

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting tentative draft of a bill to provide method of settlement for materials, stores, and supplies transferred between different bureaus, departments, or agencies of the Government (H. Doc. No. 1247); to the Committee on Military Affairs and ordered to be printed.
2. A letter from the Secretary of War, transmitting tentative draft of a bill authorizing an Army account of advances for Army appropriations (H. Doc. No. 1248); to the Committee on Military Affairs and ordered to be printed.
3. A letter from the Secretary of War, transmitting reports of the secretary and the treasurer of the American Red Cross for the period January 1 to June 30, 1917 (H. Doc. No. 1249); to the Committee on Military Affairs and ordered to be printed.
4. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Carrie E. Pierce and Alice Pierce, children and sole heirs of James H. Pierce, deceased, against The United States (H. Doc. No. 1250); to the Committee on War Claims and ordered to be printed.
5. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Frank A. Baker, son of John J. Baker, deceased, against The United States (H. Doc. No. 1251); to the Committee on War Claims and ordered to be printed.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BESHLLIN: Petition of sundry citizens of Pennsylvania, urging the passage of immediate war-time prohibition; to the Committee on the Judiciary.

By Mr. COOPER of Wisconsin: Petition of sundry citizens of Waukesha, Wis., also of members of the Pentecostal Church, of Racine, Wis., favoring war-time prohibition; to the Committee on the Judiciary.

By Mr. PRATT: Petitions for war-time prohibition filed by the Woman's Christian Temperance Union of Horseheads, the Free Methodist Church of Corning, and sundry citizens of Horseheads, all in the State of New York; also resolutions in relation to polygamy adopted at public meetings in Elmira and Elmira Heights, N. Y.; to the Committee on the Judiciary.

By Mr. TOWNER: Petition of sundry citizens of Page County, Iowa, for a bill to provide for the substitution of the oath required of enlisted men for the oath required of officers; to the Committee on Military Affairs.

## SENATE.

THURSDAY, August 1, 1918.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we thank Thee for the high sense of moral obligation that Thou hast given to us as a Nation. Thou hast written Thy laws in our hearts. Thou hast given to us our freedom. Thou hast put into our hearts a love for freedom better than life. To-day, in the midst of the bitterest struggle of all the country's history, we come before Thee asking for Thy guidance and Thy blessing. We pray Thee to lead on our boys to victory. Bring them safely back to our native shores with the glory of having achieved not only honor for their country but the advancement of the cause of righteousness and peace among men. For Christ's sake. Amen.

## NAMING A PRESIDING OFFICER.

The Secretary (James M. Baker) read the following communication:

UNITED STATES SENATE,  
PRESIDENT PRO TEMPORE,  
August 1, 1918.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOHN H. BANKHEAD, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

WILLARD SAULSBURY,  
President pro tempore.

Mr. BANKHEAD thereupon took the chair as Presiding Officer. The Secretary proceeded to read the Journal of the proceedings of Monday last, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

## BIRTHDAY ANNIVERSARY OF LAFAYETTE.

The PRESIDING OFFICER. The Chair lays before the Senate the following communication, which will be read:

The communication was read by the Secretary, as follows:

To the President, the members of the Cabinet, the United States Senate and House of Representatives, and the nations of the allies, cordial greeting:

It is proposed to have an anniversary celebration of the birthday of the illustrious Lafayette on the 6th of September, 1918, at 8 p. m., at Memorial Continental Hall.

In view of the entrance of the United States, with France, Belgium, England, Italy, Greece, and the other allies, in the present war, it is considered most appropriate that we do special honor at this time to the memory of Lafayette and to France.

Therefore we most earnestly extend an invitation to all the nations of the allies to participate in the coming event. Please answer.

Very truly, yours,

J. G. B. BULLOCH, M. D., Chairman,  
The Octavia, 1669 Columbia Road N.W.

PHOSPHATE ROCK (S. DOC. NO. 270).

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of Agriculture, transmitting, in response to a resolution of July 5, 1918, a memorandum from the Chief of the Bureau of Soils containing the information available in the Department of Agriculture concerning phosphate rock, which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

## PETITION.

Mr. MYERS presented a petition of the Chamber of Commerce of Billings, Mont., praying for a Federal investigation of the present high prices of petroleum products, which was referred to the Committee on Agriculture and Forestry.

## BILLS INTRODUCED.

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

By Mr. NEW:

A bill (S. 4852) to create an executive department in the Government to be known as the Department of Aeronautics, and for the appointment of a Secretary of Aeronautics and an Assistant Secretary, and providing for appropriations for said department; to the Committee on Military Affairs.

By Mr. WALSH (for Mr. HOLLIS):

A bill (S. 4853) granting an increase of pension to Andrew J. Moody (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 4854) to repeal a certain provision of the act of Congress approved March 3, 1905, relating to the sale of lands in the Uintah Indian Reservation in Utah; to the Committee on Public Lands.

## ADDRESSES BEFORE THE IOWA BAR ASSOCIATION.

Mr. KENYON. I ask to have printed separately as a public document two addresses delivered before the Iowa State Bar Association, one by the president of that association, Judge Charles W. Mullan, on allegiance to the Constitution, and the other by Rome G. Brown, of Minneapolis, Minn., on the disloyalty of socialism. I presume that the request must be referred to the Committee on Printing, and I ask that that reference be made.

The PRESIDING OFFICER. The addresses will be referred to the Committee on Printing.

## TRANSPORTATION SERVICE AND DIFFUSION OF FACTORIES.

Mr. PITTMAN. Mr. President, there has come to my notice a very ably written article—one which relates to a very vital question before the country to-day. The article that I refer to is by C. C. McChord, a member of the Interstate Commerce Commission, a member of the Railroad Wage Commission, and also recently appointed by the President as one of the umpires of the National War Labor Board. His vast experience in the great number of years he has served as a member of the Interstate Commerce Commission peculiarly qualifies him for a discussion of the subject he has taken up.

He charges directly that a congestion has been brought about in certain sections of this country and at the same time a depletion in other sections of the country relative to population and industry through artificial means, through preferences, through prejudicial action against other sections, and that practically all has been accomplished through the wrongful use of the privilege relation to transportation in this country.

If that charge were made by some ordinary economist or by a politician or by one who might be denominated a statesman other than a member of the great body that for years has been invested with the power of investigation in these matters I doubt not that the party making the charge would be denominated a demagogue.

It has been apparent to shippers and producers throughout the country away from the great centers of industry and commerce that this discrimination was practiced, and during all

those years they have protested, and never once has there been a remedy. I want to say that Mr. McChord, as a member of the Interstate Commerce Commission, has time and again pointed out the remedy, and time and again stood for the remedy, but apparently he was unable to force his opinion upon a majority of the commission.

The fact remains, as stated in this article, that these artificial conditions have compelled manufacturers to leave the natural field of their operations where the raw product and everything else was at hand and go to certain large centers of commerce, because those centers of commerce were favored to such an extent by the railroad companies that the manufacturing interests elsewhere could not compete.

He calls attention to this fact not primarily for the purpose of attacking conditions that existed in transportation service but for the purpose of warning our Government and those connected with it that it is now time to commence to prepare for after-war conditions. He calls attention to the fact that wages are constantly increasing, and that when the war is over, in the very necessity of the case, those wages will decrease by reason of the fact that hundreds of thousands of men who are now employed in special war work will have to seek other kinds of employment.

There will be a resistance to the decrease in wages by these employees naturally, unless the cost of living is proportionately or fairly proportionately decreased.

Mr. McChord takes the view that that can not be accomplished unless labor is scattered throughout the country and finds its occupation in the vicinity of the necessary foodstuff supplies, and unless the congestion in the great cities is relieved and men are permitted to find laborers in the great open where rents are sufficiently reasonable for a man to house his family.

Possibly at the present time, because of the urgent demands of the war, it is impracticable, if not impossible, to take the necessary steps to immediately remedy these conditions. It is obvious, of course, to any man who has studied business conditions that great production and efficiency in production are accomplished under the direct supervision of the managers of industry. We understand that one great factory in this country could possibly become more efficient than a thousand scattered throughout the country. We are told, for instance, that in the manufacture of aeroplanes it is essential that they be manufactured in the vicinity of the board having charge of such factories so that they may constantly inspect the work. That may be all true, yet I doubt whether the advantage obtained by such immediate inspection is equal to the advantage that would be derived from keeping your men scattered throughout the country where they would be locally supplied with the necessities of life.

Be that as it may we are not dealing with that subject matter now. The problem is coming on us soon. The conditions that are causing the congestion now, and that have caused the congestion in the great cities of this country for years, is not decreasing but is steadily increasing. Great factories are being built in certain sections because they can not be built anywhere else and compete. As the factories grow men are drawn from all over the country to those factory towns, and as they are drawn there and labor becomes more plentiful at such points, again do the factories increase and the cumulative process ever continues.

The result is inevitable. It means that a great country that is not only fit to live in but is the most wholesome place in the world in which to live is absolutely abandoned.

Not only that, but the men who could be fed close to the farms must have their food transported clear across the country at the expense of the people and to the obstruction of the railroads that are the arteries of trade.

We all know what is meant by the long and short haul. We all know what is meant by the back haul. We know that the railroad companies would ship freight from Chicago to San Francisco cheaper than they would ship to intermediate points. We know they would ship freight cheaper from Chicago to San Francisco or Sacramento than to Reno, Nev.

Mr. KING. Or to Salt Lake City.

Mr. PITTMAN. Or to Salt Lake City, or to Ogden, and just as cheap as they ship it to Denver. We all know that they would charge more to deliver freight from the town of Ogden to a point 25 miles out than they would charge to deliver it from San Francisco to the same point; that they would charge more to deliver freight from Reno to a place 25 miles out of Reno along the railroad than they would from San Francisco to the same point, and yet San Francisco would be 300 miles away. Why? For the very purpose of giving San Francisco that field of trade and depriving the local States of the same trade. This means that Nevada wheat, wool, meats, hides, and other products must go to San Francisco for manufacture or reshipment,

It means that no important manufacturing plant or wholesale establishment can exist in Nevada.

I do not know whether the railroads are to blame in the matter or not. I have often doubted it. Take a center like San Francisco, where five or six great railroads concentrate, and if one railroad company says, "We will do away with this discrimination," then the chamber of commerce, representing the business interests of San Francisco, says to the other railroad companies, "We will give you all our business."

I presume competition between the railroad companies in these great centers has compelled them to listen to the selfishness of business men of those communities. I am not condemning these men or bodies, but I am condemning the conditions that permitted such great wrong to be done a community and permanent injury to our whole country through the misuse of public utilities.

When there was a hearing with regard to the increased rate to Pacific port points, and when the Chamber of Commerce of San Francisco fought that raise, one of the attorneys for the railroad companies said, "Yes; we have built up San Francisco by discrimination against interior points, and if you are going to oppose fair rates to San Francisco we will build up our interior country, which is not in competition with water rates." They have always had the power to build up the interior country. The interior country needed no assistance. All that was needed was to throw down the artificial barriers to trade and it would seek its proper point of operation. Under private ownership it never could be accomplished, because the law of competition, the law of self-aggrandizement, the ambition for personal profit of the railroad companies, always stood in the way of carrying out the higher idea in building up the roads of this country.

When the great congestion took place along our railroads a few months ago the railroads were thrown under the management of a railroad board composed of railroad men, and yet such board was powerless to remedy the condition. Why? Because each of these great railroads was fighting for all the business it could get, no matter how the country might suffer. So they reached out and they took that business, and they tied up the great center of New York City, and the sidetracks were congested for hundreds of miles. It was a personal greed. It was the desire of personal profit that interfered with the matter.

The railroad companies went into the hands of the Government, which did not care whether the freight went over the Pennsylvania or the Michigan Central or the Southern or the Baltimore & Ohio. In other words, when these roads went into the hands of the Government instead of having 100 competing lines whose only object was personal power and profit we obtained one great system whose only object was transportation in the interest of the people of the country.

Under Government control there will be no more bonuses, no more favoritism, no more special rates, no back-haul charges, no preferential rates or discriminatory charges.

There will be no desire to drive water transportation out of business. It will be the object of the Government to encourage that form of transportation that can best serve the people.

Mr. SHERMAN. Will the Senator yield for an inquiry?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Illinois?

Mr. PITTMAN. I do.

Mr. SHERMAN. Does the Senator think that the freight or passenger service is now better than it was before the Government took charge of the railroads?

Mr. PITTMAN. Mr. President, I had just stated that but a few months prior to the taking over of the railroads by the Government the congestion of our lines had reached such an extent that starvation faced communities in this country, and I tried to state my opinion as to why it occurred, and the opinion given in this article, which is far superior to any statement I could make, is to the effect that great lines like the New York Central and the Pennsylvania had reached out with their tentacles throughout the country and dragged the freight across those lines through their great power of business to the exclusion of other lines and congested the great port of New York while other ports had ample facilities.

Now, that has been remedied since the Government took charge of the roads. I consider it a great benefit to this country to relieve that congestion. I consider that the freight conditions in this country are 100 per cent better than they were before the Government took charge of the roads.

Mr. SHERMAN. Mr. President, I want to inquire of the Senator how he reconciles his statement with the fact that before the Government took charge of the railways I got freight from Chicago to Washington in 30 days. That was a delayed



service because of war conditions, and we expected some delays. I ordered a certain piece of freight, which was shipped from Chicago last February. I got it on the 19th of July, 1918. It was in transit five months.

Mr. PITTMAN. What was its character?

Mr. SHERMAN. The package of freight was made up in a car, and the car was lost between here and Chicago.

Mr. PITTMAN. May I ask what was the character of the freight?

Mr. SHERMAN. Dead freight; bookcases.

Mr. PITTMAN. There is not any question, Mr. President, in my opinion, that you may find isolated cases such as the Senator from Illinois has mentioned in which there has been great delay, and, in my opinion, there should have been even greater delay. Our Government at the present time is more interested in the transportation of food and ammunition and farm products and implements of war and our soldiers, a necessary part of the transportation, than it is in transporting bookcases for lawyers.

Mr. SHERMAN. If the Senator will yield—

Mr. PITTMAN. I yield.

Mr. SHERMAN. The transportation of food is worse than the transportation of dead freight or nonperishable articles. It is impossible to get a barrel of apples or potatoes from Chicago, Ill., into Washington, and has been since the Government took charge of the railroads, in a condition where they are edible. It takes all the way from two months to get them. Before that time, since the war was declared, I was able to get provisions from the Mississippi Valley or from Chicago or interior points near there in a condition where they were fit to eat. I am saying nothing about the military service, but making proper allowances I do not believe a barrel that is edible when it reaches here has come to any private consumer in Washington because of the great delays. The same conditions did not prevail since war was declared before the Government took over the railroads.

Mr. PITTMAN. Mr. President, I have not heard of any lack of apples from any part of the country. I have seen the market filled with apples here. Possibly there has been some choice brand that the Senator from Illinois raises in his garden that the railroads heretofore brought to him. I regret the misfortune of the Senator from Illinois, not only this misfortune but the other misfortune to which he is subject, but nevertheless the fact remains that the railroads are not congested at the present time, and there is no complaint in regard to the movement of the necessities of war to the people who need them. That is the situation.

Mr. WARREN. Mr. President—

Mr. PITTMAN. I yield to the Senator from Wyoming.

Mr. WARREN. The express companies are moving on this same line. I left on my desk when I came over here a postal card making inquiry if I had received a lot of sausage sent from a point in Rhode Island on the 14th of January. Of course, I had not received it. Yesterday I had to sign an affidavit before a notary about some shirts that I had ordered which were to be sent on the 1st of June and were shipped according to the statement on the 13th or 14th of June, and they have not arrived. I learned from the West that it is confusion worse confounded there. It was enough congested before the Government took hold of it, but in the particular case in which I am interested it is far worse now.

Mr. PITTMAN. Mr. McChord is dealing with one of those very questions. He is trying to arrange it so that persons may get supplies without having to send a thousand miles away. They are trying to fix it so that workmen will get their supplies without having to send a thousand miles away for them.

Let me say this in all seriousness. It is certainly a trivial argument at this time in answer to the great article presented here by the member of the Interstate Commerce Commission for gentlemen to get up here and say they could not get a barrel of apples from Chicago or a case of sausage from Rhode Island. Now, there was a time when the railroad companies were run in the interest of such gentlemen. There was a time when possibly a man would not eat sausage unless it came from Rhode Island or apples unless they came from Illinois. At the present time there is not the congestion with regard to necessities that existed at the time the railroads were taken over. You have not 100 miles of cars jammed along the sidetracks of this country.

Mr. SMOOT. There were last winter, though.

Mr. PITTMAN. Next winter you may croak, but at the present time we are discussing last winter, which is a reality. They were digging coal at the sidetracks with picks, and there was not room to put another car there. There was not a member of this body but admitted that the unfortunate coal condition

was due to transportation, and it was due to congestion of transportation more than anything else. Now, in fact, within 30 days after the Government took charge of these roads the congestion was removed and for good. Senators complain that they have personally suffered some inconvenience. Yes; we are all suffering inconvenience. It is a time when we should suffer inconvenience, some little inconvenience like the loss of a barrel of apples, without any extraordinary complaint. When we realize, if we do realize, the suffering of hundreds of thousands and millions of our boys in France to-day, it seems unhappy for a man to stand here and argue that the great consideration here is his personal feeling with regard to a barrel of apples or a case of sausage.

Mr. SMOOT. Mr. President—

Mr. PITTMAN. I yield to the Senator.

Mr. SMOOT. I have listened with a great deal of pleasure to what the Senator has stated, but the Senator must know that in the hot days of July and the hot days of August, so far as the transportation of coal is concerned, it is quite different from what it was in the cold days of December and January.

I wish to say to the Senator, with all due respect to what he has already said, that unless something takes place between now and the 1st day of December the sidetracks will be jammed with cars of coal again and the people of the United States will be freezing at least as much as they did last winter. After the Government took over the railroads there was no improvement in the transportation of freight until after warm weather came, when coal was not in such demand as it had been during the winter, thus greatly relieving transportation conditions. I wish to ask the Senator if he does not believe that if the railroads were under the same management as they were before the Government took them over—I mean as far as passenger travel is concerned—there would be a rebellion against such service as is now provided for the traveling public. The people of the United States would not stand for the service by the railroads as far as passenger traffic is concerned that they are receiving to-day under Government control from any corporation, person, or company that might operate a railroad.

The people of America are willing to put up with the service they are receiving to-day only because it is furnished by the Government. Trains have been taken off by the hundreds and the accommodations that are furnished the people by the railroads are nothing compared with what they were before the roads were taken over by the Government. It is true that wages have been advanced and no doubt will be again before the next election.

Mr. PITTMAN. Mr. President, I do not know whether the Senator asks the question in the nature of a complaint or a comment. It is true that the passenger service of the country is not as extensive as it was by any means. As a matter of fact, there have been a number of de luxe trains laid off entirely and instead of those trains there have been put on some very common cars to carry soldiers and plain people. That is a very annoying thing. The Senator from Utah and I both suffer. We found it not as luxurious traveling as we had. The service is not there and I am not complaining of it either. I would have all the service set aside if it would in any way enhance the transportation of commodities or materials required for war purposes.

And now I come to answer the question of the Senator from Utah. Even if the railroad companies before the Government took them over had taken off these de luxe trains and had given the service and charged the passenger rates we have now and had thereby increased the necessary freight traffic, I do not believe there would have been any riot or rebellion in this country as suggested by the Senator from Utah. I have too high a regard for the patriotism of the people of this country.

But the trouble was here: The railroad companies could not accomplish that purpose. They were in competition with each other, and none of them dared to cut down passenger traffic for fear of losing business and injuring their road. That is where the Government of the United States has the advantage. I want to say, in my opinion, no matter what the Senator from Utah may think of the result of the operation of these roads, 90 per cent of the people of this country favor now and will continue to favor the Government control of the railroads of this country as a permanent institution.

Mr. President, I do not desire to take up any more time of the Senate, but this article deals with the subject I have been discussing in a general way, and I discuss it in a general way so that the Senate may have full information in regard to it.

I ask that this article by Mr. McChord, a member of the Interstate Commerce Commission, dealing with not only the railroad situation but with the general congestion of the country and with the necessity of preparation for after-war conditions, be



published in full in the CONGRESSIONAL RECORD and be published as a Senate document.

The PRESIDING OFFICER. Is there objection?

Mr. SMOOT. Mr. President, there is objection. I will say to the Senator if he wants to make the article a part of his remarks at this time I shall not object, but to have it go into the RECORD and be printed as a public document I shall object.

Mr. PITTMAN. Of course I may give more importance to the article than it deserves, but I do not think so.

Mr. SMOOT. I will say to the Senator it has been the rule of the Committee on Printing, and I know of no case, unless it was a message to Congress from the President of the United States or an address by the President of the United States, where a request has been granted to print in the RECORD and as a public document. That has been the practice adopted—to print in one way or the other but not in the RECORD and as a public document. I say to the Senator that that has been the policy generally in the past in the House and in the Senate, and at this particular time if the Senator desires to have it made a part of his speech I shall not object.

Mr. PITTMAN. I ask that it be printed as a part of my remarks.

The PRESIDING OFFICER. The Senator from Nevada asks that the article referred to be printed as a part of his remarks in the RECORD. Is there any objection? The Chair hears none.

The article referred to is as follows:

[From the Washington Post, July 28, 1918.]

**DIFFUSION OF FACTORIES TO COUNTRY POINTS WILL OPEN AFTER-WAR AVENUE TO SOLDIER; RAILROADS MUST AID EFFORT, SAYS MCHORD—CENTRALIZATION OF MANUFACTURING PLANTS IN BIG CITIES DUE LARGELY TO REBATES AND UNFAIR PRACTICES OF CARRIERS, COMMISSIONER SHOWS—ABANDONMENT OF WATER TRANSPORTATION DUE TO FIERCE COMPETITION OF RAILS FOR BUSINESS—EFFECT HAS BEEN TO OVERCROWD CITIES AND RETARD DEVELOPMENT OF COUNTRY—MOVEMENT TO RURAL SECTIONS WOULD BENEFIT NATION IN RAISED STANDARDS OF CITIZENSHIP—4,000,000 RETURNING TO PEACE PURSUITS MUST BE PROVIDED FOR.**

The following analysis of after-the-war problems, with constructive suggestions for their solution, has been prepared by C. C. McChord, of Kentucky, a member of the Interstate Commerce Commission, a member of the Railroad Wage Commission, and recently appointed by the President one of the umpires of the National War Labor Board:

"It was Macauley or some other essayist who wrote some 75 years ago that the new form of government in America was on trial. He was of opinion that no government so democratic in form could long endure. He declared that the supreme test would come when there were more mouths to eat breakfasts than breakfasts to supply them, and that in such a crisis the autocratic power of a sovereign would be found necessary. The test of this prophecy may be at hand, though in a somewhat modified form. In any event, just at this time the thought is sufficient to give us pause to take an account of stock.

"Thoughtful and prudent men are looking forward to a reorganization of industrial, social, and economic conditions in this country and throughout the world when a treaty of peace has been signed that shall bring the war to an end. Vast armies and navies are then to be demobilized and the soldiers and sailors of which they are comprised returned as quickly as possible to peaceful pursuits. The reabsorption into productive industries of 4,000,000 men or more drilled in the arts of war must in some way be accomplished. At the same time millions of employees in great munition plants and other industries, engaged chiefly in producing the necessities of war, will have to be diverted to the production of the things needed in times of peace. The problem is how this may be done in a way that shall be reasonably satisfactory to the workers of the country and at the same time shall not lead to an interim of stagnation of production and business. In other words, the change must, if possible, be brought about so as to secure for the future the greatest good to the greatest number.

"The transition from a war to a peace basis must not be left to chance. Comprehensive plans of reconstruction should be formulated at once, and the perfection thereof entered upon with as much earnestness and vigor as we entered upon the business of stamping out of autocratic military despotism as represented by the rulers of the German peoples.

"An institution in this country engaged in the manufacture of munitions of war employed a total of 6,000 persons previous to the year 1915. On January 1, 1918, this concern had more than 60,000 employees upon its pay rolls. This is representative of many similar industries, and comparable increases have been experienced in all manufacturing concerns engaged in producing the necessities of war, and this embraces nearly all industries in the country. The iron and steel mills have been running night and day for the past two years with largely increased capacity. At the same time there has been increase after increase in wages until to-day the rate of pay for artisans of every kind is on a higher scale than ever known.

"Some idea of the amount of these increases may be gained from a showing of the aggregate payments by representative manufacturing establishments reporting to the Department of Labor of the United States. For a week in April, 1915, 533 institutions reported an aggregate payment of \$6,396,574, and for a week in April, 1916, the same institutions reported \$9,429,659. For a week in April, 1917, 670 institutions reported an aggregate payment of \$16,228,190, and for a week in April, 1918, the same institutions reported \$20,412,347.

"It is certain that workmen who have had opportunity to enjoy life as the result of adequate pay are not going to consent to, if they can avoid it, any reduction in their wage scale unless there are compensating benefits. It is equally certain that the era of extremely high prices for the necessities of life will not continue during times of peace. The great class of nonproducers represented by clerks in offices and stores, salaried men in every calling, employees of public utilities, and the like can not long continue to pay ever-increasing living costs, except they, too, receive further material increases in rates of pay.

"The readjustment that is to take place after the business in hand is disposed of is world-wide in extent. International relationships

must be reestablished on new bases, foreign commerce must be fostered and encouraged, and national solidarity as the consistent policy of over 100 years of our national life is to be abandoned and an entry into the great family of nations accomplished. All this calls for the exercise of the wisest diplomacy and statesmanship.

"There are some conditions peculiar to our own country that call for immediate action if they are to be made consistent with that readjustment which shall permit of progress in a way of broader and better national life.

"What is needed in this country is a wider diffusion of manufacturing industries and the local supply of the necessities of life. Products of our factories are distributed throughout the land, but under circumstances of such economic waste as to demand a radical change. In the development of manufacturing many elements have conspired to confine factories to limited territories or particular cities. There has always been a desire upon the part of our people to locate the factory near the region of supply. As our Middle Western and border Southern States began to be developed after the Civil War, the constant effort of the smaller cities and towns was to secure factories of various kinds. There is hardly a town of 1,000 population or more in the States of Ohio, Indiana, Illinois, Michigan, Wisconsin, Iowa, Missouri, Kentucky, Virginia, and West Virginia that from 1875 to 1895 did not endeavor to secure manufacturing industries. During that period, by the payment of large bonuses, or offers of free taxes, coal, and water, many of them secured the location of factories that gave promise of affording cheap material for home consumption, and a distribution of the surplus to neighboring towns. Many of these factories proved to be failures, and a ride over the country to-day discloses crumbling buildings and smokestacks in many towns and villages as grim monuments of the dead hopes of their projectors. Not all of these were properly located, many of them were the result of the dreams of some inventor of a short cut to wealth, but most of them should have survived, and would have done so except that influences were at work that made success impossible. Among the chief of these was the fact that the railroads favored certain manufacturing centers in the way of facilities and rates.

"The freight traffic manager's business was to secure tonnage for the particular railway by which he was employed. Long hauls in large lots afforded attractive business that added to the aggregate of the returns to the carrier from his efforts and led to his preference by those higher up in the control and management of the road. Competition for business at points reached by several railroads was keen and incessant. The more railroads that served a particular point the keener the struggle between rival traffic officials for business. For many years previous to 1900, and by many roads until 1906, rebates were paid to secure business to such an extent that officials have frankly admitted in evidence in proceedings before the Interstate Commerce Commission that few carriers pretended to collect more than 80 per cent of the advertised rates on shipments from competitive points. Railroads were built from business centers to business centers. Some reached the objective points by short direct routes, and others by long indirect routes. The latter, in order to do business at the competitive point, met the rates named by the short line, meanwhile maintaining higher rates at shorter distance points on their own lines. In the same way competition by boats on our inland and coastwise waterways was met by all-rail carriers until transportation by water, so far as our inland rivers are concerned, has been nearly abandoned. Cities and towns along these rivers entitled to enjoy the cheaper water transportation were deprived of the advantage of their location.

"The inducement to give the large shipper and all shippers from manufacturing centers an adequate supply of cars, transit privileges, switching arrangements, etc., was ever present, and the force of competition operated in favor of such shippers.

"These considerations rendered it impossible for the factory at the small town to compete in the sale of its product with a factory producing the same product at the larger and more favored city. The result was that the factory in the small town ceased to operate, and its employees were compelled to seek employment in the centers of production.

"While the payment of rebates that found their way into carriers' accounts ceased on the passage of the amendment to the act to regulate commerce of 1906, and many carriers had ceased to make such payments previously, the matter of preferential rates and the furnishing of superior facilities to competitive centers continued with unabated vigor until the taking over of the railroads by the President on December 28, 1917. That event was intended to bring about a complete change. Railroad managers were at first reluctant and in fact some have not yet fully accepted the fact that each road is no longer a competitor of the other, but all are engaged under Federal control as a great unified system in the business of transporting the necessities of war and the commerce of the country. The change was as startling as sudden. Pre-conceived notions of the rights of each carrier as against the other, and their relation to the public, were changed overnight.

"It seems to be conceded by everyone that no matter what is done with respect to the great transportation systems of the country after the war is over, that certain condemned practices, and the unbridled competition of past years is at end, and that by some means the carriers of the future will be under such regulations as will insure the largest and most effective use of the facilities they have for the conduct of the transportation business of the land without favor to one shipper or prejudice to another.

"The most important matter just now, however, is the part that the railroads should play in the readjustment that must be made in our industrial and economic conditions. As before noted, it has come about that the large part of our manufacturing is done in our cities. The greatest manufacturing cities of the Nation, considering the variety and quantity of production, are Chicago, Ill., and Philadelphia, Pa. Southern New England has developed into a succession of manufacturing cities. Pittsburgh dominates the iron and steel industry and controls prices wherever sales may be made in this country, as Chicago dominates and controls the prices of meats and their products. New York City produces immense quantities of ready-made clothing, employing thousands in sweatshops of unsavory surroundings. The result is that workmen and women in largest numbers live under conditions that are not sanitary, wholesome, nor conducive to good morals. This has happened in a country that is less densely populated than any of the great nations of earth, and where there is room enough for every citizen and resident to enjoy his full share of pure air and sunlight, and to live under conditions conducive to health, morality, and happiness. It would also enable him to secure a home at moderate cost, or at reasonable rental, with an area of ground sufficient to permit him to cultivate a garden where fresh vegetables may be grown for his own use.

"Many good people have organized societies and have expended large sums of money in philanthropic efforts to induce immigrants and others to shun the haunts of their fellows in crowded cities and seek homes in the South and West where conditions are wholesome. In this they have met with a measure of success and thriving communities composed of different nationalities may be found scattered over the land. At the same time, however, our cities have continued to increase in population and living conditions there have not improved as a consequence.

"There are many considerations that dictate a relocation of our manufacturing industries. In the first place, it costs more to do business in a city than in the country. Land values and costs of construction of plants, taxes, etc., constitute charges that must be met from earnings. It costs more to live in a city than in the country. A lower wage payment in the country than in the city would enable the workman to secure more comforts of life, to clothe his family better, and educate them more adequately. If the factory is located near the raw product, there is saving in transportation costs which will be reflected in net earnings.

"An economic change has been taking place in this country, particularly during the last decade, the importance of which is not generally realized. Consumers seem to be making the effort, so far as possible, to eliminate the middle man. The notion seems to be growing that there is no necessity to pay the charges of middle men to handle goods on their way from the factory to the ultimate consumer. The desire upon the part of the consumer to secure his needed articles as cheaply as possible is responsible for the great mail-order houses of the country that are doing a large and increasing business. It was testified in a case before the Interstate Commerce Commission that one mail-order house shipped from its main plant an average of 167 carloads of less-than-carload freight every day during the year 1915. Here, again, the public is demonstrating its desire to secure manufactured products from first-hand sources.

"Low freight rates have been initiated and maintained for years from producing centers to important junction and jobbing cities and towns. To towns beyond higher rates, both actually and relatively, have been maintained. Through rates from factories or great producing territories to towns beyond the jobbing centers are made up of a combination of the rates to such centers and those beyond. The result is, in many instances, to deprive the country point of just rates. The following table gives comparisons of through rates on certain articles in carloads and less than carloads now in effect to Cincinnati, Ohio; Williamsburg, Ky.; Chicago, Ill.; Omaha, Nebr.; Kansas City, Mo.; Alliance, Nebr.; and Dodge City, Kans., from New York, N. Y., together with distances as illustrative and representative of thousands of similar rate situations throughout the country, and showing the handicap under which the country towns are compelled to do business:

COTTON PIECE GOODS.  
[In cents per 100 pounds.]

From New York, N. Y., to—	Distance.	Carload.	Less than carload.
	Miles.		
Cincinnati, Ohio.....	758	.....	72½
Williamsburg, Ky.....	961	.....	125
Chicago, Ill.....	998	.....	112½
Omaha, Nebr.....	1,400	.....	138
Kansas City, Mo.....	1,509	.....	138
Alliance, Nebr.....	1,820	.....	255½
Dodge City, Kans.....	1,701	.....	242

HATS AND CAPS.

Cincinnati.....	.....	.....	98
Williamsburg.....	.....	.....	174½
Chicago.....	.....	.....	112½
Omaha.....	.....	.....	201
Kansas City.....	.....	.....	201
Alliance.....	.....	.....	318½
Dodge City.....	.....	.....	308½

BOOTS AND SHOES.

Cincinnati.....	.....	.....	98
Williamsburg.....	.....	.....	174½
Chicago.....	.....	.....	112½
Omaha.....	.....	.....	201
Kansas City.....	.....	.....	201
Alliance.....	.....	.....	318½
Dodge City.....	.....	.....	308½

CLOTHING.

Cincinnati.....	.....	.....	98
Williamsburg.....	.....	.....	174½
Chicago.....	.....	.....	112½
Omaha.....	.....	.....	201
Kansas City.....	.....	.....	201
Alliance.....	.....	.....	318½
Dodge City.....	.....	.....	308½

CROCKERY.

Cincinnati.....	.....	39½	52
Williamsburg.....	.....	89½	104½
Chicago.....	.....	45	60
Omaha.....	.....	77½	110
Kansas City.....	.....	77½	110
Alliance.....	.....	131	193
Dodge City.....	.....	129	192½

GLASSWARE.

[In cents per 100 pounds.]

From New York, N. Y., to—	Distance.	Carload.	Less than carload.
	Miles.		
Cincinnati.....	.....	45½	72½
Williamsburg.....	.....	104½	139
Chicago.....	.....	52½	84
Omaha.....	.....	91½	149½
Kansas City.....	.....	91½	149½
Alliance.....	.....	163	267½
Dodge City.....	.....	159	217

SUGAR.

Cincinnati.....	.....	39½	52
Williamsburg.....	.....	85	98½
Chicago.....	.....	45	60
Omaha.....	.....	61	100
Kansas City.....	.....	61	100
Alliance.....	.....	117½	171½
Dodge City.....	.....	95½	167½

COFFEE.

Cincinnati.....	.....	39½	52
Williamsburg.....	.....	85	98½
Chicago.....	.....	45	60
Omaha.....	.....	61½	100
Kansas City.....	.....	61½	100
Alliance.....	.....	120	171½
Dodge City.....	.....	106½	165

TEA.

Cincinnati.....	.....	85½	98
Williamsburg.....	.....	162	174½
Chicago.....	.....	99	112½
Omaha.....	.....	167	201
Kansas City.....	.....	167	201
Alliance.....	.....	267½	318½
Dodge City.....	.....	264½	308½

"It has been said, with a good deal of truth, that as a people we are profligate wasters. Our boundless resources, many of them still in a state of development, have led us to the belief that the springs from which flow our supplies are inexhaustible, and that the plentiful streams will flow on uninterruptedly forever. Is not this the time, has not the hour struck, that should arouse us to action that shall secure to us and our descendants the full measure of benefit that may come from nature's bounty spread round us on every hand?

"In very recent years there has been here and there a man whose vision has been broad enough to see what it is the consuming public demands and has attempted to meet it. One concern has in recent years, by cooperation with residents, induced the building by local capital of hundreds of flour mills at country points in the Middle West and South, which supply consumers in the region round about each mill with flour, meal, and feed. Another man owns in his own right many branch houses for distribution of groceries, merchandise, and general household necessities. He ships to the branch houses in carload lots and distributes to his customers in auto trucks. He is doing a large and thriving business. Both of these institutions are representative of a class that have recently come into existence.

"Does not the public demand which these institutions seek to meet point the way to a solution in part of the reconstruction problem that now confronts us? If wage scales are to be readjusted downward to meet conditions in times of peace, the wider diffusion of factories presents an alluring way out. What the workman desires, and what he has the right to demand, is opportunity to live in comfort. Reduction in the rate of his daily wage means, as he now sees it, lessened opportunity to secure to himself and his family those necessities which go to make comfort in daily life. In most any country town of 1,500 or more population that might be named in the Middle West or the South there is opportunity to live better and enjoy more of the real comforts of life, at materially lower wages, than even an approach to the same state of livelihood can be secured in any congested manufacturing center.

"The following table gives the number of towns, as shown by the census of 1910, under 5,000 population in the States named, where industries might be located and where every opportunity would be afforded employees to make the most of life under ideal conditions:

	Under 1,000.	1,000 to 2,000.	2,000 to 3,000.	3,000 to 5,000.
Illinois.....	3,800	179	79	43
Michigan.....	3,480	105	20	24
Wisconsin.....	2,480	79	21	25
Iowa.....	2,670	92	35	8
Nebraska.....	1,510	53	17	21
Kansas.....	2,190	67	25	25
Missouri.....	4,259	91	36	14
Kentucky.....	5,290	52	14	10
Virginia.....	5,160	41	13	12
West Virginia.....	3,503	44	18	9

"In the country there is pure air and sunlight. The surroundings are clean, sanitary, and moral. In such an atmosphere a workman can easily rear a family of sturdy boys and girls, and live a life of peace and happiness impossible for him to live in the crowded and un-



wholesome conditions of congested centers. In the country he is afforded opportunity to buy products of the soil first-hand for his table at reasonable prices, and the admirable schools and religious institutions now in existence everywhere insure to his children every chance to lay the foundation of good citizenship.

"Prior to about the year 1880 our inland waterways had an important part in transporting the commerce of the Nation. Within a decade from 1880 many boat lines disappeared from all rivers, and to-day only an insignificant percentage of freight tonnage is transported by water anywhere in the country. The best lines were either absorbed by railroads and their operations abandoned, or carriers made rates for freight so low to competitive boat-line points as to make the business unprofitable to the boat line. Spasmodic efforts to rehabilitate water transportation have been made from time to time in recent years by individuals or communities, but they have not met with success because of continued opposition of railroad interests. There never has been any good reason, and there is none now, why our rivers, on which the Federal Government has expended millions of dollars of the public money, should not be brought into transportation service.

"The National Shipping Board is rapidly building up our merchant marine on such a scale as to call for the admiration of all maritime nations. A portion of the energy of this admirable agency will doubtless be intensified, as it should be, in the building of steamboats and barges to move across the waters of our inland streams and lakes, as well as the bays and oceans of our coast line.

"Thoughtful study should now be given to the equalization of rates for freight transportation, and as to whether higher rates should for the future be permitted for shorter than for longer distances over the same line or route, the shorter being included within the longer distance, and whether combinations of rates and transit privileges that now unduly favor certain jobbing and junction points should be canceled and reasonable through rates established to all points. Transportation by boat on our rivers and coast lines should be encouraged to relieve rail carriers at congested cities and ports. Steps have already been taken under Federal control to divert traffic from congested North Atlantic ports to those of the South and on the Gulf of Mexico. Rates should be made and facilities provided so that each port of the United States, from Galveston, Tex., to Bangor, Me., shall receive its share of traffic under the most economical transportation conditions. Relatively the same facilities should be furnished the factory that ships 1 carload a day as the one that ships 10 or more carloads. The opportunity to do a manufacturing business at a profit should be afforded at any point in the country. The supply of raw material and the possible field of consumption will dictate the location.

"There are other matters which may be necessary to consider in connection with the possible reconstruction here indicated. One of them is the opportunity for financial support to industrial enterprises. In the past many factories have been located in already congested districts at the behest of those who furnished the financial backing. In this way high-priced land was disposed of and costly buildings erected, which enhanced the value of vacant adjacent lands. Interlocking directors of banks, railroads, and factories have doubtless influenced the formation and perpetuation of conditions that have prevailed and to some extent yet prevail. This matter is now largely behind us and should present no insuperable barrier in the future to the wider distribution of manufacturing establishments.

"A new era is at hand. The carriers of the country for the future are to serve the public interests. The dictates of selfishness and private greed that have for so long a time controlled the policy and management of our great transportation systems no longer constitute the guide for action. In a time like this, when readjustment of industrial and economic conditions is imperative, the railroads must do their part to the end that there may be decided progress on the highway that leads to equality of opportunity for all and to ultimate national greatness and individual contentment."

Mr. PITTMAN. I wish to say that nowhere in the article has Mr. McChord attempted to discuss the relative necessity of the Government's continuing the ownership and control of railroads, nor has he attempted to compare the results except to the extent of what might be accomplished one way and what might be accomplished the other way. It is an article dealing particularly with certain conditions that must be remedied after the war is over.

Mr. FLETCHER. Mr. President, there is no fixed rule as the Senator from Utah [Mr. SMOOT] suggests, but it has been the practice not to print both in the RECORD and as a public document. There is no rule of the Senate, nor rule adopted by either House.

Mr. SMOOT. I said it was the rule of the committee, not of the Senate or of the House. I know that to be the fact.

Mr. FLETCHER. The object, I think, is accomplished by having the article printed in the RECORD, but of course if it could be printed as a Senate document, that would give it wider circulation. I think it is an article which deserves circulation. I have seen a copy of it, and it is a very timely and a very able discussion of the whole subject. The commissioner deals with the centralization of manufacturing plants in big cities and reaches out largely to rebates in favor of through carriers which most of us have suspected to be the case, but we have not been able to point it out as strongly and as clearly and with such force as the Commissioner of the Interstate Commerce Commission does.

Of course, when the amendment of the interstate commerce act of 1906 was passed prohibiting rebates we rather expected this sort of favoritism would be discontinued, but the transportation companies claim to have gotten around it by an arrangement among themselves by making special rates for improving some little facilities, and that sort of thing. The point that it is desired to make is that this matter is of very great importance to the whole country, and whatever may come of the Government operation of the railroads, certainly it is in the power now of

one man or of one agency to prevent what has been going on growing out of competition in transportation lines.

Another great thing that I think can be accomplished is the coordination of railway lines with waterway routes. One of the things which the commissioner points out in this article is that the abandonment of water transportation has been due to the fierce competition of railroads for business. There is an opportunity here to reopen many of the waterways which have not been actively used as they should have been, to utilize these facilities for transportation in connection with the railway lines, so as to develop both to the fullest capacity and for the benefit of the whole country. The fact is that the railway lines have in many instances, perhaps not altogether as a fixed policy, had effect to discourage and crush out water competition, so that a good many of the shippers of the country have not been even advised as to any particular way they should use the water routes.

Since some reference has been made to individual experience here, I can indicate an experience of my own, if you will allow me. Last summer I ordered an article from New York, a refrigerator, and I sent my check in payment of it. Week after week went by and I heard nothing of the refrigerator. Finally they told me it had been shipped, but had been lost. I waited a while longer and they could not find it. Then they informed me that they could not get it shipped; that they could not get the railroad companies to take it; and asked me if I would not take it up with the people here in Washington by some means to work out a plan whereby that refrigerator could come from New York to Washington. Then I wrote back and I said, "Why bother with the railroads? Why do you not ship it to Norfolk and from Norfolk to Washington by water, or ship it to Baltimore by water and let it come here from Baltimore by rail?" The reply was, "We had not thought of that at all, but we have arranged so that the refrigerator goes forward immediately to Baltimore by water and then by rail to Washington."

This merely illustrates that the shippers of the country have never fully realized the advantages which the water routes offer, and that has been due very largely, I think, to the fact that they have gotten into the habit of using the railroads, and because of some conveniences, and they have not been encouraged to use the waterways. This article points out the way by which the inland waterways and the other waterways of the country can be utilized in connection with the railroads so as to solve this great transportation problem. I think it is a most important document, a most timely one, and it will be of great value.

Mr. JOHNSON of California. Mr. President, I quite agree with the remarks of the Senator from Nevada [Mr. PITTMAN] and the Senator from Florida [Mr. FLETCHER] concerning the particular article and the wide publicity which should be given to it. Mr. McChord has presented, in my opinion, in an interesting and an illuminating fashion a subject matter that we who have been dealing with railroad questions in the past have often had to meet, and deals with it in such fashion, whether in accord with our views or not, that I am very glad, indeed, that the article adverted to by the Senator from Nevada has been placed in the RECORD.

I congratulate the Senator from Nevada as well upon his opening remarks in touching the subject which will be of transcendent importance to us in the days to come. It is obvious to all of us that we must now devote our best thought to what will be done when peace shall have been declared and when the millions in the military service of the Nation shall return to our land.

The Secretary of the Interior, Mr. Lane, recently has presented a remarkable and, in my opinion, a most intelligent and worthy and valuable treatise as to his views in this regard and in respect to the service under his jurisdiction, and what might be accomplished by that service. I agree with him wholly; but I go yet further. It seems to me it is essential when the war shall have been concluded and our boys shall have returned that not alone may they be placed upon the public lands of the United States, which will be insufficient for the success of a real agrarian policy, but that arrangements shall be made as well that they may engage in agricultural pursuits by the consummation of a land-colonization plan similar in character to that which has been successfully carried out in Australia and is now being successfully tried in California.

This is no new, no empirical scheme. In Victoria, in Australia, it has been successfully put in operation, and there a vast territory has been settled by men who are a credit to the colony.

In the State from which I come the experiment is now being tried of the same sort of land colonization under the guidance of the State itself and under the management of the same man who wrought such wonders in Victoria, Dr. Elwood Mead.

When these boys return it is our desire that they shall not go into the congested quarters of the great cities but that they shall go upon the great waste lands of the Nation, and the Nation can well afford to provide those lands and see that they come to those who desire them upon such terms that the Nation shall not lose and that those who go upon them may have the opportunity to work out their salvation and ultimately to pay for them.

This is exactly what we are doing in California, exactly what the Nation must do, and it is my purpose within a very brief period to present concretely a plan founded upon what is now in operation in the State of California, a land-colonization plan by which we may take care of these soldiers when suddenly millions are returned to civil life. When that plan is presented I trust that we may have the assistance and the very valuable aid of the Senator from Florida and the Senator from Nevada.

One other thing has been adverted to here, and that is the railroad situation. I voted for the railroad bill because I favor Government ownership of public utilities. I voted for the telegraph and the telephone bill, not upon any specious plea made here upon this floor, not upon any disingenuous utterance that the power should be conferred because it never would be exercised. I voted for it upon the fundamental idea that I would have the Government own every public utility that has a monopoly of that in which the public deals and must deal.

I decline, Mr. President, to measure the principle of Government ownership by the present management of railroads of the United States, and I will not have this governmental principle, dear, perhaps, to very few of us in this Chamber but to very many beyond these walls, determined by a few months of the present railroad management.

At the time control of the railroads was taken in December last, in a public statement I said that the success or the ill-success of those then taking over the railroads, the efficient management or lack of efficient management by them, might determine for a generation whether or not we would have Government ownership. That may be so now, Mr. President, but whether so or not, what has transpired in the past few months in regard to the Government control of railroads should not be taken as the measure of efficiency in Government ownership, or as a real test of Government ownership. If Government ownership can withstand the present management, its future is not in doubt.

Now, one other thing while I am on my feet. Recently a resolution was passed asking information as to our wretched mail facilities in France. To that resolution there was reply made by the Postmaster General, in which he says that when it is stated that the mail facilities in France with our boys are wretched the statement is without foundation in fact. In this statement the Postmaster General is absolutely in error. I speak from personal experience with at least one soldier in France, and I say to you that that soldier in one month did not receive a single letter from his people, although he was written to at least four times a week during that entire period. Finally he cabled, in distress, to know what had happened to his family. The letters which pass between us are numbered. He received one in six of mine. I received one in four of his. That has been the situation since March last in the transmission of our mail.

I call your attention, Mr. President, to the remarks of Mr. Otto Kahn, who has just returned from the front, and who says that one of the things which militates most against the morale of our boys in France is the fact that they can not get their mail; they can not hear from loved ones at home.

I recognize that there may be difficulties in transportation of mail at a time when the lads are out on the march, or are engaged in battle, and that often they may not be accessible, but yet there are district Government post offices in France regularly numbered now, and there can not be, so far as I can grasp, any legitimate reason why mail should not go to those particular and distinct governmental post offices. When a boy over there, 3,000 miles away under a different régime and a different government, under strange circumstances, daily facing danger and death, can receive no word from home, depression follows, of course, and morale is affected, and there is no reason thus far presented by officials or others why this should be so.

In conclusion, now, I wish to congratulate the Senator from Nevada [Mr. PITTMAN] upon introducing the very important subject of what ultimately we shall do after the war is over. The old Republic, Mr. President, will never be the same. The old Nation we have known, the day of care-free individualism, is past. God only knows what it has in store for the American people. But there is no higher duty, no greater statesmanship that can be displayed by this body, than providing for that day when the strain shall be upon us, when we can see the Republic only in a new and strange era, holding for us but the mysteries of the future.

Mr. BORAH. Mr. President, I am going to address myself to a subject for a short time, and an apology perhaps is due for my doing so, because it is a matter which has apparently passed from the consideration of this body, so far as legislation is concerned. But I hope to justify further discussion as I proceed with the facts.

Upon the 25th day of February, 1907, the Congress of the United States passed an act entitled "An act to incorporate the National German-American Alliance." Sections 2 and 3 of that act provided—

That this corporation shall be perpetual and have all the privileges accorded by existing laws or that may hereafter be enacted by the Congress of the United States.

SEC. 3. That this corporation, composed of the individuals aforesaid and their associates, under the name and style aforesaid, is formed for the purposes as follows: The conservation of the principles of representative government and the protection and maintenance of all civil and political rights, the protection of German immigrants against imposition and deception and to assist in their naturalization; the study of American institutions and the publication of American history; the cultivation of the German language, literature, and drama, and the perpetuation of the memory and deeds of those early German pioneers whose influence has been of incalculable benefit to the intellectual and economic development of this country and whose loyalty in times of stress and strife is a matter of history.

It will be observed that the object and purposes as set forth in this charter were most commendable, and had its purposes been carried out, those operating under the charter would have been entitled to the commendation of the American people. Suffice it to say that almost everything that it was agreed should be done under the charter were the things they did not do, and the reverse was what they undertook to do.

Upon the 16th day of January, 1918, the able Senator from Utah [Mr. KING] introduced a bill to repeal this charter. It provides:

That the act approved February 25, 1907, entitled "An act to incorporate the National German-American Alliance," be, and the same is hereby, repealed.

A hearing was had under the bill, and a very extensive hearing. The hearings are incorporated in a volume of some 600 or 700 pages. Since the report of the committee the bill has been passed by both Houses of Congress and, I am informed, it has been signed by the President. If not, I presume it will be signed shortly.

Thus, Mr. President, we have disposed of the simple, but important, proposition of canceling the charter. But the facts revealed by these hearings and the condition unmistakably disclosed warn us that something more than the mere canceling of the charter is desirable. The charter was deemed a convenience, perhaps something of a shield, to those who would carry forward the work of undermining the solidarity of our social and political life. But it was and is by no means indispensable to such work. The work can go forward just as well without as with the charter. In the end, perhaps, the work can go on better without it than with it, for the charter was bound to direct attention, and doubtless in due time it would have been voluntarily surrendered. To cancel the charter, therefore, and then to compose our minds relative to this matter is to flim over the cancer while inwardly it eats its way to the seat of national life.

The problem is a far more difficult one and requires more earnest and thorough treatment than the unanimous disposal of the charter. In its broadest aspect it presents the whole question of the power we are to enjoy as a nation and the peace we are to enjoy as a people. It is nothing less than the entire question of the perpetuity of our institutions. It presents not the simple question of loyalty in time of war, and in protecting the country from enemies within in times of national stress, but, what is equally vital and fundamental, it presents the question of unity, of virility and efficiency in time of peace. If there is to be carried on in our midst a propaganda against our whole theory and system of government and we are to seek in no wise to counteract it and stamp it out, if those who come here are not to become thoroughly and conscientiously Americans, then it is only a question of time until we shall find our institutions giving way to those insidious changes and our Government yielding to those subtle forces which are often more destructive than the attack of an open foe. It is time to take stock, formulate a national policy, to announce a national program with reference to all those who seek happiness and prosperity in this country. It is time to show our own faith and our loyalty to our own institutions by thoroughly acquainting those who come here with our system of government. It should be known beyond peradventure that Americanism is to Americans a distinct and vital principle, an elemental force—a thing which we will neither carelessly forfeit nor knowingly surrender.

This country, Mr. President, is dedicated to a particular scheme of government and a particular brand of civilization.



Those who come here as well as those who are born here are under every obligation, both moral and legal, to acquaint themselves with the high purposes of that dedication and to uphold its aims and purposes. It would be unfair to those who have come under the sinister influence of the active spirits operating under this charter to permit them to suppose that having canceled the charter that is the end of this matter. They should be informed unmistakably that no one can be a true citizen of this Republic who simply refrains from doing wrong or refrains from taking active opposition to the Government. The obligation is much greater than that. To refrain from wrongdoing or active opposition is not sufficient. There must be active, vigilant devotion such as characterizes men who love the country in which they live.

From reading this testimony I formed one very satisfactory conclusion, and that is that the vast majority of German people, if they are protected from scheming propagandists, would become thoroughly American and ally themselves conscientiously with the great cause of representative government. That is one of the pleasing features disclosed by this investigation. In fact, I think it quite apparent that the great object which the movers had in view was to check the manifest tendency or disposition of the German-Americans to become thoroughly American, and to identify themselves with American life, to disavow and disown all other obligations than that which they assumed toward our Government. My remarks to-day, therefore, in so far as they take the form of strictures or criticism might well be confined to a small per cent who were most active and who really dominated these organizations. They conjured up such vain issues as "nativistic encroachment," and in different ways sought to arouse the passions and prejudices and stir the racial feelings of the German citizen, and in this way carried on the work. But I repeat that they had much difficulty, as is apparent from the hearings, in staying the German people from accepting completely the principles of the American Government and identifying themselves entirely with American life.

I first call attention to some statements from the hearings. I shall not be able, of course, to go fully into the matter, but enough will be put in the Record to disclose the nature of the propaganda which was going on under the direction of the charter, which really obligated them to the very reverse of the action which they took.

This propaganda taught first that the German-American owed a higher allegiance than that which he owed to the Government of the United States. There is disseminated all through these hearings the doctrine not only of a double allegiance to which I shall refer later, but of a higher allegiance and obligation than that which the citizen coming to this country and taking the oath owes to this Government. With boldness and persistency they placed the first duty, in case of conflict, to the German Empire and with great ability and subtlety urged its superior worth.

In its official bulletin, volume 7, No. 9, page 4, put out in September, 1915, this statement is found:

The National Alliance leads the battle against Anglo-Saxonism, against the fanatical slaves of political and personal liberty.

A man formerly a Member of the American Congress advised the Germans upon a public occasion in a public speech that they should forget all parties and vote only for those who would advance the cause of Germanism and German kultur in America.

Mr. President, a remarkable thing about that is that so indifferent have we been to the situation, so disregardful of what was going on in our very midst, that this man could stand under the protection of the American flag and claim the privileges and opportunities of the American Republic, and advise upon a public occasion, at a time when we were on the verge of a great war, that the highest duty which a vast number of people of this country owed to any one power was that which they owed to a foreign Government.

A people so thoughtless and regardless of the question of unity and solidarity in national life as we disclosed ourselves to be by tolerating conditions such as these will in due time pay the penalty. Fortunately for us, the awakening came before the influences at work were able to bring about such a condition as existed in Italy and Russia, where most gigantic forces antagonistic to the home government had been built up in the same way and through similar agencies. But we have our warning now, and if we are true and vigilant we shall greatly benefit by the knowledge.

Prof. Kuehnemann, in an address under the auspices of the alliance in December, 1915, said:

German-America is a German cultural colony to which, however, the mother country has, up to the present time, not given sufficient attention, because the mother country has in the meantime been in the process of a development of its own; but these days are now past. Germany is no longer a continental world power. In place of her officials

will come the German race, and a new German world is in process of creation. With their old customs the Germans came to this country and have lived in their old customs up until the present day; but the new German spirit will inspire them anew. It is necessary that the spirit of the new German state work be transplanted by the German-Americans to this their adopted country.

Mr. KING. Mr. President, I call the Senator's attention to the fact that Prof. Kuehnemann was brought here largely by the National German-American Alliance to carry on this propaganda. He made speeches in various parts of the United States under their auspices, and they indorsed his utterances and utilized him in every possible way to carry on the propaganda which they had inaugurated so many years before.

Mr. BORAH. I thank the Senator for his statement. In its official bulletin, volume 12, these words are found:

The inevitable ultimate victory of Germany will find the Germans the world over a united race of brothers.

In the same official bulletin it is said:

We are proud to call ourselves citizens of this Republic, but we are still prouder to be German-Americans. The hyphen is for us an honor, and we carry it as a distinction. And we at once make the confession that we preserve the ideals which we took from our old home as sacred and that we are actively engaged in realizing those ideals to the best of our strength for the welfare of our fatherland.

In a book written by Herman Oncken, a German historian, and indorsed by the alliance are found these words:

We should clearly understand that yonder German-Americanism is a part of our national body. We should learn the great lesson that the German nation extends beyond and will extend beyond the German State in which we live.

In a book entitled "The Greater Germany," published in Germany in 1915 and circulated by the alliance, these words are found:

The report often brought against the German-American that as soon as he goes to America he becomes a citizen is unjustified, for if the German who intends to remain there does not become a citizen he has no vote at the election, no influence of any kind on the conduct of the Nation's political affairs. He must become an American. He is permitted, however, and can and ought in heart, thought, nature, and act to remain a German.

The duplicity, the audacity, the boldness of the Hohenzollern dynasty is concentrated and crystallized in that infamous statement. You can take your oath of allegiance, enter into a solemn contract, and pass among your fellow citizens as a citizen of this Republic and still carry in your heart treachery to the institution which you have taken your oath to support. Such a position as is here stated and in which these propagandists would place the German-American citizen is an unnatural and immoral one, and the ordinary German-American would never assume it if permitted to choose his own course, hence the necessity of such activities as those of the alliance. It takes careful nurturing to implant in the human heart the devilish creed of an "Iago."

Now, Mr. President, there is another feature disclosed by the hearings. One of the great objects of this propaganda was to organize the German people into a distinct organization for political purposes, to make them effective as a political force, separate and apart from the general political affairs of the Government—in other words, to have them represent as a political organization not any distinct issue arising in American life, but whatever issue might arise which was of concern to the German people particularly or to the German Government. The design was to create a political "group" inspired by the principles of German kultur operating in American politics. And this explains why this movement has been permitted to go on; it had political power.

I shall read but a few excerpts out of a multitude which might be quoted.

From the bulletin about September, 1917:

Only in vigorous unity does the welfare of American Germanism rest. Every division of our power is a betrayal of the cause of German kultur.

From a bulletin about September, 1917:

For the first time gigantic strides which the National German-American Alliance has made in the few years of its existence, and the fact that it has united within itself no fewer than 2,000,000 votes, have given to German-Americanism in actuality a political significance in spite of the fact that the alliance as such has no politics.

In a bulletin put out in December, 1911, this statement is found:

The National German-American Alliance aims to awaken and strengthen the sense of unity among the German people of America to check nativistic encroachments.

President Hexamer in his several speeches urges German unity, the patronizing alone of the German press, the ultimate establishment of German kultur throughout the United States, and encourages political activity as to units to bring about these results.



In the official bulletin, volume 7, No. 9, page 15, this statement is found:

In German circles in Pennsylvania not only are German ideals and customs faithfully maintained which have contributed so much to the ethical development of a nation, but through united cooperation under the aegis of the German-American Alliance our German-American citizens have become a political factor with which the ruling political powers must deal.

In the official bulletin of April, 1916, these words are found:

In these hours that are so dark for Germanism we must use our votes to the best of our ability; we must, without regard to previous intimations and desires, vote only for those who are the friends of Germanism.

In the official bulletin of April, 1916, are to be found instructions to be sent out to all the alliances throughout the entire country to oppose any candidate for President who was unfriendly to the Germans—not, if you please, that he was disqualified in any way from serving the American Government or incapacitated from leading the American Republic in time of peril, but because he was unfriendly to the Germans. Perhaps no more startling proposition was ever put forth in any country under such circumstances, and certainly no people were ever so leniently dealt with as those few representatives of the Hohenzollern dynasty in this country who are the authors of such a movement. What could be more menacing, more deserving of condemnation, than to undertake to elect a President of this country because of his known friendliness to a foreign power?

But, Mr. President, perhaps the most subtle and, if successful, the most dangerous feature of this propaganda was that in which they undertook to show that there was such a thing as a double allegiance and that one could be a citizen of this Republic and at the same time serve with entire consistency and to the fullest extent of his capacity the German Government. In order to make such a proposition acceptable to an honest or sane mind and in order to reach the mass of the German citizens it was necessary to inculcate the doctrine that there was nothing inconsistent in the two theories of government, that one could be true to both without being false to the principles of either—in other words, that the principles of the German Government and the principles of this Government were reconcilable and in fundamental principles in harmony. Let us, for the sake of those who have listened to such teachings and who may some time have entertained them, examine briefly this proposition.

Frederick William IV, in a speech from the throne in 1847, at a most critical period of the Government, said, "All written constitutions are only scraps of paper." No other or further statement than this need be had to convince all thinking men that the principles upon which the two governments rest are irreconcilable and forever antagonistic. A written constitution of stated, definite, and rigid terms, save only as modified or changed in the orderly method pointed out by the instrument itself, binding alike upon the private citizen and the public servant, is indispensable to our plan of government. Without the fundamental law established and originated by the people defining the powers of government and guaranteeing the rights and liberties of the people our system would fall and disappear utterly. The right of the people to their own charter of government and to have it observed and obeyed by all is something the Hohenzollerns can not understand. The right of some individual by supposed divine authority to command and direct the destinies of a whole nation is something we can understand but will not tolerate. No man can serve both these masters, and no man can plead ignorance as a justification for his attempting to do so.

Unfortunately for us and greatly to the aid of those who support this pernicious doctrine, we ourselves are given to the use of loose and vicious statements regarding our Constitution. We exhibit sometimes a strong disposition to accept a leaf from the Prussian bible. Our words and our acts are not always in harmony with our creed. Every man who takes the law in his own hands or would deprive his fellow countrymen of their rights or liberties under the Constitution is an apostle of Prussianism. Every public officer who knowingly disregards the people's law which he has taken an oath to support is a eulogist of William IV and a defender of his faith. Though short-sighted and selfish and ignorant, and for those reasons entitled to pity, he is still the enemy of free institutions. Every man who defends the doctrine that the Constitution can be changed or any of its provisions disregarded or amended save through the method prescribed by the people, and by the people themselves, is consciously or unconsciously joined to the hosts who war with democracy. Law and obedience to law are virtues without which a democracy can not exist. So I do not care what their good intentions may be or what plausible purposes they have in view, those who teach by word or act, here or elsewhere, that constitutions are scraps of paper are servants of that dark creed which is now engulfing the world in war.

There will be many things which we as a people will need when the war is over. Among the most vital things will be an old-time revival of faith in constitutional government. We will need to examine anew some first principles, to get back to the teachings which made us great and made us strong and which alone will keep us great and strong. There is one thing, and only one, which will keep the virus of lawlessness and force of personal government out of the veins of our national life, and that is an aroused, determined, and vigilant public opinion, a people ever alert with a deep and abiding faith in the efficiency and strength and ultimate success of free institutions.

Let us follow these statements a little further. William II, in a speech October 18, 1894, declared: "The only pillar on which the realm rested was the army. So it is to-day." This follows logically and inevitably from the former statement that written constitutions are scraps of paper. With no charter for a guide, with all law reduced to personal discretion, with courts controlled or destroyed, the sole pillar of the State is force represented by the army. If a man is not for constitutional government, for courts openly administering the law and dispensing justice under the Constitution, then he is for military tribunals as the sole source of justice. Can any such conflicting theories ever be reconciled? Can a man be for one without being against the other? Certainly not; and no one should allow himself to be misled and misdirected by such a delusion. If you believe in the German system and can not get rid of that belief, you can never be a true citizen of the Republic and you will live the life of a perjurer every day you try it. Sooner or later you will realize it to your undoing. It is every man's duty, whether native or foreign born, his duty to himself, the happiness of his family, and to the well-being of all, to bring himself in complete understanding and harmony with the fundamental principles of our Government and to live up to them in candor and manly devotion. Those in the alliance who taught that the German-born citizen could be a good citizen of this Republic and remain true to the German Government were doing a great wrong to our country, but they were also dealing in deceit and dishonesty and treachery with those whom they sought to instruct.

I now quote from one who was long an instructor in an American institution of learning—a man of great learning, a student of this and the German Government. He was candid in his statement of the irreconcilable conflict between the two systems which are now in deadly conflict on the battle fields of Europe. I quote from Prof. Munsterberg:

They think an emperor is a kind of president, with large constitutional powers, chosen for a lifetime. He is not; and as long as the German nation believes in those ideals which have given to German culture its characteristic meaning in the world, there is no room for a president, whether he be selected for a year or for a lifetime.

The idea of a president is that he draws his power from the will of the millions of individuals. The democracy believes that the State exists for the individuals, and that the individuals, therefore, are above the State. The idea of an emperor is that he is the symbol of the State as a whole, independent from the will of the individuals, and therefore independent of any elections; the bearer of the historic tradition—above the struggle of single men.

For the German, the State is not for the individuals, but the individuals for the State. It is the same contrast which gives to every realm of German civilization its deepest meaning. The American view is that science and art and law, like the State, exist for the good of the individual persons; their value is to serve them (the people). The Germans believe that science and art and law and state are valuable in themselves, and that the highest glory of the individual is to serve those eternal values.

Yes; serve the same arbitrary will, the same caprice and ambition as when he served the anointed king, though now the master stands clothed in the name and form of the "State." The individual remains, however, a mere cog in a machine, as remorseless and more ambitious than a Caesar or a Louis, for "the very scope of the German idea can afford no smaller sphere than the world itself." The people are deprived of will or discretion, robbed of all initiative, and doomed to remain as they have always been under such circumstances—beasts of burden.

A few days ago I read in a responsible publication this paragraph attributed to Ludendorf, now the masterful genius directing the forces of the enemy:

War is not any more a warring of armies, but a struggle of nation against nation. All the means used to weaken an enemy nation become legitimate. By killing women and children, for example, one destroys the future mothers and eventual defenders of the country.

I hesitate to attribute this statement to any living man. It seems incredible and yet it is written in letters of blood over the face of Belgium. It is verified in the tragedy of Serbia. It is in harmony with the whole frightful creed that might makes right. And who will undertake to reconcile these principles with the teachings of Washington or the faith of that tragic figure who covered with the mantle of charity and love all the passions and hate of internecine war? Who could hold allegiance for a single hour to a government which discredits

and denounces written constitution, which relies upon force and the army for its sole basis of power, and which initiates through its leading men such principles as those to which I have referred? There is no power that can reconcile the two political creeds. They can not live in the same human heart or find entertainment in one mind.

But, Mr. President, let us turn from this doctrine to the true doctrine and the true creed for the German-American coming to this country. Fortunately, we have many illustrious examples and the spoken words of one of the most distinguished of German-American citizens. Let us turn from this deceit and double-dealing and treachery which has been taught under the auspices of these alliances to the clear, open, manly maxims announced by one of the great figures among those who came from Germany to make their home in this country. I quote from a speech of this distinguished man delivered in Faneuil Hall, "the cradle of American liberty," April 18, 1859:

I, born in a foreign land, pay my tribute to Americanism? Yes; for to me the word "Americanism," true Americanism, comprehends the noblest ideas which ever swelled a human heart with noble pride.

Speaking of his boyhood days, he said:

I looked up from my schoolbooks into the stir and bustle of the world, and the trumpet tones of struggling humanity struck my ear and thrilled my heart, and I saw my nation shake her chains in order to burst them, and I heard a gigantic, universal shout for liberty rising up to the skies; and at last, after having struggled manfully and drenched the earth of Fatherland with the blood of thousands of noble beings, I saw that nation crushed down again, not only by overwhelming armies, but by the dead weight of customs and institutions and notions and prejudices, which past centuries had heaped upon them, and which a moment of enthusiasm, however sublime, could not destroy; then I consoled an almost despondent heart with the idea of a youthful people and of original institutions clearing the way of an untrammelled development of the ideal nature of man. Then I turned my eyes instinctively across the Atlantic Ocean, and America and Americanism, as I fancied them, appeared to me as the last depositories of the hopes of all true friends of humanity.

Further on, in the same speech:

In the colony of free humanity, whose mother country is the world, they establish the republic of equal rights, where the title of manhood is the title to citizenship. My friends, if I had a thousand tongues and a voice strong as the thunder of heaven, they would not be sufficient to impress upon your minds forcibly enough the greatness of this idea, the overshadowing glory of this result. This was the dream of the truest friends of man from the beginning; for this the noblest blood of martyrs has been shed; for this has mankind waded through seas of blood and tears. There it is now; there it stands, the noble fabric in all the splendor of reality.

Yes, Mr. President, as this distinguished German-born citizen says, here it is, here it stands in all its nobility and grandeur, and the men or class of men who teach the German citizen coming to this country or the German immigrant that it is possible to be loyal to this noble structure reared by the blood and sacrifices of noble men and at the same time loyal to those principles with which our whole theory is at war are just as much the enemies of this country as those men who are shooting their bullets into our boys on the battle front in France.

It is time, Mr. President, that this be understood. Let there never again be any doubt in the minds of those who come here that we welcome those who come with a purpose to strive for the success of these institutions and shall treat as enemies those who do not. There can be no double allegiance here—it is the fabrication of traitors.

Sir, if you want to bestow a high praise upon a man, you are apt to say he is an old Roman. But I know a higher epithet of praise; it is, He is a true American!

Upon another occasion he made this statement, addressed particularly to those who had taken the oath of allegiance to this Government. It contains all that need be said upon the subject. It is the whole law in regard to it. Any man who follows it will have no cause to regret his course. Any man who fails to follow it will likely have much cause in the future to regret his action:

As American citizens, having sworn allegiance to the United States, not one of them should ever forget that this Republic has a right to expect of all its adopted citizens as to their attitude toward public affairs, especially questions of peace or war, the loyal and complete subordination of the interests of their native country to the rights of the United States.

Carl Schurz was born in a little village on the banks of the Rhine of peasant ancestry. He grew up amid the inspiring scenes and moving traditions of the old Rhine country. A child of revolution, he caught the spirit of '48 and was a distinguished and eloquent advocate of a German republic. He had no aristocratic taint in his blood, no respect for kings in his mind. At last, forced to flee from Prussian frightfulness, risking his life to rescue a fellow revolutionist, he finally landed in America. He reached America in the stirring days of the debate on the slavery question, in which he at once took part. He gained great honors in his adopted country, and I cite his example and his words to all American citizens of German descent. If his

example and his advice are accepted, this country will have no cause to complain and the German citizen will have no fault to find with the country which is his by adoption. I commend the further reading of his speeches and writings to all who would know the true principles of American citizenship and its high and solemn obligations.

Mr. President, this fearful war, with all its cruel and brutal story, has its compensations—some yet hidden, we would fain believe, but some already revealed. It has advised us in unmistakable terms of the disintegrating forces at work in our own Nation and among our own people. It has admonished the husbandman, as it were, of both the folly and the danger which threaten his estate. We are now conscious of the effect of this indifference of ours to national unity. We realize how improvident we have been in fostering the national spirit. Hitherto we have apparently regarded ourselves as exempt from the law of retrogression and annointed against the insidious forces of national decay. We have looked upon our heritage as some heir rioting in the luxury of his vast unearned and unprized estate. Inviting here the people of all nations, bidding them partake of our public lands and gather of our incalculable wealth, we have taken little care to make them acquainted with our system of government or to bring them under the influence of our own theory and conception of civilization. We have seemed to suppose that a nation could be made out of territory and material things alone, out of railroads and factories and farms, out of masters and servants, overlooking the deep, underlying, indispensable social and moral forces, without which all else is temporary and fleeting. That moral surrender to the Nation's aims and purposes, that conformity with and service to the Nation's ideals, that faith in our institutions and love for our flag, constituting the real basis of national power, have had too small a part in our program or vision during the busy years in which we have been taking possession of the continent.

It is not a question with us as a people where a man was born or where his ancestors were born. The question is, Does he come here to become a part of us, to identify himself with our life, to accept without reservation our standards of civilization, and to live in obedience to, and if need be to make the final sacrifice for, our institutions? Does America mean something to him separate and apart from all the world; has it an individuality which commands his admiration and evokes his allegiance? If he is not a part of us in spirit and purpose, he should not seek to be a part of us physically. If he does not feel the thrill of a new life as he comes in touch with the virile forces of the Western Hemisphere, if he is not happy to be free of the environments from which he has fled and to be a part of the new life with which he comes in contact, then he is a menace to our nationality and a hindrance to our best and highest aims. We can submit to many things from without; we can defend ourselves successfully against all foreign foes. But we can not long endure if those who come among us do not become thoroughly assimilated to our national being. It would mean decay from within. It would mean a feeble, disorganized, factional people, more to be dreaded than the enmity of all the despots of the earth. No man either English or Irish or German, no wanderer from any clime, no refugee from any land nursing his loyalty to home institutions, feeding sweet memories of other lands, yearning for the displacement of our concept of national life by that of some other can be a loyal citizen of this Republic.

Mr. President, neither nations nor men can live by bread alone. We are justly proud of our material wealth and the genius which its development has revealed. But if we are not united, not in mere form, not merely through constitutions and statutes but in spirit and purpose, it were better that we were not so rich in material resources, for these things but feed dissension when once the seeds are sown. We want no groups, no nations within a nation, no war of races, no conflict of nationalities, but a united, a homogeneous people, inspired by the same great principles of government and bending every energy and consecrating all powers to the accomplishment of the same great achievement—the triumph of representative government. It was a daring scheme, the scheme which the fathers initiated. It had never before succeeded. Some of the wisest political philosophers and statesmen yet doubt its ultimate success. If it is to succeed, it will require nothing less than the untiring purpose, the vigilant devotion, the never-ending zeal of a whole people. There can be no cross purposes, no conflicts, no factions in the performance of this task. Certainly those who come here can afford to strip themselves of all prejudices, predilections, and preconceived opinions, and everything which renders them less effective or less a part of us, and join us in the most stupendous undertaking ever assumed by any people. Let us be for America and in harmony and at peace with all the world if possible; if not, let us be for America as



against the world. The prize for which we contend is a great one, but it is worth all the sacrifice, should we succeed, which its realization may cost in treasure and blood.

Sir, we should never again be indifferent to the subtle forces which mold and direct public opinion in this country. That power which under our form of government marks the rise and fall of parties and is, in the last analysis, the sole support of our laws, the supreme guaranty of every privilege and blessing we enjoy, should no longer be regarded with such short-sighted complacency as has characterized our attitude in the past. Upon it rests our whole vast fabric, and those who would undermine it or wrongfully direct it strike at the very life of our national being. If foreigners should come here and fraternize with our soldiers, infest with disloyal sentiments our sailors, urging that there was somewhere a wiser, more beneficent system of government, they would be dealt with, and properly so, as spies. What shall be said of those, especially the treatment of those who go back to the sources of all power, who pollute the very wellsprings of national being, who weaken and demoralize the faith and the courage of those who hold the reins of Government—the people—who seek, in other words, to control and direct public opinion against our institutions and our whole system of government? I repeat, we can no longer remain indifferent to this situation. And this applies not to one class but to all classes who come within the practice denounced.

A people whose public servants more and more show a marked tendency to yield all convictions and surrender all views to the popular demand, even to the passing, hastening moods of a day, and who at the same time more and more neglect the forces which mold public opinion are headed for irretrievable disaster. If public servants, as seems generally true of a Republic, are merely to register the decree of the people, then it behooves every true friend of the Republic to see that the people are vigilantly warned daily and hourly of the evil tendencies and antagonistic forces which sooner or later burrow about the pillars of free government. We must as a people go back to the wellsprings of national power and clean them out and keep them cleaned out. The sources of the stream of public opinion must be kept free from the polluting effect of disloyal teachings. Those who are not with us in this task are against us. It has been said of old that you can not serve God and Mammon. No less plainly is it written in our creed that you can not serve America and at the same time serve foreign governments or foreign policies antagonistic to the very principles upon which our whole system of government rests.

Mr. President, in a discouraging hour of the conflict between the States, at a time when our whole scheme of free government was wrapped in the flames of Civil War, Mr. Lincoln sadly asked, "Is there in all Republics this inherent and fatal weakness? Must a government of necessity be too strong for the liberties of its own people or too weak to maintain its own existence?" The inherent weakness, I venture to say, is not in the plan itself, it is rather in that inexplicable mystery of human history—the disposition of the citizen to go to sleep at his post. With a vigilant, frugal, sober, loyal people, ours is the most splendid conception in government yet devised by the wit of man. It gives to the citizen initiative and self-reliance; it breeds men, not slaves; it insures liberty and guarantees justice. Occupying that great temperate zone of man's intellectual explorations, resting securely between the extremes of absolutism, which oppresses and burdens its subjects, and the unlicensed liberty which intoxicates and devitalizes its devotees, free of the vices of either and the cruelty of both, geared through and through with order and law, expansive and spacious enough for the highest human progress, it is the most advanced and available contrivance for human freedom ever intrusted to the keeping of any people.

But it is a form of government which lives alone in the hearts and minds of the people. When they are wrong everything is wrong. It rests almost alone and depends almost exclusively upon the character, the vigilance, and the loyalty of the masses. When intellectual sloth and moral indifferences shall have destroyed these, armies and navies and leadership can not save it. We say, therefore, to those who come among us, join us in purpose and spirit; make yourself a part of our life; help us in this great task; and the fact that you or your ancestors were born in a foreign land shall never be laid up against you in thought or deed. Become Americans, standing for American ideals, and the places of honor stand open to receive you upon an equality with those in whose veins circulates the blood of the patriot fathers. But in the name of this Republic, in the name of the countless soldiers of liberty and saints of justice who have labored throughout the long years to make it a success, in the name of a patient people whose righteous wrath it may be

dangerous to arouse, do not undertake to plant here the factional spirit or race prejudice or national antagonism. It may result in fearful sacrifice; it may mean suffering and sorrow for you and your children and your children's children even to the third and fourth generation. Be Americans through and through and the Republic will shield and protect and honor you and yours for all time. It will not discriminate against you; it will not embarrass or impede you in your struggle for individual success; it will give to you, on the other hand, as it gives to all who contribute to its glory, the shield of its protection, its liberty, and its justice, without money and without price.

Mr. SHERMAN. Mr. President, I wish to congratulate the Senator from Idaho [Mr. BORAH] on his splendid utterances. I desire only five minutes. I know the Senate is proceeding by unanimous consent.

The report made by Secretary of the Interior Lane referred to by the Senator from California [Mr. JOHNSON] and the Senator from Nevada [Mr. PITTMAN] is a most useful report. I had the good fortune to have had it sent to my desk with other Senators, and I wish to add my appreciation of the research shown and the value of that document. It will help solve the problem after the war of the disposition of many of the men who will return to civil life. It will reclaim land. It will, I hope, tend to restore the balance between the city population and the vastly drifting population from the country cityward.

It fell to my lot, let me say to the Senator from Idaho, in my earlier manhood to live among some of the identical people who left Germany with prices on their heads because they rebelled in 1848 and 1849 against the declaration of Frederick Wilhelm in 1847 read by the Senator. They were my seniors by many years. When I was a law student across the river from St. Louis, Mo., on the Illinois side, I sat at the feet of some of those great spirits of German civil liberty who left their country, their family, and their fortune and fled to Switzerland and Holland and took passage for the United States. They remained to the day of their death loyal citizens, all of them, in spirit and in action, as read by the Senator from Idaho to-day.

Let me add, in justice to those men, just a few words to the magnificent tribute paid them by the Senator from Idaho, as well as the inspiring lesson he has inculcated to-day in the duties of an American citizen, either native or alien born.

Carl Schurz was of that immortal generation of those who worshipped at the shrine of constitutional government for Germany. Sigel was of that generation and lived at St. Louis, Mo., at the breaking out of the Civil War. Lorenz Brentano was of this number. He fled from his native country with a penalty upon him, came to Michigan, lived there an humble life for a time, and his son Theodore Brentano, of Chicago, is one of the able circuit judges of that city to-day.

There came, too, on that same emigration, with the same penalties, the elder Brand, the father of Horace L. Brand, for some years the publisher of a German-printed newspaper in the city of Chicago. There came at the same time, with that same migration, caused by the arbitrary edict of their King, Frederick Hecker, for many years a lawyer and publicist in the city of Belleville, Ill. All of these men were loyal American citizens. They gave of their best thought and of their manhood to build up such patriotic sentiments as read from Carl Schurz to-day by the Senator from Idaho.

It is when I speak of Germans of that type, some of whom I knew, whose memories to-day I revere, I feel something is due them. They were Americans. They were in their own country friends of constitutional government, and they gave and risked in that great cause all they had there. When the cause was lost and they were driven out by German sabers, they fled from that country and took up a loyal, patriotic citizenship in our Republic and manifested by their deeds and acts to the day of their death the sincerity of their belief.

One other name I desire to add to this brilliant galaxy of German citizens who came to our country, Francis Lieber, one of the greatest publicists, I think, of his generation and of any country and of any age. If I were to speak of any single text writer who by the mere force of his text, by the lucidity of his reasoning, by the soundness of his principles of constitutional liberty laid down, I should say that Francis Lieber, a native German and adopted American citizen, has had a greater influence upon my life thought and my understanding of civil government than any other person who has committed his thoughts to writing in books or has left behind him his intellectual civic labors. He wrote General Order No. 100 at the request of Abraham Lincoln in the Civil War. A most unfortunate experience was Francis Lieber's, one of the great generation of constitutional Germans, who believed that it ought to limit the right of a king as we limit our Executive by such an



organic document. He lost a son in the Civil War, who went to Mississippi, who took up their cause of the States in that great struggle to decide that question. His son fought under the Stars and Bars of the Confederacy, and another son, who had settled in a Northern State, fought on the side of the Union, and this sorely beleaguered father in that time of his domestic affliction never wavered in his allegiance to the great cause of constitutional government, putting it upon the ground that this was the greatest constitutional Republic in the world, and, though one of his own sons had gone contrary to his father's belief, he still remained true to the settled convictions he carried with him in his exile from his native country.

Mr. President, I only add this because it is material, because it has grown up with me and become a part of my early life. With some of these men I have talked, and their sons and their grandsons since the war has broken out. They have been in this city. Francis Lieber's son, a retired Army officer, still lives in the city of Washington. He is of that sturdy blood. I have talked with the sons and grandsons of that generation here since war has been declared with Germany, and not one—I wish to add my corroborative testimony to that of the Senator from Idaho [Mr. BORAH]—not one of those men has ever expressed to me the slightest faltering in his allegiance to this Government. He believes in the crushing of the power of the present Kaiser, because he represents to them in incarnated form an obnoxious despotism. One of them said this summer a year ago with tears in his eyes, the son of one who fled from Frederick Wilhelm, "How could I be anything else and be faithful to the dust of my father, who sleeps in the land of his adoption after leaving his own country with a price on his head under the decree of an arbitrary government that refused to let him live at home?" That is the sentiment of all these men with whom I have an acquaintance, and from that early time I have kept this acquaintance with their sons and their grandsons.

I believe that notwithstanding my indisposition to take the time of the Senate that I owe this in justice to these men, and to the noble strain of freeman blood they represent in our Republic.

Mr. JONES of Washington. Mr. President, I can not add anything to the magnificent address of the Senator from Idaho [Mr. BORAH]. I indorse every statement he makes and every sentiment that he has expressed. I have a letter, however, from a German, a man of full German descent, and I think I will read an extract from it. I think it shows what I believe to be a fact, that the great mass of the Germans in this country are Americans, that they are intensely patriotic, and that those who have gotten control of the German-American Alliance do not represent them at all.

This letter comes from an ordinary citizen of the country. I think it expresses in language much more eloquent than I can use, because it gives real acts and deeds, the real patriotism of the great mass of the Americans of this country who are of German descent, and shows that they have become imbued with the spirit which the Senator so eloquently portrays as essential to real, genuine patriotism. He says:

While naturally I am more or less worried I am the proud father of three boys in the Army, all three having enlisted and in the ranks without being registered for the draft.

Then he gives their ages and their services. One of them is aged 25 and in Second Company of the Machine Gun Brigade, First Brigade, First Division. Another boy, aged 21, is in the Aviation Corps, Lake Charles, La. Another boy, aged 19, is in Company E, One hundred and sixty-first Regiment, United States Infantry. That regiment is now on the battle front in France. He says:

I also have a number of relatives who are in the Kaiser's army, but not through choice. A cousin living in New York State, whose brothers and nephews are in the German Army, urged her youngest son to enlist and fight for Uncle Sam, which the young man did. My youngest sister has two boys at the front, my youngest brother his only son, another sister an only son, and another brother has two sons over there with the boys. Thank God that's the kind of Germans the Salzmanns are!

Mr. President, I thank God that in my judgment that expresses the real patriotic Americanism of the great mass of the Germans in this country and those of German descent.

Mr. President, I am glad to note the interest that many have taken with reference to the problems that will confront this country after the war. I am glad that the Senator from Nevada [Mr. PITTMAN] has had printed in the RECORD the article that has been referred to to-day. I am glad to hear the Senator from California [Mr. JOHNSON] and other Senators from time to time express an interest in the matters and problems that are going to confront us when this war is over. I am glad to see that the people generally are discussing it. I think it is a most pressing question and one that should have our most

serious consideration. Not only should we talk about it, not only should we express our views with reference to it, but we ought to begin to take some concrete and definite action that will bring together these various ideas and various views and secure a definite, specific, and earnest consideration of the problems that are going to confront us, and concrete suggestions to meet those problems.

We ought to have some organization or body created for the distinct and sole purpose of studying the conditions and investigating them and making concrete suggestions to the legislative body to meet the various problems that must confront us, that we must solve, and that will be with us before very long, I hope. At any rate they are bound to come, because peace will come at some time.

On January 4, 1918, I introduced a joint resolution, No. 119, to provide for a commission to study the situation, conditions, and the various problems, and to submit a report, and I ask in connection with my remarks that the joint resolution may be printed in the RECORD, and I hope the committee to which it is referred will give it early and thoughtful consideration. It is merely suggestive. If the plan does not seem wise, let something in lieu of it be presented.

The PRESIDING OFFICER. Such will be the order, without objection.

The joint resolution referred to is as follows:

Joint resolution (S. J. Res. 119) providing for a commission to report upon legislation to meet the problems that will confront this country upon the conclusion of the war.

*Resolved, etc.*, That the President of the United States be, and he is hereby, authorized and directed to appoint a commission to consist of 27 members to serve for a period of six months from the date of appointment and, if deemed necessary by the President, to serve for a period not exceeding an additional six months. Three members of such commission shall be experienced representatives of the manufacturing industries of the country; three members thereof shall be experienced representatives of the commercial interests of the country; three members thereof shall be experienced representatives of the agricultural interests of the country; three members thereof shall be experienced representatives of the transportation interests of the country; three members thereof shall be experienced representatives of the shipping, fishing, and other marine interests of the country; three members thereof shall be experienced representatives of the mining industry of the country; three members thereof shall be experienced representatives of the export and import business of the country; three members thereof shall be experienced representatives of the banking and financial interests of the country; and three members thereof shall be experienced representatives of labor. Each member of the commission shall receive compensation at the rate of \$500 per month during his term of service, together with his necessary traveling expenses from his home and from any place of meeting of such commission. It shall be the duty of this commission to study, investigate, and report upon the conditions and problems growing out of the war and to recommend to the President and to Congress such legislative measures as it shall deem necessary and essential for the stability, extension, promotion, and development of the foreign and domestic trade and commerce of this country after the war and to meet properly the conditions and problems that will confront us in our domestic affairs and foreign business relations upon the conclusion of the war. The President shall furnish the commission all information and data available in the executive departments of the Government which he may deem it wise and proper to submit, and he is authorized to detail, to act and advise with the commission, any governmental officials that he or the commission may deem necessary to assist in the work of the commission. Said commission shall be, and is hereby, authorized to employ experts to aid in its work, and also to employ clerks, stenographers, and such other assistants as may be necessary. All such experts and employees to be paid such compensation as the commission may deem just and reasonable upon a certificate to be issued by the chairman of the commission. For the purposes of its investigations said commission is authorized to pay the necessary traveling expenses of persons summoned before it for the giving of information upon matters pertaining to the subjects under consideration. The commission shall report from time to time to the President and to Congress, and it shall submit a final report to the President and to Congress within six months from the date of its appointment unless its term of service shall be extended by the President, as herein provided, and in such case its final report shall be submitted within 12 months from the date of its appointment.

The sum of \$300,000, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be immediately available to pay the necessary expenses of said commission, including the compensation of the commissioners.

#### LOANS FOR AGRICULTURAL PURPOSES.

Mr. JONES of New Mexico. Mr. President, I introduce a bill, and ask that it be read and referred to the Committee on Finance.

The bill (S. 4855) to amend an act approved April 5, 1918, entitled "An act to provide further for the national security and defense and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes," was read the first time by its title, the second time at length, and referred to the Committee on Finance, as follows:

*Be it enacted, etc.*, That the proviso to paragraph 2, section 7, of the act approved April 5, 1918, entitled "An act to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises



in the United States necessary or contributory to the prosecution of the war, to supervise the issuance of securities, and for other purposes," be, and is hereby, amended to read as follows:

"Provided, That every such advance shall be secured in the manner described in the preceding part of this section, and (except in the case of an advance secured by a loan for agricultural purposes or a loan based on live stock, having, in either case, a maturity of not exceeding 12 months) in addition thereto by collateral security, to be furnished by the bank, banker, or trust company, of such character as shall be prescribed by the board of directors, of a value, at the time of such advance (as estimated and determined by the board of directors of the corporation), equal to at least 33 per cent of the amount advanced by the corporation. The corporation shall retain power to require additional security at any time."

Mr. JONES of New Mexico. Mr. President, I desire to make a statement. The bill just introduced is one framed for the purpose of meeting a very acute situation affecting the farming and the live-stock interests of the country, and, of course, affecting the food supply of this country and our allies during the war. I would like to have the Senators give some consideration to this proposed amendment of the act of April 5, 1918, as soon as they can reasonably do so, for it will be my endeavor to ask the consideration of the bill by the Senate at the earliest practicable date.

The bill proposes to amend the war finance corporation act by providing a more reasonable method for that corporation to make advances to banks which in turn have made advances to live-stock growers and to farmers. The bank facilities of the country under existing legislation do not meet the situation. We know that short-time loans to farmers and live-stock men are usually of very little avail, and at this particular time, when the farmers and live-stock growers everywhere have suffered two years of drought and are now passing through the third, some reasonable relief must be accorded to them. It is the purpose of this bill to afford that relief in a reasonable way.

This thought passed through my mind in direct connection with the discussion which has taken place on the floor of the Senate this morning. Attention has been graphically directed to the congestion of our population in large centers. I am inclined to believe that the people of this country do not realize the baneful effects of that condition, and that they will be magnified it seems to me there is but little doubt.

At the close of this war another epoch in our history will have been completed. The previous epoch was the Civil War. If we turn back to conditions as they existed at the beginning of the Civil War, we will realize to some extent the effect which the last epoch of our history has had upon our civilization. In 1860 only 10 per cent of the people of the United States resided in cities of more than 50,000 population. To-day 10 per cent of our population reside in three cities and 30 per cent of our population reside in cities of more than 50,000. The causes which brought about this condition are not well known, but they are fundamental and easily ascertained.

The condition presented to-day by the Senator from Nevada [Mr. PITTMAN], and very logically and somewhat in detail in a masterly way presented by Justice McChord, of the Interstate Commerce Commission, shows one cause of the trouble in the transportation system of the country, and to my mind it has been perhaps the greatest cause. But there have been other causes. In the financial system of this country before the passage of the Federal reserve act no provision was made for giving any aid or assistance by the Federal Government through a banking system to the farmers of this country. All the legislation in that respect had been enacted for the benefit of the commercial and the speculative interests of the country.

That has been changed to some extent. At that time we had one financial center controlling the very lifeblood of the commerce and activities of the country. To-day we have at least 12. We are moving in the right direction. We may have to move further.

The railroads of the country beyond any question contributed directly toward the building up of these large centers and against the interests diversified throughout the country. My own town is situated about halfway between Chicago and the Pacific coast and about halfway between El Paso on the south and Denver on the north. Carload after carload of commodities sent from Chicago to the Pacific coast has passed through the State of New Mexico. Time and again cars of sugar have passed through the town in which I live to the city of Denver, 400 miles beyond, at a less rate than the local freight rate to that town, and it could be shipped back to the town at a less rate. That process was indulged in frequently for the purpose of saving freight. They could ship, say, 400 miles farther and by local freight back and save money on the cost of the freight direct.

Those are some of the conditions. That they must be remedied there can be no doubt. All over this country you see monuments to the failure of industries which have sprung up in localities which ought to have fostered and nourished the industry. This result was due to the fact that the railroads of the country discriminated against the locality in the matter of freight. The State of New Mexico, which is the third largest State in the Union in the production of wool, ships every pound of it back to the Atlantic seaboard and there it is manufactured and returned to clothe the people of that State. Other communities have had like experience.

I agree with Senators who have made their suggestions here this morning that this is the time when these things must be considered. We can not begin too soon. The population by reason of the conditions existing now has gathered more than ever in the large centers. It had been necessary to do it under existing conditions, and the problem after the war will be much greater than that before the war.

Before I resume my seat, Mr. President, I desire to make some reference to the rather chilly and chilling prophecy of the senior Senator from Utah [Mr. SMOOT] in regard to coal. I, of course, do not assume the power of vision which perhaps others may be entitled to assume, but I do not believe that the prophecy of the Senator from Utah should go to the country at this time without some statement which may lend some hope to the people of the country that they are not going to freeze to death next winter. I think that hope is found in the reports which have been published from time to time in the newspapers of the country regarding the coal supply. Only a few days ago I observed in the report that the output of coal for the previous week was twelve and one-half million tons, and that if the output were kept up at that rate during the favorable season the total shortage would be only a little over 8,000,000 tons. Of course, it is hoped and it is anticipated that that 8,000,000 tons and more will be supplied, but if it were not that shortage which was indicated there is less than 1 per cent of the full requirements of the industries and of the homes of the country. The shortage the last coal year was at least 15 per cent, or about 75,000,000 tons. The requirement a year ago—

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Senator from New Mexico will please suspend.

Mr. JONES of New Mexico. I hope I have said enough to lead the people of the country to have some hope that they will not freeze to death next winter.

Mr. SMOOT. No one has said that they would freeze to death. There is no shortage of coal; it is a shortage of transportation.

The PRESIDING OFFICER. Under the order of the Senate, the Senate stands adjourned until Monday next.

Thereupon (at 2 o'clock p. m.) the Senate adjourned until Monday, August 5, 1918, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES.

THURSDAY, August 1, 1918.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, we approach Thee with mingled feelings of hope and disappointment, yet with profound faith that in the dispensation of Thy providence right shall prevail. "Weeping may endure for a night, but joy cometh in the morning."

We mourn because our peace-loving Nation has been turned into a camp of warriors by no choice of ours, but through circumstances over which we have had no control.

Our hearts are filled with sorrow because the flower of our young manhood and that of our allied nations are being swept away like chaff before the wind.

Have mercy, O God, our Father, and comfort us by the precious hope that victory shall crown our arms and peace be established once more and bring joy to a weary, warring world. So let Thy kingdom come and Thy will be done in earth as in heaven. In His name. Amen.

The Journal of the proceedings of Monday, July 29, 1918, was read and approved.

### ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House adjourn to meet on next Monday.

The motion was agreed to; accordingly (at 12 o'clock and 3 minutes p. m.) the House adjourned until Monday, August 5, 1918, at 12 o'clock noon.