William K. Snyder, a citizen of Nebraska,
 Shaler Ladd, a citizen of New Mexico,
 Robert M. Montague, a citizen of Idaho,
 Alfred C. Cramp, a citizen of Pennsylvania,
 James T. Yarborough, a citizen of South Carolina,
 John A. Willis, jr., a citizen of Minnesota,
 Charles Z. Leshar, a citizen of Arizona,
 John C. Wood, a citizen of California,
 Thomas R. Jewett, a citizen of New Jersey,
 James R. Henderson, a citizen of South Carolina,
 William T. Evans, a citizen of Tennessee,
 George D. Hamilton, a citizen of Florida,
 Benjamin W. Gally, a citizen of California,
 Lloyd B. Dysart, a citizen of Washington,
 Joseph F. Gargan, a citizen of Indiana,
 Charles I. Emery, a citizen of Maine,
 Clyde P. Matteson, a citizen of Wyoming,
 Rolla R. Hinkle, a citizen of New Mexico,
 William R. Mathews, a citizen of Illinois,
 Charles T. Lawson, a citizen of Pennsylvania,
 David I. Garrett, a citizen of Louisiana,
 Nathaniel H. Massie, a citizen of Kentucky,
 Richard H. Jeschke, a citizen of Illinois,
 Sidney W. Wentworth, a citizen of New Hampshire,
 Frank L. Shannon, a citizen of Washington,
 Samuel M. Noblitt, a citizen of Indiana,
 Francis P. Mulcahy, a citizen of New York,
 Frederic C. Wheeler, a citizen of Pennsylvania,
 Benjamin H. Brown, a citizen of Indiana,
 Thomas E. Kendrick, a citizen of Missouri,
 Benjamin L. Harper, a citizen of Wisconsin,
 Albert A. Le Boeuf, a citizen of Massachusetts,
 Will H. Walter, a citizen of Illinois,
 Alfred W. Ogle, a citizen of Tennessee,
 William van D. Jewett, a citizen of New Jersey,
 Robert S. Lytle, a citizen of California,
 Paul E. McDermott, a citizen of Washington,
 Albert P. Baston, a citizen of Minnesota,
 Donald J. Kendall, a citizen of Massachusetts,
 Harold St. C. Wright, a citizen of Florida,
 Horace B. Derrick, a citizen of Maryland,
 Leonard Stone, a citizen of Massachusetts,
 Lewis B. Reagan, a citizen of Mississippi,
 Dudley S. Brown, a citizen of Arizona,
 Robert H. Pepper, a citizen of Pennsylvania,
 Robert L. Nelson, a citizen of Kentucky,
 John B. Wilson, a citizen of Oregon,
 James McB. Sellers, a citizen of Illinois,
 James D. Colomy, a citizen of Massachusetts,
 Lathrop B. Flintom, a citizen of Missouri,
 Clive E. Murray, a citizen of Oklahoma,
 Joseph A. Hagan, a citizen of Virginia,
 Ivan Langford, a citizen of Texas,
 Galen M. Sturgis, a citizen of Maryland,
 Mordecai C. Chambers, a citizen of Missouri,
 Carl W. Meigs, a citizen of New York,
 Joseph W. Knighton, a citizen of Maryland,
 Charles I. Murray, a citizen of Pennsylvania,
 James A. Poulter, a citizen of Wisconsin,
 Karl S. Day, a citizen of Ohio,
 George L. Maxwell, jr., a citizen of California,
 Joseph C. Bennet, a citizen of Georgia,
 Clarence W. Smith, a citizen of Illinois,
 James A. Mixson, a citizen of Florida,
 Cecil B. Raleigh, a citizen of Arkansas,
 George L. Maynard, jr., a citizen of California,
 William H. Hollingsworth, a citizen of Mississippi,
 Lades R. Warriner, a citizen of South Carolina,
 John O. Hyatt, a citizen of Arizona,
 Oakley K. Brown, a citizen of Connecticut,
 Charles D. Roberts, a citizen of Ohio,
 Gus L. Gloeckner, a citizen of Texas, and

Graves B. Erskine, a citizen of Louisiana.

The following-named officers of the National Naval Volunteers and Naval Militia (Marine Corps Branch) to be second lieutenants in the Marine Corps, for temporary service, from the 6th day of August, 1917:

Capt. Percy D. Cornell, National Naval Volunteers, Marine Corps Branch,

Capt. Newton Best, National Naval Volunteers, Marine Corps Branch,

Capt. Angus A. Acree, Texas Naval Militia, Marine Corps Branch,

First Lieut. William A. Worton, National Naval Volunteers, Marine Corps Branch,

First Lieut. Jonas H. Platt, National Naval Volunteers, Marine Corps Branch,

First Lieut. James F. Rorke, National Naval Volunteers, Marine Corps Branch,

First Lieut. Charles McK. Krausse, National Naval Volunteers, Marine Corps Branch,

First Lieut. Alan V. Parker, National Naval Volunteers, Marine Corps Branch,

First Lieut. John F. Horn, Texas Naval Militia, Marine Corps Branch,

First Lieut. Ross W. Davidson, National Naval Volunteers, Marine Corps Branch,

First Lieut. Glenn E. Hayes, National Naval Volunteers, Marine Corps Branch,

First Lieut. Edmund L. Riesner, National Naval Volunteers, Marine Corps Branch,

Second Lieut. Lynn B. Coovert, National Naval Volunteers, Marine Corps Branch,

Second Lieut. Robert A. Kennedy, National Naval Volunteers, Marine Corps Branch,

Second Lieut. John F. Talbot, National Naval Volunteers, Marine Corps Branch,

Second Lieut. Stanley A. Beard, Texas Naval Militia, Marine Corps Branch,

Second Lieut. John L. Garner, jr., National Naval Volunteers, Marine Corps Branch,

Second Lieut. John W. Thomason, jr., National Naval Volunteers, Marine Corps Branch, and

Second Lieut. Clarence Ball, National Naval Volunteers, Marine Corps Branch.

First Sergt. John A. McDonald, Marine Corps, to be a second lieutenant in the Marine Corps, for temporary service, from the 24th day of July, 1917.

The following-named citizens to be second lieutenants in the Marine Corps for a probationary period of two years, from the 10th day of August, 1917:

Charles T. Brooks, a citizen of California,
 James L. Denham, a citizen of the District of Columbia,
 Herbert Hardy, a citizen of California,
 Walter T. H. Galliford, a citizen of Texas,
 Richard B. Buchanan, a citizen of Illinois,
 Benjamin R. Avent, a citizen of Texas,
 William H. McCormick, a citizen of Maryland,
 David R. Kilduff, a citizen of California,
 James A. Connor, a citizen of Texas,
 Einar W. Jacobson, a citizen of California,
 Charles N. Muldrow, a citizen of South Carolina,
 Hugh McFarland, a citizen of Texas,
 Walter D. Shelly, a citizen of Minnesota,
 John T. Walker, a citizen of Texas,
 Bert A. Bone, a citizen of California,
 Frank W. Wilson, a citizen of Texas,
 Charles B. Maynard, a citizen of Washington,
 Carl F. Dietz, a citizen of Washington,
 Oliver P. Smith, a citizen of California,
 Hugh Shippey, a citizen of California,
 Joseph G. Ward, a citizen of Virginia,
 Robert C. Anthony, a citizen of Vermont,
 Baptiste Barthe, a citizen of California,
 Sidney R. Vandenberg, a citizen of Kansas,
 Robert C. Thaxton, a citizen of Texas,
 James D. McLean, a citizen of Virginia,
 Thomas S. Whiting, a citizen of Virginia,
 Robert Blake, a citizen of California,
 Henry D. Linscott, a citizen of Pennsylvania,
 John G. E. Kipp, a citizen of Illinois,
 William T. Clement, a citizen of West Virginia,
 Ralph L. Schiesswohl, a citizen of Illinois,
 Ralph E. West, a citizen of California,
 Euvelle D. Howard, a citizen of California,
 Alfred H. Noble, a citizen of Maryland,

Keith E. Kinyon, a citizen of Kansas,
 William A. Duckham, a citizen of Pennsylvania,
 Harlan Peffley, a citizen of Idaho,
 Frank D. Strong, a citizen of Minnesota,
 Benjamin Goodman, a citizen of Virginia,
 Harold D. Campbell, a citizen of Vermont,
 Lyman Passmore, a citizen of Washington,
 Louis W. Bartol, a citizen of New York,
 Donald Kenyon, a citizen of New York,
 James A. Nelms, a citizen of Virginia,
 Clifford O. Henry, a citizen of New York,
 John Sellon, a citizen of Kansas,
 Joseph T. Smith, a citizen of California,
 Raymond E. Knapp, a citizen of Massachusetts,
 Hiram R. Mason, a citizen of Ohio,
 Horatio P. Mason, a citizen of Virginia,
 Carleton S. Wallace, a citizen of Minnesota,
 Samuel C. Cumming, a citizen of Virginia,
 George H. Yarborough, jr., a citizen of South Carolina,
 George B. Lockhart, a citizen of Virginia,
 John D. Macklin, a citizen of Ohio,
 Edward L. Burwell, jr., a citizen of Wisconsin,
 Jack S. Hart, a citizen of Texas,
 Omar T. Pfeiffer, a citizen of Minnesota,
 Robert S. Pendleton, a citizen of Virginia,
 Lemuel C. Shepherd, jr., a citizen of Virginia,
 John F. Blanton, a citizen of Texas,
 Drinkard B. Milner, a citizen of Texas,
 Roscoe A. Parcel, a citizen of California,
 James F. Moriarty, a citizen of Massachusetts,
 Davis A. Holladay, a citizen of South Carolina,
 Frank P. Snow, a citizen of Massachusetts,
 Samuel W. Freeny, a citizen of Maryland,
 Julius C. Cogswell, a citizen of South Carolina,
 William H. Harrison, a citizen of Maryland,
 Arthur T. Elmore, a citizen of the District of Columbia,
 Campbell H. Brown, a citizen of New York,
 Edward B. Hope, a citizen of South Carolina,
 Fred W. Clarke, jr., a citizen of Georgia,
 Edmund P. Norwood, a citizen of South Carolina,
 Edwin R. Brecher, a citizen of Texas,
 Charles P. Nash, a citizen of West Virginia,
 Durant S. Buchanan, a citizen of Texas,
 Fielding S. Robinson, a citizen of Virginia,
 Thomas T. McEvoy, a citizen of Illinois,
 William H. Price, a citizen of Maryland,
 Lewie G. Merritt, a citizen of South Carolina, and
 Harry C. Savage, jr., a citizen of South Carolina.

The following-named noncommissioned officers in the Marine Corps to be second lieutenants in the Marine Corps for a probationary period of two years, from the 15th day of August, 1917:

Corpl. John Frost,
 Q. M. Sergt. George F. Smithson,
 Corpl. John P. Adams,
 Corpl. Henry E. Chandler,
 Corpl. Otto E. Bartoe,
 Corpl. Ernest E. Eiler,
 Sergt. Harold D. Shannon,
 Corpl. Robert M. Johnson,
 Sergt. Louis R. Jones,
 Corpl. Ramond J. Bartholomew,
 Corpl. Bruce B. MacArthur,
 Corpl. Claude A. Larkin,
 Corpl. Erwin Mehlinger,
 Corpl. William B. Crocka,
 Corpl. Lothar R. Long,
 Corpl. Gilbert D. Hatfield,
 Corpl. Amos R. Shinkle,
 First Sergt. Bruce Gootee, jr.,
 Corpl. George H. Morse, jr.,
 Corpl. Marc M. Ducote,
 Sergt. Wesley W. Walker, and
 Corpl. Lewis B. Freeman.

The following-named second lieutenants in the Marine Corps to be first lieutenants in the Marine Corps, for temporary service, from the 22d day of May, 1917:

Phillip T. Case,
 Edward G. Hagen,
 Thomas B. Gale,
 Lewis L. Gover,
 Thomas F. Harris,
 Charles M. Jones, and
 Willett Elmore.

The following-named probationary second lieutenants in the Marine Corps to be probationary first lieutenants in the Marine Corps, for temporary service, from the 22d day of May, 1917:

Thad T. Taylor, and
Arthur B. Jacques.

Second Lieut. Arthur H. Turner to be a first lieutenant in the Marine Corps, for temporary service, from the 15th day of August, 1917.

Roy C. Swink, probationary second lieutenant in the Marine Corps, to be a probationary first lieutenant in the Marine Corps, for temporary service, from the 15th day of August, 1917.

CONFIRMATIONS.

Executive nominations confirmed by the Senate August 23 (legislative day of August 15), 1917.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

John W. Garrett, of Maryland, to be envoy extraordinary and minister plenipotentiary of the United States to the Netherlands and Luxemburg.

SECRETARIES OF EMBASSY OR LEGATION.

Hugh S. Gibson. CLASS 1.

Warren D. Robbins.
Willing Spencer. CLASS 2.

Herbert S. Goold.
R. Henry Norweb. CLASS 3.

T. Hart Anderson, jr.
Ray Atherton.
John W. Belt. CLASS 4.

Philander L. Cable.
Frederick C. Chabot.
Charles B. Fennell.
Matthew E. Hanna.
Arthur Bliss Lane.
Casper Y. Offutt.
J. Donald C. Rodgers.
Charles H. Russell, jr.

APPOINTMENT IN THE ARMY.

Maj. Clifton C. Carter to be professor of natural and experimental philosophy at the United States Military Academy.

APPOINTMENTS, BY TRANSFER, IN THE ARMY.

CAVALRY ARM.

First Lieut. Ivan N. Waldron, Infantry, to be first lieutenant of Cavalry.

INFANTRY ARM.

First Lieut. Oscar T. Abbott, Cavalry, to be first lieutenant of Infantry.

PROVISIONAL APPOINTMENTS, BY TRANSFER, IN THE ARMY.

CAVALRY ARM.

First Lieut. John W. Weeks, Field Artillery, to be first lieutenant of Cavalry.

FIELD ARTILLERY ARM.

First Lieut. Wallace W. Crawford, Cavalry, to be first lieutenant of Field Artillery.

First Lieut. Henry W. Farnam, jr., Infantry, to be first lieutenant of Field Artillery.

INFANTRY ARM.

First Lieut. Francis Fielding-Reid, Field Artillery, to be first lieutenant of Infantry.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

CORPS OF ENGINEERS.

To be first lieutenants.

Second Lieut. Marion D. H. Kolyn.
Second Lieut. Walter P. Burn.
Second Lieut. David L. Neuman.
Second Lieut. Lenox R. Lohr.
Second Lieut. Truman M. Curry, jr.
Second Lieut. Frank M. S. Johnson.
Second Lieut. Simes T. Hoyt.
Second Lieut. Clarence M. Fuller.
Second Lieut. Harry A. Skerry.
Second Lieut. John F. McSweeney.
Second Lieut. Giovanni B. LaGuardia.
Second Lieut. Fred C. Albert.
Second Lieut. Don R. Cather.
Second Lieut. Sylvester E. Nortner.

Second Lieut. John R. Donaldson.
Second Lieut. Julian G. Guiteras.
Second Lieut. Gilbert D. Fish.

PROVISIONAL APPOINTMENT IN THE ARMY.

CAVALRY ARM.

Ernest Frederick Apeldorn, jr., to be second lieutenant.

PROMOTIONS IN THE ARMY.

CHAPLAIN.

Chaplain George W. Prioleau to be chaplain with rank of major.

MEDICAL CORPS.

Maj. Edward B. Vedder to be lieutenant colonel,

CAVALRY ARM.

Lieut. Col. James A. Ryan to be colonel.

To be lieutenant colonels.

Maj. Benjamin B. Hyer.
Maj. Mathew C. Smith.
Maj. Kenzie W. Walker.
Maj. Harry H. Pattison.
Maj. Francis Le J. Parker.
Maj. George F. Hamilton.
Maj. William H. Paine.
Maj. John W. Craig.
Maj. Hugh D. Berkeley.
Maj. Albert E. Saxton.
Maj. Hamilton S. Hawkins.
Maj. Frank Parker.
Maj. George Vidmer.
Maj. Casper H. Conrad, jr.
Maj. Nathan K. Averill.
Maj. Harry La T. Cavenaugh.

To be majors,

Capt. Alvan C. Gillem.
Capt. William B. Cowin.
Capt. Roger S. Fitch.
Capt. Holland Rubottom.
Capt. Leslie A. I. Chapman.
Capt. Aubrey Lippincott.
Capt. Henry W. Parker.
Capt. William H. Winters.
Capt. Douglas McCaskey.
Capt. Samuel B. Pearson.
Capt. Freeborn P. Holcomb.
Capt. Albert A. King.
Capt. Daniel Van Voorhis.
Capt. Julien E. Gaujot.
Capt. Delphey T. E. Casteel.
Capt. Joseph R. McAndrews.
Capt. George E. Lovell.
Capt. Frank L. Case.
Capt. John H. Lewis.
Capt. Harry N. Cootes.
Capt. Charles W. Van Way.
Capt. Wilson G. Heaton.
Capt. Edward Davis.
Capt. James M. Burroughs.
Capt. Dorsey Cullen.
Capt. Charles H. Boice.
Capt. Daniel H. Gienty.
Capt. William J. Kendrick.
Capt. George T. Bowman.
Capt. John S. Fair.
Capt. Robert J. Reaney.
Capt. Sherrard Coleman.
Capt. William F. Herringshaw.

To be captains.

First Lieut. Henry L. Flynn.
First Lieut. Harold M. Rayner.
First Lieut. John T. McLane.
First Lieut. James S. Mooney.
First Lieut. Henry W. Harms.
First Lieut. John E. Lewis.
First Lieut. John D. Kelly.
First Lieut. Thorne Deuel, jr.
First Lieut. William Nalle.
First Lieut. Roy O. Henry.
First Lieut. William E. Dorman.
First Lieut. John C. Prince.
First Lieut. Lindsley D. Beach.
First Lieut. Carl P. Dick.
First Lieut. Terry de la M. Allen.

First Lieut. John C. McDonnell.
 First Lieut. Jerome W. Howe.
 First Lieut. Otto Wagner.
 First Lieut. Burton Y. Read.
 First Lieut. Russell B. Patterson.
 First Lieut. Clyde V. Simpson.
 First Lieut. Joseph F. Richmond.
 First Lieut. Roy S. Brown.
 First Lieut. Louis A. Falligant.
 First Lieut. Herbert M. Ostroski.
 First Lieut. Paul R. Davison.
 First Lieut. John B. Brooks.
 First Lieut. John B. Coulter.
 First Lieut. William A. Raborg.
 First Lieut. Welton M. Modisette.
 First Lieut. John P. Wheeler.
 First Lieut. Harold M. Clark.
 First Lieut. Harold Thompson.
 First Lieut. Allen G. Thurman.
 First Lieut. George W. Sliney.
 First Lieut. Willis D. Crittenberger.
 First Lieut. Alfred B. Johnson.
 First Lieut. Roland L. Gaugler.
 First Lieut. Stuart W. Cramer, jr.
 First Lieut. Thoburn K. Brown.
 First Lieut. Geoffrey Keyes.
 First Lieut. Joseph W. Viner.
 First Lieut. John A. Considine.
 First Lieut. Earl L. Canady.
 First Lieut. George E. Lovell, jr.
 First Lieut. Desmore O. Nelson.
 First Lieut. Carlyle H. Wash.
 First Lieut. John F. Crutcher.
 First Lieut. Henry Abbey, jr.
 First Lieut. Earl H. Coyle.
 First Lieut. Mack Garr.
 First Lieut. Stanley C. Drake.
 First Lieut. Maxwell Kirby.
 First Lieut. Edmund P. Duval.
 First Lieut. Robert E. Carmody.
 First Lieut. Albert J. Myer, jr.
 First Lieut. Robert O. Annin.
 First Lieut. Daniel G. Morrissett.
 First Lieut. Ralph Hospital.
 First Lieut. Theodore Barnes, jr.
 First Lieut. Roger S. B. Hartz.
 First Lieut. Charles B. Hazeltine.
 First Lieut. Eugene M. Owen.
 First Lieut. Arthur D. Newman.
 First Lieut. John W. Butts.
 First Lieut. Edward L. N. Glass.
 First Lieut. Charles W. Foster.
 First Lieut. Clarence C. Benson.
 First Lieut. Thomas H. Rees, jr.
 First Lieut. Walter W. Wynne.
 First Lieut. Joseph W. Byron.
 First Lieut. Warren P. Jernigan.
 First Lieut. Robert D. McDonald.
 First Lieut. William O. Ryan.
 First Lieut. Benjamin F. Hoge.
 First Lieut. Frederick Herr.
 First Lieut. John B. Thompson.
 First Lieut. Sheldon H. Wheeler.
 First Lieut. John Kennard.
 First Lieut. Stafford Le R. Irwin.
 First Lieut. Pearson Menoher.
 First Lieut. Edwin B. Lyon.
 First Lieut. Carl C. Bank.
 First Lieut. George H. Peabody.
 First Lieut. Earl L. Naiden.
 First Lieut. Henry McE. Pendleton.
 First Lieut. Edmund de T. Ellis.
 First Lieut. Robert W. Strong.
 First Lieut. Clifford B. King.
 First Lieut. Paul R. Frank.
 First Lieut. Edward C. McGuire.
 First Lieut. John McD. Thompson.
 First Lieut. John F. Davis.
 First Lieut. Reese M. Howell.
 First Lieut. Henry J. F. Miller.
 First Lieut. Frank D. McGee.
 First Lieut. Harry B. Anderson.
 First Lieut. Victor V. Taylor.
 First Lieut. Horace Stringfellow, jr.
 First Lieut. Ralph P. Cousins.

First Lieut. John F. Stevens.
 First Lieut. Blackburn Hall.
 First Lieut. Edward J. Dwan.
 First Lieut. Eustis L. Hubbard.
 First Lieut. William B. Peebles.
 First Lieut. Frederic W. Boye.
 First Lieut. Karl H. Gorman.
 First Lieut. James K. Cockrell.
 First Lieut. DeRosey C. Cabell, jr.
 First Lieut. Ralph I. Sasse.
 First Lieut. William E. Shipp.
 First Lieut. Calvin De Witt, jr.
 First Lieut. James M. Crane.
 First Lieut. Lucien S. S. Berry.
 First Lieut. Victor W. B. Wales.

INFANTRY ARM.

To be majors.

Capt. Frank B. Hawkins.
 Capt. Harry A. Hegeman.
 Capt. G. Arthur Hadsell.
 Capt. Wait C. Johnson.
 Capt. J. Millard Little.
 Capt. John L. Bond.
 Capt. Josephus S. Cecil.
 Capt. Edward R. Stone.
 Capt. Albert R. Dillingham.
 Capt. William R. Gibson.
 Capt. Will H. Point.
 Capt. Henry M. Bankhead.
 Capt. Henry A. Ripley.
 Capt. William A. Kent.
 Capt. Walter C. Sweeney.
 Capt. Samuel W. Noyes.
 Capt. Charles W. Weeks.
 Capt. James T. Watson.
 Capt. William W. McCammon.
 Capt. Cyrus A. Dolph.
 Capt. Willis P. Coleman.
 Capt. Albert B. Sloan.
 Capt. Lucius C. Bennett.
 Capt. John E. Morris.
 Capt. William B. Gracie.
 Capt. Lawrence P. Butler.
 Capt. Paul C. Galleher.
 Capt. Claude S. Fries.
 Capt. William G. Doane.
 Capt. James M. Kimbrough, jr.
 Capt. Alvin K. Baskette.
 Capt. John L. Jordan.
 Capt. James G. Hannah.
 Capt. Samuel B. McIntyre.
 Capt. Milosh R. Hilgard.
 Capt. Linwood E. Hanson.
 Capt. Charles B. Stone, jr.

APPOINTMENTS IN THE NAVY.

To be ensigns.

Francis A. Pippo.
 Edward C. Wurster.
 Charles O. Hathaway.
 Patrick J. Solon.
 Michael J. Bresnahan.
 Edmond Delavy.
 Horace de B. Dougherty.
 Fred Rasmussen.
 Frank Schultz.
 Daniel J. Sullivan.
 Edwin W. Hill.
 William C. Milligan.
 James Reilly.
 William A. James.
 Jerry C. Holmes.
 Edwin R. Wroughton.
 Lewis H. Cutting.
 William C. Carpenter.
 Charles L. Greene.
 Charles King.
 Ora A. Martin.
 Stephen Ingham.
 William T. Shaw.
 William R. McFarlane.
 Melvin C. Kent.
 Albert C. Fraenzel.
 Ralph B. Wallace.
 Joseph D. Glick.

Gregoire, F. J. Labelle.
 Henry Hartley.
 Phillip J. Kelly.
 William E. Benson.
 Simon L. Shade.
 Wildon A. Ott.
 Junius G. Sanders.
 George T. Campbell.
 Harold G. Billings.
 Frank Kinne.
 Frank C. Nigg.
 Thomas M. Buck.
 John Whalen.
 Oscar Benson.
 John R. McMeekin.
 John R. McKean.
 Lafayette P. Guy.
 Frank J. Mayer.
 James J. Joyce.
 Warner K. Bigger.
 Joseph Sperl.
 David T. Mead.
 George B. Llewellyn.
 Frederick J. Legere.
 John H. Macdonald.
 William A. Fulkerson.
 Conrad T. Goertz.
 Nathan E. Cook.
 Ernest L. Jones.
 Murry Wolffe.
 Bailey E. Rigg.
 Quintus R. Thomson, jr.
 John A. Pierce.
 William R. Spear.
 Roy K. Madill.
 Nils Anderson.
 John E. Armstrong.
 William A. Martin.
 James Roberts.
 James S. Trayer.
 Theodore Andersen.
 Eugene J. Friehe.
 Alfred Doucet.
 Fred C. A. Plagemann.
 Ludwig W. Gumz.
 Hugh W. Nimmo.
 Frederick B. Webber.
 Charles A. Dannenmann.
 Albert E. Freed.
 Andrew N. Anderson.
 William H. Farrel.
 John Shottroff.
 Raymond C. McDuffie.
 William Martin.
 Edgar T. Hammond.
 John D. Thompson.
 Raymond R. Smith.
 George E. Tarbell.
 John L. Scheideman.
 Earl Swisher.
 Walter L. Hawk.
 Fred H. Stewart.
 Clarence E. Williams.
 Albert Wing.
 Harold A. Clough.
 Albert C. Buck.
 Jesse L. Harmer.
 John W. Ross.
 Frederick G. Keyes.
 Frederick Petry.
 Frederick Evans.
 Clarence L. Tibbals.
 William Taylor.
 Arthur T. Brill.
 Michael Garland.
 John C. Heck.
 George W. Waldo.
 Arthur Boquett.
 Sigvart Thompson.
 William A. Vick.
 Arthur S. Rollins.
 John C. Maxon.
 Joseph W. Birk.
 Raymond A. Walker.
 Charles F. Dame.

Vincent Benedict.
 Edgar C. Wortman.
 David Duffy.
 Noel Chatillon.
 Lee W. Drisco.
 William H. Stephenson.
 Peter J. Gundlach.
 Leon W. Becker.
 Stephen A. Loftus.
 Asa V. R. Watson.
 James M. MacDonnell.
 Harold A. Turner.
 Curry E. Eason.
 Brice H. Mack.
 Walter N. Fanning.
 Niels Drustrup.
 George Bradley.
 Everest A. Whited.
 Charles A. Kohls.
 Paul E. Kuter.
 David McWhorter, jr.
 Elery A. Zehner.
 Frank Kerr.
 Harry J. Hansen.
 Newcomb L. Damon.
 George Kleinsmith.
 Daniel McCallum.
 John J. Madden.
 Stanley H. Sacker.
 Clyde Lovelace.
 Martin Dickinson.
 John S. Conover.
 John G. M. Johnson.
 Alexander Anderson.
 Charles V. Kane.
 Joseph H. Gerrior.
 Charles F. Fielding.
 Collins R. Buchner.
 William Eberlin.
 John Meyer.
 Godfrey P. Schurz.
 Thomas J. Bristol.
 Daniel F. Mulvihill.
 Ward T. Hall.
 Erich Richter.
 James L. McKenna.
 Anthony E. Bentfeld.
 John Harder.
 Stephen A. Farrell.
 John J. Welch.
 Charles C. Stotz.
 Anthony Prastka.
 Edmund D. Duckett.
 Hermann Jorgensen.
 Arthur J. Holton.
 Ola D. Butler.
 Joseph O'N. Johnson.
 Clyde H. McLellan.
 William F. Schlegel.
 James J. Delany.
 Arthur E. Rice.
 Albert M. Hinman.
 William Cox.
 Herman C. Schrader.
 William A. Eaton.
 Herbert R. Mytinger.
 Charles B. Bradley.
 Samuel C. Washington.
 James A. Featherston.
 Herbert J. Menerattl.
 Abraham De Somer.
 William A. Mason.
 John F. Murphy.
 Clarence R. Rockwell.
 William E. Snyder.
 George H. Kellogg.
 Samuel E. Lee.
 Arthur H. Cummings.
 Rony Snyder.
 Jack K. Campbell.
 Albert G. Martin.
 John M. Buckley.
 Robert Semple.
 Elmer J. McCluen.
 John M. Kirkpatrick.

Claude B. Arney.
 Jesse J. Alexander.
 Fayette Myers.
 Frederick Clifford.
 Frederick T. Walling.
 Joseph M. Gately.
 Ralph A. Laird.
 Scott H. North.
 Warwick M. Tinsley.
 Archie R. Wolfe.
 Henry A. Stuart.
 Judson E. Scott.
 Edward L. Newell.
 Carl E. Kuter.
 George O. Farnsworth.
 Omar B. Earle.
 Thomas Flynn.
 Alexander B. Holman.
 Michael Burke.
 Irwin V. Herin.
 Herman A. Bauchot.
 William W. Eagers.
 John F. Craig.
 Augustus K. Goffe.
 William J. Graham.
 George B. Evans.
 Charles O. Bain.
 Joseph A. Flynn.
 Francis P. Brewer.
 Aaron Eldridge.
 Clyde H. Dougherty.
 Robert B. England.
 Howard S. Raber.
 Lars O. Peterson.
 Alfred R. Eubanks.
 John F. Piotrowski.
 Ralph A. Scott.
 William F. Schlosinger.
 Earle G. Gardner.
 William K. Johnstone.
 Frank T. Green.
 Robert S. Savin.
 Emmette F. Gumm.
 Edwin Fisher.
 Clarence H. Fogg.
 James J. Lucas.
 Thomas Southall.
 William Twigg, jr.
 Burton W. Lambert.
 William D. Dadd.
 Malcolm C. Davis.
 Leroy Neil.
 John A. Ward.
 John Gallagher.
 Cyrus S. Hansel.
 Henry A. Lowell.
 Oliver T. Miller.
 John J. Coyle.
 Walter S. Belknap.
 Anton Hengst.
 Fred San Soucie.
 Howard H. Chambers.
 Vincent F. Le Verne.
 Walter A. Buckley.
 Norman McL. McDonald.
 Charles W. Wagner.
 George F. Veth.
 James A. Newell.
 Fred C. Wolf.
 Max Bayer.
 Leon W. Knight.
 Henry H. Beck.
 John Reber.
 Fred T. Rider.
 Sofus K. Sorensen.
 Arthur L. Hecykell.
 Frank L. Elkins.
 Ernest J. Leonard.
 John P. Sasse.
 John H. Chase.
 George J. Blessing.
 Patrick H. Cassidy.
 Frank Flaherty.
 Bennett McC. Proctor.
 John A. Silva.

John E. Sullivan.
 Chauncey R. Doll.
 Warren E. Magee.
 Charles F. Merrill.
 Benjamin F. Ranger.
 Carl S. Chapman.
 Wilmer W. Weber.
 William W. Wilkins.
 Frederick R. Kalde.
 Allen I. Seaman.
 Charles Swanberg.
 William H. Muehlhause.
 Oscar D. Parker.
 John C. Hines.
 George W. Robbins.
 Ernest A. Healy.
 Charles Antrobus.
 August Logan.
 George F. Blass.
 George C. Lacock.
 John W. Boldt.
 Percy R. Adams.
 Charles E. Briggs.
 Frank E. Nelson.
 Phillip S. Flint.
 Henry A. Reynolds.
 James E. Kemmer.
 William W. Holton.
 Charles J. Naprstek.
 Paxton Hotchkiss.
 Harry M. Peaco.
 Frank F. Webster.
 Charles N. Koch.
 William S. Evans.
 George J. Romulus.
 John P. Millon.
 Sol Shaw.
 Thomas J. Sullivan.
 Will Mueller.
 Will S. Holloway.
 James D. Brown.
 Franklin A. Manuel.
 Arthur A. F. Alm.
 James Donaldson.
 James Hauser.
 Charles A. Armstrong.
 Donald McDonald.
 Robert J. Kingsmill.
 Charles B. Shackleton.
 Robert C. McClure.
 George C. Martin.
 Mark Strosk.
 Helge Ohlsson.
 Elroy G. True.
 Warren H. Langdon.
 Emery Smith.
 George Keeser.
 Alfred E. Raue.
 Frank W. Yurasko.
 Philip A. Astoria.
 John J. Enders.
 George S. Dean.
 George C. Neilsen.
 Joseph C. Herman.
 George R. Blauvelt.
 Erich O. Tauer.
 Harry A. Bryan.
 George Schneider.
 Warren L. Graeff.
 Emmet L. Bourke.
 Earl V. Hand.
 Abram L. Broughton.
 Albert F. Blake.
 William F. Morris.
 Edward I. Dalley.
 James H. Cain.
 Carl J. Hanson.
 Thomas T. Emerton.
 James W. O'Leary.
 Andrew C. Skinner.
 Benjamin F. Maddox.
 John A. Rogers.
 John C. Richards.
 Albert H. Mellien.
 Henry H. Fowler.

Jesse J. Oettinger.
 Bernard S. Riley.
 Sidney C. Seale.
 Thomas G. Shanahan,
 Eric P. Teschner.
 Jens Nelson.
 Edwin H. Briggs.
 Frank V. Shepard.
 Fector L. Ross.
 John H. Chinnis.
 Alonzo W. Esworthy,
 Robert I. Hart.
 Charles Waters.
 Jesse S. Hooper.
 John Heep.
 Hugh J. Finn.
 William H. Wright.
 Charles F. Ware.

POSTMASTER,
 INDIANA.

James H. Spilman, Milroy.

WITHDRAWAL.

Executive nomination withdrawn August 23 (legislative day of August 15), 1917.

Col. Henry De Witt Hamilton, New York National Guard, to be a brigadier general in the National Army.

SENATE.

FRIDAY, August 24, 1917.

(Legislative day of Wednesday, August 15, 1917.)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

MILITARY INSURANCE.

Mr. HUSTING. Mr. President, I have here a pamphlet on family allowance, indemnity, and insurance for our soldiers and sailors, *The Duty of a Just Government*, by Hon. William G. McAdoo. It is about three and one-fourth pages and it sets forth the views of the Secretary of the Treasury on the proposed military insurance. I ask to have it printed as a public document.

Mr. SMOOT. I ask the Senator to let it go to the Committee on Printing, because we have other matters there, and we will take them all up.

Mr. HUSTING. Very well.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The matter will be referred to the Committee on Printing.

WAR REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 4280) to provide revenue to defray war expenses and for other purposes.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Utah suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hollis	Martin	Sherman
Bankhead	Husting	Myers	Shields
Brady	James	Nelson	Simmons
Broussard	Johnson, Cal.	New	Smith, Ga.
Chamberlain	Jones, Wash.	Norris	Smith, Md.
Culbertson	Kellogg	Overman	Smith, Mich.
Curtis	Kendrick	Page	Smoot
Dillingham	Kenyon	Pittman	Sutherland
Fletcher	King	Polindexter	Swanson
France	Kirby	Ransdell	Thompson
Frelinghuysen	La Follette	Reed	Trammell
Gerry	Lodge	Robinson	Watson
Gronna	McCumber	Saulsbury	Weeks
Hale	McKellar	Shafroth	Wolcott
Hardwick	McNary	Sheppard	

Mr. FRELINGHUYSEN. I wish to announce the absence of my colleague [Mr. HUGHES] on account of illness. I ask that the announcement may stand for the day.

Mr. SUTHERLAND. My colleague, the senior Senator from West Virginia [Mr. GOFF], is absent on account of illness. I ask that this announcement may stand for the day.

Mr. MYERS. My colleague [Mr. WALSH] is necessarily absent on account of illness in his family. He is paired with the Senator from New Jersey [Mr. FRELINGHUYSEN]. I will let this announcement stand for the day.

Mr. CHAMBERLAIN. I desire to announce that the Senator from Mississippi [Mr. WILLIAMS] is necessarily detained on important public business.

Mr. GERRY. I desire to announce the absence of the Senator from Mississippi [Mr. VARDAMAN], the Senator from Illinois [Mr. LEWIS], the Senator from California [Mr. PHELAN], and the Senator from Kentucky [Mr. BECKHAM] on official business.

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. There is a quorum present.

Mr. NORRIS. Mr. President, I wish to inquire whether the committee amendments have been disposed of?

The PRESIDING OFFICER. The Chair advises the Senator that they have not been disposed of. The next amendment of the committee will be stated.

The SECRETARY. The next committee amendment passed over is, on page 4—

Mr. HOLLIS. Before section 2 is passed over I will state that I offered last evening to be printed an amendment to section 2. On looking at it this morning I find that one entire page was omitted. I have sent it back to be printed correctly, and if I can have unanimous consent to offer the amendment later I will do so after it is printed. If I can not, I shall offer it now.

The PRESIDING OFFICER. The Chair advises the Senator that no unanimous consent is necessary. The amendment being a motion to strike out and insert will be in order.

Mr. HOLLIS. To section 2?

The PRESIDING OFFICER. Yes.

Mr. LA FOLLETTE. Mr. President, just a parliamentary inquiry supplemental to that presented by the Senator from New Hampshire. As I understand the rule as modified by any agreements which have been entered into here at any time, even after we move on to the next section of the bill or some subsequent section and before all the committee amendments are disposed of, a motion to strike out the entire section on income taxes and offer a substitute therefor would be in order, would it not?

The PRESIDING OFFICER. Certainly; when the committee amendments have been disposed of that amendment would be in order.

Mr. LA FOLLETTE. It is rather important for me to know. I am having some computations made upon two amendments which I want to offer. They are to the income-tax section of the bill. It is a matter of some hours to complete those computations. I wish to have the opportunity, and I think I have the right under the rule, even supposing the committee amendments to this section that we are now considering were all disposed of and we moved on to the consideration of the next section, the war-profits tax; even while we were considering that section, I understand if no amendment were pending before the Senate, the income-tax section having been disposed of so far as committee amendments are concerned, I would have the right to move to strike out that section and offer a substitute therefor.

The PRESIDING OFFICER. The Chair thinks the Senator would.

Mr. LA FOLLETTE. If that is so, I shall have plenty of opportunity to have my computations completed.

The PRESIDING OFFICER. However, it is not within the power of the present occupant of the chair to preclude the determination of that question when it arises.

Mr. LA FOLLETTE. I quite understand that, of course.

The PRESIDING OFFICER. The next amendment of the committee passed over will be read.

Mr. NORRIS. Mr. President, we had an agreement that the committee amendments should be disposed of first. I think by unanimous consent we violated that unanimous-consent agreement when we took up the amendment yesterday, but it seems to me that the Senator from Wisconsin and the Senator from New Hampshire, or any other Senator who has an amendment to section 1 or section 2, or any other part of the bill, would have a right to offer an amendment after all the committee amendments have been disposed of.

The PRESIDING OFFICER. The Senator from Wisconsin predicated his statement on the theory that there would be no amendment pending at the time he offered his amendment.

Mr. LA FOLLETTE. At the time it is offered, of course.

The PRESIDING OFFICER. The attention of the Chair has been called to the former unanimous-consent agreement, which is the customary agreement affecting committee amendments, that they be disposed of first, and while a committee amendment is pending, of course it would not be in order to offer any other amendment.

Mr. LA FOLLETTE. I suppose that the amendment I offered on yesterday was perhaps out of order under the unanimous-consent agreement that had been entered into.