

# Congressional Record.

## PROCEEDINGS AND DEBATES OF THE SIXTY-SIXTH CONGRESS SECOND SESSION.

### SENATE.

TUESDAY, May 4, 1920.

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

Almighty God, we ask for grace that we may see the problems of life from Thy point of view. May not all our measures and weights be material and physical, but may they be spiritual. May we understand the spiritual import of all the facts of life. Amid the drudgery of our daily task, do Thou shed forth Thy light, that we may see the smallest thing in its divine import and understand that Thou, who dost note the fall of a sparrow, dost take note as well of all performance of duty on the part of Thy children. Guide us this day. We ask it for Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

#### COMMISSION ON POSTAL FACILITIES.

The VICE PRESIDENT. In accordance with the provisions of section 6 of the Post Office appropriation act approved April 24, 1920, in which a commission is created to be composed of the chairman and four members of the Committee on Post Offices and Post Roads of the Senate, the President of the Senate is required to appoint the chairman and four members of that committee as members on the part of the Senate of the joint commission created thereunder to investigate and report to Congress on the methods and systems of handling, dispatching, transporting, and delivering the mails and facilities therefor. In the discharge of that duty, the Chair appoints the chairman of the Senate Committee on Post Offices and Post Roads, the senior Senator from Michigan [Mr. TOWNSEND], the Senator from South Dakota [Mr. STERLING], the Senator from New Hampshire [Mr. MOSES], the Senator from Nevada [Mr. HENDERSON], and the Senator from Massachusetts [Mr. WALSH]. The Secretary will notify the House of Representatives thereof.

#### CALLING THE ROLL.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Ball	Fernald	Knox	Sheppard
Brandeggee	Frelinghuysen	Lodge	Simmons
Calder	Gay	McCormick	Smith, Ga.
Capper	Glass	McCumber	Smith, Md.
Chamberlain	Hale	McKellar	Smoot
Colt	Harris	McLean	Sterling
Comer	Harrison	McNary	Sutherland
Culbertson	Henderson	Moses	Thomas
Cummins	Jones, N. Mex.	New	Townsend
Curtis	Jones, Wash.	Nugent	Trammell
Dial	Kellogg	Overman	Wadsworth
Dillingham	Kendrick	Phipps	Waish, Mass.
Iodge	Kenyon	Ransdell	Wolcott
Elkins	Keyes	Reed	
Fall	King	Robinson	

Mr. GAY. I wish to announce the absence of the Senator from Rhode Island [Mr. GERRY] on business of the Senate, as a visitor appointed to attend the annual examination of naval cadets at Annapolis. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present.

#### TERMINATION OF WAR WITH GERMANY.

Mr. BRANDEGEE. Mr. President, on Friday, April 30, the RECORD shows that the Senator from Massachusetts [Mr. LODGE] stated:

From the Committee on Foreign Relations I report back with certain amendments the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting, on conditions, the resumption of reciprocal trade with Germany, and for other purposes, and I submit a report (No. 568) thereon.

Whereupon the Senator from Pennsylvania [Mr. KNOX] said: Mr. President, I desire to give notice that on Wednesday next, at the conclusion of the routine morning business, with the consent of the Senate, I shall address myself to the joint resolution just reported by the Senator from Massachusetts.

In view of the notice given by the Senator from Pennsylvania that he would address the Senate to-morrow upon this very important measure, I ask unanimous consent that there may be printed in the RECORD House joint resolution 327 concerning this matter, together with the majority and minority reports of the House Committee on Foreign Affairs thereon, and also the report which the Senator from Massachusetts [Mr. LODGE] submitted on behalf of the Senate Committee on Foreign Relations, Report No. 568, with the substitute proposed by the Senate committee in lieu of the House joint resolution. I make this request in order that Senators and the public may have an opportunity to read the same before the address of the Senator from Pennsylvania.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

#### House joint resolution 327.

Joint resolution terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States; permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Whereas the President of the United States, in the performance of his constitutional duty to give to the Congress information of the state of the Union, has advised the Congress that the war with the Imperial German Government has ended:

Resolved, etc., That the state of war declared to exist between the Imperial German Government and the United States by the joint resolution of Congress approved April 6, 1917, is hereby declared at an end.

SEC. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

SEC. 3. That with a view to secure reciprocal trade with the German Government and its nationals, and for this purpose, it is hereby provided that unless within 45 days from the date when this resolution becomes effective the German Government shall duly notify the President of the United States that it has declared a termination of the war with the United States and that it waives and renounces on behalf of itself and its nationals any claim, demand, right, or benefit against the United States or its nationals that it or they would not have had the right to assert had the United States ratified the treaty of Versailles, the President of the United States shall have the power, and it shall be his duty, to proclaim the fact that the German Government has not given the notification hereinbefore mentioned and thereupon and until the President shall have proclaimed the receipt of such notification, commercial intercourse between the United States and Germany and the making of loans or credits, and the furnishing of financial assistance or supplies to the German Government or the inhabitants of Germany, directly or indirectly, by the Government or the inhabitants of the United States shall, except with the license of the President, be prohibited.

SEC. 4. That whoever shall willfully violate the foregoing prohibition whenever the same shall be in force shall upon conviction be fined not more than \$10,000, or, if a natural person, imprisoned for not more than two years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both, and any property, funds, securities, papers, or other articles or documents, or any vessel, together with her tackle, apparel, furniture, and equipment, concerned in such violation, shall be forfeited to the United States.

SEC. 5. That nothing herein contained shall be construed as a waiver by the United States of any rights, privileges, indemnities, reparations, or advantages to which the United States has become entitled under the terms of the armistice signed November 11, 1918, or which were acquired by or are in the possession of the United States by reason of its participation in the war, or otherwise; and all fines, forfeitures, penalties, and seizures imposed or made by the United States are hereby ratified, confirmed, and maintained.

[House Report No. 801, Sixty-sixth Congress, second session.]  
TERMINATION OF STATE OF WAR WITH GERMANY.

Mr. PORTER, from the Committee on Foreign Affairs, submitted the following report. [To accompany H. J. Res. 327.]

The Committee on Foreign Affairs, to which was referred House joint resolution 327, having carefully considered the same, reports it back to the House with the recommendation that it do pass.

The authorities on international law agree that there are three ways of terminating war between belligerent States: First, by a treaty of peace; second, by the conquest and subjugation of one of the belligerents by the other; third, by the mere cessation of hostilities so long continued that it is evident that there is no intention of resuming them.

War may be terminated in three different ways: Belligerents may (1) abstain from further acts of war and glide into peaceful relations without expressly making peace through a special treaty, or (2) belligerents may formally establish the condition of peace through a special treaty of peace, or (3) a belligerent may end the war through subjugation of his adversary. (Oppenheim, International Law, vol. 2, p. 322.)

There are three ways of terminating hostilities between States, namely, (1) by a mere cessation of hostilities of both sides, without any definite understanding supervening; (2) by the conquest and subjugation of one of the contending parties by the other so that the former is reduced to impotence and submission; (3) by a mutual arrangement embodied in a treaty of peace whether the honors of war be equal or unequal.

Under the first mode the relationship between the parties remain in a condition of uncertainty, and, owing to the numerous difficulties involved, combatant States have very seldom resorted to this method of withdrawing from the war without arriving at some definite and intelligible decision. (Phillipson, Termination of War and Treaties of Peace, p. 8.)

It is certain that a condition of war can be raised without an authoritative declaration of war, and, on the other hand, the situation of peace may be restored by the long suspension of hostilities without a treaty of peace being made. History is full of such occurrences. What period of suspension of war is necessary to justify the presumption of the restoration of peace has never yet been settled, and must in every case be determined with reference to collateral facts and circumstances. (Mr. Seward, Secretary of State, July 22, 1868, Dip. Cor., 1868, vol. 2, pp. 32 to 34, cited Moore's International Law, vol. 7, p. 336.)

The armistice was signed November 11, 1918, nearly 17 months ago, and while a treaty of peace between the Imperial German Government and the United States was signed at Versailles on June 28, 1919, it has not been ratified by the Senate of the United States, but, on the contrary, it has been returned to the President after an adverse vote upon the question of its ratification. The usual and normal method of terminating the war status having thus failed of accomplishment, it becomes the plain duty of Congress to declare the admitted fact that the war is ended.

There has been a complete suspension of hostilities on both sides without any intention of resuming them. Congress is clearly exercising powers which are within its constitutional rights in recognizing and declaring that the condition described by the writers on international law which are above quoted has now arrived, and that the war is at an end. As, by the resolution of April 6, 1917, Congress officially recognized the fact that war had been thrust upon us, so now it becomes the duty of Congress to give official recognition to the fact that the war is ended. Moreover, the general welfare of the United States imperatively demands that all uncertainty upon this subject shall cease, and that the extraordinary war powers of the Government shall be vacated and set aside.

The laws conferring extraordinary powers upon the President for the duration of the war are still in full force and effect and constitutional rights are still suspended. Many of these laws are extremely drastic and could be justified only as war necessities; but since the war has, in fact, long since ceased the justification for these laws no longer exists.

Some of the war laws were to be operative only during the war; some were to continue for certain periods after the war in order to give an opportunity to adjust and wind up business undertaken under war powers and not completed when the war ended; others were to continue in effect for limited periods and various purposes. Each of these laws fixes as the date of the termination of the war the date of the President's proclamation announcing the ratification of the treaty of peace. Section 2 of this resolution proposes in lieu of the date of the President's proclamation the date when this resolution becomes effective as the date of the termination of the war.

The effect of this resolution on all of the war legislation will be precisely the effect that the ratification and proclamation of the treaty would have had. Laws that were to be in force for the period of the war would have ceased with the President's proclamation; under this resolution they will cease with the date of its passage. On the other hand, laws that were to continue in effect for a time after the ratification and proclamation of the treaty of peace will continue in effect for the specified time after the passage of this resolution. The resolution, therefore, has no effect upon existing laws other than the effect that the ratification and proclamation of the treaty would have had.

Section 3 provides for the resumption of reciprocal trade relations between Germany and the United States for a period of 45 days and further provides that such reciprocal trade relations shall be permanently established when the President has ascertained and announced that Germany has declared a termination of the war and has made the waivers and renouncements on behalf of itself and its nationals which are specified in said section. The placing of these conditions on the permanent resumption of trade with Germany is a reasonable exercise of the power vested in Congress by the Constitution "to regulate commerce with foreign nations." In making certain legislation contingent on a fact to be ascertained and announced by the President, this paragraph follows precedents established in previous acts of Congress and especially section 3 of the act of October 1, 1890—the McKinley tariff act—which was sustained by the Supreme Court in the case of *Field v. Clark* (143 U. S., p. 649).

Section 4 provides a penalty for violation of section 3 whenever the prohibition provided by that section shall be in force.

Section 5 maintains the rights to which the United States has become entitled under the terms of the armistice or by reason of its participation in the war or otherwise, and ratifies, confirms, and maintains all fines, forfeitures, penalties, and seizures imposed or made by the United States on account of the war.

[House Report 801, part 2, Sixty-sixth Congress, second session.]  
TERMINATION OF STATE OF WAR WITH GERMANY.

Mr. FLOOD, from the Committee on Foreign Affairs, submitted the following minority views to accompany H. J. Res. 327:

1. The purpose of this resolution is to terminate the state of war between the United States and the Imperial German Government; in other words, to declare peace.
2. To fix the date of the termination of the war or the present existing emergency.
3. To make a treaty of peace with the German Government.
4. An attempt to preserve something out of the wreck of American rights which this resolution destroys.

The preamble states that the President of the United States, in the performance of his constitutional duty to give to Congress information of the state of the Union, has advised Congress that the war with the Imperial German Government has ended.

At no time and under no circumstances has the President made any such assertion. It is true that on the signing of the armistice the President, in the course of an address to Congress, used the words, "the war thus comes to an end." But he spoke of actual hostilities, as everyone knew, and not of the technical state of the war. He meant that active hostilities had ceased. It takes a treaty to end a war. (*Higo v. United States*, 149 U. S., 315.) Hostilities had ceased, but the war had not ended, and will not end until it is terminated in a constitutional manner. The drafters of the resolution and the members of the Committee on Foreign Affairs who voted for it knew that this was the case. Indeed, after the President's address on the 11th day of November, 1918, a commission went abroad for the purpose of negotiating a treaty and bringing about a condition of peace. Several months were occupied in negotiation, and the treaty that resulted was, in due and proper course, submitted to the Senate of the United States, and was the subject of discussion there at various times for nine months.

By quoting this statement of the President as the basis for this resolution, the authors of the resolution lay themselves open to the charge of insincerity and sharp practice. The President never declared that the technical state of the war, which this resolution undertakes to declare at an end, had come to an end, and the Supreme Court of the United States has recently declared that what the President had done did not announce the legal determination of the war. (*Hamilton v. Kentucky Distilleries & Warehouse Companies*, U. S. Sup. Ct. Opinion, Dec. 15, 1919.)

The whereas of this resolution is therefore a misrepresentation which will mislead but few.

#### GENERAL STATEMENT.

This resolution contains some provisions that are within the power of Congress, and others that are not. So far as it seeks to declare peace, and so far as it seeks to direct the President to issue a proclamation to the German Government, it trenches upon the treaty-making powers, and is not within the power of Congress.

So far as it prohibits United States citizens and residents from commercial intercourse with Germany or its nationals and provides penalties for the violation of such restriction, it is valid. So far as it attempts to repeal war legislation it is, of course, within the power of Congress.

#### SECTION 1.

The first section of the resolution resolves that the state of war declared to exist between the Imperial German Government and the Government and people of the United States by a joint resolution of Congress approved April 6, 1917, is hereby declared at an end. This is a plain attempt to declare peace by a joint resolution. This Congress has not the power to do.

The Constitution vests in Congress the power to declare war. (Const. U. S., Art. I, sec. 8, cl. 11.) There is no suggestion of the power to make peace being vested in Congress.

The power to declare war or to make peace is not a legislative power, and unless otherwise expressed in the constitution of a country, is a branch of the treaty-making power, and a grant of the power to make treaties necessarily gives to the officials so empowered the exclusive right to make peace.

The treaty power, as expressed in the Constitution, is in terms unlimited except by those restraints which are found in that instrument against the action of the Government or of its departments, and those arising from the nature of the government itself and of that of the States. (*Geoffrey v. Riggs*, 133 U. S., 258, 267.)

The method of making peace is by treaty. Therefore, when the treaty-making power was conferred on the President and Senate, the power to make peace was conferred on them.

The Supreme Court cites with approval the following:

Within these limits (immaterial here) all questions which may arise between us and foreign powers, be the subject matter what it may, fall within the treaty-making power, and may be adjusted by it. (*Trenton Constitution and Government of the United States* (Calhoun), 204.) (*Howenstein v. Lynham*, 100 U. S., 483, 490.)

There being no power to make or declare peace expressly vested by the Constitution in Congress, in order to exercise it Congress must show: (1) That it is a legislative power, and by implication arises. (2) That it is not vested in any other department.

1. The making or declaring peace is essentially not a legislative power. Legislation can not operate on a foreign country. It is essentially an executive, diplomatic function.

2. By the grant of the treaty-making power to the President and Senate, it is expressly vested elsewhere, which excludes Congress as its repository.

That this power is not legislative and that Congress has no share in it is demonstrated by the proceedings of the convention framing the Constitution. The first proposals would have placed the power to declare war and make peace with the Senate. (*Madison Papers* (5 Elliot), 131.)

It was then proposed for the "legislature" to "make war" and the "Senate" "treaties." (*Ib.*, p. 379.)

Mr. Butler moved to give the legislature the power of peace, as they were to have that of war.

Mr. Gerry seconds him, etc.

On the motion for "and peace," after "war," it was unanimously negatived. (*Madison Papers* (5 Elliot), p. 439.)

When the power to make treaties finally came up, it was vested in the President, with the advice and consent of two-thirds of the Senate. A motion to add "House of Representatives" was defeated. (*Ib.*, 523.)

At first a difference was made between treaties of peace and other treaties, requiring a less vote for a peace treaty. (*Ib.*, 525.)

On reconsideration, this difference was stricken and treaties put on same basis with all treaties. (*Ib.*, 525-527.)

It was finally determined, because of the necessity for flexibility of negotiation, to confer the power on the President, joining the Senate for reasons as stated by the *Federalist*, as follows:

The qualities elsewhere detailed as indispensable in the management of foreign negotiation point out the Executive as the most fit agent in those transactions, while the vast importance of the trust and the operation of treaties as laws plead strongly for the participation of the whole or a portion of the legislative body in the office of making them. (*Federalist*, No. 75.)

Vattel, in his *Law of Nations*, speaking of the power to make peace, while stating that the general rule is that the same power that has the right to make war likewise has the right to make and conclude peace, states:

A nation that has the free disposal of her domestic affairs and of the form of her government may intrust a single person or an assembly with the power of making peace, although she has not given them that of making war.

And cites as an example Sweden, where—

The King can not declare war without the consent of the States assembled in Diet, but he may make peace in conjunction with the Senate. (See Vattel's *Law of Nations*, pp. 432, 433.)

The works on international law by American authors give the following as the powers of declaring war and making peace under the American Constitution:

The American Constitution vests the power of declaring war in the two Houses of Congress with the assent of the President. By the forms of the Constitution the President has the exclusive power of making treaties of peace, which, when ratified, become the supreme law of the land and have the effect of repealing the declaration of war and all other laws of Congress and of the several States which stand in the way of their stipulations. But Congress may at any time compel the President to make peace by refusing the means of carrying on the war. (*Wheaton*, *International Law*, sec. 538.)

The power to make treaties of peace is usually the same as that to make any other treaties. In the United States it is vested in the President, by and with the advice and consent of the Senate. (*Maxeys on International Law*, pp. 521-522.)

The Supreme Court of the United States has recognized that the termination of war and making peace belongs to the treaty-making power, and not to the legislative body.

In a foreign war a treaty of peace would be the evidence of the time when it closed. (*United States v. Anderson*, 9 Wall., 56, 70.)

Speaking of the War with Spain, the court said:

A state of war did not in law cease until the ratification in April, 1899, of the treaty of peace. (*Hijo v. United States*, 194 U. S., 315, 323.)

While it is doubtless true that precedents can be found of where Congress has, the President assenting by approval, undertaken to pass resolutions affecting foreign relations, it is generally recognized that these are but expressions of opinion.

#### SECTION 2.

Section 2 fixes the date of the termination of the war as the date when this resolution shall become effective in all matters relating to war and emergency legislation.

There is much war and emergency legislation that should be repealed. This section does not repeal this legislation, however, and it gives no relief from the burdens, inconveniences, extravagances, and losses which come from the existence of this legislation. Much of this legislation is burdensome and oppressive in time of peace. Congress has the power to repeal it, and it should address itself to this task instead of frittering away its time in attempting to pass unconstitutional legislation for the purpose of embarrassing the executive department of the Government or for some other political purpose.

A list of this legislation shows that if this resolution became a law, some of this legislation would remain on the statute books for five years. This list demonstrates the importance of Congress getting industriously to work to repeal or modify these measures in an orderly and scientific manner, as the country has been demanding that it do for nearly a year. The following is a list of this legislation:

#### I. EMERGENCY LEGISLATION NOT LIMITED TO THE PRESENT WAR.

(a) "In time of actual hostilities" (act of May 12, 1917, 40 Stat., 75): Secretary of War authorized to procure printing and binding by contract or open-market purchase.

(b) "In time (or 'case' or 'event') of actual or threatened hostilities" (act of June 3, 1916, 39 Stat., 172): Secretary of War authorized to enlist additional men in Medical Department. Page 179, section 19: President authorized to organize ammunition batteries, etc. Page 188, section 34: Reenlistment of persons honorably discharged from the Army. Page 190, section 38: President authorized to order officers of Officers' Reserve Corps to temporary duty with Regular Army. Page 191, section 39: Appointment of officers of volunteers authorized. Page 193, section 48: Reserve Officers' Training Corps camps not limited to six weeks a year. Page 196: President authorized to order enlisted Reserve Corps to active service with Regular Army.

Act of May 12, 1917 (40 Stat., 47): Officers eligible to redetail to General Staff Corps without interval of two years' other service.

Act of July 9, 1918 (40 Stat., 893): Use of proceeds of public utilities in connection with engineer operations in the field overseas.

(c) "In time of war." Other expressions: "During war," "when this country is at war," "during such time as the United States may be at war," "when the United States is at war," "during a time when the United States is at war," "until the termination of the war," "until the end of the war," "during the time when the United States is at war," "any nation with which the United States is (or 'may be') at war," "any country, State, or sovereignty with which the United States is at war," "any country engaged in war with a country with which the United States is at war," "for the period of the war unless sooner discharged," or, negatively stated, "in time of peace."

R. S. 1166: Chief of Ordnance to execute orders of commanding officers for ordnance supplies.

R. S. 1209: Brevet commissions of Army officers for distinguished conduct.

R. S. 1229: Dismissal of Army and Navy officers does not require court-martial sentence.

R. S. 1343: Spies subject to death penalty.

R. S. 1365: Selection of rear admirals from officers who have received thanks of Congress for distinguished service.

R. S. 1436: Former chiefs of bureaus of Navy Department not exempt from sea duty.

R. S. 1462: Retired Navy officers may be employed on active duty.

R. S. 1624, article 36: Naval officers may be dismissed by order of the President.

Act of March 2, 1907 (34 Stat., 1228, sec. 2): Citizens not permitted to expatriate themselves.

Act of April 23, 1908 (35 Stat., 69, sec. 9): Appointment of medical officers of volunteers not prohibited.

Act of June 3, 1916 (39 Stat., 166, sec. 2): Unassigned recruits may exceed total authorized enlisted strength of Army by over 7 per cent.

Act of June 3, 1916 (39 Stat., 183, sec. 24): Retired Army officers may be employed on active duty. Page 194, section 53: President may order reserve officers to active duty. Page 202, section 79: Organization of reserve battalions of militia. Page 211, section 111: Active service of National Guard to be "for the period of the war unless sooner discharged." Page 211, section 112: Pension laws applicable to National Guard in service of the United States. Page 211, section 114: Filling of temporary vacancies in Regular Army due to details to National Guard.

Act of August 29, 1916 (39 Stat., 586): Convening of general naval courts-martial by certain officers authorized. Page 600: Navy laws, etc., to govern personnel of Coast Guard operating as part of Navy. Page 601: Secretary of the Navy authorized to man Coast Guard stations, etc.

Act of August 29, 1916 (39 Stat., 645): President authorized to assume control of transportation systems.

Act of March 4, 1917 (39 Stat., 1193): President authorized to use naval emergency fund for ships and war material.

Act of May 7, 1917 (40 Stat., 39): Enlistment in United States by Governments associated with United States in war permitted.

Act of May 22, 1917 (40 Stat., 89, sec. 18): Selections for grades of admiral and vice admiral to be from grades of rear admiral or captain.

Act of June 15, 1917 (40 Stat., 218, sec. 2): Penalty for communicating national defense information, etc. Page 219, section 3, as amended by act of May 16, 1918 (40 Stat., 553): Penalty for attempting to interfere with military operations, etc.

Joint resolution of July 9, 1917 (40 Stat., 242): Status of officers of Public Health Service on Coast Guard vessels, etc.

Act of July 24, 1917 (40 Stat., 244, sec. 6): Rating of military aviator, etc., without examination.

Act of October 6, 1917 (40 Stat., 385-389): Restrictions on manufacture, etc., of explosives.

Act of October 6, 1917 (40 Stat., 394 and 422, sec. 10): Withholding of patents for inventions useful in war, etc.

Act of October 6, 1917 (40 Stat., 411-426), as amended by acts of March 28, 1918 (40 Stat., 460), April 23, 1918 (40 Stat., 537), September 24, 1918 (40 Stat., 966), November 4, 1918 (40 Stat., 1020), and July 11, 1919 (Public, No. 5, 66th Cong., p. 1): Restrictions on trading with enemies, etc.

Act of May 16, 1918 (40 Stat., 554, sec. 2): Return of mail matter addressed to persons using the mails in violation of the espionage act.

Act of May 9, 1918 (40 Stat., 544): Naturalization fees not to be collected from aliens in military service of the United States.—(P. 545): Restrictions on naturalization of alien enemies.

Act of July 1, 1918 (40 Stat., 711): Various provisions relating to members of Naval Reserve Force.

Act of July 9, 1918 (40 Stat., 892, chap. 18): Secretary of the Treasury authorized to extend period for transmission of Army accounts.

(d) "In time of war or threatened war." (Other expressions: "In time of war or when war is imminent," "during time of war or when war is imminent," "in time of actual or threatened war," "in time of war or the imminence thereof.")

Act of June 29, 1906 (34 Stat., 587), as amended by act of August 29, 1916 (39 Stat., 604): Preference to be given by carriers, on demand of the President, to transportation of troops and materials of war.

Acts of May 11, 1908 (35 Stat., 125); March 3, 1909 (35 Stat., 750); and March 23, 1919 (36 Stat., 261): Material for State coast artillery organizations subject to withdrawal by Secretary of War for use in fortifications.

Act of April 24, 1912 (37 Stat., 90): President authorized to accept services of American National Red Cross.

Act of June 19, 1912 (37 Stat., 138, sec. 2): President authorized to waive provisions of eight-hour law as to public contracts. (See also act of Mar. 4, 1917, under subdivision (e), below.)

Act of June 3, 1916 (39 Stat., 204, sec. 86): Requisition of stores, etc., purchased from War Department for use of the National Guard.—(p. 213, sec. 120): President authorized to place obligatory orders with manufacturers.

Act of August 29, 1916 (39 Stat., 614): Marine Corps training camps not limited to six weeks a year.

Act of July 2, 1917 (40 Stat., 241), as amended by acts of April 11, 1918 (40 Stat., 518), and July 9, 1918 (40 Stat., 888): Immediate possession of lands, etc., needed for military purposes.

(e) "In time of war or national emergency." (Other expressions: "In the event of actual or threatened war or similar emergency in which the public safety demands it," "in time of war or when a national emergency exists," "in time of war or during the existence of a national emergency," "in time of war or in case of national emergency," "in time of war or during the existence of an emergency,"

"in time of war or other national emergency," "in case of national emergency," "throughout the war or until the national emergency ceases to exist," "in cases of emergency," "when a special exigency requires," or, negatively stated, "in time of peace, when no national emergency exists.")

Act of June 3, 1916 (39 Stat., 166, sec. 2): Enlisted force of the line of the Regular Army may exceed 175,000 men.

Act of August 29, 1916 (39 Stat., 581): Furloughed enlisted men of the Navy subject to recall.—(P. 587): Members of the Naval Reserve Force not entitled to discharge on their own request.—(P. 588): Members of Naval Reserve Force may be required to perform active service in the Navy.—(P. 591): Secretary of the Navy authorized to call retired enlisted men into active service.—(p. 591): Members of Naval Auxiliary Reserve may be required to serve only in vessels of the merchant-ship type, except temporarily in emergencies.

Act of March 4, 1917 (39 Stat., 1192): President authorized to suspend provisions of eight-hour law as to public contracts.

Act of June 15, 1917 (40 Stat., 219, sec. 6): President authorized to designate places concerning which information is not to be published.

Act of October 6, 1917 (40 Stat., 393): Officers of naval auxiliary forces authorized to serve on naval courts-martial, etc.

Act of July 1, 1918 (40 Stat., 711): Various provisions relating to members of Naval Reserve Force.

Act of March 1, 1919 (40 Stat., 1231): Employment of special services in Bureau of Engraving and Printing.

Act of March 3, 1919 (40 Stat., 1308, sec. 4): Special methods of operating Government arsenals authorized.

(f) During a period to be determined by the President: Act of January 28, 1915 (38 Stat., 800): Coast Guard to operate as a part of the Navy "in time of war or when the President shall so direct."

Act of June 3, 1916 (39 Stat., 166, sec. 3): President authorized, "in time of actual or threatened hostilities, or when in his opinion the interests of the public service demand it," to organize army corps or armies.

Act of June 3, 1916 (39 Stat., 182, sec. 24): Immediate increase in Army under national-defense act authorized "in the event of actual or threatened war or similar emergency in which the public safety demands it," organizations to be raised to maximum strength "when, in the judgment of the President war becomes imminent," and "maintained as nearly as possible thereafter so long as war, or the imminence of war, shall continue."—(P. 187, sec. 31): Mobilization of Regular Army Reserve in the event of actual or threatened hostilities, to be retained by the President in active service "for such period as he may determine the conditions demand."

Act of August 29, 1916 (39 Stat., 587): President authorized to order members of Naval Reserve Force into active service in the Navy "in time of war or when, in his opinion, a national emergency exists."

Act of May 22, 1917 (40 Stat., 87, sec. 16): President authorized to transfer vessels, personnel, etc., of Coast and Geodetic Survey to War Department or Navy Department "whenever in his judgment a sufficient national emergency exists."

Act of June 15, 1917 (40 Stat., 220): Secretary of the Treasury authorized to prescribe rules governing vessels in territorial waters "whenever the President by proclamation or Executive order declares a national emergency to exist by reason of actual or threatened war, insurrection, or invasion, or disturbance, or threatened disturbance, of the international relations of the United States."

Act of July 15, 1918 (40 Stat., 901, sec. 4): Approval of Shipping Board required for certain transactions "when the United States is at war or during any national emergency, the existence of which is declared by proclamation of the President."

Act of July 11, 1919 (Pub., No. 8, 66th Cong., p. 8): Increase in enlisted strength of Navy by the President authorized "whenever in his judgment a sufficient national emergency exists."

(g) Various other phrases. Act of August 13, 1912 (37 Stat., 303, sec. 2): President authorized to close radio stations "in time of war or public peril or disaster."

Joint resolution of July 1, 1916 (39 Stat., 339-340): Emergency declared to exist demanding use of troops in addition to Regular Army; draft of National Guard authorized "to serve for the period of the emergency, not exceeding three years unless sooner discharged." President to assign command of forces in the field, etc., "in time of war or public danger or during the emergency declared."

Act of August 29, 1916 (39 Stat., 670, art. 119): President to assign command of forces in the field, etc., "in time of war or public danger."

Act of July 1, 1918 (40 Stat., 711): Secretary of the Navy authorized to continue service of members of Naval Reserve Force six months after "war or other national emergency shall cease to exist."

II. EMERGENCY LEGISLATION REFERRING TO THE PRESENT WAR ONLY.

(a) "During the continuance of the present war." (Other expressions: "During the present war," "during such time as the United States may be at war," "for the period of the present war," "during the period of the present war," "for the duration of the war only," "during the war in which the United States is now engaged," "during the war," "during the existence of the present war," "during the continuance of the war with Germany," "until the end of the war," "during the pendency of the existing war," "for and during the period of the present war, but for such period only," "only during the continuation of the existing war," "during the continuance of the state of war now existing," "during the present war," "for the period of the war," "during the pendency of the present war," "during the existing state of war," "until a treaty of peace shall have been definitely concluded between the United States and the Imperial German Government," "the termination of the war between the United States and the Imperial German Government," "the termination of the present war with Germany," "the termination of the present war," "after the existing state of war between the United States and its enemies shall have terminated," "when the existing state of war between the United States and Germany shall have terminated.")

Joint resolution of August 20, 1914 (38 Stat., 777): American Red Cross authorized to charter vessel; of foreign registry, to carry the American flag.

Act of April 24, 1917 (40 Stat., 36, sec. 5): Conversion of bonds of first Liberty loan into bonds bearing higher rate of interest.

Act of April 25, 1917 (40 Stat., 38): Secretary of the Navy authorized to detail additional officers to Hydrographic Office.

<sup>1</sup> In the present classification no distinction is made between provisions limited to the duration of the European war in general and those limited to the war between the United States and the German Empire.

Act of May 22, 1917 (40 Stat., 85, sec. 3): Enlistments in Navy and Marine Corps to be for four years, or for the war, or for such shorter period as the President may prescribe.—(P. 86, sec. 6): Computations for Navy promotions to be made semiannually.—(P. 87, sec. 10): Promotion of probationary second lieutenants in Navy.—(P. 87, sec. 15): Coast Guard enlisted men, etc., to have same pay as corresponding grades, etc., in Navy.—(P. 90, sec. 21): Extra rations for Navy enlisted men on deck night watches.

Act of June 15, 1917 (40 Stat., 188): Enlistment of 1,200 cooks as first-class sergeants in Quartermaster Corps.

Act of June 15, 1917 (40 Stat., 225): President authorized to restrict exports.

Act of August 10, 1917 (40 Stat., 272): Penalties imposed for obstruction of railroads, etc.

Act of August 10, 1917 (40 Stat., 283, sec. 24): Food-control act limited to the duration of the war, except as to pending actions, etc.

Act of August 10, 1917 (40 Stat., 284, sec. 25): Regulation of prices of coal and coke.

Act of October 3, 1917 (40 Stat., 328, sec. 1108): Salaries of postmasters of first, second, and third classes not to be increased.

Act of October 6, 1917 (40 Stat., 349): Suspension of restrictions as to use of power and hand presses in Bureau of Engraving and Printing.

Act of October 6, 1917 (40 Stat., 392): Six months' gratuity to dependent relatives of retired officers and men dying while on active duty.

Act of October 6, 1917 (40 Stat., 413, sec. 3): Censorship of communications to foreign countries.—(P. 414): Use of assumed names by enemies, etc., restricted; President authorized to license or prohibit foreign insurance companies from doing business in the United States.—(P. 422, sec. 11): President authorized to restrict imports.—(P. 424, sec. 13, 14): Additional requirements concerning shipping manifests, etc.; report of export of money.—(P. 425, sec. 19): Restrictions on foreign-language newspapers, etc.

Act of December 20, 1917 (40 Stat., 430): Leave of absence to settlers engaged in farm labor.

Act of March 1, 1918 (40 Stat., 439): Construction of houses for shipyard employees, etc.

Act of March 16, 1918 (40 Stat., 450): Furloughs for enlisted men of the Army.

Joint resolution of March 27, 1918 (40 Stat., 459): Civil-service examinations not required to be taken in State of residence.

Act of March 29, 1918 (40 Stat., 500): Payment of gun pointers and gun captains temporarily absent from regular stations.

Act of April 17, 1918 (40 Stat., 531-532): Special provisions governing Reserve Officers' Training Corps.

Act of May 9, 1918 (40 Stat., 542): Special provisions for naturalization of aliens serving in military or naval service of the United States.

Act of May 16, 1918 (40 Stat., 550-553): Construction of houses for Government employees, etc. But amendment of July 19, 1919 (Pub. No. 21, 66th Cong., pp. 68-69), authorizes continuance of Housing Corporation for purpose of disposing of property, etc.

Act of May 22, 1918 (40 Stat., 558): National banks authorized to contribute to American National Red Cross.

Joint resolution of May 31, 1918 (40 Stat., 593-594): Continuation of existing leases in District of Columbia.

Act of July 1, 1918 (40 Stat., 714): President authorized to increase enlisted strength of the Navy by 50,000 men.—(Pp. 731-732): Special provisions for organization of Coast Guard.

Act of July 3, 1918 (40 Stat., 809): Advertisements not required for purchase of minor supplies, etc., for Department of Commerce.—(P. 812): Advertisements not required for purchase of minor supplies, etc., for Department of Labor.

Act of July 9, 1918 (40 Stat., 866): One Assistant Surgeon General appointed for service abroad.—(P. 870): Additional pay in lieu of leave of absence to employees in gun factories and arsenals.—(P. 881, chap. 7): Suspension of restriction of purchases of Army supplies, etc., to officers of Quartermaster Corps.—(P. 894, chap. 20): Enlistment of men outside draft age, etc., for special service.—(P. 895, chap. 24): Condemnation of property for generating electrical energy.

Act of October 1, 1918 (40 Stat., 990): Use of timber from national forests for prosecution of the war.—(P. 1007): Use of proceeds from sale of nitrate of soda under food-control act.

Act of November 4, 1918 (40 Stat., 1019-1020): Special enlistments, etc., in District of Columbia National Guard.

Act of February 24, 1919 (40 Stat., 1066, sec. 213): Exemption from income tax of amounts not over \$3,500 received as compensation for active service in military and naval forces during the war.—(P. 1150, sec. 1401): Letters mailed by soldiers, etc., abroad may be mailed free of postage.

Act of March 3, 1919 (40 Stat., 1321): Pay, etc., of members of Nurse Corps, etc., during captivity.

(b) During the continuance of the war and for a definite period thereafter.—

## (I) 3 MONTHS.

Act of November 4, 1918 (40 Stat., 1019): Termination of special enlistments in District of Columbia National Guard.

## (II) 120 DAYS.

Act of October 6, 1917 (40 Stat., 392): Admission of foreign-built vessels to coasting trade.

## (III) 6 MONTHS.

Act of May 22, 1917 (40 Stat., 86, sec. 8), and amendment of July 1, 1918 (40 Stat., 714): Temporary appointments under act providing for increase in Navy and Marine Corps.

Act of June 15, 1917 (40 Stat., 182-183), as amended by acts of April 22, 1918 (40 Stat., 535), and November 4, 1918 (40 Stat., 1022), and act of July 1, 1918 (40 Stat., 720): Requisition of shipyards, etc., by President.

Act of September 24, 1917 (40 Stat., 292, sec. 8): Designation of depositaries for public money in foreign countries.—(P. 293-295, sec. 12): Auditing of military accounts abroad.

Act of October 1, 1917 (40 Stat., 297, sec. 3): Continuance of Aircraft Board.

Act of October 6, 1917 (40 Stat., 347): Continuance of two additional Assistant Secretaries of the Treasury.

Act of March 8, 1918 (40 Stat., 447, sec. 500): Stay of proceedings under tax laws against property of persons in military service.—(P. 449, sec. 603): Continuance of general provisions of soldiers' and sailors' civil relief act.

Act of April 5, 1918 (40 Stat., 514, sec. 206): Continuance of capital issues committee.

Act of May 20, 1918 (40 Stat., 556-557): Coordination of executive bureaus, etc.

Act of July 1, 1918 (40 Stat., 716): Temporary promotions authorized in naval appropriation act.

Act of July 8, 1918 (40 Stat., 836): Increase of pay of certain employees of Government Printing Office.

Act of July 11, 1918 (40 Stat., 898, sec. 3): Insurance under Division of Marine and Seamen's Insurance. (But the division may be continued three years longer for the final adjustment of outstanding claims.)

## (IV) 9 MONTHS.

Act of July 18, 1918 (40 Stat., 913, sec. 3): Regulation of freight rates by water, etc.

## (V) UNTIL BEGINNING OF NEXT FISCAL YEAR.

Act of August 10, 1917 (40 Stat., 276, sec. 12): Continuance of food-survey act.

## (VI) 1 YEAR.

Act of October 3, 1917 (40 Stat., 325, sec. 901): Exemption from tax of decedent estates of persons in military or naval service.

Act of April 4, 1918 (40 Stat., 505, p. 4): Secretary of the Treasury authorized to purchase bonds of Liberty loans.

Act of April 5, 1918 (40 Stat., 512, sec. 21), as amended by act of March 3, 1919 (40 Stat., 1313-1314): Loans by War Finance Corporation.

Act of May 23, 1918 (40 Stat., 560): Postponement of restrictions on alley dwellings in District of Columbia.

Act of July 9, 1918 (40 Stat., 872): Acceptance of foreign medals by persons in military forces of the United States.—(P. 889, sec. 3): Aircraft production corporations to be dissolved "within one year from the signing of a treaty of peace with the Imperial German Government."

Act of August 31, 1918 (40 Stat., 954): Free entry of articles donated by persons abroad to the American National Red Cross to be used for the benefit of the military or naval forces or civilian population of the United States or its allies.

## (VII) 15 MONTHS.

Act of December 18, 1919 (Public No. 102, Sixty-sixth Congress): Extension of copyright protection to authors of works published abroad during the war.

## (VIII) 18 MONTHS.

Act of March 3, 1919 (40 Stat., 1312, sec. 7): Loans to allied Governments authorized.

## (IX) 1 YEAR AND 9 MONTHS.

Act of March 21, 1918 (40 Stat., 458, sec. 14): Federal control of railroads, etc.

## (X) 2 YEARS.

Act of October 6, 1917 (40 Stat., 368): Continuance of certain temporary office buildings of War and Navy Departments.

Act of September 24, 1918 (40 Stat., 965, sec. 1): Exemption of interest on Liberty loan bonds from certain taxes.—(P. 966, sec. 5): Regulation by President of transactions in United States bonds and certificates of indebtedness.

Act of October 5, 1918 (40 Stat., 1009, sec. 2; 1012, sec. 10): Control of mineral supplies.

Joint resolution of October 19, 1918 (40 Stat., 1014): Readmission of aliens serving in military forces of the United States, etc.

## (XI) 5 YEARS.

Act of September 7, 1916 (39 Stat., 732, sec. 11): Dissolution of corporations organized by United States Shipping Board.

Act of October 6, 1917 (40 Stat., 410, sec. 404): Conversion of term insurance under war-risk insurance act.

Act of March 3, 1919 (40 Stat., 1310, sec. 2): Liberty loan bonds exempt from certain taxes.

(e) "During the existing emergency." (Other expressions: "During this existing emergency," "during the period of the existing emergency," "for and during the existing emergency," "for the period of the existing emergency," "during the present emergency," "for the period of the existing emergency only.")

Act of May 12, 1917 (40 Stat., 73): Suspension of restriction on details in General Staff Corps in District of Columbia.

Act of June 14, 1917 (40 Stat., 181): Issue of arms, etc., for equipment of home guards.

Act of July 2, 1917 (40 Stat., 241), as amended by act of April 11, 1918 (40 Stat., 518-519): Opinion of Attorney General on validity of title and consent of legislature of State not required for possession of land needed for military purposes.

Act of July 24, 1917 (40 Stat., 243-247): Increase in Signal Corps, etc.

Act of October 6, 1917 (40 Stat., 356): Sale of airplane materials authorized.—(P. 361), also act of July 9, 1918 (40 Stat., 849): Payment of traveling expenses of foreign officers, etc.—(P. 366): Secretary of War authorized to incur additional obligations for ordnance supplies.—(P. 383, sec. 5): Secretary of War and Secretary of the Navy authorized to make advance payments to contractors.

Act of October 6, 1917 (40 Stat., 394): Appointment of Army chaplains at large.

Act of October 6, 1917 (40 Stat., 398): Provisional organization of Cavalry regiments as Field Artillery or Infantry.

Act of October 6, 1917 (40 Stat., 410, sec. 3): Appointment of generals and lieutenant generals.

Act of April 16, 1918 (40 Stat., 530), as amended by joint resolution of December 24, 1919 (Public resolution 26, Sixty-sixth Congress): Quarters to officers, etc., having dependent relatives.

Joint resolution of May 20, 1918 (40 Stat., 557): Registration for military service of male citizens upon reaching age of 21. (See act of May 18, 1917, under subdivision (d) below.)

Act of July 1, 1918 (40 Stat., 711): Secretary of the Navy to prescribe precedence of officers of Naval Reserve Force.

Act of July 9, 1918 (40 Stat., 851): Contracts for rent of quarters for draft boards not required to be in writing.—(P. 852): Secretary of War authorized to organize 20 additional bands.—(P. 853): Allowance, etc., of Army field clerks.—(P. 878, ch. 3): Officers accountable for public moneys authorized to intrust money to other officers.—(P. 878, ch. 5): Payment of Army obligations from available balances.

Act of November 4, 1918 (40 Stat., 1029): Requisition of lands for hospital facilities.

Act of July 11, 1919 (Public, No. 8, Sixty-sixth Congress, p. 25) : Credit to Navy disbursing officers for special payments certified by Secretary as incurred under military necessity.

(d) Various other phrases: Act of May 18, 1917 (40 Stat., 76-83), as amended by acts of June 15, 1917 (40 Stat., 217, sec. 4), July 9, 1918 (40 Stat., 894, ch. 21), and August 31, 1918 (40 Stat., 955-957) : Service under selective draft, etc., to be "for the period of the war, unless sooner terminated by discharge or otherwise"; compulsory service provisions to terminate four months after the President's peace proclamation "or as soon thereafter as it may be practicable to transport the forces then serving without the United States to their home station."

Joint resolution of July 17, 1917 (40 Stat., 243) : Mineral land assessment work not required of a person in military or naval service "during the period of his service or until six months after such owner is mustered out of the service or until six months after his death in the service."

Act of August 7, 1917 (40 Stat., 250) : Desert-land improvements not required "during the period said entryman or his successor in interest is engaged in the military service of the United States during the present war with Germany and until six months thereafter."

Act of October 6, 1917 (40 Stat., 391) : Any person serving in the "armed forces of the United States" authorized to make public-land affidavits before his commanding officer "during the continuance of the present war with Germany and until his discharge from service."

Act of March 8, 1918 (40 Stat., 440-449) : Stay of proceedings against persons in military service, etc., during period of service and from 30 days to 1 year thereafter.

Joint resolution of September 12, 1918 (40 Stat., 958), and act of November 21, 1918 (40 Stat., 1047) : Establishment by the President of dry zones around coal mines, munition factories, shipbuilding plants, etc., "whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war."

Act of November 7, 1918 (40 Stat., 1043, sec. 2) : Transfer of control of Southern Branch of National Home for Disabled Volunteer Soldiers to the Medical Department until "the close of the war or as soon thereafter" as its retransfer "may be practicable."

Act of November 21, 1918 (40 Stat., 1046) : Restrictions on sale, etc., of intoxicating liquors until "the conclusion of the war and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President."

Act of February 24, 1919 (40 Stat., 1151, sec. 1406) : Bonus of \$60 on discharge of soldiers, etc., "not later than the termination of the current enlistment or term of service"; in case of officers, within one year after termination of the war.

Act of July 11, 1919 (Public, No. 7, Sixty-sixth Congress, p. 30) : Prosecution of claims against the United States by a former officer or employee prohibited "within two years next after his discharge or other separation from the service of the Government."

Act of July 11, 1919 (Pub. No. 8, 66th Cong., pp. 9-10) : Various privileges to be granted on discharge, etc., of enlisted men of Navy, etc., who served during the war.

After a war has ended—that is, after hostilities have ceased—intercourse may be resumed with the enemy in a more or less restricted manner or intercourse may be resumed freely and without restriction. But it is obvious that this relation may be a temporary expedient pending the conclusion of an agreement with the enemy, and that it does not in itself settle any of the questions in dispute between the belligerents which caused the war or which arose out of the war. If "peace" is merely the return to normal conditions, as nearly as possible, of trade and intercourse between enemies, then peace can be established by each of the belligerents lifting its war-time restrictions. But such de facto peaceful relations can not be entered into by one belligerent alone taking this step without the concurrent action of the other in taking a similar step. While one country may abolish its restrictions on intercourse, the other country may maintain them. It is, therefore, necessary that some identical or similar action be taken by the two belligerents before peaceful trade relations can be established—in essence, an agreement expressed either by concurrent legislation in both belligerent countries or by a signed instrument. Should, therefore, the Congress of the United States remove from the statute books the emergency legislation which allows the Executive to prevent or restrict trade and all forms of intercourse with the enemy, and should the enemy take action to bring about similar results, de facto peaceful intercourse would be reestablished without the intervention of a treaty of peace.

But the establishment of peaceful intercourse does not settle pending controversies with the enemy, such as indemnity for war losses, and innumerable other matters unsettled by war. It is submitted that such matters can only be settled by agreement negotiated or imposed. This is one of the main functions of a treaty of peace. Although there are no decisions squarely in point, so far as has been found in the short time at our disposal, there are dicta to the effect that a war in which the United States is engaged can only be concluded by a treaty of peace. (*Ware v. Hilton*, 3 Dallas, 236; *U. S. v. Hicks*, 256 Fed., 710; 22 Atty. Gen. Op., 190.) Moreover, it is a fact that every war in which the United States has been engaged has been concluded by a treaty of peace, except the War between the States, which was an internal conflict. The protocol of August 12, 1898, with Spain (sometimes erroneously called a *modus vivendi*) was held by the Attorney General not to terminate the Spanish-American War. (22 Op. Atty. Gen., 190.) It was really in effect an armistice suspending hostilities pending the negotiation of an agreement upon certain bases laid down.

While, therefore, peaceful trade relations may be reestablished by legislative action concurred in by the enemy power, the disputes of the war could not be settled thereby or until some sort of agreement has been negotiated between this country and Germany.

#### SECTION 3.

This section, in substance, provides that unless within 45 days from the date when this resolution becomes effective the German Government shall duly notify the President of the United States that it has declared a termination of the war with the United States, and that it waives and renounces on behalf of itself and its nationals any claim, demand, right, or benefit against the United States or its nationals that it or they would not have had the right to assert had the United States ratified the treaty of Versailles, the President of the United States shall have the power, and it shall be his duty, to proclaim the fact that the German Government has not given the notification hereinafter mentioned, and thereupon and until the President shall have proclaimed the receipt of such notification, commercial intercourse, etc., except with the license of the President, shall be prohibited.

The first thought which comes to one's mind in connection with this section is that it gives to Germany and her nationals all the rights they would have had if the United States had ratified the treaty of Versailles. This we will deal with later.

Another thought is that the resolution not only attempts to declare the war at an end but it attempts to make, in effect, a treaty with Germany, because the section quoted contemplates affirmative action upon the part of Germany in accepting the terms laid down in the resolution. This is an indirect way of attempting to establish contractual relations between the two Governments—an agreement which, taken in connection with the rest of the resolution, amounts to a treaty—and constitutes, therefore, a bold invasion of the treaty-making powers, which are the constitutional prerogative of the President, by and with the advice and consent of the Senate.

He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur. (U. S. Const., Art. II, sec. 2.)

An examination either of congressional debates, or of executive documents, or of the decisions of the Supreme Court, from the beginning of the Government, will show the great care with which each of these departments has endeavored not to infringe upon the province of the others.

The three branches of the Government have acted upon the theory that if any given power belongs to one branch of the Government, presumptively it does not belong to the other branch.

#### ACTS CONCERNING FOREIGN RELATIONS, EXECUTIVE IN THEIR NATURE, AS SHOWN BY HISTORY—ENGLISH PRACTICE.

That in Great Britain, the principal constitutional government of Europe when our Constitution was adopted, the making of treaties and all matters affecting her relations with foreign countries were prerogative—that is, executive—appears from Todd (*Parl. Gov.*, vol. 1, p. 369.) Until of late years treaties were not laid before Parliament until after ratification (p. 367), and the initiation of a foreign policy not taking the form of a treaty belongs to the Executive exclusively (p. 369).

It is in the light of this conception of the executive character of foreign negotiations and acts concerning foreign relations that our Constitution gave the President power to send and receive ministers and agents to or from any country he sees fit, and when he sees fit, and not to send or receive any, as he may think best. Also the power to make treaties—that is, to negotiate with or without agents—as he may prefer, when he may prefer, or not at all, if he prefer; to draw up such articles as may suit him, and to ratify the acts of his plenipotentiaries, instructed by him, the only qualification of his power being the advice and consent of the States in the Senate to the treaty he makes.

These grants confirm the executive character of the proceedings and indicate an intent to give all the power to the President which the Federal Government itself was to possess—the general control of foreign relations.

In Great Britain, Parliament can refuse to pass laws to carry out treaties when ratified and binding between the nations. What Parliament can and habitually does do passes into a constitutional precedent. But powers wrested by Parliament from the Crown stand upon a different footing from powers granted in our written Constitution. They partake more of the character of mere might than of functions created to be exercised to given ends. Parliament can do what it has the ability to compel the Crown to submit to; but Congress and the President are not the result of struggles between hostile

forces. While, therefore, Congress can refuse to appropriate to carry a treaty into effect, since no one can compel it to do so, and the President can refuse to carry on a war authorized by Congress, or to execute any law passed by Congress, yet such proceedings are not constitutional and could never become constitutional by habit, for our Constitution is written, and each part of the Government represents the will of the whole Nation in preventing another part from exercising its functions to the fullest extent.

The President, in making a treaty, is the United States, and speaks the whole mind of the United States. For this very reason it was deemed advisable to safeguard what he does by the advice and consent of the special representatives of the sovereign States in the Senate, since treaties are the most important and binding acts concerning foreign relations, except making war. The solemn power of authorizing war is for the same reason made an exception. But not even the Senate is concerned with the matter of negotiating or preparing treaties; and all that great body of international business which may lead up to treaties or even to war, which the refusal to receive a minister might occasion, is given to the Executive by the express grants concerning treaties and ministers.

That this is a great power is true, but it is a power which all great governments should have, and, being executive in the conception of the founders, and even from its very nature incapable of practical exercise by deliberative assemblies, was given to the President.

The judicial branch of the Government has set a proper example of respect for the other branches in declining to inquire into foreign affairs even for the purpose of deciding cases. Congress should follow this example, which is but a recognition of the principle that each branch, in its proper functions, is the ultimate sovereignty of the United States—the sole and final spokesman of the will of the Nation.

Otherwise the principle of mere might will be introduced, and each branch proceed to do or omit whatever the other branches have not means to effectually prevent, which will be the end of government of and by the people and the beginning of an usurped government over the people. Written constitutions being, like all human contrivances, imperfect, will then have been proven impracticable. (Senate document.)

It is clear all through the Constitution, and it has never been disputed, that the intention was to distribute the powers of the Government among its three branches, subject to such checks as the veto of the President or the advice and consent of the Senate, and not to place any given power in two or three branches of the Government concurrently.

Section 3 of the resolution is an attempt to obtain the benefit of the protection of the treaty of Versailles which the Senate did not see fit to ratify, but a careful consideration of the subject will point out the danger that this attempt might lead us into. It is astonishing that the Congress of the United States should seriously consider the proposition that our country should seek the protection of a treaty which it has not the courage to ratify. In this attempt it may cause untold embarrassment and great loss to America.

1. Ships: The treaty and arrangements ancillary thereto deal in a precise and definite way with enemy shipping. Without these provisions, great uncertainty prevails as to the title and right to use of German ships. The title of the United States to German ships which it seized during the war is very doubtful, as the ships have never been put through a prize court, and these ships now come under the jurisdiction of the reparation commission. Until title is confirmed in the United States, uncertainty, with attendant danger to American interests, must remain.

2. Alien Property Custodian funds: These funds, approximately \$500,000,000, can not be dealt with otherwise than by restoration to the owners unless German consent to their application to other purposes is obtained through a treaty. This resolution does not pretend to accomplish this result. International law does not permit the confiscation of private property unless the enemy government consents to the use of such property for the satisfaction of claims against it or like purposes. The Versailles treaty contains Germany's assent to the use of Alien Property Custodian funds to pay claims of the United States and its nationals against Germany and debts of Germany to America. In the interest of justice, as well as of business, it is urgent that these questions be settled. Many of America's *Lusitania* victims and victims of other German outrages have for years been kept waiting for the redress to which they are plainly entitled. The adoption of this resolution would postpone that redress indefinitely.

3. Producers of staples in the United States: This resolution does nothing whereby trade with Germany in wheat, cotton, tobacco, and other farm products can be revived; on the contrary, it proposes under certain conditions to prohibit commercial intercourse with Germany altogether. Under a blanket license we are carrying on trade with Germany, but relatively it is small in amount, and no large transactions can be entered into until credit arrangements are made. This resolution does nothing to aid this situation, but it proposes, if the German Government does not agree to its hard terms, to punish our people by prohibiting them from trading with the German people. In the present situation of the world's trade we will be the sufferers.

Suppose Germany declines the terms proposed. We are at peace with her, under the provisions of section 1, and yet by section 3 we place an embargo on all trade from our nationals with her. The cotton producer, who finds Germany the only great market for low-grade cotton, must sell his cotton to England at sacrifice prices and allow her to resell to Germany at a profit. Our export tobacco would lose the German market. Likewise the machinery manufacturers, the flour-millers, the packing houses, and all the great producers and distributors of wealth would be denied the German market by the embargo directed by this resolution except on license from the President. Under what law will he grant license? There is no provision in this resolution for so doing.

4. Again, the United States has an immediate interest in the proceedings of the reparation commission provided for by the treaty, and which is in no way taken care of by this resolution. This commission has control over the payment by Germany of the cost of the armies of occupation, including our own. If we are dependent for our status of peace upon this resolution, we fail to see how we could be able to demand reimbursement for the cost of our armies of occupation.

5. We have called attention to the fact that this resolution gives to Germany and her nationals all of the rights they would have had if the United States had ratified the treaty of Versailles. Under this treaty Germany can become a member of the League of Nations, and having under this resolution all the rights it would have had under the treaty when it became a member of the League of Nations, it would be entitled to assert against the United States the same rights which any other nation would have been entitled to assert against this Government had our country ratified the treaty. We would thus be in the position of being compelled to protect the independence and territorial integrity of Germany against the aggressions of any or all of our former allies. We would be bound to carry out article 10 of the League of Nations with reference to Germany if this resolution became law and Germany accepted the provisions of it. We would thus be extending to Germany a protection and rights which the leadership of the Senate have so violently proclaimed that we would never extend to any nation on the face of the earth. We have refused to enter into any such obligations with our allies, and yet by this resolution we propose to give the benefits of those obligations to Germany.

## SECTION 4.

Section 4 simply provides for a penalty for violations of other provisions of the resolution.

## SECTION 5.

This section is an attempt to preserve something out of the wreck of American rights which have been so outrageously surrendered in former sections of the resolution. A disclaimer was introduced that our country does not waive its rights under the armistice, and it further provides a ratification of the previous war acts of our country in the matter of fines, forfeitures, penalties, and seizures imposed or made by the United States.

Manifestly, such a declaration adds no legal force to the statutes already created. Neither section 3 nor section 5 renounces the old Prussian treaty. From whatever angle this resolution is viewed it presents itself as a proposition not only ineffective in achieving its proclaimed purpose, but as a sure method of confusing our foreign relations, injecting new and complicated questions into an already difficult situation, and involving a surrender of American rights and an impairment of American prestige and honor.

This section in no sense preserves the material benefits we would have gained in protection of American interests by representation on the reparation commission. For example, the interests of this country in the final disposition of certain tankers owned by a German corporation, which, however, is controlled by the Standard Oil Co., can be best preserved by

sitting officially on the commission which may decide the matter. The continued participation of the United States in the benefit of certain options contained in the treaty, particularly with regard to dyes and pharmaceuticals, will depend upon the action and consent of the commission. Furthermore, the attributing of German assets and reparation payments to the satisfaction of the expenses of the American army of occupation; the approval of payment by German municipalities to American owners of municipal bonds; the participation of this Government in the distribution of German cables; the proper protection of the assets and business of American life insurance companies in Austria and Germany; the satisfaction of relief credits extended to Austria, and decisions as to what food and raw materials supplied to Germany may be credited against the initial 20,000,000,000 mark payment—all these matters of importance, the satisfactory outcome of which may rest upon whether or not by participation in its functions we will exert an influence on the policies of the commission and make use of our ability to prevent decisions unfavorable to our interest. Clearly our most effective protection against unfavorable decisions lies in official representation and the exercise, should occasion arise, of the veto right exercisable by us under the treaty, on questions involving the power or jurisdiction of the reparation commission. The framers of this resolution seem not to have considered this situation.

This commission, by the terms of the other treaties modeled after the German treaty, will probably extend its powers over the assets of the other enemy countries, including Turkey. The commission is authorized to construe the provisions of the treaty which define its powers and jurisdiction, as has been mentioned above. Recent reports show a desire to extend these powers by broad construction. If, for instance, it is decided, as has been suggested, that the commission, under article 235, has direct or indirect power to affect generally privately owned property in Germany or assets and credits possessed by German nationals in foreign countries, an opportunity would be offered to the Governments dominating the reparation commission indirectly to exercise a controlling influence on private trade with Germany or other enemy countries, perhaps to threaten thereby American commerce. With this possibility in mind we must realize that by the terms of the treaty of Versailles the influence and power of a large part of the world is concentrated behind the decisions of the reparation commission, and what amounts practically to a right of veto exercisable by the United States in matters involving decisions on the powers of the reparation commission can be exercised for our protection only if and when we obtain official representation on the commission under the terms of the treaty.

Hostilities with Germany long ago ceased; trade with Germany is going forward under licenses issued by the Government under presidential proclamation; nothing remains except to make a technical peace; and there is but one way in which this can be accomplished with safety to the interest of this country and its nationals in the circumstances, and that is through the constitutional methods provided by our form of Government.

H. D. FLOOD.  
J. CHAS. LINTHICUM.  
W. S. GOODWIN.  
CHAS. M. STEDMAN.  
TOM CONNALLY.  
THOS. F. SMITH.

House joint resolution 327.

[Omit the part inclosed in brackets and insert the part in italic.]

Joint resolution terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States; permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

[Whereas the President of the United States, in the performance of his constitutional duty to give to the Congress information of the state of the Union, has advised the Congress that the war with the Imperial German Government has ended:]

*Resolved, etc.,* [That the state of war declared to exist between the Imperial German Government and the United States by the joint resolution of Congress approved April 6, 1917, is hereby declared at an end.

[Sec. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this reso-

lution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

[Sec. 3. That with a view to secure reciprocal trade with the German Government and its nationals, and for this purpose, it is hereby provided that unless within 45 days from the date when this resolution becomes effective the German Government shall duly notify the President of the United States that it has declared a termination of the war with the United States, and that it waives and renounces on behalf of itself and its nationals any claim, demand, right, or benefit against the United States or its nationals that it or they would not have had the right to assert had the United States ratified the treaty of Versailles, the President of the United States shall have the power, and it shall be his duty, to proclaim the fact that the German Government has not given the notification hereinbefore mentioned and thereupon and until the President shall have proclaimed the receipt of such notification, commercial intercourse between the United States and Germany and the making of loans or credits, and the furnishing of financial assistance or supplies to the German Government or the inhabitants of Germany, directly or indirectly, by the Government or the inhabitants of the United States shall, except with the license of the President, be prohibited.

[Sec. 4. That whoever shall willfully violate the foregoing prohibition whenever the same shall be in force shall upon conviction be fined not more than \$10,000, or, if a natural person, imprisoned for not more than two years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both, and any property, funds, securities, papers, or other articles or documents, or any vessel, together with her tackle, apparel, furniture, and equipment, concerned in such violation, shall be forfeited to the United States.

[Sec. 5. That nothing here contained shall be construed as a waiver by the United States of any rights, privileges, indemnities, reparations, or advantages to which the United States has become entitled under the terms of the armistice signed November 11, 1918, or which were acquired by or are in the possession of the United States by reason of its participation in the war, or otherwise; and all fines, forfeitures, penalties, and seizures imposed or made by the United States are hereby ratified, confirmed, and maintained.]

*That the joint resolution of Congress passed April 6, 1917, declaring a state of war to exist between the Imperial German Government and the Government and people of the United States, and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end: Provided, however, That all property of the Imperial German Government, or its successor or successors, and of all German nationals which was, on April 6, 1917, in or has since that date come into the possession or under control of the Government of the United States or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall specifically be hereafter provided by Congress, until such time as the German Government has, by treaty with the United States, ratification whereof is to be made by and with the advice and consent of the Senate, made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled, who owe permanent allegiance to the United States, whether such persons have suffered, through the acts of the German Government or its agent since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, through the ownership of shares of stock in German, American, or other corporations, or otherwise and until the German Government has given further undertakings and made provisions by treaty, to be ratified by and with the advice and consent of the Senate, for granting to persons owing permanent allegiance to the United States, most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce, and industrial property rights, and confirming to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals, and waiving any pecuniary claims based on events which occurred at any time before the coming into force of such treaty, any existing treaty between the United States and Germany to the contrary notwithstanding. To these ends, and for the purpose of establishing fully friendly relations and commercial intercourse between the*



*United States and Germany, the President is hereby requested immediately to open negotiations with the Government of Germany.*

*Sec. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.*

*Sec. 3. That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the treaty of Versailles, does not waive any of the rights, privileges, indemnities, reparations, or advantages to which it and its nationals have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof or which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers and to which it is entitled.*

*Sec. 4. That the joint resolution of Congress approved December 7, 1917, declaring that a state of war exists between the Imperial and Royal Austro-Hungarian Government and the Government and the people of the United States and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end, and the President is hereby requested immediately to open negotiations with the successor or successors of said Government for the purpose of establishing fully friendly relations and commercial intercourse between the United States and the Governments and peoples of Austria and Hungary.*

Amend the title so as to read: "Joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government."

CALENDAR NO. 515.

[Senate Report No. 568, Sixty-sixth Congress, second session.]

TERMINATING THE STATE OF WAR EXISTING BETWEEN GERMANY AND AUSTRIA-HUNGARY AND THE UNITED STATES.

Mr. LODGE, from the Committee on Foreign Relations, submitted the following report, to accompany House joint resolution 327:

The Committee on Foreign Relations, to whom was referred H. J. Res. 327, terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes, having had the same under consideration report it with the following amendments:

Strike out all after the resolving clause and substitute the following:

[See foregoing matter in italics followed by amended title and preamble stricken out.]

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the amendments of the Senate to the bill (H. R. 8314) to provide for the training of officers of the Army in aeronautic engineering and the issue of equipment and materials therefor.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H. R. 9783) to provide a national budget system and an independent audit of Government accounts, and for other purposes, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. GOOD, Mr. CAMPBELL of Kansas, Mr. MADDEN, Mr. BYRNS of Tennessee, and Mr. GARNER managers at the conference on the part of the House.

The message also announced that the House had passed the bill (S. 2789) for the consolidation of forest lands in the Sierra National Forest, Calif., and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 2528) to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply and as a municipal park site, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 2792) to enlarge the boundaries of the Oregon National Forest, with an amendment, in which it requested the concurrence of the Senate.

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

H. R. 6221. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in the Osage civilization-fund claim of the Osage Nation of Indians against the United States;

H. R. 9028. An act to authorize the addition of certain lands to the Nez Perce National Forest, Idaho;

H. R. 9392. An act regulating the disposition of lands formerly embraced in the grants to the Oregon & California Railroad Co. and Coos Bay Wagon Road Co.;

H. R. 9825. An act authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and reverted in the United States by the act approved June 9, 1916;

H. R. 10434. An act to add certain lands to the Targhee National Forest;

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.;

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes;

H. R. 13576. An act authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building, or buildings, now located at Watertown, N. Y.;

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.; and

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.

PETITIONS AND MEMORIALS.

Mr. KENYON presented the memorial of N. G. Coder and sundry other citizens of Letts, Iowa, remonstrating against universal military training, which was ordered to lie on the table.

Mr. TOWNSEND presented a petition of sundry veterans of the Spanish-American War, residents of Grand Rapids, Mich., praying for the enactment of legislation to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition, which was ordered to lie on the table.

Mr. JONES of Washington presented a memorial of Seattle Post, No. 18, American Legion, of Seattle, Wash., remonstrating against the passage of a compensation or bonus bill carrying with it any classification, which was referred to the Committee on Finance.

Mr. CAPPER presented a petition of sundry rural free-delivery carriers of Columbus, Kans., praying for an increase in the salaries of rural letter carriers, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of sundry post-office employees of Salina, of the Chamber of Commerce of Winfield, and of sundry post-office employees of Augusta, all in the State of Kansas, praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of Oberlin Post, No. 70, American Legion, of Oberlin, Kans., and a petition of Walter S. Cheers Post, American Legion, of Iarned, Kans., praying for

the enactment of legislation providing for adjusted compensation to ex-service men, etc., which were referred to the Committee on Finance.

Mr. ASHURST presented a memorial of sundry citizens of Maricopa County, Ariz., remonstrating against the enactment of legislation placing an exorbitant tax on the sale of all stocks, which was referred to the Committee on Finance.

#### WOMEN'S BUREAU.

Mr. KENYON. By direction of the Committee on Education and Labor I report back favorably without amendment the bill (H. R. 13229) to establish in the Department of Labor a bureau to be known as the women's bureau, and I submit a report (No. 572) thereon. I ask unanimous consent that this bill may be substituted for Senate bill 4002 on the calendar, which is a similar bill.

Mr. CURTIS. What is the calendar number?

Mr. KENYON. Order of Business 477. It is a similar bill heretofore reported from the Committee on Education and Labor.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The Senate bill will be indefinitely postponed.

#### REPORTS OF COMMITTEES.

Mr. KENYON, from the Committee on Education and Labor, to which was referred the bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended by the act of July 11, 1919, reported it without amendment, and submitted a report (No. 571) thereon.

Mr. LODGE, from the Committee on Foreign Relations, to which was referred Senate resolution 324, declaring it the sense of the Senate that Northern Epirus, the Twelve Islands of the Aegean, and the western coast of Asia Minor should be awarded to Greece, etc., reported it without amendment.

Mr. KELLOGG, from the Committee on the Judiciary, to which was referred the bill (S. 2903) to provide that robbery of a Federal reserve bank or member bank shall constitute a felony, and for other purposes, reported it with amendments and submitted a report (No. 570) thereon.

Mr. McLEAN, from the Committee on Banking and Currency, to which was referred the bill (S. 3897) to amend sections 16 and 26 of the act of Congress approved July 17, 1916, known as the Federal farm loan act, reported it with amendments and submitted a report (No. 574) thereon.

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, reported it with amendments and submitted a report (No. 573) thereon.

#### VOCATIONAL TRAINING.

Mr. SMITH of Georgia. Mr. President, I desire to bring to the attention of the Senate a letter which I have received from quite a number of injured soldiers who are taking vocational training at the State College of Agriculture in Georgia. It is short and I would be glad to have it read.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Assistant Secretary read as follows:

ATHENS, GA., April 30, 1920.

Senator HOKE SMITH,  
Washington, D. C.

DEAR SENATOR: We the undersigned come to you in a personal appeal for what we think is our rights. In regard to the bill that passed Congress recently, allowing the married men taking vocational rehabilitation training a raise of \$5 per month and the single men a raise of \$20 per month, we feel that we have not had a square deal, so we appeal to you.

In the first place, Senator, we were living on the very least that a people could live on in order that we might get the education that we need so badly. Then, again, the United States Government and its officials fixed the pay and allowances that our dependent families would receive while we were in the Army. And for the single men to get a raise of \$20 and the married men a raise of \$5, do you think it would be fair? We can't answer for you, but we say no.

Mr. Smith, don't understand us to say that the single men are not in need of the raise; they are, and more than they are getting. So are we married men.

Again, Senator, reason teaches us that one person can live on \$100 per month far more comfortably than two can on \$120. With this increase bill Congress has just stepped in and taken \$15 each month that our wives and children need so much.

Mr. Smith, if we were able-bodied men we would not ask this of you, but we are not. A great many of us are minus of arms and legs, and there is no indication of new ones growing on, so we feel that we have done our part as well as the other fellow and we ask that we be compensated accordingly.

We could go on and tell you a great many more reasons why we should get this raise equalized, but we don't think it necessary, for we feel that you will not let our wives and children suffer when there is no just cause for it.

If you should care to reply to this appeal, address your correspondence to L. J. Highsmith, 174 Hickory Street, Athens, Ga.

With best wishes, we remain,

THE REHABILITATION VOCATIONAL MARRIED MEN'S CLUB  
OF THE GEORGIA STATE COLLEGE OF AGRICULTURE,  
Athens, Ga.

Mr. SMITH of Georgia. Mr. President, I have been absent from the Senate for two or three weeks, but I hardly think the situation can be such as is stated in the letter which has just been read from the desk. I feel that there must be some mistake about the suggested changes in legislation described in this letter, but I have presented the letter to the Senate, for I do not believe we have given that careful study to the condition of the injured ex-service men which we should have given. I am not particularly troubled about those who came home perfectly sound. I desire that the letter may be referred to the Committee on Military Affairs, which, as I understand, has control of the subject.

Mr. SMOOT. The Finance Committee has the matter under consideration.

Mr. SMITH of Georgia. The Senator from Utah informs me that the Committee on Finance has the matter under consideration, and I should therefore be glad to have the letter referred to that committee.

Mr. JONES of New Mexico. Mr. President—

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from New Mexico?

Mr. SMITH of Georgia. I yield.

Mr. JONES of New Mexico. If the Senator from Georgia will yield to me for just a moment, I think I can make some explanation of the present situation. The Committee on Education and Labor this morning made a report upon House bill 12266, which increases the compensation of both single and married ex-service men by \$20 per month. That bill was reported from the Committee on Education and Labor to-day by the chairman [Mr. KENYON], the committee having this morning, by unanimous decision, ordered the bill to be reported.

The VICE PRESIDENT. The Chair will state to the Senator from New Mexico that the bill to which he refers has been reported this morning and is on the calendar.

Mr. JONES of New Mexico. I believe that bill will cover the point made by the letter which has been presented by the Senator from Georgia.

The VICE PRESIDENT. The letter will lie on the table, the bill having been reported to-day.

#### BILLS INTRODUCED.

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

By Mr. WATSON:

A bill (S. 4323) to enforce the provisions of the nineteenth amendment to the Constitution of the United States with respect to elective franchise; to the Committee on the Judiciary.

By Mr. THOMAS:

A bill (S. 4324) for the relief of William C. Brown; to the Committee on Military Affairs.

By Mr. BALL:

A bill (S. 4325) granting a pension to Henrietta M. Reeves (with accompanying papers); to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 4326) for the relief of George F. Ramsey;  
A bill (S. 4327) for the relief of H. B. Banks; and  
A bill (S. 4328) for the relief of Roach, Stansell, Lowrance Bros. & Co.; to the Committee on Claims.

By Mr. UNDERWOOD:

A bill (S. 4329) granting an increase of pension to Herbert S. Coheley (with accompanying papers); to the Committee on Pensions.

#### MARKETS ABROAD FOR AMERICAN COTTON.

Mr. SMITH of South Carolina submitted the following resolution (S. Res. 356), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary of State is hereby requested and directed to instruct our consuls in foreign countries where American cotton is consumed to ascertain as near as possible what quantity of American cotton will be needed during the present year by the countries in which they are located. Also, that they be requested to make suggestions as to means by which markets for American cotton may be enlarged and extended, and that this report be made as soon as practicable.

#### HOUSE BILLS REFERRED.

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

H. R. 9028. An act to authorize the addition of certain lands to the Nez Perce National Forest, Idaho;

H. R. 9392. An act regulating the disposition of lands formerly embraced in the grants to the Oregon & California Railroad Co. and Coos Bay Wagon Road Co.;

H. R. 9825. An act authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and vested in the United States by the act approved June 9, 1916;

H. R. 10434. An act to add certain lands to the Targhee National Forest; and

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.

The following bills were each read twice by their titles and referred to the Committee on Public Buildings and Grounds:

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes; and

H. R. 13576. An act authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building, or buildings, now located at Watertown, N. Y.;

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

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.; and

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.

H. R. 6221. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in the Osage civilization-fund claim of the Osage Nation of Indians against the United States, was read twice by its title and referred to the Committee on Indian Affairs.

#### PENSIONS TO SOLDIERS OF SPANISH-AMERICAN WAR, ETC.

The VICE PRESIDENT (at 12 o'clock and 25 minutes p. m.). Morning business is closed.

Mr. NEW. Mr. President, pursuant to the notice which I gave yesterday, I move that the Senate proceed to the consideration of the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Pensions without amendment.

Mr. KING. Mr. President, I should be glad to hear the Senator from Indiana explain this bill.

Mr. NEW. Mr. President, I think the bill explains itself. I have no desire to address the Senate concerning it at this time, although I may do so later in case debate ensues concerning it which appears to develop any real occasion for me to speak.

The bill provides for a system of pensions to the veterans of the Spanish-American War, the Philippine insurrection, and the Boxer expedition. It is 22 years since the Spanish-American War was fought, and this is the first pension legislation that has been proposed for the benefit of the survivors of that war. As I have said, I do not think I care to say anything concerning the merits of the bill at this time.

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

Mr. NEW. Certainly.

Mr. KING. This bill, as I understand its provisions, commits the Government of the United States to a policy of pensioning those who have been in the military or naval service, whether or not they receive injuries or incur disabilities.

Mr. NEW. I think, Mr. President, that this bill commits the Government to no policy to which it is not already committed.

Mr. KING. Does the Senator state that it is the policy of the United States to pension every person who has been in the naval or military service of the Government, no matter how brief the period, whether injured or not, whether suffering from any disabilities incurred in the line of service or directly or indirectly traceable to any service in behalf of the Government? I understand that this bill goes that far.

Mr. NEW. This bill does not go that far. The bill says that the persons described in it shall be—

entitled to receive a pension, not exceeding \$30 per month and not less than \$12 per month, proportioned to the degree of inability to earn a support; and in determining such inability each and every infirmity shall be duly considered and the aggregate of the disabilities shown be rated.

It is practically the same as the general pension law of 1890.

Mr. KING. If the Senator will pardon me, it does provide pensions for all persons who were in the Army or the Navy during the War with Spain, the Philippine insurrection, or the China relief expedition for 90 days or more, whether they were in battle or not, whether they remained in the United States or not, whether they were exposed to any danger or not, and whether they received any injury or not. The bill goes further and grants pensions to all such persons, though they are in perfect health or are rich and prosperous. It also pensions all who may now or hereafter suffer from any disability not the result of their own vicious habits, whether it was caused by such service or not, or whether or not it can be traced directly or remotely to such service. Is that not true?

Mr. NEW. If they are suffering from any mental or physical disability or disabilities of a permanent character not the result of their own vicious habits.

Mr. KING. If the Senator will excuse me, they do not have to prove that the disabilities, mental or physical, from which they are suffering are traceable to their service in the Army.

Mr. NEW. Not any more than they do under the pension law of 1890—in the same way.

Mr. KING. The pension law of 1890 relating to the Civil War veterans?

Mr. NEW. Yes.

Mr. KING. Is the Senator placing those who served in the Spanish-American War on the same basis as those who served in the Civil War?

Mr. NEW. Oh, no, Mr. President; I am not instituting any comparisons whatever between American soldiers of any two wars. The man who has worn the uniform of his country and followed the flag in one war is as much entitled to consideration as the man who has followed it in another. He has gone into the military service of his country without any preknowledge of where that service was to take him, or how extensive it was to be, or anything of the kind. The soldier of the Spanish-American War was a volunteer soldier, and went in to do his duty by his country as he saw it, and he did it, and he did it surprisingly well, too. The soldier of the Spanish-American War has nothing whatever but praise and affection for the soldier of every other war in which the United States has ever engaged, and he is not setting himself up at all to be compared with the soldier of any other period, and nobody is making any extravagant claims for him, and nobody feels that he is called upon to make any apologies for him, either.

Mr. KING. Mr. President, will the Senator permit another interruption?

Mr. NEW. Certainly.

Mr. KING. A moment ago the Senator used the expression that the Spanish-American War veteran was a volunteer soldier. Does this bill limit the pensions to be paid to the volunteers, or does it extend them to all who served in the Regular Army during the Spanish-American War?

Mr. NEW. Mr. President, there are certain facts to be considered in connection with the Spanish-American War which, I think, would be somewhat surprising to all of us if we only stopped to recall them. They are things that are perfectly well known to us, but have probably passed from our recollections in the 22 years that have elapsed since that war was fought.

It is a fact that when war was declared between the United States and Spain the Regular Army of the United States consisted of less than 25,000 men. The soldiers of the Spanish-American War were almost all volunteers in the strict acceptance of the term; and, as the Senator from North Dakota [Mr. McCUMBER] very correctly states, the Regular was a Volunteer soldier, too. They were all volunteers. There was no draft. The Regular Army, as I say, consisted of a few more than 24,000 men, and the call was for 250,000 volunteers. It was responded to with a promptness that does infinite credit to the patriotism of the American youth of that day, just as the response to every other call for volunteers has done credit to the American youth of every other day in which one was ever made. The Senator from Utah asks if I propose to compare the soldiers of the Spanish-American War with the soldiers of the Civil War. I say no; I am not comparing them with the soldiers of any other war. We are simply standing here saying that they were all soldiers, and they are all entitled to equal treatment at the hands of their Government, so far as the treatment of the

soldier is concerned. I want to say to the Senator from Utah—

Mr. KING. Mr. President, will the Senator permit a question?

Mr. NEW. If the Senator will permit me just to conclude this sentence, as a matter of fact the records of The Adjutant General's Office and the Surgeon General's Office show two things that I think will surprise the Senator from Utah a little, if his attention has not already been directed to them. One is that in the first five months of the Spanish-American War there were more volunteers, more men in the service of the Government, than there were in the first five months of the Civil War, and the fatalities of the first five months of the Spanish-American War actually exceeded the fatalities of the first five months of the Civil War. I am not instituting any comparisons, no; but it is not at all amiss to state facts, and those are facts as shown by the official records of those two bureaus of the War Department.

Mr. KING. Mr. President, I did not suggest, nor did I intend to institute a comparison between the Civil War veterans and those who entered the Army at the time of the war with Spain. I merely inquired whether the Senator sought to place those in the service of the United States during the Spanish-American War upon the same basis as those who were in the Civil War.

Mr. NEW. Yes.

Mr. KING. Perhaps I did not express my meaning clearly. What I had in mind was to inquire whether it is the purpose of the bill to employ the same standard as a basis for pensions for all persons who were in the Civil War and the Spanish-American War. Of course, I would not suggest a comparison between the valor of the Civil War veterans and the valor of those who participated in the Spanish-American War. All did their duty, and the American soldier in every war has done his duty, and in any future war he will live up to the high standards established by the heroic conduct of those who have offered themselves in defense of our country.

If the Senator from Indiana has concluded, I ask that the report be read.

The VICE PRESIDENT. The Secretary will read the report.

The Assistant Secretary read the report submitted by Mr. NEW on April 16, 1920, as follows:

The Committee on Pensions, to whom was referred the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition, having considered the same, report favorably thereon within the recommendation that the bill do pass without amendment.

The report of the Committee on Pensions of the House of Representatives hereto appended is adopted, and the passage of the bill is recommended.

[House Report No. 132, Sixty-sixth Congress, first session.]

The Committee on Pensions, having had under consideration the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition, beg leave to report the same with the recommendation that it do pass.

This bill follows largely the act of June 27, 1890, which was the first legislation enacted by Congress for the relief of Civil War soldiers suffering from disabilities not contracted in the military service. The provisions of that act are virtually unchanged except as to the rates of pension allowed. The act of 1890 provided a maximum of \$12 and a minimum of \$6 per month. This bill proposes a maximum of \$50 and a minimum of \$12. The committee feels warranted in recommending these advances, believing that the largely increased cost of living is sufficient justification for its action. Many of these veterans, who freely volunteered their services in response to their country's call, are living in abject poverty and distress. Lower rates of pension would be inadequate to afford proper relief.

The committee submits herewith a memorandum from the Bureau of Pensions, giving an estimate of its probable cost:

"JULY 16, 1919.

"Probable cost of the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition for the first three years, should it become a law, as ascertained by comparison with results of the first three years under the act of June 27, 1890: The bill follows the invalid provision of said act, except that the maximum and minimum rates are \$30 and \$12 per month as against \$12 and \$6 per month under the act, which would make the cost of the bill per pensioner somewhat more than double.

"The number of men engaged in the War with Spain, etc., was about one-seventh the number engaged in the Civil War, the estimated numbers being 312,000 and 2,213,365, respectively.

"The results for the first three years under the act of June 27, 1890, in numbers of invalids on the roll at the close of the years and the totals paid each year, are as follows:

	Number of pensioners.	Total paid.
1891.....	101,112	\$7,812,107.65
1892.....	293,068	43,845,071.02
1893.....	377,203	54,568,610.16

"Taking one-seventh of the number of pensioners and two-sevenths of the amount paid in each year as approximating the cost of the bill in the first three years after enactment, the results are as follows:

	Number of pensioners.	Total paid.
First year.....	14,445	\$2,232,030.76
Second year.....	41,867	12,527,163.14
Third year.....	53,886	15,591,031.48

The burden of providing many of these indigent, disabled veterans with the necessities of life has to a great extent rested upon their former comrades and the Spanish War organizations to which they belong. The committee believes that the existence of such conditions should not longer be permitted, and that it is the duty of a just and generous Government to make suitable provisions for those who have been its defenders in times of stress and danger.

These men served in Cuba, Porto Rico, the Philippines, and in the insanitary camps within our borders. They contracted malaria, fevers, and many of the diseases prevalent in tropical countries. Thousands of them, unable to trace their disabilities to their service, after a lapse of more than 20 years, are receiving no pension, and under existing laws can never be pensioned. They have waited patiently, and now, after a lapse of more than 20 years, have appealed to Congress for a small measure of relief.

The act of June 27, 1890, in its application to Federal soldiers, was by reason of existing conditions largely sectional. But the benefits of this bill would be extended in equitable proportion to Spanish War soldiers in every State of the Union. There was no sectionalism in response to the call of President McKinley in 1898 for volunteers. Each State did its full duty and sent its full quota. The readiness of every section to meet the situation demonstrated that the Nation was reunited in spirit and purpose. The sons of the North and the South alike took up arms in defense of their common country.

The committee feels that discussion of the merits of the pension system is not necessary. The country has been committed to it virtually throughout its history. The care of those who have borne the brunt of the battle has been and is regarded as a sacred obligation of the Republic. To the extension of this just protection to the disabled veterans embraced in this bill the committee is of one mind, and unanimously recommends it to the favorable consideration of the House.

Mr. KING. Mr. President, I realize that nothing which can be said in this body or in the other branch of the National Legislature will prevent the passage of this bill or any other pension bill that may be offered. The country seems to be pension mad, and Congress is similarly affected.

Can it be that the approach of a national election has any relation to the demand for immediate pension legislation?

The political air is full of pension qualities. I am not so sanguine that back among the sober and serious persons, who are the real power in this Nation, there is that insistent demand for pensions and bounties and gratuities that we are led to believe is sweeping over the land. I know, however, that there are those who are urging that the Federal Government grant pensions to all persons over a given age, whether they have been in the military or naval service of the United States or not.

The same schools teach that pensions should be granted by the United States to all persons who are in any way disabled or who are unable to earn a livelihood. These individuals utterly fail to comprehend the nature of the Federal Government or the limitations placed upon it. They point to monarchical Governments of Europe and urge that inasmuch as civil and old-age pensions are paid by some the United States should follow that example. I am not discussing the propriety or impropriety of granting pensions of this character by the various States in the United States. Unless they are restricted by State constitutional limitations they have the right and power to adopt this policy. I am only considering the question from the standpoint of the power of the Federal Government. It is obvious that the States have the power to do many things which the Federal Government could not do.

There is a growing hysteria, which finds an outlet in wild and visionary schemes, calling for governmental control over private affairs; a paternalistic regulation of individuals and States; a submergence of the States in the Federal Government; and an all-persuasive collectivism which is destructive of the virile qualities and Anglo-Saxon characteristics which have made the people of the States of this Union the most progressive and self-reliant people upon the earth and this Republic the most powerful instrument for liberty and freedom that the world has ever produced.

Mr. President, there must be no decadence in the moral qualities which influence and guide the American people. There must be no flabby and flaccid political organism; the strenuous life now more than ever is essential to the development and preservation of the high qualities for which this Nation stands.

We want no anemic virtues. We need rugged and sterling national and individual traits now as never before. I have sometimes thought, when encountering the influences which seek to effeminate the American people and lead them to believe that

they must rely upon the Government for life and health and being, that we needed a strong blast from the bugle of Theodore Roosevelt or Andrew Jackson.

We should be awakened to the fact that all power is in the people, not in the Government; that when the people surrender that power and transfer it to a Government, no matter its name, the freedom of the people will be lost and a tyrannous external authority will be created.

Mr. President, these observations may not be germane to the pending measure, and yet the persistent talk of pensions and governmental aid and control inevitably develop the situation which I have imperfectly glimpsed and suggested.

Mr. President, it would seem from the statements of the Senator from Indiana that the Government has entered upon a policy of "service" pensions. Under this plan, as I understand the Senator, all persons are to be pensioned who at any time entered the military or naval service of the United States.

The Senator, of course, did not state the proposition quite so nakedly as I have put it, but his position logically must lead to that end.

Recently we passed what is known as the Fuller bill, that gave \$50 per month to all persons who were in the military or naval service of the United States during the Civil War. In order to obtain this pension the beneficiary need not have seen a battle or been within a thousand miles of a battle field. He need not have been wounded and he need not be in poor health. He may be rich and prosperous, and yet he draws a pension from the Government of \$50 per month. It is a service pension.

The pending measure is framed along the same lines.

Moreover, the Fuller bill granted pensions to widows far removed, who may have been married and divorced a score of times. It also extends to parents and alleged dependents whose relationship is not very intimate.

Of course, we will be called upon soon to amend this bill and increase the pensions and extend its provisions to the relatives of those who are provided for in the bill.

Referring to the Fuller bill, it was urged, Mr. President, that because of the high cost of living the Government should increase the pensions which heretofore had been granted to those who were in the military or naval service of the Government during the Civil War; and, pursuant to that representation, notwithstanding a pension bill was passed not long ago upon representations made that no further appeal to Congress would be made, a bill was passed increasing the amount, as stated, to \$50 per month. Of course, that bill did not supersede pensions which were granted by specific bills, which aggregated thousands and tens of thousands, and in many instances the pensions provided by special bills exceed the amount provided in the so-called Fuller bill.

It may be, Mr. President, that we are committed to a policy of pensioning everybody who has responded to the call of his country whenever we have been engaged in any wars with other nations. I shall regret if that is the policy of this Republic. I shall regret if we announce it to be the permanent policy of this Government to pension everybody who has enlisted in the Army or in the Navy, and who has served but a few days or a few weeks, and has suffered no disability, has not been wounded, has been in no battle, has participated in no conflict.

I am not able to take the view expressed by the distinguished Senator from Indiana [Mr. New], and which apparently seems to be the view of the overwhelming majority of the Senate and of Congress, namely, that everybody must receive a pension if he enlists or is drafted for a few days' service in the Army or in the Navy.

I do believe in liberal pensions for those who served their country upon the deep or upon the field of battle, and who received wounds and injuries or suffered disabilities which impair their health or make it impossible or more difficult for them to engage in the pursuits and avocations of life. The Government should be liberal in caring for the wounded, for the sick, for the disabled, for those who while in the military or naval service of their country were in any manner injured or thereafter suffered from any disability which can be traced to such service. And the widows and orphans of those who gave their lives for their country should be generously provided for.

Mr. President, I believe in liberal and generous pensions for those who have suffered for their country. It is this policy of service pensions that I am criticizing.

Mr. CURTIS. Mr. President—

Mr. KING. I yield to the Senator.

Mr. CURTIS. I wanted to ask the Senator if he did not realize that many men who served in the Spanish-American War are really suffering from injuries incurred in the service which they can not establish as the result of such service? This

pension bill gives pensions only to those who are disabled for the performance of manual labor, which disabilities are not the result of their own vicious habits, and it further gives pensions to those who have arrived at the age of 62 years. I think this is a fair and just measure and I hope it may soon be enacted into law.

Mr. KING. Mr. President, the statement of the Senator corroborates what I have been stating, that this is a service pension bill.

Mr. CURTIS. But, Mr. President, it requires that a man should have served 90 days.

Mr. KING. Yes; served 90 days. It is not a bill granting pensions for actual service upon the battle field. If a man enlisted for service in the military branch of the United States and was there 90 days, if he did not leave his own home, if he did not leave the camp to which he went, he would receive a pension under this bill.

Mr. CURTIS. Mr. President, I suppose the Senator knows that they all did leave their home camps.

Mr. KING. My recollection is that many of them did not leave the camps to which they were sent for training. I know that many who enlisted did not go to Cuba or go to the Philippines. There were thousands who did not leave the United States.

Mr. CURTIS. That is true, Mr. President. I think a majority of those in the Spanish-American War did not leave the United States. But what I meant was that they left their homes. I understood the Senator to say that many of them did not leave their homes.

Mr. KING. I am inclined to think that some of them did not go very far away from their homes; that the camps were so near their homes that, comparatively speaking, they were within a stone's throw of their homes during the period of their enlistment. The Senator knows that a very large portion, perhaps a majority, of those who enlisted in the Spanish-American War did not leave the confines of the United States. I am not saying that at all to their discredit, because they possessed the same spirit possessed by our boys who enlisted or were drafted in the present war. They were resentful because they were retained in the United States. They wanted to get over the seas and do their part in driving back the forces of the Central Empires.

Mr. CURTIS. That was the statement I intended to make, that they were all anxious to go over, and many of them appealed to the President to be sent over, and could not go because the Government did not have the transports, or the troops were not needed overseas.

Mr. KING. Unquestionably. I do not mean to draw any distinction whatever between the patriotism of those who remained in the United States and that of those who went to Cuba or to Porto Rico or to the Philippine Islands. I recall that some of the troops enlisted in my own State for the Spanish-American War were not privileged to go to the Philippine Islands or to go to Cuba. The war ended before they could be sent beyond the United States. However, they were brave and splendid Americans and would have gladly given their lives for their country. It will be remembered by Senators that some of the Utah troops reached the Philippine Islands. There they did heroic and gallant service. The "Utah Battery" achieved fame and brought honor to the State and to our country.

Mr. CURTIS. I will state to the Senator that I made a special trip to Washington to have the Twentieth Kansas sent to the Philippines and the Twenty-third Kansas sent to Cuba.

Mr. KING. But this bill provides, Mr. President, that any person who has reached the age of 62 years shall be placed upon the pension roll, and his pension increases as he advances in years. When he reaches the age of 68 years the monthly pension is increased. When he reaches the age of 72 years his pension is still further increased. When he reaches the age of 75 years the maximum amount provided by this bill is awarded to him. These pensions are not dependent in the slightest degree upon whether or not he was injured or wounded or suffered any disability. His health may be perfect. He may be living in wealth and affluence, and still under the provisions of this bill he would be pensioned.

Mr. SMITH of Georgia. Is there not some provision in the bill which limits it to those who need it?

Mr. KING. No.

Mr. SMITH of Georgia. Are they to be pensioned without regard to their wealth or their earning capacity?

Mr. KING. Absolutely. That is the theory of the bill, if I interpret it aright.

Mr. NEW. Mr. President, will the Senator from Utah yield?

Mr. KING. I should be glad to have the Senator correct me if I am wrong.

Mr. NEW. The language of the bill is, after describing those to whom it shall refer—

who are now or who may hereafter be suffering from any mental or physical disability or disabilities of a permanent character, not the result of their own vicious habits, which so incapacitates them from the performance of manual labor as to render them unable to earn a support.

It seems to me that that is broad enough.

Mr. KING. Does the Senator insist that the provisions found on page 2 are qualified and limited by the words to which the Senator has just called attention?

Mr. NEW. Yes; I do.

Mr. KING. I do not think that the construction of the Senator is correct, if he will pardon me. On page 2 the language is:

*Provided*, That any such person who has reached the age of 62 years shall, upon making proof of such fact, be placed upon the pension roll.

Mr. NEW. If that is the language to which the Senator refers, I misunderstood him. The age limit is not qualified by the other provision on page 1, of course.

Mr. KING. Then the statement which I made a moment ago is correct, namely, that when a person reaches the age of 62 years he is entitled to a pension regardless of his physical or mental condition?

Mr. NEW. Absolutely. That is exactly what the bill is meant to provide.

Mr. KING. He may be, as I said a moment ago, living in affluence and luxury; he may be receiving \$10,000 or \$100,000 a year from his efforts, mental or physical; he may not be in need of any aid from the Government, but we propose to pension him anyway. That is the theory of the bill.

Mr. NEW. That is true, but I ask the Senator from Utah if, in his zeal to safeguard the interests of the Treasury, he thinks that any man who had the patriotism to go out and fight for his country, is going to apply for a pension when he is fixed financially as the Senator describes? I think he is safeguarding the Treasury against raids from the wrong individual.

Mr. KING. Will the Senator review the cases which may have come under his own cognizance, cases to which his attention has been invited? I think he will find that persons of high standing, some of them not only earning large sums in their professions, but some of them possessing millions, have been paid pensions from the Treasury of the United States for services during the Civil War? The records of the Pension Office will disclose that those men—and I do not challenge their patriotism at all—did not feel any impropriety in taking the pensions provided by law.

Mr. NEW. Probably not; and I see no impropriety in their doing it, either. They were at least in the Army and served their country.

Mr. KING. I thought that the Senator was making an argument to the effect that no person who was wealthy and who had reached the age of 62 years, or who did not need the pension, would make a demand for it. I thought he challenged the inference that might be deduced from my observation that persons who did not need the pension would not ask it. His contention, I understood, was that they would not take the pension from the Government. Now he admits that they would, and that there would be no impropriety in doing it.

Mr. NEW. I do not think there is the slightest impropriety in their doing it, and I think the United States Government is amply justified in taking that sort of attitude toward the men who wore the uniform in time of war. What I say is that I do not believe there is the slightest danger of the United States Treasury being subjected to any considerable drain as the result of pensions being granted to individuals under the conditions set forth by the Senator from Utah.

Mr. KING. But the Senator, as I understand him now—and I do not mean to be at all offensive, of course; I could not be toward my distinguished friend—has shifted his position. I was insisting that the pension bill provided that we should pension those who did not need it, who were worth millions, who suffered no injury or disability, and who are in perfect health. The Senator interrupted me to say, as I understood him, that we need have no apprehension that those persons would draw their pensions or drain the Treasury of the United States. Of course, they will not drain the Treasury of the United States. It is already drained. It will continue to be drained as long as the policy back of this bill, and other bills which the Republican Party is sponsoring and that some Democrats are aiding in passing, is perpetuated in this body and in the country.

Mr. NEW. I will admit that the Treasury of the United States is being drained, but it is not being drained by the soldiers who fought for the United States.

Mr. KING. Of course \$300,000,000 a year, which we will pay for the year 1920 to the survivors of the Civil War and their families, is not much. Three hundred million dollars constituted one-third of the total revenue of the Government a short time prior to our entry into the present war. Three hundred million dollars would have purchased all of the property in some of the States of the Union prior to the war with Germany. Of course, \$300,000,000 is not much. I am not complaining about it.

The \$300,000,000 which we paid to the survivors of the Civil War last year, and we will pay that much or more this coming year, is only a small fraction of what this Republican Congress is going to appropriate for the coming fiscal year. Notwithstanding the protestations for economy, this Congress will probably appropriate five or six billion dollars for the fiscal year ending June 30, 1921. This bill, of course, swells this tremendous volume and demands additional taxes from the American people, but that question does not seem to address itself to Republican statesmen. We are more interested in spending the money that is not in the Treasury of the United States than we are in pursuing a course of providence and economy and efficiency in the administration of the affairs of the Government.

Mr. President, it would seem that Congress does not know what economy or efficiency is. It has been said that this session of Congress has been engaged in an orgy and saturnalia of extravagance and waste and profligacy in the expenditure of public funds. The war was over on the 11th day of November, 1918. Our expenditures before the war were substantially a billion dollars a year. Our expenditures for the fiscal year ending June 30, 1920, will be more than \$6,000,000,000, and our expenditures for the coming year, which will end on the 30th of June, 1921, will be at least that amount, if not more.

If the Republican Party is not rebuked at the next election and a party elected which is pledged to economy, I venture the prediction that it will reach that stupendous sum. In discussing this question, as well as all others, I desire and hope to be fair, and will therefore state that I can not pay any particular compliment to my own party for its effort to check the extravagant appropriations made and enforce economy in the administration of governmental affairs. I shall not defend my own party when I conceive that it has confederated with Republicans in improper appropriations and has transgressed the rules of sound and economical administration.

As I had occasion to say a few days ago, the Democratic Party knows better than to be wasteful and extravagant. It knows that its history from Jefferson's time to Wilson's day is a glorious one; that it has always stood for efficient and honest administration of public affairs. It has a glorious history, and all Democrats should vindicate the principles for which their party stands. If it is guilty of extravagance, it should be more severely condemned than the Republican Party, because that party proverbially has been wasteful and inefficient in the affairs of government and has not professed as high standards of public morality as has the Democratic Party. We have professed economy, and yet we have so far surrendered to this spendthrift spirit that we joined in some of the appropriations that ought not to have been made at a time when the burdens of the Government are so tremendous and when the taxpayers of the country will have great difficulty in finding the means with which to meet the obligations placed upon them.

Mr. CHAMBERLAIN. Mr. President, will the Senator yield to me?

Mr. KING. I yield to the Senator from Oregon.

Mr. CHAMBERLAIN. The Senator has very kindly yielded to me to offer an amendment to the bill. I am called out of the Senate and can not remain longer just now.

I desire to offer an amendment which I proposed to H. R. 9369, known as the Fuller pension bill, which passed some days ago. I offer the same amendment to it, and the President will remember it was suggested that it had better be offered to the bill which is now pending.

I will read the amendment which I propose to offer. I propose as section 3 to the pending bill to insert:

Sec. 3. That from and after the approval of this act all persons whose names are on the pension roll, and who, while in the service of the United States in the Army, Navy, or Marine Corps, and in the line of duty, shall have lost one hand or one foot or been totally disabled in the same, shall receive a pension at the rate of \$60 per month; that all persons who, in such service and in like manner, shall have lost an arm at or above the elbow, or a leg at or above the knee, or been totally disabled in the same, shall receive a pension at the rate of \$65 per month; that all persons who, in such service and in like manner, shall have lost an arm at the shoulder joint or a leg at

the hip joint, or so near the shoulder or hip joint, or where the same is in such condition as to prevent the use of an artificial limb, shall receive a pension at the rate of \$72 per month; and that all persons who, in such service and in like manner, shall have lost one hand and one foot, or been totally disabled in the same, shall receive a pension at the rate of \$90 per month.

The amendment which I now propose is in the so-called Fuller bill, and applies to those who served in the Civil War. I had no objection to that provision in the bill, and, in fact, supported it. Now I desire to make the same rule applicable to those who have been permanently disabled in the Spanish-American War and the Army generally.

Mr. OVERMAN. I observe that the Senator proposes to provide for those who lost both legs and both arms. Does he not think he ought to make some provision for a man who lost both eyes and is totally blind?

Mr. CHAMBERLAIN. I think so. I would be glad to have that added.

There is no reason in the world why the men who served their country in the Spanish-American War or who have been serving the country in the Regular Army, which is entirely overlooked in all this pension legislation, and who have been totally disabled, should not receive a pension at the hands of the Government in the way I have suggested in the proposed amendment.

I think my friend, the Senator from Utah [Mr. KING], takes a pessimistic view of all this pension legislation. He is disposed to upbraid not only the Republicans but his Democratic colleagues also who happen to stand with the Republicans in the matter of pension legislation. I am not afraid to stand for it, Mr. President; I am not afraid to stand with my country to do justice to the men who have served the country; and it does not make any difference to me how much it costs, if it is within the bounds of reason, and within the capability and possibility of payment by this rich Government of ours.

My plea is that the Spanish-American War veteran who lost a limb and has become totally disabled, and the soldier who served in the Regular Army and became totally disabled, as provided in this section, shall be treated as the soldier of the Civil War has been treated.

Mr. President, may I say in this connection that there are very few men who will be pensioned under the amendment which I have offered? There are a few men in the Regular Army who while in the service lost an arm or a leg and are not receiving the benefits which the Civil War veterans receive under legislation applicable to them. There are a few men who served in the Spanish-American War who lost limbs who are covered by the amendment which I have offered who are not now receiving pensions. It is to meet those cases, Mr. President, that I propose this amendment.

When I offered the amendment, in the first instance, to the Fuller bill, the distinguished Senator from North Dakota [Mr. McCUMBER] suggested that he would not oppose it if it were offered to a bill which was intended for the relief of Spanish-American War veterans, and I understood the distinguished Senator from Indiana [Mr. NEW] to say he would not oppose such an amendment. I am, therefore, proposing it now because it is entirely germane to the subject of the bill now pending.

Mr. OVERMAN. Mr. President, I ask the Senator from Oregon if he will not accept the amendment which I will now suggest? At the end of the printed amendment I suggest that there be inserted the following words:

and that all persons who, in such service and in like manner, shall have lost both eyes, or been totally disabled in the same or who, in such service and in like manner, sustained injuries that proved the direct cause of the subsequent total loss of the sight of both eyes, shall receive a pension at the rate of \$100 per month.

Such a provision will take care of the totally blind.

Mr. CHAMBERLAIN. I am perfectly willing to perfect my amendment by adding to it the amendment proposed by the Senator from North Carolina. I should like now to have the amendment stated as modified.

The VICE PRESIDENT. The amendment as modified will be stated.

The ASSISTANT SECRETARY. It is proposed to insert as section 3 the following:

Sec. 3. That from and after the approval of this act all persons whose names are on the pension roll, and who, while in the service of the United States in the Army, Navy, or Marine Corps and in the line of duty, shall have lost one hand or one foot or been totally disabled in the same, shall receive a pension at the rate of \$60 per month; that all persons who, in such service and in like manner, shall have lost an arm at or above the elbow, or a leg at or above the knee, or been totally disabled in the same, shall receive a pension at the rate of \$65 per month; that all persons who, in such service and in like manner, shall have lost an arm at the shoulder joint or a leg at the hip joint, or so near the shoulder or hip joint, or where the same is in such condition as to prevent the use of an artificial limb, shall

receive a pension at the rate of \$72 per month; and that all persons who, in such service and in like manner, shall have lost one hand and one foot, or been totally disabled in the same, shall receive a pension at the rate of \$90 per month; and that all persons who, in such service and in like manner, shall have lost both eyes, or been totally disabled in the same or who, in such service and in like manner, sustained injuries that proved the direct cause of the subsequent total loss of the sight of both eyes, shall receive a pension at the rate of \$100 per month.

Mr. NEW rose.

The VICE PRESIDENT. The Senator from Utah [Mr. KING] is entitled to the floor.

Mr. KING. Does the Senator from Indiana desire to interrupt me?

Mr. NEW. I merely desire to make a suggestion to the Senator from Oregon [Mr. CHAMBERLAIN].

Mr. KING. I yield to the Senator from Indiana.

Mr. NEW. I do not wish now to say that I will not accept the amendment that the Senator from Oregon has offered. I desire an opportunity to read it, which I did not have the other day when he called my attention to it. I also desire an opportunity to obtain some figures for which I have sent before I finally pass judgment on the amendment.

Mr. SMITH of Georgia. Mr. President—

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Utah yield to the Senator from Georgia?

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

Mr. SMITH of Georgia. Before the Senator from Indiana takes his seat I desire to suggest it is evident that the pending bill can not be finished this morning before 2 o'clock. There is on the calendar a short bill for the benefit of injured soldiers who are now taking rehabilitation training, which has been unanimously reported from the committee this morning. It has passed the other House. It contains a provision for a small increase of \$20 per month for a certain class of ex-service men who are taking rehabilitation training. It is very important to them that they get the benefit of the proposed legislation at once. I do not believe the bill will take any time or that there will be any opposition to it. If the Senator from Indiana can not finish his bill to-day, if he would allow us 10 minutes to consider the bill to which I refer and to pass it, it will give immediate relief to men who need immediate relief.

Mr. NEW. Mr. President—

Mr. SMITH of Georgia. Just one moment. I brought to the attention of the Senate this morning a letter from some 30 men who have lost arms or legs and others who have been seriously injured, suggesting that the bill only carried \$5 increase to single men and \$20 increase to married men. The bill reported to-day carries an increase of \$20 to both, and it is conceded on all sides that it is essential to enable them to pay their expenses and to continue their rehabilitation studies. Many of them are really suffering now by reason of their condition. I believe the Senator from Indiana will lose no time on his bill by yielding to my request, because he can not finish his bill by 2 o'clock to-day, when the unfinished business will come up. If he will now let us have a few minutes' time for the consideration of the bill to which I refer, I think the Senator from Utah [Mr. KING] will yield for that purpose.

Mr. NEW. Mr. President, if the Senator from Georgia will give me his cooperation in pressing the pending bill, I think we can complete it well within the morning hour. Then I shall be glad to join him in trying to get his bill through in what remains of the morning hour. I am very sorry that I can not yield to oblige the Senator, for I always like to oblige a colleague wherever it is possible. However, it is not possible now.

Mr. KING. Mr. President, the Senator from Oregon [Mr. CHAMBERLAIN] has just reiterated the views which he has so eloquently expressed upon other occasions. It is a pleasant task to stand here and eulogize the American boy who has served his country. There is very great pleasure in praising the heroism and the valor and the manly and chivalrous conduct and qualities of the American soldier. But that pleasant task is often the prelude to demands for huge appropriations.

I presume the popular thing, Mr. President, is to favor appropriations. I know that the severest condemnation which I have received since I have been in the Senate, aside from that which came from certain radicals, has resulted from my opposition to appropriations. Men want appropriations out of the Federal Treasury. The Federal Government is, under the modern view, a huge dispenser of bounties, gifts, bonuses, and largesses; it is to be used as a sort of sponge to suck taxes out of the people, and then to be squeezed in order that the accumulations shall be distributed to the people. It is forgotten that in the process of absorbing and dispensing taxes that there is an immense portion of them expended in salaries, in overhead expenses, in

waste, and in inefficiency, so that the amount finally paid to the people is materially less in quantity than that collected from them.

If I wanted to do the popular thing I would enthusiastically support this bill. I have no doubt the Senator from Indiana will receive hundreds of letters and telegrams congratulating him upon his splendid and patriotic course in championing this bill. Of course, I do not mean to say that such expressions would influence the Senator in the slightest degree in what he conceives to be his duty, because all who know the distinguished Senator appreciate that he is actuated by the highest spirit of patriotism and devotion to duty. It is a fact, however, that many of the American people are deeply interested in securing appropriations from the Federal Treasury and opposition to their wishes does not meet with their approval. Appeals are made, as the Senator knows, for Federal appropriations for subjects that are purely local in their nature or come within the activities and duties and responsibilities of individuals. The Federal Government is constantly appealed to by individuals, communities, and States for appropriations to aid them in matters that are clearly local or individual or pertain only to the States.

That spirit, Mr. President, and the feeling that the Federal Government is a dispenser of gifts and bounties have so strongly taken possession of many of the American people that they seek to repudiate responsibilities which rest upon them; the States are shirking their duties and responsibilities and abdicating power and authority which under our form of government rest upon them. There seems to be a mad rush for Federal aid and Federal interposition in respect of matters that are purely local or individual or State in character.

The latest manifestation of this spirit is found in the persistent appeals for pension bills—not pensions for those who have been hurt, who have been wounded, or who have suffered disability in the service of their country; as I have stated, bills of that character we should gladly support—but appeals are made for appropriations and gifts and bounties for individuals, organizations, and enterprises that should not receive cognizance from the Federal Government.

My good friend from Oregon has just alluded to an amendment which he suggested to the Fuller bill, and has called attention to the fact that he intends to offer that amendment, with some modification, to the pending bill. No one, Mr. President, can object to pensions being paid to those who received injuries while in the military or naval service of our country. I will join with the Senators from Oregon and Indiana, and with any other Senator, in providing liberal and just pensions for all soldiers and sailors who suffered disabilities in the service of their country, but I am opposed to mere service pensions—to giving men pensions merely because they were nominally in the military or naval service but a few days, and who never saw a battle field, never participated in any clash of arms, never heard the roar of cannon, or suffered any disability whatever.

As I have stated, this bill does not even limit its provisions to those who need pensions or those who are suffering from any physical or mental disability. The command is for all whose names appear upon the military or naval rolls of the United States during the period of the Spanish-American War to come forward and receive pensions from the Government.

Mr. NEW. Mr. President, will the Senator from Utah pardon me?

Mr. KING. I promised to yield first to the Senator from Georgia. As soon as I have yielded to him I shall be glad to yield to the Senator from Indiana.

Mr. SMITH of Georgia. Mr. President, I wanted to add to what I said a few minutes ago a word further upon the importance of immediate action on this bill, H. R. 12266. It is only a bill to increase \$20 a month the allowance for soldiers who were injured in the recent war who are now taking rehabilitation training, and it is the opinion of all that this increase is essential to enable them to pay their expenses. It is a measure that we can not well delay, and it stands upon a substantially different footing from the bill now before the Senate. That is a bill looking toward permanent compensation to these Spanish-American veterans, and its consideration will not be finished to-day. It can come up to-morrow. It started with the right of way this morning. I will vote to-morrow morning to take it up as soon as we finish the consideration of the other bill to which I refer.

Mr. NEW. Mr. President, the Senator from Georgia introduces the personal element into this matter somewhat. If the Senator from Utah will yield to me for a moment—

Mr. KING. I yield to my friend from Indiana.

Mr. NEW. I should like to say that I, too, have personal reasons for wanting to get through with the consideration of this bill at the earliest possible moment. I have made arrangements to leave Washington to-morrow evening, and the Senator from Pennsylvania [Mr. KNOX] has given notice that he proposes to address the Senate to-morrow on a subject of very great importance, and I very earnestly hope that opportunity will be given for consideration and a vote on this bill without the interposition of other measures, which, however pressing they may be, are no more pressing than this. Notice was duly given yesterday that this bill would be brought up at this time, and it is up pursuant to that motion, and, as I said awhile ago, if the Senator from Georgia will cooperate in bringing about a vote on this bill, I think we can get it out of the way in time to permit the consideration of the bill to which he refers.

Mr. SMITH of Georgia. I do not think the bill now before the Senate can be disposed of by 2 o'clock. Substantial amendments have been offered to it. It involves a very large sum of money. It involves questions of great importance, involving the policy of the United States, and I do not believe it will be disposed of by 2 o'clock to-day. It is for that reason, in part, that I suggest the substitution of House bill 12266, and, Mr. President, I move that the Senate proceed to the consideration of House bill 12266.

Mr. NEW. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The Senator from Indiana suggests the absence of a quorum. The Secretary will call the roll.

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

Ashurst	Fernald	Knox	Smith, Ga.
Ball	France	Lodge	Smith, Md.
Blandegee	Frelinghuysen	McKellar	Smith, S. C.
Calder	Gay	Nelson	Smoot
Capper	Glass	New	Sutherland
Chamberlain	Gronna	Nugent	Swanson
Coit	Hale	Overman	Thomas
Comer	Harris	Phipps	Trammell
Culberson	Harrison	Pittman	Underwood
Curtis	Henderson	Pomerene	Wadsworth
Dial	Jones, Wash.	Ransdell	Walsh, Mass.
Dillingham	Kenyon	Sheppard	Warren
Edge	Keyes	Simmons	Williams
Elkins	King	Smith, Ariz.	Wolcott

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent, due to illness. I ask that this announcement may stand for the day.

The PRESIDING OFFICER. Fifty-six Senators having answered to their names, a quorum of the Senate is present.

Mr. SMITH of Georgia. Mr. President—

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

Mr. SMITH of Georgia. Since I made the motion to proceed to the consideration of House bill 12266, the bill reported this morning from the Committee on Education and Labor, the chairman of the Committee on Education and Labor has come into the Chamber, and I have had a conference with him; I yield to his view that it is not advisable to press the motion at this time. I know he will seek to bring it up at the next morning hour when an opportunity is presented, and for that reason I think it best not to press the motion. It is therefore my purpose to withdraw the motion, with the consent of the Senate.

I am very deeply interested in the measure. I consider it of immediate importance, and I believe I explained before that evidently the information received by the wounded soldiers, contained in the letter which I presented to the Senate earlier in the day, was inaccurate. I do not know upon what they predicated it, but this bill meets the very criticism that they suggested. It adds \$20 a month to the amount received by married men as well as single men, and does not discriminate between the two.

Mr. KING. Mr. President, will the Senator permit me to ask him a question in that connection. I have received a number of communications, not exactly of the character referred to by the Senator, but the inquiries were with respect to the relief to be granted those who were injured in the recent war, and what provision the Government actually had made to care for them and to educate them, vocationally or otherwise.

Mr. SMITH of Georgia. I am reasonably familiar with the provisions with reference to vocational rehabilitation. There is a provision, and many are now taking advantage of it, by which those injured in the service, where the injuries interfere with their capacity to perform the callings which they have pursued before their injury, can be sent to schools and colleges to receive general and technical training with the view of fitting them to resume activities in life. The difficulty recently has been that on account of the increased expenses incident to their studies and work they were unable to get along on the



amount they were receiving. This bill from the House increases by \$20 a month the amount received by both the single and the married men, carrying the payments to the single men up to \$100 a month, and the payments to the married men up to \$120 a month. It has been unanimously reported out by the Committee on Education and Labor, and I feel sure that it will pass the Senate without resistance.

Mr. KENYON. I would like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. KENYON. The vocational training bill is not before the Senate?

Mr. SMITH of Georgia. No. I rose and asked permission to withdraw my motion to have the bill taken up, mentioning the fact that the Senator from Iowa had come into the Chamber, and that he really has charge of it, and I stated that it is his purpose to call it up at the earliest possible moment. Then the Senator from Utah [Mr. KING] asked me a further question, and I was trying to answer it.

Mr. KING. Before the Senator from Georgia takes his seat I would like to have him explain the justification of these criticisms of the Vocational Board.

Mr. SMITH of Georgia. That would take so long a time that I could not undertake to go into it now. There are a great many of them which are entirely unjust. Necessarily there are occasional failures to connect meritorious cases with proper training, but, as a whole, my advices from the men who are receiving the training are very commendatory.

Mr. KING. If the Senator will pardon me, a number of letters which I have received would seem to lead to the belief that the board has ceased to function.

Mr. SMITH of Georgia. I feel sure such a view does injustice to the board.

Mr. NEW. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Indiana?

Mr. KING. I yield to the Senator.

Mr. NEW. If what is going on between the Senator from Utah [Mr. KING] and the Senator from Georgia [Mr. SMITH] is not strictly confidential, we would like to hear it in this part of the Chamber.

Mr. SMITH of Georgia. I have insisted upon sitting down.

Mr. KING. I can assure the Senator from Indiana that it was not confidential; it will appear in the RECORD. I was interested in knowing whether the charges which were made against the Vocational Board have any justification. The Senator from Georgia had referred to the provision which the Government had made to care for those who were injured in the recent war.

That leads me back to the subject which is under discussion, and from which I was diverted a moment ago by the Senator from Georgia, and by his motion to supplant the pending bill by the measure recently reported from the Committee on Education and Labor, which deals with the rehabilitation of those who have suffered injuries in the recent war.

The Senator from Oregon [Mr. CHAMBERLAIN] interrupted me, with my consent, for the purpose of offering an amendment. That amendment, as he explained, provides for additional compensation for those who received serious injuries in the Spanish-American War. I expressed the view that I am entirely in sympathy with any legislation which provides compensation for soldiers and sailors who were injured in the service of their country.

The Senator from Oregon entered upon a discussion of the duties of the Government to care for those who had served it, and expressed the view that he is in entire sympathy with all pension legislation, legislation which gave pensions to men who never saw the smoke of battle, who never heard the roar of the guns, who were never within a thousand miles of any battle field, who never rendered an hour in real military or naval service, but who had their names upon the rolls of some company, but perhaps were there but for a few days, and scarcely left their own homes.

I stated that it seemed to be popular to support legislation calling for huge pensions from the Federal Government; that any measure seemed to be popular which aimed to secure money from the Federal Treasury to be expended for individual or community or purely State purposes. I stated, in substance, that whether the question had any relation whatever to the functions of the Federal Government was regarded as immaterial. We find protagonists in favor of every scheme for Federal action and Federal appropriation. The most fantastic schemes find their advocates, and the visionary phantasms of

the impractical and the disordered aberrations of doctrinaires are presented and find earnest apostles in their support.

If there is a neurotic in the United States who has some wild scheme, he or she immediately comes to Congress, and the scheme will be presented, newspapers will advocate it, and there will soon be developed apparently a tremendous sentiment in favor of it. It is wholly immaterial that it has no relation to the general public welfare, or is wholly disconnected from truly national activity or the functions of the National Government.

I have sometimes wondered, Mr. President, if the American people had lost sight of the fact that we have a constitutional form of government, that the Federal Government is one of enumerated and limited powers. There seems to be a growing sentiment that the Federal Government has no limitations upon its powers, that it may do anything that the Kaiser could have done, or that the greatest autocrat might have done in any age of the world. There are some who talk about democracy who are entirely ignorant of its meaning. They appear to believe that democracy merely means the interposition of the United States into the affairs of individuals or the States of the Union and the assumption by the Federal Government of the prerogatives and duties of individuals and States. Anything, in their view, is democratic if the Federal Government is back of it. Under the view of some the majority may sanctify any scheme that its rightfulness is authenticated, if a majority of the people support it. The question of whether it is right or constitutional, or in harmony with the spirit and genius of our institutions is of no consequence.

Mr. President, our Government is founded not only to protect majorities but to protect minorities. It may be that the plan which the majority may desire may receive temporarily their support, yet our Government is a constitutional one, and it has grown up as the result of the experience of the past, which demonstrated that the voice of the people was not always the voice of God; that majorities are not always right; indeed, that they are often wrong.

Our Government is the result of travail and of suffering, of bloodshed and of sorrow; it is an evolution from the archaic conditions, the obsolete forms of the past, and the work of the fathers was to establish a written Constitution which would put hooks into the jaws of those who sought to impose their will, though they might have temporarily a majority of the people behind them, upon the minority.

The Constitution of the United States and our form of government are interested in protecting the minority, in protecting that which has been won by our fathers, and which, as I stated, is the product of evolutionary growth. The Constitution of the United States did not spring, as Minerva, from the brow of Jove. Mr. Gladstone was not quite accurate in his famous characterization of its inception and birth. It was an evolutionary growth. It was the result of the accretions of the past. It was a crystallization into law of the precedents that were justified by the experiences of the past, and a crystallization of the very best thought of preceding generations.

Now, the thought upon the part of many is that we must abolish the restrictions imposed by our organic law. If some wild, visionary scheme is suggested, and some thoughtful person says that it is unconstitutional, immediately the cry is made that the Constitution is reactionary; that it is for the purpose of protecting predatory interests; that it is against the spirit of liberalism and democracy and progress and development. So we find throughout the country various individuals, and some political schools, interested in not only changing some parts of the Constitution, modifying it to suit their views, but they would change it entirely.

As I said a moment ago, we find demands made that the Federal Government should go into the States and take care of their local affairs, that they should assume control of their courts, that the Federal Government should take charge of marriage and divorce as a subject of national concern. Already the Federal Government has taken over a large part of the police powers of the States, surrendered by the States under the eighteenth amendment. It is seeking to take over additional powers of the States, and the people are now surrendering to the Federal Government that indispensable power and prerogative of a sovereign State—the power to determine who the electors shall be. Little by little, Mr. President, the corroding influences are at work to undermine the form of government which has been handed down to us by the fathers, and I protest now, as I have heretofore, against this iconoclastic spirit which is manifesting itself, against this spirit which demands that the Federal Government shall superimpose its power upon the States and assume obligations and responsibilities which, under our form of government, rest

upon the States, and which must rest upon the States and be discharged by the States if this Republic shall live.

Mr. President, local self-government is the key to the perpetuity of this Republic, and whenever the people cease to have regard for local self-government, cease to have pride in local self-government, and are willing that the National Government shall assume functions and powers and responsibilities and duties of the States then this Republic will fall.

This spirit of which I have been speaking manifests itself in a demand that we shall pension practically everybody who has been in any way connected with the Government; pension all civil employees; pension all who were in the Army or in the Navy at any time. Whether they are wounded, whether they are injured, whether they suffered any disabilities, whether they are in need of pensions are questions wholly immaterial, and the bill before us calls for the pensioning of men though they may be as rich as Cæsus and in perfect health.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 8078.

Mr. CURTIS rose.

Mr. NEW. I hope that the Senator from Kansas will be willing to lay aside temporarily the unfinished business in order that we may proceed with the consideration of the pending bill.

Mr. CURTIS. If there are no other long speeches to be made on the bill and if it is likely to reach a vote in a few moments, I should be very glad to ask that the unfinished business be laid aside temporarily, but that can only be done by unanimous consent.

Mr. KING. Let me say to the Senator that I have not concluded my remarks on the bill.

Mr. CURTIS. I hope, under the circumstances, that the Senator from Indiana will not ask that the unfinished business shall be temporarily laid aside.

Mr. NEW. I, of course, am very much entertained by the remarks of the Senator from Utah [Mr. KING], and I hope the continuity of his speech may not be unnecessarily interrupted. I will renew my request.

Mr. CURTIS. I understand there would be objection by Senators on the other side of the aisle who desire to speak on the unfinished business, and I therefore hope the Senator will not insist upon his request.

Mr. NEW. Very well.

#### THE DYE INDUSTRY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. KENYON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

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

Ashurst	France	Knox	Simmons
Ball	Frelighuysen	McCormick	Smith, Ariz.
Borah	Gay	McCumber	Smith, Md.
Capper	Hale	McKellar	Smith, S. C.
Chamberlain	Harris	McNary	Smoot
Colt	Harrison	Moses	Sterling
Culberson	Henderson	Nelson	Thomas
Curtis	Jones, N. Mex.	New	Trammell
Dial	Jones, Wash.	Nugent	Underwood
Dillingham	Kellogg	Overman	Wadsworth
Edge	Kendrick	Pittman	Walsh, Mass.
Elkins	Kenyon	Pomerene	Williams
Fall	Keyes	Ransdell	Wolcott
Fernald	King	Sheppard	

The PRESIDING OFFICER. Fifty-five Senators have answered to their names, and a quorum of the Senate is present. The question is on the amendment reported by the Committee on Finance. The Senator from Colorado [Mr. THOMAS] is entitled to the floor.

Mr. THOMAS resumed the speech begun by him yesterday. After having spoken, with interruptions, for an hour and a half,

Mr. KENYON. Mr. President, I think this matter is so important that there should be more Senators present, and I suggest—

Mr. THOMAS. They will not stay; there is no need of asking for a quorum.

Mr. KENYON. They might stay on this profit question.

Mr. THOMAS. Oh, no.

Mr. KENYON. I suggest the absence of a quorum.

Mr. THOMAS. I wish the Senator would not do so.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Secretary will call the roll.

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

Borah	Jones, Wash.	Nugent	Smith, S. C.
Brandegge	Kenyon	Phipps	Smoot
Calder	King	Pomerene	Sutherland
Capper	Knox	Ransdell	Thomas
Chamberlain	McCormick	Robinson	Trammell
Curtis	Moses	Sheppard	Warren
Dillingham	Nelson	Simmons	Wolcott
Harris	New	Smith, Ariz.	

The PRESIDING OFFICER. Thirty-one Senators having answered to their names, there is not a quorum present. The Secretary will call the roll of the absentees.

The Reading Clerk called the names of the absent Senators, and Mr. McCUMBER, Mr. OVERMAN, Mr. UNDERWOOD, and Mr. WADSWORTH answered to their names when called.

Mr. McNARY, Mr. LODGE, Mr. EDGE, Mr. FRELINGHUYSEN, and Mr. KENDRICK entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty Senators have answered to their names—not a quorum. What is the pleasure of the Senate?

Mr. CURTIS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will carry out the instructions of the Senate.

Mr. COLT, Mr. REED, Mr. SMITH of Maryland, Mr. WILLIAMS, Mr. FRANCE, Mr. McKELLAR, Mr. FALL, Mr. GLASS, and Mr. CUMMINS entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Forty-nine Senators having answered to their names, a quorum is present.

#### LANDS AT POCATELLO, IDAHO.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2528) to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply and as a municipal park site, which were, on page 1, line 10, after "State," to insert "containing 2,880 acres"; on page 1, line 13, to strike out "and as a municipal park site"; and to amend the title so as to read: "An act to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply."

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

The motion was agreed to.

#### NATIONAL BUDGET SYSTEM.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 9783) to provide a national budget system and an independent audit of Government accounts, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McCORMICK. I move that the Senate insist upon its amendment and agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. McCORMICK, Mr. SMOOT, Mr. KEYES, Mr. SIMMONS, and Mr. JONES of New Mexico conferees on the part of the Senate.

#### LANDS IN UTAH.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes, which were, on page 1, line 4, to strike out "limited" and insert "limits"; on page 1, line 4, after "the," to insert "future"; on page 2, line 4, to strike out all after "discretion" down to and including "or" in line 6.

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

The motion was agreed to.

#### TOWN OF PETERSBURG, ALASKA.

Mr. NELSON. Will the Senator from Colorado yield to me for a moment?

Mr. THOMAS. For just a moment.

Mr. NELSON. I ask unanimous consent to call up Senate bill 4286 at this time. It will not lead to any debate. It is the last bill on the printed calendar. It is a bill authorizing the incorporated town of Petersburg, Alaska, to issue bonds for the purpose of installing a municipal electric light and power plant and for the construction of a public-school building.

Mr. THOMAS. I will yield for that purpose if it does not lead to discussion.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

Mr. CURTIS. With the understanding that it does not interfere with the unfinished business, I shall not object.

Mr. NELSON. Certainly. It will take but a moment to dispose of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4286) to amend an act entitled "An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding \$75,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building," approved September 29, 1919, and it was read as follows:

*Be it enacted, etc.*, That section 1 of the act entitled "An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding \$75,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building," be, and the same is hereby, amended to read as follows:

"SECTION 1. That the incorporated town of Petersburg, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding \$150,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building."

SEC. 2. That section 5 of the act mentioned in the preceding section is hereby amended to read as follows:

"SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any purpose other than specified in this act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed for the purposes hereinbefore mentioned and under the order and direction of said common council from time to time as the same may be required for said purposes: *Provided*, That not to exceed \$115,000 of the proceeds of the sale of said bonds shall be expended for the construction and installation of the electric light and power plant, and not to exceed \$35,000 thereof shall be expended for the construction of the public-school building."

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

#### THE DYE INDUSTRY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. THOMAS resumed his speech, and after having spoken for about 30 minutes,

Mr. CURTIS. Mr. President—

Mr. THOMAS. I yield to the Senator from Kansas.

#### EXECUTIVE SESSION.

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

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes in executive session the doors were reopened, and (at 4 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, May 5, 1920, at 12 o'clock meridian.

#### NOMINATIONS.

*Executive nominations received by the Senate May 4, 1920.*

##### INTERSTATE COMMERCE COMMISSION.

Henry Jones Ford, of Princeton, N. J., to be a member of the Interstate Commerce Commission for the term expiring December 31, 1925, vice Harlan, term expired.

James Duncan, of Massachusetts, to be a member of the Interstate Commerce Commission for the term expiring December 31, 1924. (New office, act of Feb. 28, 1920.)

##### PUBLIC HEALTH SERVICE.

Passed Asst. Surg. Harry J. Warner to be surgeon in the Public Health Service, to rank as such from April 4, 1920.

Passed Asst. Surg. Robert Olesen to be surgeon in the Public Health Service, to rank as such from April 9, 1920.

##### CIRCUIT JUDGE, HAWAII.

Clement K. Quinn, of Hilo, Hawaii, to be circuit judge, fourth circuit, Territory of Hawaii. A reappointment, his term having expired.

#### PROMOTIONS IN THE ARMY.

##### CORPS OF ENGINEERS.

###### *To be colonels.*

Lieut. Col. Jay J. Morrow, Corps of Engineers, from April 2, 1920.

Lieut. Col. James B. Cavanaugh, Corps of Engineers, from April 2, 1920.

###### *To be lieutenant colonels.*

Maj. John R. Slattery, Corps of Engineers, from April 2, 1920.

Maj. Curtis W. Otwell, Corps of Engineers, from April 2, 1920.

###### *To be majors.*

Capt. Albert K. B. Lyman, Corps of Engineers, from April 2, 1920.

Capt. Creswell Garlington, Corps of Engineers, from April 2, 1920.

Capt. Daniel D. Pullen, Corps of Engineers, from April 12, 1920, subject to examination required by law.

###### *To be captains.*

First Lieut. Ralph E. Cruse, Corps of Engineers, from November 7, 1919.

First Lieut. Lewis T. Ross, Corps of Engineers, from December 25, 1919.

First Lieut. Charles F. Baish, Corps of Engineers, from January 2, 1920.

First Lieut. Clarence L. Adcock, Corps of Engineers, from January 2, 1920.

First Lieut. Keryn ap Rice, Corps of Engineers, from January 4, 1920.

First Lieut. Charles S. Ward, Corps of Engineers, from January 16, 1920.

First Lieut. Henry M. Underwood, Corps of Engineers, from January 27, 1920, subject to examination required by law.

First Lieut. James B. Newman, jr., Corps of Engineers, from January 31, 1920, subject to examination required by law.

First Lieut. James M. Young, Corps of Engineers, from February 6, 1920.

First Lieut. James C. Marshall, Corps of Engineers, from February 16, 1920.

First Lieut. Walter E. Lorence, Corps of Engineers, from February 27, 1920.

###### *To be first lieutenants.*

Second Lieut. John P. Dietrich, Corps of Engineers, from September 24, 1919.

Second Lieut. William A. Callaway, Corps of Engineers, from September 25, 1919.

Second Lieut. Howard V. Canan, Corps of Engineers, from September 26, 1919.

Second Lieut. Vere A. Beers, Corps of Engineers, from September 27, 1919.

Second Lieut. Doswell Gullatt, Corps of Engineers, from September 27, 1919.

Second Lieut. John B. Hughes, Corps of Engineers, from September 28, 1919.

Second Lieut. Eugene L. Vidal, Corps of Engineers, from September 28, 1919.

Second Lieut. L. George Horowitz, Corps of Engineers, from October 1, 1919.

Second Lieut. David A. Newcomer, Corps of Engineers, from October 3, 1919.

Second Lieut. Boyd W. Bartlett, Corps of Engineers, from October 4, 1919.

Second Lieut. Laurence Van D. Harris, Corps of Engineers, from October 16, 1919, subject to examination required by law.

Second Lieut. Herbert B. Loper, Corps of Engineers, from October 16, 1919.

Second Lieut. Ivan C. Lawrence, Corps of Engineers, from October 17, 1919.

Second Lieut. Robert A. Hill, Corps of Engineers, from October 21, 1919.

Second Lieut. Sydney W. Gould, Corps of Engineers, from October 23, 1919.

Second Lieut. Fred W. Marlow, Corps of Engineers, from October 26, 1919.

Second Lieut. William J. Regan, Corps of Engineers, from October 30, 1919.

Second Lieut. Roy Green, Corps of Engineers, from November 7, 1919.

Second Lieut. Lester F. Rhodes, Corps of Engineers, from November 7, 1919.

Second Lieut. Don G. Shingler, Corps of Engineers, from November 11, 1919.

Second Lieut. John R. Hardin, Corps of Engineers, from November 11, 1919.

#### CHAPLAIN.

Chaplain William R. Arnold, Coast Artillery Corps, to be chaplain, with rank of captain, from April 29, 1920, after seven years' service.

#### COAST ARTILLERY CORPS.

Maj. James B. Mitchell, Coast Artillery Corps, to be lieutenant colonel from April 24, 1920.

Capt. Edward D. Powers, Coast Artillery Corps, to be major from April 24, 1920.

PROMOTIONS IN THE NAVY.

The following-named lieutenants to be lieutenant commanders in the Navy for temporary service from the dates set opposite their names to correct the dates from which they take rank as previously nominated and confirmed:

Lieut. Joseph R. Redman to be a lieutenant commander in the Navy, for temporary service, from the 26th day of November, 1919.

Lieut. Franklin G. Percival to be a lieutenant commander in the Navy, for temporary service, from the 27th day of November, 1919.

Lieut. Theo. D. Westfall to be a lieutenant commander in the Navy, for temporary service, from the 30th day of November, 1919.

Lieut. Theodore D. Ruddock, jr., to be a lieutenant commander in the Navy, for temporary service, from the 1st day of December, 1919.

Lieut. Zeno W. Wicks to be a lieutenant commander in the Navy, for temporary service, from the 2d day of December, 1919.

Lieut. Andrew H. Addoms to be a lieutenant commander in the Navy, for temporary service, from the 3d day of December, 1919.

Lieut. William H. Porter, jr., to be a lieutenant commander in the Navy, for temporary service, from the 4th day of December, 1919.

Lieut. Sherrod H. Quarles to be a lieutenant commander in the Navy, for temporary service, from the 7th day of December, 1919.

The following-named lieutenants to be lieutenant commanders in the Navy, for temporary service, from the 9th day of December, 1919:

Alfred H. Balsley and  
William E. Malloy.

Lieut. Greene W. Dugger, jr., to be a lieutenant commander in the Navy, for temporary service, from the 13th day of December, 1919.

Lieut. John M. Creighton to be a lieutenant commander in the Navy, for temporary service, from the 14th day of December, 1919.

Lieut. Charles D. Swain to be a lieutenant commander in the Navy, for temporary service, from the 16th day of December, 1919.

Lieut. Edmund W. Burrough to be a lieutenant commander in the Navy, for temporary service, from the 24th day of December, 1919.

Lieut. Albert H. Rooks to be a lieutenant commander in the Navy, for temporary service, from the 25th day of December, 1919.

Lieut. George F. Neiley to be a lieutenant commander in the Navy, for temporary service, from the 1st day of January, 1920.

Lieut. Russell E. Perry to be a lieutenant commander in the Navy, for temporary service, from the 2d day of January, 1920.

Lieut. Byron B. Ralston to be a lieutenant commander in the Navy, for temporary service, from the 7th day of January, 1920.

Lieut. Stanley L. Wilson to be a lieutenant commander in the Navy, for temporary service, from the 12th day of January, 1920.

Lieut. Herbert J. Ray to be a lieutenant commander in the Navy, for temporary service, from the 21st day of January, 1920.

Lieut. Charles E. Rosendahl to be a lieutenant commander in the Navy, for temporary service, from the 27th day of January, 1920.

Lieut. John G. Moyer to be a lieutenant commander in the Navy, for temporary service, from the 2d day of February, 1920.

Chief Boatswain William L. Hill, retired, to be a lieutenant on the retired list of the Navy, for temporary service, from the 15th day of May, 1920.

CONFIRMATIONS.

*Executive nominations confirmed by the Senate May 4, 1920.*

AMBASSADOR EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

Peter Augustus Jay to be envoy extraordinary and minister plenipotentiary of the United States of America to Salvador.

ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE PHILIPPINE ISLANDS.

Ignacio Villamor to be associate justice of the Supreme Court of the Philippine Islands.

COMMISSIONER OF IMMIGRATION.

Bertram N. Stump to be commissioner of immigration, Baltimore, Md.

COLLECTOR OF CUSTOMS.

Estelle V. Collier to be collector of customs for customs collection district No. 48.

ASSISTANT COMMISSIONER OF MEDIATION AND CONCILIATION.

Whitehead Kluttz to be assistant commissioner of mediation and conciliation.

POSTMASTERS.

SOUTH CAROLINA.

Edward D. Grant, Ehrhardt.  
Joseph W. Conyers, Timmons ville.

UTAH.

Urvin Gee, Moroni.  
Olga Christopherson, Salina.

WYOMING.

William G. Haas, Cheyenne.  
Eugene W. Gillespie, Rock River.

WITHDRAWALS.

*Executive nominations withdrawn from the Senate May 4, 1920.*

PROMOTIONS IN THE NAVY.

Lieut. Robert W. Hayler to be a lieutenant commander.  
Lieut. Bert F. Clark to be a lieutenant commander.

HOUSE OF REPRESENTATIVES.

TUESDAY, May 4, 1920.

The House met at 11 o'clock a. m.

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

We bless Thee, our Father in heaven, for the faith sublime, the star of hope, the love divine, the golden links which bind us to Thee and our fellow men, in sunshine or cloud, in victory or defeat, in happiness or sorrow, in life or death.

To doubt is to weaken character. Faith is to strengthen it. To question is to corrode it. Hope keeps it bright and shining. To hate is fatal. To love is life and that more abundantly. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

AERONAUTIC ENGINEERING.

Mr. KAHN. Mr. Speaker, I call from the Speaker's table the bill (H. R. 8314) to provide for the training of officers in the Army in aeronautic engineering, and the issue and equipment of material therefor, with the Senate amendment thereto, and move to agree to the Senate amendment.

The SPEAKER. The gentleman from California calls up the bill H. R. 8314, with Senate amendment thereto. The Clerk will report the Senate amendment.

The Clerk reported the Senate amendment.

Mr. MANN of Illinois. Mr. Speaker, I reserve the point of order on the bill.

Mr. KAHN. Mr. Speaker, the Senate amendment is practically in the language of the House bill, with this exception: The House bill provided that the supplies and equipment required for the use of the schools should also be given by the War Department to the schools. The Senate struck that provision from the bill, so that the tuition of the students and their textbooks and supplies alone shall be furnished by the War Department. The Senate amendment also provides that the money for this purpose shall be taken from the Air Service appropriation of the Army instead of from the general appropriations for the Army.

Mr. MANN of Illinois. Mr. Speaker, I withdraw the point of order, but I would like to ask the gentleman a question. Do these officers, while they are detailed to attend school, get the extra compensation that is provided for aviators?

Mr. KAHN. Oh, no.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. GARNER. Does the gentleman not think that the Senate is to be congratulated on amending the House bill the way it did, so as to protect the funds of the Treasury against expenditure for purposes which were included in the House bill?

Mr. KAHN. The House provision allowed some of the surplus of the equipment that the War Department had on hand to be given over to the schools.

Mr. GARNER. This is the first instance I have noted where there was not a keen competition between the House and Senate Military Affairs Committees as to which could be most liberal in its provisions. I congratulate the Senate on amending this bill.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

FEDERAL CONTROL OF RAILROADS—DEFICIENCY APPROPRIATION—  
CONFERENCE REPORT.

Mr. GOOD. Mr. Speaker, I call up the conference report upon the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes.

The SPEAKER. The gentleman from Iowa calls up the conference report, which the Clerk will read.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, and 6, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "transferred from the appropriation made in paragraph (g) of the said section 204 and"; and the Senate agree to the same.

JAMES W. GOOD,

J. G. CANNON,

JAMES F. BYRNES,

*Managers on the part of the House.*

F. E. WARREN,

CHARLES CURTIS,

O. W. UNDERWOOD,

*Managers on the part of the Senate.*

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain other appropriations for the fiscal year ending June 30, 1920, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of the said amendments, namely:

On Nos. 1 and 2, relating to the paragraph authorizing deductions from the amount found due from the United States to certain short-line railroads the sums found due by those railroads to the United States: Strikes out the language, inserted by the Senate, requiring the sums found due the United States to be deducted from the amount of the "deficit or decrease" of the operating income of the railway, and inserts the language, proposed by the Senate, making clear that the sums deducted as due the railway administration shall be credited to the proper appropriations for the railway administration.

On No. 3: Inserts the paragraph, proposed by the Senate, authorizing and directing the Auditor for the Navy Department to pay the San Francisco Bridge Co. the sum of \$128,260.60 appropriated in the deficiency act approved March 6, 1920.

On Nos. 4, 5, and 6, relating to the Senate: Inserts the appropriation of \$7,500 to pay the widow of Hon. John H. Bankhead, late a Senator from the State of Alabama, and inserts the paragraph appropriating \$16,990.95 for repairs, improvements, equipment, and supplies for Senate kitchens and restaurants.

JAMES W. GOOD,

J. G. CANNON,

JAMES F. BYRNES,

*Managers on the part of the House.*

Mr. GOOD. Mr. Speaker, the first amendment of the Senate has to do with the provision providing offset which is authorized in the matter of making settlements with the short-line railroads. The House bill carried a provision and the Senate put on an amendment, No. 1, and no one has been able to tell us just what the Senate amendment means, unless it is to enlarge the Government's obligation under section 204 of the transportation act. This being the case, the Senate receded with regard to that item.

The second amendment made more certain and more definite the manner in which the set-off should be applied.

The third amendment is one that was requested by the auditor of the Navy Department making a settlement under the appropriation for the San Francisco Bridge Co. in the building of the drydock at Honolulu. An appropriation was carried of \$128,000, as recommended by the Navy Department, in the last deficiency appropriation bill, but the auditor was unwilling to certify the amount and permit the payment until the bridge company had signed a release of all further claims against the Government growing out of the construction of that drydock. The House conferees saw no objection on the part of the Government to this release, and they were advised that there was no objection on the part of the contractor and so we were perfectly willing to accept the Senate amendment in that respect. It does not carry an appropriation, but provides for a release.

Amendment No. 5 of the Senate provides for payment to Mrs. Bankhead, widow of the late Senator John H. Bankhead, of Alabama, of the regular amount carried in similar cases.

Senate amendment No. 6 calls for an appropriation of \$16,990.95 to pay the deficit in the matter of the conduct of Senate restaurant. There was something of a deficit in the last deficiency appropriation bill. We were advised that they had changed their plan of running the restaurant in the Senate, and during last month there was something of a balance left after paying all expenses. We are advised by the Senate that this is to clean up their obligations for conducting the Senate restaurant up to the 1st of April and that there will be no deficit in the future.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. GOOD. Yes.

Mr. LONGWORTH. Mr. Speaker, does this bill represent the total amount that has been appropriated this season for railroads?

Mr. GOOD. The total amount at this session of Congress; yes. Seven hundred and fifty million dollars were appropriated during the first session of this Congress for that purpose.

Mr. LONGWORTH. And this amounts to how much for the railroads?

Mr. GOOD. This appropriation here amounts to \$300,000,000, and it also makes available approximately \$90,000,000 in cash by authorizing the War Finance Corporation to buy Liberty and Victory bonds held by the Railroad Administration to that amount and to turn over to the Railroad Administration \$90,000,000 for those bonds.

So that they will have approximately \$390,000,000 in cash as a result of this legislation.

Mr. LONGWORTH. Does the gentleman anticipate any more money will be required in the near future for the railroads?

Mr. GOOD. I hope not.

Mr. LONGWORTH. Could the gentleman state approximately how much the total cost has been so far of Government control of railroads?

Mr. GOOD. The Director General of Railroads estimated that the total amount of the deficit—that is, the actual loss to the Government—in the 26 months of Government operation of the railroads was \$904,000,000, in round numbers. Of course, it will be more than that. There are other expenses that will be paid out of the transportation act.

The transportation act carried \$200,000,000—and I was in error a moment ago when I said the amount carried in the bill was all this Congress appropriated for the operation of the railroads—the transportation act carried \$200,000,000 to pay losses of Government operation. It also carried \$300,000,000 of direct appropriations for the making of loans and the paying of judgments that might be rendered on account of Federal control and operation of the railroads. Then it carries, as I recollect, provisions in regard to indefinite appropriations where money may be required and paid out of the Treasury when ascertained under certain conditions by the Interstate Commerce Commission.

Mr. LONGWORTH. So that, in fact, by the passage of this bill at this session of Congress we will have appropriated more than \$900,000,000 in various ways?

Mr. GOOD. The transportation act carries two separate appropriations, one for \$300,000,000 and one for \$200,000,000, or

\$500,000,000. The \$300,000,000 has to do indirectly with Federal control but directly is not all chargeable to Federal control. It is to make loans to the railroads in the future to pay the judgments growing out of Federal control. Now, the extent to which that \$300,000,000 may be chargeable to Federal control I am unable to state. Mr. Hines and Mr. Sherley estimated that the judgments would amount to \$30,000,000 or \$40,000,000. Now, this bill carries an appropriation of \$300,000,000 and provides sales of Government bonds, \$90,000,000, or \$390,000,000, making \$590,000,000 directly chargeable to Federal control and operation. Then, of the \$300,000,000 that is appropriated for the purpose of making loans to the railroads in the future and to pay judgments approximately \$30,000,000 or \$40,000,000 it is estimated will be chargeable to Federal control. So it can be said that this session of Congress has appropriated or made available for losses growing out of Federal control approximately \$620,000,000 and \$270,000,000 for loans to be made to the railroads in the future.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. I will.

Mr. BLANTON. Is it not a fact that the estimated loss of about \$904,000,000 on Government control just about covers the amount of extra compensation over and above what the railroad companies had been paying, which were granted by Mr. McAdoo and Mr. Hines?

Mr. GOOD. Compensation to employees?

Mr. BLANTON. Yes.

Mr. GOOD. Oh, no; the extra compensation would amount to around better than a billion dollars a year.

Mr. BLANTON. Let us see about that. Mr. McAdoo allowed \$754,000,000 at one time, and Mr. Hines allowed \$67,000,000 at one time and then granted other allowances—

Mr. GOOD. That is for one year.

Mr. BLANTON. And did it not approximate just about the loss?

Mr. GOOD. No. This covers a period of 26 months, and the increase of wages would amount to better than a billion dollars a year, which would be considerably over \$2,000,000,000 in extra compensation paid out during the 26 months.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. GOOD. For a question.

Mr. FAIRFIELD. What additional compensation for the railroads in the way of increased rates was made to take care of that extra compensation?

Mr. GOOD. Mr. Hines stated at a former hearing that such increases amounted to about 25 per cent, and in his last report to the President he shows that the amount in passenger fares was considerably over 25 per cent and increased rates in freight was more than 30 per cent, and the average is around a little better than 30 per cent all told during the time the roads were operated by the Government.

Mr. FAIRFIELD. Would the total increase of fares and freight rates take care of the increased compensation to the employees?

Mr. GOOD. Oh, not by any means, and that is the reason why it is necessary to appropriate about a billion dollars. Mr. Hines said it would have taken about 14 or 15 per cent on all freight rates in addition to the increase made in order to make up this shortage.

Mr. JUUL. Will the gentleman yield for a question?

Mr. GOOD. I do.

Mr. JUUL. I would like to ask the gentleman if any portion of the shortage coming during the period of the occupancy by the National Government was due to the fact, if such fact exists, that the railroads were carrying soldiers and freight for the Government for a less compensation—

Mr. GOOD. That was all paid for.

Mr. JUUL. The United States has paid for that?

Mr. GOOD. Yes; that was all paid for out of the appropriation for the Army and Navy.

Mr. RHODES. Will the gentleman yield?

Mr. GOOD. I do.

Mr. RHODES. The gentleman referred to \$300,000,000 provided for loans to the railroads. Is that sum available now?

Mr. GOOD. Yes. It has been appropriated and the Interstate Commerce Commission has full charge of it.

Mr. RHODES. That hardly covers the point. Has the time come when actual loans are being made from this \$300,000,000 appropriation?

Mr. GOOD. Well, I do not know that any loans are being made now.

Mr. RHODES. How soon will those loans be made?

Mr. GOOD. That is up to the Interstate Commerce Commission. They investigate applications for such loans and approve or disapprove them. Applications must be made to the

Interstate Commerce Commission, and they pass final judgment under the transportation act.

Mr. TINCHER. Will the gentleman yield?

Mr. GOOD. I do.

Mr. TINCHER. Do I understand from our experience under Government operation of railroads that it is safe to state that it cost this Government around a billion dollars?

Mr. GOOD. It will cost more than that; it will cost nearer a billion and a quarter before we get through paying the losses.

Mr. VARE. That loss does not include the possible damages which will accrue from the depreciation of the roads when they were turned back?

Mr. GOOD. Well, that is a question that there is some controversy about between the director general and the railroad companies and one on which the committee have not expressed a judgment.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

#### SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Minnesota [Mr. ANDERSON] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] is recognized.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one hour to the gentleman from Massachusetts [Mr. GALLIVAN].

The CHAIRMAN. The gentleman from Massachusetts is recognized for one hour.

Mr. GALLIVAN. Mr. Chairman, I dare say that this House has already learned that the great supply bill now under consideration contains but a small appropriation, comparatively speaking, for the enforcement of the so-called Volstead law. Of course, I want the House to know that there were requests made of our committee for vast sums of the people's money, to be expended on prohibition plans, but they have been denied, so far as this bill is concerned, almost in toto.

I have an idea that Congressmen generally do not know what amounts have already been set aside for the departments whose powers and duties have been extraordinarily increased by the national prohibition act. Likewise it is not generally known what sums have been asked for and refused. And so I want to give the House a few figures which will interest you, and they ought to amaze the country when properly digested.

Months ago the Bureau of Internal Revenue received for the fiscal year ending June 30, 1920, \$2,000,000 for the enforcement of that act. We gave it another \$1,000,000 in the deficiency act approved March 6, 1920, for the employment of guards and payment of other expenses in protecting intoxicating liquors in bonded and other warehouses.

The Department of Justice in the national prohibition act received \$100,000 for the prosecution of violations of the act.

These three sums make a total for the fiscal year 1920 of \$3,100,000.

For the fiscal year ending June 30, 1921, the Bureau of Internal Revenue has received approximately \$4,000,000 for the enforcement of the prohibition act, and the Department of Justice has requested \$300,000 for the prosecution of violations of the act.

The Customs Service has requested \$2,000,000 for use in connection with the patrol of the Mexican and Canadian borders and additional facilities at the Atlantic, Pacific, and Gulf ports.

These three sums aggregate \$6,300,000. The amounts enumerated are items which are specifically considered for the enforcement of prohibition. Do not forget that other services of the Government which receive lump-sum appropriations for performance of the activities entrusted to them are using and will use a portion of such sums in connection with the enforcement of prohibition.

It is impossible to tell what these amounts will be. For instance, the Coast Guard will perform services in connection with the prevention of smuggling intoxicating liquors at the various ports. The Department of Justice will expend considerable sums of the appropriations for the expenses of United States courts, including salaries of district attorneys, marshals, and deputy marshals, and general court expenses.

Now, Mr. Chairman, by the eighteenth amendment and the Volstead Act we have cut off \$444,000,000 of revenue from willing taxpayers and already substituted \$6,300,000 appropriations for hungry tax eaters who are willing to engage in the work of spying on their fellows to discover violations of the law. The chairman of the Senate Committee on Appropriations, Mr. WARREN, of Wyoming, estimated the cost of enforcing prohibition at \$50,000,000 a year by National and State authorities. From the increased activities of the economic experts and the typewriters of the prohibition enforcement office I am inclined to accept Senator WARREN'S estimates of \$50,000,000 cost as conservative, for the estimates grow as the applications from good prohibitionists for employment in the Government service increase. But in addition to this Government expenditure, the Anti-Saloon League has appealed to the people for \$27,920,300 to enable it to assist the Government in enforcing the Volstead law. Taking these estimates of Senator WARREN and the Anti-Saloon League together, we have an outlay of \$88,000,000 by the Federal Government and the people of the United States as the cost of prohibition, in place of an income of \$444,000,000 as the revenues from the lack of prohibition, and this at a time, my friends, when the gentleman from Wyoming [Mr. MONDELL], the majority leader, is devoting all his spare hours to figuring up the economies of the present Republican control of Congress.

And yet my friend, Commissioner Roper, before he quit the job as Commissioner of Internal Revenue, expressed the hope that this Volstead law, like the tax laws, would be effective by the "observance of the law by the people of their own volition." I am not surprised at the resignation of Dan Roper after the estimates for prohibition enforcement began to fall upon his desk like the leaves in autumn. He had observed 4,000,000 people in the United States paying \$8,000,000,000 taxes, and he did not realize that those 4,000,000 willing observers of the tax laws constituted only 3 per cent of the population, or that they lived in New England, the North Atlantic, or Central States, where great cities and big industries abound; or that New York paid more of those \$8,000,000,000 taxes than all the old prohibition States combined. He had not analyzed the close affinity between prohibition and appropriations, or the willingness of prohibitionists to permit "George" to pay the bills.

The commissioner's last report, published a few months ago, has some illuminating figures on the enforcement of prohibition in prohibition States, mark you, even before the saving grace of national prohibition had extended its beneficent influence over our all-American continent. In the year 1918 the internal-revenue agents seized 6,889 illicit stills and 300,000 gallons of liquor, valued at more than \$2,000,000 in the pioneer prohibition States. Georgia came first, with 2,006 illicit stills; North Carolina followed, with 1,534 illicit stills and more than 100,000 gallons of moonshine rum; Alabama, 752; South Carolina, 488; Tennessee, 386; Virginia, 546; Kentucky, 121; Florida, 191; Michigan, 40; even the home State of the first apostle of grape juice, Nebraska, 26; West Virginia, 40; and Texas, 41.

And, mark you, in that same report the commissioner complained that the State and local authorities embarrassed his agents in hunting down the moonshiners or he would have had a better report of seizure of illicit liquor.

Mark you, my colleagues, these figures came to us as a result of but State-wide prohibition here and there in this fair land of ours. What will the next report tell us about the growth and progress and popularity of the "still" industry throughout America? Will there be a single one of our 48 States under national prohibition that will be able to show a clean bill of health? Do the daily reports of the newspapers about the activities of the prohibition enforcement officers give any indication that there is a single one of our American communities where the "still" has failed to find warm welcome and cordial entertainment? [Laughter.]

Do you recall the glorious word pictures of conditions soon to be in America when nation-wide prohibition entered into our daily life and activities?

Some few years back I tried to tell the Congress that I feared the eloquent and sanctified pleaders for that law were romancing and now we know, if we know anything, that prohibition has revived in this land the spirit of romance and adventure as no other nation-wide movement ever could have even hoped to revive it.

For instance, what is more romantic to my distinguished colleague on the Committee on Appropriations [Mr. GOOD], our very able chairman, and to the leader of the majority in this House [Mr. MONDELL] than the fantastic estimates for appropriations for the enforcement of prohibition and the Volstead law? Do not forget, my prohibition friends, that this law was to enforce itself by the good people of America accepting its one-half of 1 per cent.

Do you remember the romantic prophecies that crime would vanish from that portion of God's footstool known as the United States of America; that our penitentiaries would soon become deserted wildernesses; and that our county jails and poor farms would almost instantaneously shut up shop, pull down the shades, and await peacefully the transformation into a new status where the reformed among our American men and women would hie themselves to join in Te Deums to the Lord of Hosts for the new and blessed life brought to all of us by national prohibition? Has this happened? What are the facts? I challenge contradiction of my statement that crime, real crime, not arrests for drunkenness, is on the increase in every part of this country.

The Illinois Bankers' Association presents some interesting comparisons as to one class of crime. In the year 1916 there were 15 attacks on banks in that State, with a total loss of \$30,321; in 1917 there were 29 attacks on banks, with a total loss of \$111,177.08; in 1918, 32 such attacks, with a total loss of \$178,669.80; and in 1919 there were 119 attacks on banks, with a total loss of \$807,000.

I do not have to tell this House that Illinois was a wet State in 1916, and the 15 attacks on banks were attributed to that condition by the prohibitionists. They said that liquor made men wild and sent them into the banks to take away the treasure of the people. But in 1919 Illinois was dry, and the bank burglaries increased to 119, or eight times as many with a total loss twenty-seven times as great as in 1916.

Mr. RANDALL of California. Will the gentleman yield? Mr. GALLIVAN. Not now. This is one of the benefits of prohibition. Illinois is now discussing the necessity of a mounted State police to protect the people in the small towns and villages and the rural districts from the crime that has followed prohibition.

Let us consider conditions right here in Washington before our own eyes, where we had prohibition even before its blessings had been felt in other sections of our country. I now quote Mr. F. A. Sebring, clerk of the Police Court of the District of Columbia, explaining to the subcommittee on the District appropriation bill why his court needed more money than ever before to handle the growing volume of its business.

Mr. DAVIS. Has your business increased?

Mr. SEBRING. Yes, sir.

Mr. DAVIS. Except that the increase seems to be greater last year than in previous years.

Mr. SEBRING. Yes, sir.

Then my good friend [Mr. Sisson], a member of the committee, said:

It looks like our prohibition theory has not worked very well.

And everybody knows Mr. Sisson is one of the leading prohibitionists in this House.

Mr. SEBRING. It is a fact that it has not decreased our business. I will say this, that probably we have not had so many charged with drunkenness in the police court, but crime of all kinds has increased, larceny, disorderly conduct, carrying concealed weapons, assault with a dangerous weapon, fornication, and everything else; why I do not know!

I hear some one say that prohibition has decreased the population of the insane asylums in the West. Well, we recently found an escaped lunatic from a western asylum murdering a church warden in the very sanctuary of the church in the city of New York, did we not?

I said a moment ago that the spirit of adventure, too, had come to life again here in America. Do you doubt it? Why, the adventures and hazards of getting a drink nowadays are the most popular literature of the day. [Laughter.] I venture to say that there are men in this Congress who, if they dared, could unfold a tale of their own experience in running the gantlet of the District liquor squad or the search of their automobiles at the District line, of interviews with bootleggers, or of doctors who fear to write prescriptions. You know that blind tigers are now surrounded by romance, if not respectability, and that bootleggers now have a clientele that formerly be-

longed only to the national banks or the trust companies. [Laughter.] Moonshiners are no longer among the outcasts of society, for the practice has become just as common among the cliff dwellers of the big cities as it always has been in the mountains of North Carolina or Tennessee. In the old days in the South men made moonshine, I am told, not because they liked moonshine, but because they were determined to resist the invasion of their homes by Federal agents, who sought to enforce a law the people of the South rebelled against and would not observe. And right here, may I say to you, that the most thrilling tales of adventure are found in the reports of the Commissioner of Internal Revenue, where is detailed the hairbreadth escapes of Federal agents in chasing moonshine; here you can read the story of gun play and deliberate murder, and here you will learn how Uncle Sam's revenue men have often stopped in their work to bury the remains of their dead comrades shot down in the mountainous regions of the Southland while engaged in the performance of their official duties. Oh, I fear that there will be other places thus pictured than those below the Mason and Dixon line when the official story for 1920 is told in writing. Already our Federal prohibition commissioner has advised us how men nowadays have been known to risk their lives to get a drink of liquor, and how his agents always hourly risk their lives in their efforts to prevent the national appetite of man to be appeased from having its play.

Mr. Chairman, although the Great War has ended, you will be interested to know that service in Uncle Sam's Navy is even in these days surrounded by adventure and hazard. Since the Coast Guard has gone back to the Treasury Department and become the patrol of the seas to guard us from smuggled rum, the Navy is compelled to sneak into our ports camouflaged, as in the war, to dodge the German submarines; and only the other day Secretary Daniels complained to Secretary Houston that one of the Navy submarines returning from Guantanamo had been fired upon by a Coast Guard ship on suspicion that the sub was a low-lying pirate craft smuggling Cuban rum into Florida. [Laughter.] Four years ago several German submarines dived under our battleships and popped up out of the water in a New England harbor. I begin to fear lest our grand Navy will have to adopt the German tactics and dive under the vigilant Coast Guard to make its home ports, for whether we build a navy or not we must appropriate for the Coast Guard to enable it to cut off smuggling of rum from Cuba.

The adventures of the Navy will not be more thrilling than those of the Air Service, with rival fleets of airplanes guarding the Texas border, one fleet looking for Mexican bandits coming across to murder our Texas brethren and the other spying on it to prevent the importation of mescal. We may have peace with all the world and continue to have war on the sea and in the air in our own country with prohibition ships and planes fighting warships and planes returning from foreign service for their country. It is a great game and it costs just like war. [Laughter.]

Mr. Chairman, we are about to celebrate the three hundredth anniversary of the landing of the Pilgrims at Plymouth, and I am reminded of Gov. Bradford's confession in that wonderful diary, which is now known as the History of the Plymouth Plantations. The Pilgrims, and later the Puritans, tried to make the people good by statute, and Gov. Bradford confessed that it was like damming a stream where the waters continued to flow and climb until by their weight the dam broke and there was a disastrous flood. So he found his efforts to dam the natural and peaceful inclinations of the people with prohibition statutes. The prohibitionists would endure for a time and then be swept away as the people went to the other extreme in defiance of all law.

We are beginning to see the same effect from the Volstead law, where men of all professions and social standing are defying this drastic prohibition law, and there is a decreasing respect for all law enacted by Congress.

The bigness of the task was illustrated by the commissioner's appeal to the clergy to assist him by reporting violations of the law in their congregations. But the clergy accepted this invitation requesting them to use their positions as religious teachers to spy upon their parishioners as an insult. It was suggesting a new rôle for the ministers of the gospel, even assuming that they were all prohibitionists, which they are not.

The Puritans who once controlled the Commonwealth of Massachusetts were strong on "Thou shalt not," but they did not apply it to ale or beer or even rum; and one of the old Puritan laws provided that tavern keepers should always provide good and wholesome beer for the entertainment of strangers; and another provided that the tavern should be located near to the meeting house, so that the congregation in winter could find something to take the blueness out of their

noses after sitting for two hours in a cold meeting house listening to a dull sermon. [Laughter.]

I have here the bill of the pastor of the Old North Church of Boston, the church of Increase and Cotton Mather, in 1722. Let me read it to show you how the Puritans would have repudiated the act of our friend from Minnesota [Mr. VOLSTEAD], or any other-law fixing a percentage on their food and drink:

To be sent to Mr. Townsend's (for ministers entertained there), one plum cake, one Cheshire cheese, one-half barrel beer, two bread bricks, one-half dozen Canary wine, two pounds fresh butter, one-half barrel ale.

From the cook shops: Three small patties, 12 dozen tarts. To boil: Five hams bacon, 5 leggs porke, 15 meat tongues, 2 dozen fowles.

To roast: Five pieces beefe, five loins of veal, five qurs. lamb. All sorts of sauce, as anchovies, pickles, greens, sallats, sparrow grass, oysters, onions, cramberrys.

Forty lbs. butter, eggs, one-quarter hund. reasons, one-quarter do. curants, spice of all sorts, 16 pudings.

Lickquer: One bl. beere, 1 bl. cyder, ½ cask Madeira wine, ½ hundred powder sugar, 1 loaf refine do., 1 gallon vinegar, ½ gallon lim juice. Forty bread bricks; pips and tobacco; 1 doz. drinking glasses.

I do not refer to this little matter with any intention of disrespect to men and generations that played big parts in the early life and history of our country. I want you to know about these things, and I pray that you think them over. You will find no reference there to one-half of 1 per cent. I confess I am not a Puritan, or the descendant of Puritans, but I am constrained to defend the Puritan against the fanatical prohibitionists who pride themselves on being Puritans. The old boys never indulged in delusions about a beverage containing less than one-half of 1 per cent. [Laughter.] Although they tried at times to suppress every other form of personal liberty by law, the absurdity and stupidity of dictating what their fellows should drink and not drink seems never to have occurred to them. That brilliant stroke was left for the Anti-Saloon League and its representatives in the Congress of the United States.

Do you know, my colleagues, that among the Anglo-Saxons a man who advocated a new law did so with a rope around his neck, thus signifying his willingness to die should it turn out a failure? [Laughter.] Some students of present legislative tendencies have ironically suggested a revival of this ancient custom, to check one of the greatest evils confronting American civilization—the multiplicity of laws which are clogging the wheels of justice, fostering a contempt for the true spirit of law, and fast reducing the American people to a condition of law-ridden vassalage.

I say to you who supported this law that you have sown to the winds and that you will reap the whirlwinds. This law will, at one time or another, be the subject of controversy in every congressional district, for the American people are not ready to have their daily actions and their appetites regulated by law and the subject of spying. You know I speak the truth now that you have the law, even if you doubted it when you were passing the law. That law contemptuously thrust aside all principles of self-control—it reckons as nothing the influences of education, experience, and moral suasion. You have declared that the individual has no inherent rights which are bound to be respected, and I say to you that therein lies the real danger to our free institutions. Do not forget that coercion never yet made for the upward swing of the race.

Those two great party leaders, Uncle JOE CANNON and CHAMP CLARK, whom we all honor and love [applause], have told us in season and out of season that this is a Government through parties, and always will be while it remains a Government of the people. And yet while we were engaged in the World War against Prussianism, with 2,000,000 of our American boys in France fighting that monster of modern military imperialism, Congress without any commission from the people, without any party platform indorsed by the 20,000,000 Republican and Democratic voters of this country, put over the Volstead law by a bipartisan vote on this floor. The majority behind that act took refuge behind a bipartisan combination, in a political shell hole between the lines, a political maneuver which I have been taught represents political cowardice, if not political trickery.

In 1916, William J. Bryan, the apostle of grape juice, protested against making prohibition an issue in that great presidential campaign. He wished the Democratic Party to confine its declarations to policies of economy and international relations, and he did not want prohibition, either as a moral or political issue, injected into the campaign. Other prohibition leaders agreed with Mr. Bryan and the only party that made any declaration on this question was that which is here repre-



sented by one man, the gentleman from California [Mr. RAN-DALL], alone in his power. [Laughter.]

Prohibition was not a political issue by the voice of either of the great parties engaged in the contest for the presidency and the control of Congress; but while our boys were in France fighting Prussianism and sending home appeals for more modern guns, more aeroplanes, more ammunition, and more ships to carry more men over the sea to lick the Kaiser, we here in Congress, by a bipartisan vote, submitted to the State legislatures that had already been elected on other issues, the eighteenth amendment to the Constitution—the most Prussian policy of imperial Verboten that ever found lodgment on American soil. We followed that with all sorts of war-time prohibitions “to win the war,” as though we were doing the fighting instead of the men in France, where wine and beer were served as rations.

Then, to cap the climax of absurd bipartisan politics, we passed the Volstead Act with its half of one per cent limitation on beverages, prohibition of household recipes that have made America famous as the land of good cooking and good living. You did not forget to place under suspicion and espionage every tea kettle, stew pan, and all other kitchen utensils that might be accused of brewing something containing more than one-half of one per cent of alcohol, which is the product of the sugar in the milk of every mother of the animal kingdom to sustain their young, and every sap that flows in every fruit, vegetable, shrub, or tree that grows.

You have prohibited the products of sugar formed by nature and you have quadrupled the price of the product of the Sugar Trust, permitting that well-known philanthropic corporation to gather into its coffers the billions we were accused of recklessly wasting on drink. I have often heard that the sugar barrel attracted all kinds of flies, and that the Sugar Trust has followed that example and always appealed to bipartisan combinations in Congress for legislation which it desired for the reform of the world. It has never been partisan in its support of Congressmen or policies and has never been suspected of partisan appeal for legislation; and I wonder how much the Sugar Trust had to do with this bipartisan prohibition legislation to give it a monopoly in administering to the sweet tooth of Uncle Sam.

But, gentlemen, you have not settled this question which you carefully kept out of your platforms and campaigns for election. You have not kept it out of politics by injecting it into national legislation by bipartisan votes. You have injected it into national politics at a time when it may decide the presidential election and the majority of this Congress. And you can not prevent it because you have enacted the most un-American law that was ever put upon the statutes, and the American voters of both sexes will soon exercise their individual responsibility in reviewing your work as their Representatives. The ancient character who tried to sweep back the tides of the ocean was no more a success than you will be in trying to convince the American people that the liquor question has been taken out of politics and is beyond their jurisdiction. Why, it is just beginning, and I pray my friends in Congress that they watch out! [Great applause.]

Mr. DEMPSEY. Mr. Chairman, I ask that I may proceed for 10 minutes on a matter of interest to the farmers.

Mr. GOOD. I yield to the gentleman from New York 10 minutes.

Mr. DEMPSEY. Mr. Chairman, on the 23d ultimo this House passed a resolution which I desire to read:

*Resolved, etc.*, That in order to meet the existing emergency in the shortage of fertilizers the Secretary of War is hereby authorized to sell for cash at the prevailing market price, at the time of the sale thereof, to such distributors or users thereof, in the United States, as shall request the same, and in such quantity to each, not less than 1 ton nor more than 100 tons to any purchaser, as he shall see fit, not to exceed in the aggregate 100,000 tons of nitrate of soda, now held as a reserve supply of the War Department, the proceeds of such sale to be repaid to the proper item of the current appropriations originally made for such purposes: *Provided*, That the Secretary of War shall report to Congress not later than December 6, 1920, the names of all purchasers of said nitrate of soda, together with the prices for which sold.

That was approved on the 23d of April. As soon as it was approved I wrote the Secretary of War urging that disposition be made of this nitrate of soda. That letter was dated the 28th or 29th day of April. I did not go to see the Secretary myself, but Senator CALDER and Representative MOTT of my State had their secretaries go to see the proper person who had charge of the carrying out of this resolution, and I want to relate to you what was said to them in response to their application to have prompt action upon this measure for the relief of the farmers of this Nation.

There never has been brought to my attention such an effort to find ways not to do a thing. In the first place, Mr. Schultz,

of the Ordnance Department, who has charge of this matter, informed the two gentlemen who called upon him that the War Department had no power to declare this 100,000 tons of nitrate of soda “surplus,” and that therefore they could not make the distribution. Well, nobody contemplated that they should make any such declaration. The resolution in express terms says that this 100,000 tons is part of the quantity which the War Department is holding as a “reserve” supply, so that they were under no obligation to reach such a result through such a mental operation, and all they had to do in the War Department was to read the resolution, which is only about eight lines long, in order to see what it did contain.

Having thus primarily placed themselves on the basis of not wanting to comply with what Congress had ordered them to do, they proceeded to show why they could not do it, and they said first, so far as the State of New York was concerned, which Senator CALDER and Mr. MOTT were speaking for—so far as that great Commonwealth was concerned—they said that there were stored in the depot at Schenectady from 6,000 to 10,000 tons of this material—nitrate of soda—but they said they could not distribute it. Why? What was the first great reason given by the department?

They said they had read the debates in the Senate, and that they had concluded from reading those debates that the Senators contemplated that the distribution should be made from “expensive” warehouses instead of being made from arsenals or depots. There is not any such expression in the resolution. There are no such terms or conditions in the resolution. These gentlemen are bound not by what some man may have said in the freeness and looseness of debate, but they are bound by the resolution itself.

Second, if you want to distribute as they think the talk indicated instead of the resolution by which they are bound, it was easy enough to find out a way to do it. They could distribute primarily from the arsenal or depot and then ship from the “expensive” warehouses where they were paying rent. Next, they say this quantity stored at Watervliet would have to be rebagged because it had eaten holes in the present bags. Of course, that is an objection that will always exist. It does not exist to-day any more than it will to-morrow. It does not exist this year any more than it will next year. It will always exist until they are rebagged.

Next, they said that they had great trouble in determining upon the price. They could not tell at what price they should sell; that they did not know what the price would be in the future; that apparently the resolution meant that they should buy a quantity in the future equal to the quantity they distributed now. Of course, there is no such thing in the resolution. The resolution in express terms says they are to sell at the market price as it is to-day, and all it says about the future is that the sums they realize are to be put to the credit of the original appropriation which was made for the production of this material. And then when they come to the question of distribution, they say that they think the best way to distribute it would be to select the three great importing houses in the country and turn it over to them with the agreement that they would deliver back at any time in the future when they demand it an equal amount to that which they now obtain. Did you ever hear of such a way of carrying out the wishes of Congress?

Here is a product in a natural state, produced only abroad, which must be imported, and these gentlemen who are to carry out the wishes of Congress to relieve the wants of the farmers and give them the product at a moderate price so that the agricultural product of the country may be increased, propose to do what? They propose to place the 100,000 tons of nitrate of soda in the hands of the only competitors of the Government in sales in order that the price may be absolutely controlled by the importers. Then these gentlemen said even this method of distribution was not perfect, because the department might be charged with “favoritism.” And well he might entertain that fear, for if there ever was a scheme, if there was a plan to defeat the honest and beneficent wishes of Congress, if there ever was a plan to frustrate a movement to give the farmers a cheap fertilizer, this plan evolved by these men is the cleverest that could by any stretch of the imagination be devised or even conceived.

This gentleman says finally that he is afraid, owing to these various imaginings of his, owing to these troubles that he has built up out of his fertile brain, owing to the bogies which have no existence except as he sees them in his dreams, owing to all these things, the distribution could not be made in time for the farmer for the present year.

Now, gentlemen, it is late, but the season is late also, and with three weeks beyond the usual time, there is time enough

for this distribution to be made for the benefit of the farmers of the country. They never have confronted the difficulties in which they find themselves involved this year—shortage of help, increased prices of everything they use, all sorts of difficulties which meet the farmer. We plan this small measure of relief, easily extended, which can be simply and naturally executed. How can it be done? Find out what the price is and sell it at the market price, just exactly as the resolution declares. How can it be distributed? Get in communication with the agricultural departments of the various States and turn this material over to them or such farmers' organizations as they recommend. It is easily and simply done. There is nothing difficult about it, nothing that requires thought; all it requires is prompt and immediate action in order that this distribution may take place in time. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Mr. Chairman, I have listened with a great deal of interest to the many discussions on the high cost of living, both in and out of Congress. I thought I would use the time allotted to me to-day in giving my views on this important subject. In my judgment, the six factors which more than others have brought about in this country the high cost of living are:

First. The urgency of the world's demand for our raw materials and manufactured articles during and since the war.

Second. Lessened production.

Third. Lack of transportation facilities and markets for our perishable crops.

Fourth. Inflation of our currency and credit.

Fifth. Profiteering.

Sixth. Governmental extravagance, private extravagance, and taxation.

First, let us consider the urgency of the world's demand for our raw materials and manufactured articles during and since the war and lessened production. We know that upon the declaration of war millions of men were taken suddenly from farms, factories, mines, and forests, and were put into the military service; and millions more of those at home were compelled to change from normal production to the production of munitions of war and other supplies necessary to the men in the active military service. We know, too, that beginning before the war, during the war, and since the war there has been a world movement from the farms to the already congested centers. I am sure all will admit that these conditions brought about increased demand for our raw materials and manufactured products and lessened production, and that, of course, constitutes the main factors in the high cost of living. Now, what is the remedy for this situation? The remedy is more work and more production.

But, my friends, it is very easy for one to suggest a remedy here, when he says "work and increase production," but there are certain conditions prevailing that must be understood and solved before we can get good and permanent results. To begin with, there must be a better understanding between capital, labor, and the public. All must understand that capital is necessary to develop and operate the industries of the country, and that in order to get capital it must receive a fair return on its legitimate investments, and it must have the protection of the law in its legitimate operations. All must understand that efficient and steady labor is necessary in order to increase production and in order to have efficient and steady labor, labor must receive fair and just wages so as to keep up the American standard of living. We must understand, too, that the unorganized public is entitled to a fair and just treatment at the hands of both organized capital and organized labor. The demagogue and radical agitator who sows discord between organized capital and organized labor, especially during our period of reconstruction when we are readjusting ourselves to new conditions, is an enemy of society and good government and should be dealt with accordingly. His only object is to stir up strife and inflame hatred and widen the distance between employers and employees in the hope of arousing such passion as to precipitate widespread conflict. His desire is not to encourage people to work and produce but to encourage a certain element to loot the stored-up wealth of the country. These radical agitators are committing a crime against the existence of the United States, and they should be punished severely. The interests of organized capital and organized labor are bound up with the interests of the public as a whole, and the interests of all are bound together in the interests of the Nation. It is impossible to separate the interests of any class or any association. Mutual consideration is not only a manifestation of Christian spirit but of good business. We have various industries and undeveloped resources in this

country, and we must encourage capital, labor, and genius if we wish to encourage our industries and develop our resources and increase production and make it possible for the people to find employment and be happy and contented and prosperous.

When we take into consideration the facts brought out by the Federal Trade Board recently that food absorbs 33.2 per cent of the average American household's income, it should be evident to every thinking man that the shortage of foodstuffs is one of the most serious problems we have to contend with at this time. Here again let me call your attention to certain conditions existing in our agricultural sections which must be understood and remedied if we really wish to increase production. The farmers always need some financial assistance because of the high prices for seed, labor, and machine power. The Federal Farm Loan Board can do a great deal to relieve this situation, and the system should be perfected as rapidly as possible so as to finally reach the individual that it is intended to relieve, provided of course that his demands are reasonable and safe to the Government. But some of the farmers' needs are sudden, especially during the planting and harvesting season. These short-time needs must be met by a quick mobilization of money. Much new land will be worked if this is done in time, especially in the sections where the crops were short. Then, too, we must encourage the men and women who remain on the farm and who till the soil, and we must give them an opportunity to own it. This is the foundation stone upon which alone can be built an attractive country life. The small farm owned by the man who works it is the best plant bed on which to grow strong men and women. A landless population will always make a Mexico or a Russia, but the strong citizen standing in the doorway of his own home is himself the builder and advocate of the commonwealth. Oratory has tried to reverse the current from the country to the city, but the cry of "back to the farm" will continue to fall on deaf ears unless something is done to make living in the country more attractive and profitable. Long ago it became evident to the wise statesmen and economists of the leading European countries that the soil worn out by centuries of use and abuse needs reclamation and improvement in order to produce the best results, not only to make agriculture profitable to the individual farmer but especially to enable each rival country to produce the products of the soil at a cost to permit that country to compete with other rivals in the markets of the world. This need led to the birth of the rural credit system in Europe, separate and different from the other banking system. We likewise have discovered the necessity of creating a Federal farm loan system. Let every citizen, whether he lives in the city or in the country, study this system with the view of perfecting it as a means of building up our country, because, after all, we are an agricultural nation. We should bear in mind also that the farmers' work is very hard at times and that their hours of work are long, and that, therefore, they must derive enough profits from the soil to pay taxes, build up comfortable homes, drain their land, build good roads, better schools, and better churches.

Right in this connection let me say a word to my good friends from the East and North who represent congested districts. You often complain about the high prices farmers are receiving for their products and advocate measures to reduce these prices in order to lower the cost of living to your constituents. I say to you that if you wish to be sincere and effective and do something for your people, make it plain to them that the only way that production can be increased is to give the farmers fair prices for what they produce, and see to it that some of your middlemen do not make the excessive profits that they are making at this very time.

Another important need in the country is more liberal appropriations for agricultural colleges and agricultural high schools. If we are to conserve our soil and make it produce more, it is absolutely necessary that our people be taught scientific and practical agriculture, so that a love for agriculture as a science will be created—the same as the love for any other science. Unfortunately we have permitted agriculture to be looked upon as an undignified profession when it should be considered one of the main ones, for it is the foundation for the success of the men engaged in all the other professions, such as law, medicine, and commerce.

Washington, the "Father of his country" and the "Farmer of Mount Vernon," said:

I know of no pursuit in which more real and important service can be rendered to any country than by improving agriculture.

Daniel Webster said:

Farmers are the foundation of civilization and prosperity. A farmer must always be the foundation, but that does not mean that he must be kept beneath the surface.

Why has agriculture been slow in taking its place as a science throughout the country? My observation has been that too many of the teachers lack practical experience and fail to make a success on their little experimental farms as a result of it. That, of course, reflects on scientific agriculture. The cause for this is that they are instructed in agricultural colleges where they have not sufficient facility to teach the practical side of it on experimental farms in connection with the college course. The experimental farm is to the agricultural college what the hospital is to the medical college.

Another matter that deserves consideration in our efforts to better the condition of country life and increase production is sanitation. Did it ever occur to you, gentlemen of the House, how much time and money—not to mention suffering—is lost as a result of diseases that could be prevented by the simple application of the scientific knowledge we already have? We have stamped out, for instance, yellow fever, bubonic plague, smallpox, and cholera. Why not go further and stamp out malaria and typhoid fever, the two most serious diseases we have to contend with all the time? We know the causes of these diseases and how they are transmitted and how to prevent them. It is merely a question of cooperation between local and Federal Governments and working in harmony. The safeguarding of the health of the worker in every kind of work that yields a profit or confers a benefit should be a matter of primary consideration.

I repeat that before we can reverse the current back to the farm or even arrest the current from the farm to the cities and increase production of agricultural products it is necessary that we deal with these conditions that I have just mentioned and improve them. Pause and think how serious the situation is when we consider the fact that in the beginning of our country about 10 per cent of the people lived in the towns and cities, and to-day over 50 per cent of our population have left the farms. No wonder the cry, "A house, a house; my kingdom for a house," is the cry in every city of the United States, and "Help, help; my crop is rotting in the field for the lack of labor," is the cry on every farm in every section of the country.

I now come to the third factor, lack of transportation facilities and markets for our perishable crops.

Anyone who has lived on a farm knows that the delay in hauling and marketing the products of the farm is the cause of heavy loss to the producer, which in time is bound to be reflected in higher prices to the consumer.

When I speak of better transportation facilities I have in mind a comprehensive system of transportation, which includes good roads, railways, and waterways, so that our agricultural products, and especially the perishable products, when ready for market, can be shipped from the producer to the consumer without delay. When these products reach the large centers they should find markets at once. Inefficient and uneconomical wholesale marketing facilities are held by the Federal Trade Commission to be in a large measure responsible for the high cost of living. A recent investigation conducted by the commission in different cities throughout the country convinces the commission that improving marketing facilities at the great consuming centers would prove a long step toward the lowering of present-day living cost. This report relates particularly to wholesaling and contemplates the elimination of waste as well as securing a more direct relation between the producer and the consumer. Careless handling, improperly equipped cars, delays in moving, and exposure while perishable products are in railway transit to markets are stated to be the causes of much and unnecessary losses and expense to dealers and shippers. The report also shows that buildings and other facilities for the marketing of perishable products in a majority of wholesale receiving centers are not adequate and badly located, and markets are not convenient to terminals, storage, and retail, thus necessitating a large amount of cartage. In fact, the whole distributing system is said to be wasteful and inefficient. It is now to be hoped that the Federal Trade Commission will make a thorough inquiry into the retail distribution of foods and see how the wide margins on food prices may be reduced.

We will never have a comprehensive system of transportation in this country until our people realize the importance of connecting the local communities and States by good roads. In the past the impression was that good roads were needed by those who used automobiles only. To-day we know that good roads are absolutely necessary and of great benefit to all the people. The farmers are taking a greater interest in good roads to-day than ever before, because they realize that their success depends on diversification, and that nothing makes diversification more profitable than quick and easy transportation.

With the good roads we are beginning to see that good roads also mean motor trucks. With motor trucks it is easier and cheaper for the producers to ship what they produce to the consumers, and it also makes it easier to secure what they need from the merchants. Then, too, with the congestion in railroad traffic, unrest, and many strikes, we are beginning to realize that the motor trucks are absolutely necessary to the people in the large centers. For instance, in the recent tie-up, when there was almost complete paralysis of railroad transportation, it was the Government and private-owned trucks that saved the situation and prevented suffering and starvation in the large centers.

I never appreciated the real value of good roads until I visited Europe last year. Take, for instance, France. As we all know, the French people are very economical, and long ago they understood the value of good roads and have the most wonderful system of public roads in the world. It is said, and I have no doubt it is true, that it was the good roads of France that saved her in the last crisis, because when the railroad transportation was blocked people and commodities were moved from place to place on their good roads without a particle of trouble.

Then, too, in order to increase production and lower the high cost of living in this country we should adopt a systematic method of improving and using our waterways. While we are building an American merchant marine under the American flag to carry the products of our farms, forests, mines, and factories from our seaboards to the markets of the world we must not neglect to improve our inland shipping. We have the most magnificent system of waterways in the world, and if we adopt a comprehensive and systematic policy of improving our waterways it will not only relieve the congestion of traffic on our railroads but it will give us lower freight rates. The bulky stuff could go by water and the balance of our trade could move by rail. Gen. Frank T. Hines, Chief of the War Department's Transportation Service and Director of Inland Waterways, in an address to New Orleans business representatives a few days ago, said:

Operation of waterways should not be looked upon by the railroads as competition, but as cooperation. The railroads are unprepared to handle the commerce of the country to-day. They and the commerce and business of the country, upon which they depend, must look to the waterways for help.

In connection with the improvement of our waterways we should build better terminal facilities, so that freight could be handled, going and coming, without damage done to it.

Then, too, our people should take advantage of the existing warehouse law, organize under it, and provide better warehousing facilities for our agricultural products. Take, for instance, cotton and rice as it is now; a good deal of it is left in the open, exposed to the elements and without insurance, the loss, of course, falling on the producer. With warehouses all over the agricultural sections, the farmers could store their cotton and rice where it could be protected against bad weather, weighed, and graded by experts, who are neither buyers nor sellers, and insured at a reasonable rate. Then the farmers, with their cotton and rice receipts, would not only be safe from loss, but they could use these receipts as money in their business transactions.

The fourth factor to which I want to call your attention is the increased volume of money; in other words, inflation.

Of course, we all understand that war made our expenses very heavy. Not only that the Government spent its cash but it borrowed money from the people. For instance, if we read a daily statement of the United States Treasurer which reads as follows: "Outstanding Federal notes, \$3,000,000,000," against which there is in gold and lawful money \$1,000,000,000, and we subtract one from the other, we will find two billions based upon credit. The more paper money issued in this way the cheaper the money. That, of course, is one of the elements that enters in high prices. The per capita money in the United States has recently increased from \$34 to \$54, but the purchasing power of the dollar has dropped to about 50 cents. Expanding this credit is like inflating a balloon. It will not expand indefinitely. History teaches us that the nation that has failed to read this warning in the past has suffered for it. We should not forget the panic in 1873, brought about by the Civil War.

There has been some criticism of the Federal reserve bank system in this connection. For instance, Representative KING charged that 75 per cent of the high cost of living was due to the financing of speculators and hoarders by the Federal reserve system. Mr. Marcus Walker, of the Federal reserve bank in New Orleans, says:

The Federal reserve banks have the unfortunate distinction of being in a position where they get criticism both going and coming—from member banks on the one hand and from the public on the other.

There is no doubt but that the Federal reserve banks are in a position to cut down inflation quickly if they want to do so. All that would be necessary would be a refusal to discount loans from member banks. The member banks would then have to refuse loans to their customers and inflation would most certainly come to a stop. But at the same time the bottom would drop out of business and the Federal reserve bank would be in line for some real criticism then.

Squeezing down on credit, limiting loans to legitimate business needs—that is the sane, orderly way to reduce inflation. And that is what is being done more and more daily. The Federal reserve banks are scrutinizing their loans closely. The individual member banks are doing the same. And especially since the increase in the Federal reserve banks' discount rate, the merchant also is giving his loans greater thought and is trying more and more to hold them down.

This matter will probably be investigated.

There is no "cure all" which will prove a magic remedy for inflation. The cure rests with us. The individual must work, produce, and save, and the Government must also economize so as to reduce its debts and the running expense of government. This has been emphasized by some of the best-informed students of finance and economics. Secretary of the Treasury Glass, in a recent letter to the president of the Chamber of Commerce of the United States, said:

The process of getting back to normal must necessarily be slow, involving as it does not only the physical restoration of industry and agriculture, but as well the restoration to habits in industry of masses of men, accustomed by the war to unsettlement. We must necessarily, and to a great extent, depend upon and encourage the independent activity and resourcefulness of each person affected to repair his own fortunes, with the assistance of his business connections, and also upon each individual to return to a normal life of industry and economy.

Mr. Paul M. Warburg, former member of the Federal Reserve Board, and one of the highest authorities on finance, said:

We are living in an era where the production of money and credits has increased and the production of goods has decreased. In order to emerge, we must produce less credit and money and produce more goods. In practically all leading countries the people have been urged in the strongest possible manner to produce more and to consume less.

The National Board of Farm Organization, in its recent memorial to Congress, under the title of "Adequate Production," displays a keen appreciation of the situation by saying:

The farmers of the United States are continuing their best efforts to produce abundant foodstuffs, and contending that production in the factories, mines, and mills is second in importance only to that of the farm, they demand of both labor and capital that they, too, shall earnestly and consistently speed up their part of the production so urgently needed.

I could quote you more warnings from deep students of finance and economics, but it is useless to do so because the opinion of all is the same and leads to identically the same conclusions. In the face of earnest admonitions to economize the people are wasteful and extravagant. In response to pleas for thrift, a wave of speculation is sweeping the country, and Liberty bonds are being exchanged for stock in wild-cat schemes. Let us hope that our people will wake up in time, realize the danger ahead, and apply the remedy it has within its own hands. The facts can not be winked at, for they are cold, hard, practical facts of human experience, and they point to perils which can be seen ahead and which must be avoided. I have an abiding faith in the good sense of the American people, and I feel sure that they will awaken in time to avoid disaster and will lead the march of the country back to sanity and reason.

I now come to the fifth factor in the high cost of living—the unscrupulous profiteers, who take advantage of just such a situation as exists to-day, when production is low and the demand great, to ask abnormally large prices from the consumer for products which they have obtained much cheaper.

I am glad to know that the Department of Justice has been given sufficient appropriation and power under the law to deal with the profiteers, and I hope that they will be prosecuted and punished to the full extent of the law. But we might as well realize right now that fines will never curb them, and that the only way to stop them is to give them jail sentences!

As high as the cost of living now is, there is no doubt that it would be higher still if the power of the Government was not being exerted against those who are exploiting the people for their personal gain. At the same time we should follow the advice of Royal Meeker, Commissioner of Labor Statistics, in which he wisely points out the necessity of increasing production and in that way remove the field of temptation for the profiteers.

The sixth factor in the high cost of living, Government extravagance, private extravagance, and taxation, must be considered together.

It is very evident to one who has studied our system of government that we are constantly drifting away from the Jeffersonian idea of government and drifting toward centralization of power at Washington.

Now, any experienced student of economics should understand that the further the Government is removed away from

the people the more extravagant it becomes. Individuals far removed from the Treasury are constantly making demands for appropriations, forgetting that every dollar in the Federal Treasury comes out of the pockets of the taxpayers. Then, too, when the Government is far removed from the people, too much of the money appropriated by the Government is wasted before it is finally applied where it is needed.

Of course, in discussing Government and private extravagance we must not forget that there is such a thing as legitimate increase in cost of both Government and private affairs, because of the difference in the standard of living. For instance, a good many years ago, when I began to practice medicine in the country, my patients would send for me by messenger, and I went to see them in a buggy over bad roads. To-day, in the same community, the patient calls the physician by telephone and expects him to answer the call immediately in his machine, which, of course, necessitates a good road. Now, the cost of a telephone system, the machine, and the good road, which were looked upon a few years ago as a luxury, are now regarded as necessities, and therefore a necessary increase in the cost of living. This I will call a legitimate increase. On the other hand, if as a result of lack of interest on the part of the people in the community in their Government \$2 is appropriated where \$1 would answer the purpose in the building and maintenance of that good road, that, of course, is extravagance and waste and an unnecessary expense to the people.

Now, let us take an example of an individual case in the city. Years ago the housewife would go to the corner grocer with her tin bucket for a pound of butter, which was dished out of the grocer's tub and she carried it home herself. To-day, in order to save time, she phones her grocer for a pound of butter, and the grocer sends it to her by a delivery man, the butter being wrapped in sanitary paper. This, of course, is a legitimate increase in the cost of living, and no one can find fault with it. However, if 2 pounds of butter are ordered and the family can manage on 1 and the balance goes into the garbage can, that is waste and quite a factor in the high cost of living.

I mention these two cases to illustrate the line of demarcation between a legitimate increase and waste, both in the life of the individual and the Government.

If we are to remedy this situation we must begin by pushing aside our loose way of doing business and adopt the budget system. The Government, National, State, county, or municipal, must, like the individual, live within its income, and this can only be accomplished by adopting the budget system, which would eliminate duplication of estimates and unnecessary appropriations and waste of money after it has been appropriated.

The people throughout the country do not object to necessary appropriations for worthy purposes, such as schools, drainage, good roads, agriculture, and so forth, but they do insist that the money raised by taxation for this purpose should be collected in a simpler way, at less expense, and spent more carefully, so that they will get value received when the work is done. A private business could not be run under such a loose system as we have in Government without going into bankruptcy.

Our method of collecting our taxes is too complicated and too costly. I believe it would be wise for the Government to appoint a nonpolitical body of experts to study the various methods of taxation and report to Congress. Then I believe it would be possible for Congress to legislate on this matter in an intelligent way. In England a committee of nonpolitical experts was recently appointed by the Government to study the various kinds of taxation which have been in force during the past five years and to make a report to Parliament, based on such study. Why should we not make an attempt to find a simpler and less extensive system of raising the money necessary to run the Government? It seems to me, too, that there should be a systematic effort on the part of the Government to teach economy. At present we have no governmentally appointed body here charged specifically with this work, such as they have in France. And France has demonstrated that thrift is a national asset of the greatest value.

The people must not be deceived and led to expect a return to normal conditions too quickly. We should discourage demagogues who go about in the land advocating a quick cure for every ill we have and who lead some people to believe that everything can be corrected by the enactment of laws only. It is wrong because it is false, and because it tends to foment a spirit of unrest and dissatisfaction among a certain element of the public and make them ripe for the inculcation of seditious teachings by the radical agents of the soviets. What we need is to get back to fundamental principles and study our problems in the light of reason and common sense, with a view of finding

the causes so that we can apply intelligent and permanent remedies. By working together and in harmony, we can solve these problems in the right way, and we can do it under the system of government left to us by the fathers of our country. I do not believe that there ever was built by man a more magnificent form of government than that wonderful instrument we hear so little about these days—the Constitution of the United States, provided every person under it is willing to do his full duty, and provided he is willing to labor and deserve success. That instrument is the foundation of your liberty, of mine, and the liberty of all the people. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one hour to the gentleman from Mississippi [Mr. Sisson].

Mr. SISSON. Mr. Chairman, Grecian mythology is filled with beautiful thoughts and teaches great fundamental truths. It gives to the forces of nature a name and a character. It clothes great scientific principles with romance and beauty. Heat and cold, wind and storm, land and sea, sun and moon, planets and stars and all the material world and the physical forces of nature are given a personality and character. Love and hate, strength and weakness, happiness and misery, truth and falsehood and all the virtues of mind and heart, as well as all bodily strength and weakness, are represented by some being, good or bad, constantly warring with each other for the weal or woe of mankind.

We of this practical age can learn many wholesome lessons by a study and understanding of this beautiful system of Grecian philosophy. Of all things, the Greek was a practical philosopher, and as long as his people lived up to this practical philosophy they were a great and a prosperous people. But she got too rich. She was given to great games, not for the prime purpose of making strong their bodies but for the sole purpose of furnishing amusement. Their lives were given over to pleasure and luxury. Above all things, she forgot the fundamental lesson of Antæus.

Antæus was the son of Poseidon and Ge, or better known as "Neptune" and the "Earth," or sea and land. Antæus became a mighty giant and wrestler of Libya. His strength was invincible so long as he remained in contact with his mother, the Earth. She gave him strength and never allowed him to be overcome. All strangers who came to his country were compelled to wrestle with him. The conquered were slain, and out of their skulls he built a temple to Neptune, which became Neptune's home upon the land. Hercules heard of this mighty giant, and through the jealousy of some mythological woman found out the secret of his strength. He went into Antæus's country and, catching him off his guard, lifted him from the earth and crushed him in the air after a terrible struggle. It is from this story that we get the expression "Always keep your feet upon the ground."

This lesson of Antæus I would have Uncle Sam to learn. After learning it I would have him never for a moment to forget and be off his guard, but to always remember and keep his feet upon the ground. If he will do this, his mother earth will always give him strength and power and he will be able to resist his most powerful enemies, come from whatever quarter of the globe they may.

If he forgets the source of his strength and sustenance and neglects to stay close to mother earth, some Hercules of hunger will arise in his midst and, finding Uncle Sam's feet off the earth, will crush him to death, and Columbia, the fairest daughter of all time, will be ravished and torn by this beast Hercules and die a death of shame and degradation.

Mr. Chairman, one great problem, the one to which I would summon the highest endeavor not only of every Member of this Congress but of every American citizen to solve correctly, is the great question of so reconstructing our affairs in America that our strongest, wisest, and best people may find it to be not simply their duty but their pleasure, happiness, and contentment to cultivate the soil. When man was driven from the Garden of Eden, it was decreed that he should earn his daily bread by the sweat of his face. This is the immutable law of nature. The soil, however fertile, will not produce sustenance for man without cultivation. As an academic question, every sane man admits this. As a practicable proposition, the majority of our own people seem to overlook this truth. We are prone to put our thumbs in our vest holes and with assurance say "we are a practical people." Our orators will with great eloquence proclaim, "We are harnessing the forces of nature and requiring them to do our bidding. We are chaining the lightning of heaven and directing its powerful force to turn the wheels of our commerce and convey our messages to all the distant quarters of the globe in the twinkling of an eye. Our cities are marvels of busy commerce and trade. Look at the mighty piles of brick and mortar, towering amid the vaulted heavens, filled with

teeming millions of busy people. See our great factories, with their belching smokestacks blackening the sky, and hear the humming of millions of spindles and clicking looms. Contemplate the glare of our furnaces converting the dead, cold rocks into living steel. Hear our locomotives thundering over hills and across our blossoming prairies and through our mountain ranges, eliminating the distance between our oceans," and so forth.

His picture is beautiful and his eloquence receives the applause of a proud and admiring people. All of this is as it should be. But does he in talking so eloquently of all this evidence of power and strength in our great Republic impress upon the minds of his people that there is something more important than all this; that all the power and strength in these institutions are based upon something else? Has he not forgotten the lesson of Antæus? Does he not know and should he not constantly keep in the minds of all the people of all these mighty cities that the very life of all this marvelous manufacturing and commercial enterprise comes from the cultivation of the soil?

Let us never forget as a people this lesson of Grecian mythology. If we do, we will harness in vain the forces of nature. The lightning will turn no more wheels of commerce and convey no more messages. Our cities, now marvels of beauty, will become charnel houses of death, the music of our spindles will no longer charm the ear, and the scream of the locomotives will be heard no more in the land.

Mr. Chairman, the basis not only of our prosperity but of our very life as a nation depends upon the products of the soil. [Applause.] Our future as a nation is in the hands of the American farmer. [Applause.]

The greatest Republic that ever existed, save our own, was the Republic of Rome. It is a most interesting inquiry, and one that should be instructive—why art, literature, science, philosophy, learning, and great political organization did not prevent so mournful an eclipse of human glory as took place upon the fall of the majestic Empire of the Romans. There can be no question that civilization achieved most splendid triumphs and human liberty rose to heights never achieved by any people before them. What grandeur was theirs! Let your eyes be opened in your imagination as a contemporary upon this wonderful age. Your eyes would rest upon the beautiful and cultivated face of nature, on commerce and ships, on military successes and triumphs, on the glories of heroes and generals, on a subdued world, on a complicated mechanism of social life, on the blazing wonders of art, on sculptures and pictures, on temples and monuments which ornament every part of the Empire; and then you would reflect on the bright theories which their philosophy proposed, on the truths which were incorporated with the system of jurisprudence on which their wondrous constitution which the experience of ages had framed, on the genius of poets and historians; yea, on the whole system of social life, adorned with polished manners and the graces of great intellects. When you saw all this and how for centuries each generation had gradually progressed to such heights you would say, "Surely the reign of peace and prosperity will be perpetual."

Why, then, did they fall? Why did not their beautiful philosophy, their arts and sciences, their great statesmen, their great merchants, and their love of liberty save them? The answer is easy and certain.

In the early days of the Roman Republic the most honorable vocation of a Roman citizen was that of the "agricola." The cultivation of the soil was the most revered of all callings by the early Romans. We all know the beautiful story of old Cato. He led the Roman armies to great victories. As soon as the dangers were past he went back to the plow. Brumidi, the great artist who decorated our National Capitol, has two paintings which can be seen in the Post Office and Post Roads Committee rooms. On one side you see Cato being called from the plow to lead the Roman Army; on the other Israel Putnam to lead our Army. The artist here, in marvelous beauty, shows why the Roman Republic was great and why the American Republic is great.

But Rome became rich. She was given over to pleasure, the circus, the arena. In every city in Rome there was entertainment for the people at public expense. The farms were deserted. The sources of moral renovation were poisoned, the very means of culture were perverted, and "the savor unto life became a savor unto death." Only the least intellectual and those least given to enterprise remained in the country and on the farms.

In their primitive state they were brave, trusting, affectionate, enterprising, and given to the cultivation of the soil, and they made great strides in learning and in the sciences and arts. Her armies were invincible. But when they looked upon labor as dishonorable, and farming was no longer looked upon as an

honorably vocation, the Goths and Vandals, the Hercules of the north of Europe, found Rome an easy prey, and she was overcome because she had forgotten the source of her strength and power. She ran the usual course of the nations which preceded her. The sterling virtues of her primitive times produced prosperity and material greatness because she encouraged and honored agriculture. But prosperity produced idleness, pride, and sensuality. The corruption spread. Society was undermined and arts fell with the people, except such as ministered to a corrupt taste, like demoralizing pictures and inflammatory music. Men in their wickedness were indifferent to truth and virtue. Good men had made good laws; bad men perverted them. Land was monopolized by the few, and those who were compelled to cultivate the soil were not permitted to enjoy the fruits of their labor. When the day of trial came, there was nothing that could save the Roman State. Her feet being off of Mother Earth, she had lost all of her power.

I pause here long enough to say that those who have visited Pompeii say that the pictures on the walls, while in every detail perfect, are so foul that even a man alone feels like leaving the horrible scene. This is a living evidence of the immorality among that great people who had built the most marvelous republic which was converted into the most marvelous empire which ever existed on the earth. Think of the countries now great whose territory was at one time all under the dominion of this mighty people. Is there not some lesson that we may learn from the study of this great people, so nearly like ourselves in their idea of liberty and in their ideas of conducting public affairs? You will all remember that when St. Paul was arrested and was about to be taken to the courts of Judea for trial, he exclaimed, "I am a Roman citizen and I appeal to Cæsar." That is all he had to do, and the shackles were stricken from his limbs. Why? Because the Roman people loved liberty so much that under her constitution a citizen of Rome could not be tried for his liberty or his life except by the Roman Senate. It was this appeal of St. Paul that carried the Christian religion to the shores of Europe.

The question of food is just as vital in one age as it is in another. No people can thrive without ample supplies of food. No nation ever long survived in any war unless not only her soldiers but her people had ample food.

Let us now apply this principle to modern nations. What was the cause of the failure of the Southern Confederacy? Was it not because she could not feed her armies and her people at home? Her ports were closed, and her people, being engaged in the production of cotton, suffered from hunger, and this was the principal cause of her failure. No one in the cause of the Union appreciated this more than did Abraham Lincoln. His common sense enabled him to see that by cutting the Confederacy in two by controlling the Mississippi River he would cut the South off from the food supply of the West, and he pursued this policy of surrounding the Confederate capital and the Confederate Army by restricting the territory from which they could obtain food.

In the late World War was not the lack of food the chief cause of the downfall of the great German Empire? No people recognize this fact more than do the Germans themselves. Was not this the cause of the submarine war? Was not this what drew us into that horrible conflict? Germany was making a desperate fight to starve England and France, and does anyone deny that she would have succeeded if she could have destroyed England's shipping, thus depriving England and France of food from America? So in the last analysis it was the American farmer that won this World War. [Applause.]

If I could, I would burn into the mind of every citizen of America that this Republic is no stronger than the American farmer. [Applause.] If he fails, then the Republic fails. If he prospers, then the Republic is prosperous.

Mr. Chairman, this, in my judgment, is the most critical moment in our history. Our whole social, business, and political life is in a state of change and revolution. Unrest and uncertainty are everywhere. New theories of government are being advanced. Many people are talking of overthrowing our Government. War is over and won and yet our problems have multiplied. The future is more uncertain than it ever was.

People are crowding into our cities. The farms are being deserted. Labor is demanding shorter hours, less labor, and more pay. Great fortunes have been made by the few. The breach between capital and labor has been widened. The rich are endeavoring to avoid the payment of taxes and are resisting the graduated income tax and are insisting upon the expenses of government being paid by the masses by placing a consumption tax on all that they use and on all that they need.

Individualism is being threatened with communism. Our nationalism is threatened with internationalism.

The present Congress seems powerless to comprehend and to deal with the situation.

No one can foresee what the result of the coming election will be.

Taxation instead of being reduced is being increased. Not a single war law or war measure has been repealed.

Remedies are being proposed which will only increase our burdens.

Petty party advantage is being sought, and the party in power in Congress seems utterly incapacitated to deal with the situation.

The daily press is filled with a crusade against the high cost of living and abuses Congress for not reducing it.

Now every eye is upon Congress, expecting it to do something because you have invited it, because you have promised more than you can perform. Congress is corrupting the minds of our people in so far as they can by the false idea that if the present Congress is kept in power they, by legislation, will bring prosperity—that is, present it to the people on some legislative platter. This idea has gone so far that every demagogue that runs for office endeavors to convince the people that he will have the Government do more for them if he is given office.

The Constitution is forgotten by these men in their thirst for office. Even men in Congress vote for and advocate measures that they believe are popular, and when asked, "Is it constitutional?" the reply is, "If it is not, the Supreme Court will so hold." They are thus "passing the buck," to use a modern slang expression. This is cowardly and unworthy of men who have taken a solemn oath not to violate but to uphold the Constitution. Is it any wonder that great numbers of our people lose confidence in the sanctity of that sacred instrument? Is it any wonder that we see socialism on the increase in our great cities? Is it any wonder that the radical element is on the increase?

Mr. Chairman, the outlook is gloomy. Every wise and patriotic citizen of the Government wants to know the cause of all this. Before we can find a remedy, we must know the cause. We must first diagnose the case.

The cause, in my judgment, is more easily found than the remedy. You ask, "What is it?" The unrest is due primarily to too much idleness and too little labor. [Applause.] "Satan finds some mischief still for idle hands to do." Busy men are not given to mischief. The man who would prosper without labor is the man who would live by his own wits on the labor of others. This is just as true of the labor agitator as it is of the market manipulator. Both care nothing for the public good. Of course, there are many men who are very rich who have the public good in mind, and many labor leaders who are patriotic and are simply striving to have labor fairly treated. But these are not the men doing the harm.

The majority of our laboring men are patriotic and desire to help the Government and would resist its destruction with as much energy as any other patriotic class. The vast majority of our people are sound and can be trusted if they are given the facts. I believe firmly in the capacity of the people to govern themselves. I believe that they, when the real test comes, will rise to the emergency and uphold the hands of the men who are striving for the right. This is our only hope. If this fails, the Republic is doomed. [Applause.]

Our public men must cease playing cheap politics and rise above the blinding mist and fog of self-interest. They must stand for the right though they lose office. They should follow no leader who does not embody their ideas of righteousness, truth, and justice. The party label should mean something else than who shall hold office. [Applause.] When political parties are struggling with each other for the control of the Government solely for the purpose of controlling the patronage and to serve some particular section, then the country suffers when either party wins. A party victory should mean a victory of great principles. When elected, the highest effort of those elected to office should be to serve the best interest of all the people of all sections. Those holding the office should administer it not for themselves and in their own interest but to see that they serve the best interest of all the people.

Now, Mr. Chairman, what I shall say about the present House shall not be said in any party spirit nor in any spirit of personal criticism, but is intended to be purely impersonal.

What measures are pending that tend to relieve the present alarming situation?

#### HAMPER-BASKET BILL.

First and foremost on the calendar is offered the hamper-basket bill." Great stress has been placed upon this measure by its proponents. It is a measure of the majority in the House. What a great boon it will be to the ultimate consumer to have a "hamper" that conforms in every particular to the rigid

requirements of the great Government! The farmer is guilty under this bill of a Federal offense if he offers for sale a gallon of beans or any other farm produce in any container other than the one described by law. What evil will it remedy? The farmer and truck grower will find himself in the toils of the criminal law if he offers his beans and potatoes in any but the Government-approved container, even though he can find no other and his customer is hungry.

CIVIL-SERVICE RETIREMENT BILL.

Second is the retirement bill for the Federal employees. This is remedy No. 2 for our national ills. The already overburdened taxpayers will find upon their backs an additional burden. This bill is passed, I suppose, upon the idea that "unto everyone that hath shall be given and he shall have abundance, but from him that hath not shall be taken away even that which he hath."

A man who is favored with a Federal position is only required under this bill to work until he is 65 years of age; then he must retire with a pension. I wonder what Uncle Joe CANNON, Gen. SHERWOOD, Maj. STEDMAN, CHAMP CLARK, and many other Congressmen will say to their constituents when told that they are too old to render good service. Just think of Uncle JOE CANNON being retired on account of age! Look at him there; he is the embodiment of power and strength. Keen of mind, active and strong, capable of holding his own in debate with the strongest—ripe in experience and one of the most useful Members of Congress. [Applause.] Yet under this law he would have been retired nearly 20 years ago and could never have been Speaker of this House. Look at Gen. SHERWOOD, the hero of many battles of the Civil War, a year older than Uncle JOE. Just think of retiring him from Congress because he is too old. What would the people of his district think of a Congress doing such a thing? Why, he is a man full of vigor and fight and capable on the stump and in this House of discussing any public question with anyone however strong intellectually they may be. Why, we Democrats will not listen to such rot as retiring him for he is strong enough to get fifteen or twenty thousand majority in a Republican district. [Applause.] Then look over Maj. STEDMAN. See his erect form, square shoulders, and light step. What say you to applying this rule to him? Why, he was more than five years too old under this law when he was elected to Congress. He is now in his eightieth year, but he is strong in intellect and active on this floor and would be a distinct loss to the House. He is the most perfect specimen of the real gentleman of the Old South. He is the image of his old chieftain, Gen. Robert E. Lee [applause], with whom he served. He is a benediction to us all here—is the most beloved, most respected, most trusted Member of this House. Shame on the man who would even suggest that he is too old and should be retired from this body. [Applause.] Then last, but not least, look at the great Missouri lion, our own beloved CHAMP CLARK [applause], in whose noble soul there is not enough shadow to hide a sinister thought. [Applause.] What say you to applying this law to him? He is now 70 and yet we Democrats make him our leader in this House. What would his people say if you would suggest that he ought to be retired? They would all say: "Yes, retired from the House but advanced to the White House. Till then we will keep him in his present place." [Applause.] Yes, he is strong and vigorous and capable of serving the people of this Nation as a President. Yet under this bill he would have been cast out five years ago. Every member of this House would resist its enforcement if applied to CHAMP CLARK and many other Members of this House over 65. [Applause.] Why, this law would have almost depopulated the Senate a few years ago. [Applause.] What will the thousands of old men who are taxpayers say of this? I see in my mind's eye the stooped forms of thousands of old farmers far past that age going to their toil with the rising of the sun and returning from their labor with tired limbs and aching backs at the going down of the sun. This is the producer of food and the taxpayer.

Now, on the other hand, let us look at the favored class. I see the Government employee getting up at a late hour and going leisurely to his office in the middle of the morning, erect, well clothed, and drawing a salary that would be a princely income to the old farmer. The Government clerk takes his 30 minutes at lunch and in the middle of the afternoon goes on his way with nothing to do until the middle of the next morning. I see him take 30 days' holiday with full pay. If he is sick he gets 30 days' sick leave with pay. He gets pay for every national holiday and does no work. He gets pay for Saturday afternoons during the summer and does no work. He is now told by the Government, "Forget the ant. He is a false philosopher of the past. Look for guidance and example to the gay grasshopper. Spend thy income as thou wilt. Thou

needst not save or lay by a store for old age. Thou shalt be cared for by that multitude of toiling masses that thou seest engaged in the low vocation which causes them to earn their bread by the sweat of their faces. They shall not only be compelled to earn enough for themselves, but they shall produce enough to feed you in your old age. If they do not, thou shalt not suffer. I will send my powerful taxgatherers out and take from them what thou needst, and if any shall suffer it shall be that sweating mass who have never been honored by me with an office." Mr. Chairman, I can never give my consent to such legislation. It violates every principle of justice and equality. It establishes a special privilege for a special chosen class. It taxes all the people for the benefit of the few and finds no place in a Republic like ours, that should guarantee to all equal opportunities, equal burdens, and equal benefits.

SOLDIER BONUS.

Measure No. 3, which is pending, is known as the soldier bonus. This is the measure of the Republicans of the House to corrupt the soldier vote in the coming November election. This measure is estimated to cost the American taxpayers from not less than two and a half billions to ten billions of dollars. Where do they propose to raise this vast sum? From the incomes of the rich? No; from the wants of the masses. The principal source of revenue under this proposed bill which has the indorsement of all the Republican leaders is a sales tax—that is to say, on every sale there shall be a tax. Every man who buys a suit of clothes to cover his nakedness or buys a pound of meat to satisfy his hunger will have to pay a tax on the sale. The tax will average about \$25 per capita on every man, woman, and child in America to raise this vast sum. The laboring man will pay more than a man of great wealth, because he will eat more. In other words, they propose to tax every man's wants and necessities, and not what he has. They tax hunger and nakedness. Such a tax was never proposed by a civilized government on earth in time of peace.

They claim the soldiers want it. The soldiers never thought of it until the demagogue got busy. What does the demagogue care for the future of the Republic so long as he holds office? He figures that there are four and one-half million voters that he can buy with this Federal money.

This is getting political corruption down to a science when you can tax the masses to pay campaign funds. This is a brazen and shameless bribe offered to our soldiers. When the people are so blind that they can not see the vice and wickedness of such a measure, then the future of our Republic is gone. How can a man who has been honored with the suffrage of the people ever get his consent to thus betray them? Look at the condition of the Treasury to-day. The Government now has outstanding over twenty-six billions of bonds. She owes over three billions, which is being hawked around from bank to bank in the form of certificates. The Victory bonds are now selling at about 86 although they bear 4½ per cent interest. Our annual budget will amount to five billions of dollars this year. Just stop and think! Five billions in one year in time of peace. More than five times what it was for the year just preceding the war. The people are now staggering under Federal taxation. State, county, and municipal taxes are now higher than ever before, except here in the District of Columbia, where alone they are lower because these favored people of the District have half of their expenses paid out of the Federal Treasury, which, by the way, is a shameless abuse of power by Congress. Yet on top of all this terrible burden this bonus bill is offered and pressed for passage at this time, which will add not less than one billion and a half additional burden upon the people, perhaps even more than this amount for the next year. Do you believe these brave boys who were patriotic enough to offer their lives to save the Republic will now become a party to its destruction?

Mr. Chairman, as bad as this phase of the question is, there is another picture that is worse. It is the effect that it will have upon the boys themselves. This bonus will reduce production. There are in the South alone about 300,000 negro soldiers. This bonus will stop 300,000 plows. How many of our white boys will leave the plow I do not know, but throughout the country many thousands. But this is not the end of it. They will be ruined by this "hand-out," this Government "tip," and will only demand more for the future.

Mr. Chairman, the brave and better class of these soldiers do not want this "bonus." They only ask that their unfortunate comrades be cared for—the lame, halt, blind, and those who by wounds or disease are unable to care for themselves. This all the good people want done, and this the Government will do and is able to do, provided she is not bankrupted by the passage of retirement bills and bonus bills for able-bodied people.

Mr. Chairman, this is a gloomy record for this Republican Congress to go before the people with. They promised to repeal all the war-time legislation, reduce taxes, and reduce the high cost of living. They have taken no steps to do either, unless it is the "hamper-basket bill," and I do not see how the "hamper-basket bill" is going to reduce the cost of living or how the retirement bill will do it, and I am quite unable to see how the bonus bill will increase production or reduce taxes and the cost of living.

Now, gentlemen of the House, let us look at the painful truth and, if possible, find the real cause of the high cost of living and the cause of all this unrest. The prime cause of the high cost of living is underproduction. The cause of underproduction is lack of farm labor. People are leaving the farms because greater opportunities are offered in the cities. They find shorter hours and more pay.

I want some gentleman to rise and say that that is not true. I want any man with any degree of intelligence to say that that is not true. Oh, some men may say that speculators corner the food; but no food corner was ever successful unless there was a scarcity of food. These men who corner food products do not corner them unless the particular class of food is scarce or unless the food is a perishable product, like the fruits of the South, where they may not buy all the fruit, but leave some of it to rot. That is not true of wheat and corn and meat, the basic foods.

And, by the way, this is not demagoguery, but it is the truth. You go out on the farm and walk from morning until night behind the plow, and at the end of the year see what you get for your earnings, and you will understand why the boy does not want to stay on the farm. I get tired of these fellows sitting around the lobbies of hotels or in business houses and complaining about the prices that the farmer is getting. Why, bless your soul, if you reduce the price to the farmer of the product which he raises you will reduce the amount that he will raise the next year. No great business man in New York will deny that proposition. If you want more wheat, then give the farmers in the West an assurance that they are going to get a good price for it. If you want more corn, assure the people of the State of Illinois, the great corn State of the Union, that they are going to get a good price for it, and they will plant more corn. Assure the people of Iowa that they are going to get a good price for their meat and they will not slaughter all their stock hogs, but will raise more.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman please indicate how we can assure the farmers a reasonable price for their products?

Mr. SISSON. I do not think the Government can do that. But we can reduce the Government expenses. I want to take from the back of the farmer every burden that he ought not to bear. This Congress can do. I want to give him some help in respect to his health. This, too, Congress can do. The first appropriation ever given for the specific purpose of rural sanitation I was instrumental in having placed in the sundry civil bill. I got the committee to give \$50,000 for this purpose. Then, in the next bill, after a hard fight, I got the committee to give for this service \$150,000. The war came on and the money was all used around camps and cantonments to protect the health of the soldiers. Now, if the gentleman wants to help the farmer, I ask him to help me increase the item of \$50,000 now in this bill to \$150,000. This sum can be spent to assist every farmer in making his premises healthy. Oh, you say we must economize. Yes; we must; but, for God's sake, do not begin with the very people who feed and clothe the Nation. You vote millions on top of millions to care for the health of the Army and Navy and begrudgingly vote only \$50,000 for the millions of farmers.

I would also help him by building roads. I would take some of the millions that you spend for other purposes and build good roads. You give many millions now for purposes less important than this. Now, let us act with wisdom and make farm life more attractive and less burdensome than it is now by giving the farmer good roads. Nothing will so quickly develop country life.

I would extend the flood-control law now upon our statute books and straighten out our streams so as to help drain millions of acres of good land now subject to overflow.

These are some of the many practical things we can do for the farmer, so as to give him a share in Government expenditures. The Government has millions invested in road machinery and heavy trucks purchased for war purposes. I would turn these over to our States and counties to be used in building roads and not let them be idle and go to rust.

These things we can do. Will the gentleman join me? His party is now in power, and if they are really interested in the

farmer, why not help him now in this way? It will not cost the Government a cent, but will relieve our States and counties of the burden of buying this road machinery.

There is another thing that the great business men of our great cities could do. They could have the great inventive geniuses of this country to devote some of their time to inventions that would improve the means of the cultivation of the soil, develop these, and put them on the market in easy reach of the farmer and at reasonable prices, develop water systems within reach of the farmer in price, so that he can have water works for his home and for his barn. In other words, help thus to make country life attractive. You can not expect the boys to live in the country unless that is done. [Applause.] Not only that, but I want the psychology of this people changed. I want boys and girls to be reared and educated in the fundamental doctrine that a life of real service to mankind is the best life of all; that to so live that you can make the world better by having lived in it is the happiest life. I would teach them that to labor and strive for money alone does not bring happiness; that when this is the chief aim of any life such life is not only a failure but often a real curse to mankind, even though its object is attained and riches are obtained. We are taught in the sacred scriptures that "the love of money is the root of all evil." This one expression has in it so much truth and is so broad and comprehensive that it alone is enough to convince me that the scriptures are inspired. It is the love of money, the desire for riches and wealth, that is causing the people of this country to lose sight of the fundamental principles of truth and virtue, and to strive not for the good of others but to gratify a growing and increasing avarice, and is causing men not to respect and honor the man who actually labors in the field, because here he can not find great riches. Oh, you can not expect to reap any other harvest than that of discontent when the people worship at the shrine of mammon and not at the altar of the living God who teaches us in his sacred word that "the love of money is the root of all evil." You can not as a people long violate God's laws without paying the penalty.

I am going in a moment to show why the boys are leaving the farm.

Mr. SMITH of Idaho. I can tell the gentleman why they are leaving the farm.

Mr. SISSON. Oh, I can not yield for that, because I have my own idea in regard to why it is, and the gentleman can get his own time to make a speech.

Mr. SMITH of Idaho. And I can tell the gentleman how to get them back there.

Mr. SISSON. If the gentleman can tell me how to get them back, I would like to have him do it and give him all my time and the American Government should build him a monument.

Mr. SMITH of Idaho. I can tell the gentleman in a very few minutes, if he will give me the time.

Mr. SISSON. Very well. I said I would give you all of my time.

Mr. SMITH of Idaho. You can get them back on the farm by making it possible for them to get title to the land and make it available to them at actual cost.

Mr. SISSON. Oh, I know the single-taxers—

Mr. SMITH of Idaho. But this is not a single-tax proposition.

Mr. SISSON. How are you going to do it? Take it away from the people?

Mr. SMITH of Idaho. Why, no. Take the waste places and develop them and sell the people the land at actual cost of reclamation on long time, at a low rate of interest.

Mr. SISSON. Oh, yes; your waste places! Come down into my State and I will show you great lumber companies who own thousands of acres of cut-over pine land that you could have bought a few years ago for two or three dollars an acre.

Now, you want to go and put these boys on this waste land which will cost them \$50 an acre to put in shape for cultivation, and then, bless your soul, they could not raise a fuss on it without years of building up. A young soldier from my district, and by the way, he went with the first contingent across the ocean, said, "All of this congressional rot about buying cut-over pine land and this old land out West that nobody would have is bunk. Why don't you go and say to my father, who owns 2,000 acres of land, 'We will buy some of this for your boy,' and then I will know that I can make a living. What sort of fools do you Congressmen think we are? Do you think a boy with any sense will be put off on this old land that no one would take up all these years because no one could make a living on it? You are not fooling the boys with this." This young soldier said that this propaganda came from the large corporations down South who wanted to unload upon the Government this worthless land. Yes; and it is equally true that



the West got up the same sort of propaganda to get Uncle Sam to spend money out there. They know these soldiers are not going to go on this land even if Uncle Sam did spend money on it.

Oh, no; that nostrum will not get anywhere with intelligent boys, and, bless your hearts, when you get an unintelligent boy out there the Government is going to have to feed him. [Applause.] But I have been diverted. I was not talking about getting soldier boys placed. I was discussing the general proposition that our boys are leaving the farms because they could better their conditions. I mean a boy like I was. I was born out there. I know all about this farm life. I got my fill of it when I was 18 years old. The last day's plowing I ever did in my life was when I was laying by about  $3\frac{1}{2}$  acres of corn for my father, and I had a fast mule—

Mr. GOOD. And that is the last of it.

Mr. SISSON. Bless your soul, that is just a small part of it. We had a way then in the South of laying our corn by, laying our crops by, before the 4th of July. If a fellow did not do that, it was thought he was a poor farmer. As I say, the mule was fast, the stumps were thick, the plow handles hammered me in the short ribs, and you could hear me talking to my mule a mile. When I went home and took the gear off the mule, I told my father I had plowed my last day. My old Scotch-Irish Presbyterian father said, "I hope that is true, my son; but I fear you have not." Cotton was then selling for about 4 cents a pound and corn for about 35 cents a bushel, and I made up my mind I would not work for anyone for any such a price for a bale of cotton. Just think, only \$20, and you could not make more than two and one-half to three bales of cotton on the land to save your life. That would give your year's work from \$40 to \$60. That was not a very attractive outlook to me, so I quit. But I do not care to go further with this biography. But I grew up like a bean pole. I was about as tall as I am now, built like a blowgun. I started out looking for a country school. After some time I found one. I quit plowing and went to teaching school at Kenago, saved a little money, and went to the academy and got a scholarship and went to the Southwestern Presbyterian University, where I met my friend the gentleman [Mr. HERSMAN] in front of me now. When I got through I was overwhelmingly in debt for a boy, but by teaching school three years I paid off the debt and had enough money to take a law course, so I know all about the farming business. I am not talking from theory—

Mr. SMITH of Idaho. Will the gentleman yield for a question?

Mr. SISSON. No; I have not time to yield any further.

Mr. SMITH of Idaho. I am afraid the gentleman's experience will probably entice other young men to leave the farm.

Mr. SISSON. I will tell you I would not wish to put the damnation on these boys to stay on the farm under such conditions, but what I want to do is to help the conditions to be better; I want the treatment of these farmer boys to be better; I do not want them to be left in poverty and hunger, as many of them are. You find men now owning several thousand acres of land and doing what they call farming. That is not farming. I am talking about real farming, where you get the clods in your own shoe. I am talking about the real farmer, the man who actually produces the food, who knows the feel of the plow handle in doing a day's work.

Mr. OLIVER. Will the gentleman yield?

Mr. SISSON. I will.

Mr. OLIVER. What inducement does the gentleman think he would have to offer the gentleman from Idaho to go on this waste land?

Mr. SISSON. I have too much respect for my friend's intelligence to believe that you could induce him to go on this waste land, but I can not yield further, as my time is limited, and I have much more that I want to say.

Mr. LANGLEY. Will the gentleman yield for a short question?

Mr. SISSON. Make it very short, indeed.

Mr. LANGLEY. I will. The gentleman is 49 years of age, I believe, although he looks much younger.

Mr. SISSON. Oh, the gentleman flatters me. I am 50.

Mr. LANGLEY. Well, 50 then. If the gentleman was 18 when he quit plowing, because farm products were so low, then the way I figure it out it was under Cleveland's administration when these conditions existed, and when the gentleman says cotton was 4 cents a pound and corn 35 cents a bushel? [Applause and laughter on the Republican side.]

Mr. SISSON. The gentleman does not know what he is talking about. You Republicans brought the country to such a bad state of affairs that Grover Cleveland was elected, and he and

the Democrats brought it out, and you inherited all the good from that legislation of Mr. Cleveland, and have been claiming it ever since. [Applause on the Democratic side.] However, gentlemen, I have some other things I would like to talk about for a few minutes.

The farmer to succeed must labor from sun up to sun down in all sorts of weather. He must be up before the dawn and prepare for the day's labor. He must go in mud and rain. His children do not get good schools. His roads are bad. His taxes are high; he can not hide his broad acres from the taxgatherer. At the end of the year he has been able only by rigid economy and self-denial to make ends meet and keep out of debt. Many of them do not even do this. His boys and girls see his heavy labors and poor returns, and they decide that they will not spend their lives on the farm, and at the first opportunity go to town. There they are attracted by the white lights, the moving-picture shows, and good pay.

#### AUTOMOBILES.

Some of our new industries that have grown in a few years into giants are offering wages which the farmer can not pay. The automobile industry is one of the chief offenders. It is estimated that there are more than a million able-bodied men now engaged in producing pleasure cars alone—cars which add nothing to the production of food and clothing. These men have been taken very largely from the farms. The wages paid are far in excess of what the farmer can pay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I will yield the gentleman 15 minutes additional.

Mr. SISSON. I thank the gentleman.

#### MOVING PICTURES.

The moving picture is another industry which is affecting our industrial life to a greater extent than at first thought might be apparent. In the city of Washington alone there are about 70 moving-picture shows. They are everywhere. Thousands of men are engaged in manufacturing the moving-picture machines. Still other thousands are engaged in producing the films, and other thousands running the shows in every city, town, and village in America. Not one of these so engaged produces anything, but each of them is added to the already large list of consumers. It is estimated that about 37,000,000 people daily attend moving-picture shows in America. Here again you find not only lost energy but millions spent for pleasure of at least doubtful value in many cases.

#### BASEBALL.

Then again there are thousands of men engaged in the baseball industry. How many thousands, I have no idea. But thousands of men are engaged either in the manufacture and sale of baseball goods, conducting the parks, or engaged in the game as officers, managers, and players. The game is no longer played for pleasure and physical development by our boys, but is now a business and a profession. This business adds thousands to the list of consumers and produces nothing.

I have not time sufficient to call attention to all the varied pleasure producing industries in America, but this is sufficient to convince a contemplative mind that our people are given too much to games and pleasure seeking, all of which adds to the number of consumers and decreases the number of producers. This condition throughout the country is inducing men and boys to leave the farms. This is rapidly taking Uncle Sam's feet off of the ground, and if it is not checked, our boasted institutions will fall, and there will be enacted another tragedy here on this American soil as great as any tragedy ever enacted on the stage of nations.

Now, I wish I had time to discuss with you at length the remedy for this unrest. My judgment is that a great deal of this unrest is caused by idleness, as I said. I do not believe we work as hard or as much in a day as we used to work. I believe our remedy is more work, which means more production. The sacred book, the Bible, is the surest guide not only for a man's conduct in his private life, but is also the surest guide for the conduct of a great nation, if the fundamental truths stated therein are the basis of the national laws, and if those laws are observed by the people of that nation its safety and prosperity are secure; and this is accepted as true even by those who are not Christians, because all good men believe in the perfection of this Christian philosophy.

The first positive injunction given to man for his government is furnished in the commandment, "Remember the Sabbath day to keep it holy." The preachers talk a good deal about this, but the next clause I have never heard a preacher take as a text, "Six days shalt thou labor." If every man in America would live up to this doctrine, there would be less unrest, there would be plenty, there would be peace. If I had my way about it, I

would have every minister of the gospel in America of whatever faith or persuasion, Protestant or Catholic, thunder from his sacred desk on this text until its truth is accepted and practiced by all of our people.

You have got to get the minds and the hearts of the boys and girls set right on this question; you have got to let them understand the fundamental cause of prosperity and happiness. We must discard the pagan doctrine that prosperity is the chief blessing and accept the Christian doctrine that self-sacrifice and adversity are the chief blessings.

I believe the new dispensation should be the guide and light to man's faith in private and public life. Prosperity, money making, ease, and comfort never made a man or a nation great. It is self-sacrifice and service that are the mysterious benediction of the greatest Teacher that the world ever saw, Christ himself.

Do you know that a rich country never produced great men? It has been adversity that has produced our great men. It has been trial that has developed the human race, and by these trials and by these great efforts on the part of great men, great institutions are founded, and upon the success of these institutions are based the prosperity and happiness of the people.

But the very success of these institutions brought about by the self-sacrifice and labor of great and good men, giving every man equal opportunity under the law, induces people to labor and produce great abundance for all; it also gives the men who are moved by pagan principles opportunity to corrupt the institutions and by securing special privileges under the law, they are enabled, by the exercise of cunning, to amass great wealth, absorbing what others produce, and sapping the very foundations of equality and justice by taking what they have not earned. Thus in a few generations you have a few rich and many poor. This seems to have resulted in every age of the world's history. Can it ever be avoided? I am sure that it can not unless we can make it difficult by law to amass great fortunes.

The man that produces anything of value is entitled to own what he produces. This is a fundamental law of nature. As civilization advances, the kinds of labor increase; some direct and some take directions. Without wise direction, there is lost energy. Without wise direction, men never emerge from a savage state. So he who gives value to others by his brain is just as much a laborer as the man who does the physical toil. But the man with the strong and acquisitive mind should not be permitted to give directions to laws under which he can acquire more than his share. Property is the result of labor. Therefore, whatever tends to make it difficult to amass quickly mighty fortunes is, in my judgment, the best legislation.

The government that is so devised and conducted that each man shall enjoy the fruits of his own toil is the best government. I have stated the underlying principles of a democratic government. Since property of all kinds is the product of labor, the more labor the more property there is. Therefore, we must look to labor for the production of food. No amount of "Be it enacted by law" can produce any property. Legislation can not produce food, clothing, building material, or any other kind of property. "Be it enacted by law" by this body or by the State legislatures will never produce a bushel of wheat or corn; it will never raise hogs or cattle. It can not be done that way. But since legislation, however, can control property after it has been produced, it can by special favor give one man more than he is entitled to or give him greater advantages in acquiring what others have earned. This is legislation which I hate. This is legislation which causes the man who toils to lose confidence in government. The fact that bad laws have been passed to enrich one class at the expense of another has caused all the people to look to the Government for help. This is a dangerous state of public mind. I have endeavored to show that government can not produce; it can only control. Now, what we need in America is to repeal every law that gives one man or set of men any advantage of another so that all men may have equal rights and opportunities under the law. Every good man would then feel like using his very best endeavors, because in this way and in this alone could he succeed. He would know that his Government would protect him in his right to what he earned by the sweat of his own face. There would then be no man too rich, for he would have only what he had earned. The thriftless and idle would be the only ones to suffer. This, then, would be as it should be.

Let us quit this miserable practice of looking to legislation for everything. Let us only ask for a square deal. The wisest legislators in this House, in my judgment, without a single exception, will say that this is the correct theory and that to depart from it tends to dishonor the Republic in the minds of the people.

I can not say all that I would like to say, for my time is drawing to a close. But I do want to say that every young man should be taught that he should always be bigger than his job. If a man wants to succeed in this life and become the manager of the industry in which he labors he must always be bigger than his job. He must be more interested in the success of his work and his labors than he is in the wages which he receives. Those are the men who have succeeded; those are the men who are managing the great industries. Men do not fail except by virtue of their own inherent weakness unless they are providentially interfered with in some way.

I believe, gentlemen, that there never was a time in the history of this Republic when men who wanted to labor could find a job quicker and could get better wages than they can right now.

Mr. Chairman, in conclusion, let me say that Congress can, if it will, do something to relieve the situation. We can by heroic work reduce the taxes. It is going to take hard work to do it, because every man on the pay roll wants to stay and wants more pay. But I pledge myself in the future as in the past to use my best efforts to this end. By reducing taxes we will release many thousand men for employment in productive industries.

Since I have been a Member of Congress this has been impressed upon me as much as any other one thing, and that is that we are spending millions of dollars of the people's money for certain governmental activities for which we are getting nothing of value in return, and the more you extend these governmental activities the more taxes you must have and the more labor you take out of productive pursuits. I have worked diligently, as every Member of this House knows, to cut down expenses, and have thereby saved the taxpayers many millions of dollars.

Governments, like men, can only succeed, when they are overwhelmingly in debt, in two ways: First, by speeding up, and, second, by more rigid economy. If you find a man in debt in private life and find him squandering what he earns and not devoting his time and attention to his business, you at once say, "He is a trifling man, and is bound to fail." When you see a man in debt go to his labor vigorously, working hard, denying himself, not counting the hours, and when you find him economizing every day, the bankers and those who know him say of him, "There is a man you can trust." Why? Because he is honest, untiring, and trying to get out of debt.

You can not deal with a government otherwise than as you deal with individuals. The only difference is you are dealing with millions in one case and dealing with one man in the other. If the Government would succeed in relieving the situation it will be necessary to have the minds and hearts of the people in a condition where they are willing to speed up. The Government is behind. It is in debt and the annual interest is enormous. You must reduce the expenses in order that you may pay the debt, and the people must make some sacrifices in time of peace as they did in time of war. The Government has got two things to do: First, it has to economize, and second, it has to impress upon the people the necessity of speeding up, and that is the only way that Uncle Sam is going to be able to solve this problem, in my judgment. [Applause.]

There are some people now advocating universal military training and increasing the number of officers in the Army for this purpose. In my judgment this does not help but hurts the situation. By that means you would be adding more people to the pay roll of the Government and taking more people out of productive pursuits, because no Army officer ever earned a thing on the face of the earth. By earning I mean producing. In the nature of things he is a consumer, and the founders of this Republic warned us against large standing armies that might be quartered on the people, eating up their substance. We went to war with Germany telling our boys and telling our people that we were determined to destroy militarism in the world. We did not love militarism then but hated it.

Now, we find men going over the country endeavoring to establish in the minds of the people of the Republic a willingness to accept militarism, exactly like that which first existed in Germany, and which finally resulted in the military despotism of Prussianism. This shall never have my approval. I hate compulsory military training now as much as ever. The only thing we need is to have a small corps of well-trained officers who can in time of war do as our officers did in this war, train the boys for a few months. We saw them converted in that time into the best soldiers on earth. Let us rely upon our young men, because our Government is great and good and worthy to be defended, and thousands of strong hands and brave hearts will leap to her defense upon the first sign of

danger. If the Government is not good and not loved by our people, then all the military training on earth can not save it.

Therefore, let us as a people uphold and defend our Constitution, the surest bulwark of our freedom and liberty, with our trust in God and determined to rely upon truth and justice, and our Republic will endure to bless mankind. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, had come to no resolution thereon.

#### WINNERS IN NATIONAL ESSAY CONTEST.

The SPEAKER. The Chair thinks the Members of the House would be glad at this time to have him point out to them that there are now in the Speaker's seat in the gallery a boy and two girls who were the winners of the three prizes in the national essay contest, which was participated in by 10,000,000 children of the country, under the auspices of the Secretary of War, on the subject of "The Benefits of an Enlistment in the United States Army." "The Come Back, published in the interest of the wounded men of the Walter Reed Army General Hospital, conducted the contest in conjunction with the War Department. The national judges were the Secretary of War, Gen. Pershing, and Gen. March, the Chief of Staff, United States Army. The first prize was won by an Iowa boy, Donald L. Campbell, of Clinton, Iowa [applause]; the second was won by a Missouri girl, Majorie Sheetz, of Chillicothe, Mo. [applause]; and the third was won by a Mississippi girl, Bettie Bowen Eason, of Olive Branch, Miss. [applause].

#### WATER POWER—CONFERENCE REPORT.

Mr. ESCH. Mr. Speaker, I call up the conference report on the water-power bill, H. R. 3184.

The SPEAKER. The gentleman from Wisconsin calls up the conference report on H. R. 3184, which the Clerk will read.

The Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, approved August 8, 1917, and for other purposes," and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 17, 22, 28, 29, 31, 44, 46, 50.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 9, 10, 12, 13, 14, 16, 18, 19, 20, 23, 24, 25, 30, 32, 33, 34, 35, 37, 39, 40, 41, 42, 47, 50, 51, 52, 53, 54, 55, 56, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That the commission shall appoint an executive secretary, who shall receive a salary of \$5,000 a year, and prescribe his duties, and the commission may request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as engineer officer, his duties to be prescribed by the commission."

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"'Navigable waters' means those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, and which either in their natural or improved condition, notwithstanding interruptions between the navigable parts of such streams or waters by falls, shallows,

or rapids compelling land carriage, are used or suitable for use for the transportation of persons or property in interstate or foreign commerce, including therein all such interrupting falls, shallows, or rapids; together with such other parts of streams as shall have been authorized by Congress for improvement by the United States or shall have been recommended to Congress for such improvement after investigation under its authority."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "and said classification of investment of the Interstate Commerce Commission shall in so far as applicable be published and promulgated as a part of the rules and regulations of the commission"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "In order to aid the commission in determining the net investment of a licensee in any project, the licensee shall, upon oath, within a reasonable period of time, to be fixed by the commission, after the construction of the original project or any addition thereto or betterment thereof, file with the commission, in such detail as the commission may require, a statement in duplicate showing the actual legitimate cost of construction of such project, addition, or betterment, and the price paid for water rights, rights of way, lands, or interest in lands. The commission shall deposit one of said statements with the Secretary of the Treasury. The licensee shall grant to the commission or to its duly authorized agent or agents, at all reasonable times, free access to such project, addition, or betterment, and to all maps, profiles, contracts, reports of engineers, accounts, books, records, and all other papers and documents relating thereto."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "or by its executive secretary"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "if it be satisfied as to the ability of the applicant to carry out such plans"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "The commission is hereby authorized and directed to investigate and, on or before the 1st day of January, 1921, report to Congress the cost and, in detail, the economic value of the power plant outlined in project No. 3, House Document No. 1400, Sixty-second Congress, third session, in view of existing conditions, utilizing such study as may heretofore have been made by any department of the Government; also in connection with such project to submit plans and estimates of cost necessary to secure an increased and adequate water supply for the District of Columbia. For this purpose the sum of \$25,000, or so much thereof as may be necessary, is hereby appropriated."

And the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of this act; for recompensing it for the use, occupancy, and enjoyment of its lands or other property; and for the expropriation to the Government of excessive profits until the respective States shall make provision for preventing excessive profits or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for the expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require: *Provided*, That when licenses are issued involving the use of Government dams or other structures owned by the United States or tribal lands embraced within Indian reserva-

tions the commission shall fix a reasonable annual charge for the use thereof, and such charges may be readjusted at the end of 20 years after the beginning of operations and at periods of not less than 10 years thereafter in a manner to be described in each license."

And the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "one hundred"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"(1) In issuing licenses for a minor part only of a complete project, or for a complete project of not more than 100-horse-power capacity, the commission may in its discretion waive such conditions, provisions, and requirements of this act, except the license period of 50 years, as it may deem to be to the public interest to waive under the circumstances: *Provided*, That the provisions hereof shall not apply to lands within Indian reservations."

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "may grant the application with the provision to be expressed in the license that the licensee will install the necessary navigation structures if the Government fails to make provision therefor within a time to be fixed in the license and"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "*Provided*, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or issue a new license to the original licensee, upon reasonable terms"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That all proceeds from any Indian reservation shall be placed to the credit of the Indians of such reservation. All other charges arising from licenses hereunder shall be paid into the Treasury of the United States, subject to the following distribution: Twelve and one-half per cent thereof is hereby appropriated to be paid into the Treasury of the United States and credited to 'Miscellaneous receipts'; 50 per cent of the charges arising from licenses hereunder for the occupancy and use of public lands, national monuments, national forests, and national parks shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress known as the reclamation act, approved June 17, 1902; and 37½ per cent of the charges arising from licenses hereunder for the occupancy and use of national forests, national parks, public lands, and national monuments, from development within the boundaries of any State shall be paid by the Secretary of the Treasury to such State; and 50 per cent of the charges arising from all other licenses hereunder is hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the Secretary of War in the maintenance and operation of dams and other navigation structures owned by the United States or in the construction, maintenance, or operation of headwater or other improvements of navigable waters of the United States."

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment, insert the following: *Provided*, That when application is made for a license under this section for a project already constructed, the fair value of said project or projects, determined as provided in this section, shall for the purposes of this act and of said license be deemed to be the amount to be allowed as the net investment of the applicant in such project or projects as of the date of such license, or as of the date of such determination, if license has not been issued. Such fair value may, in the

discretion of the commission, be determined by mutual agreement between the commission and the applicant or, in case they can not agree, jurisdiction is hereby conferred upon the district court of the United States in the district within which such project or projects may be located, upon the application of either party, to hear and determine the amount of such fair value"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That any person, association, corporation, State, or municipality intending to construct a dam or other project works across, along, over, or in any stream or part thereof, other than those defined herein as navigable waters, and over which Congress has jurisdiction under its authority to regulate commerce between foreign nations and among the several States, may in their discretion file declaration of such intention with the commission, whereupon the commission shall cause immediate investigation of such proposed construction to be made, and if upon investigation it shall find that the interests of interstate or foreign commerce would be affected by such proposed construction, such person, association, corporation, State, or municipality shall not proceed with such construction until it shall have applied for and shall have received a license under the provisions of this act. If the commission shall not so find, and if no public lands or reservations are affected, permission is hereby granted to construct such dam or other project works in such streams upon compliance with State laws."

And the Senate agree to the same.

JOHN J. ESCH,  
N. J. SINNOTT,  
EDWARD T. TAYLOR,  
GORDON LEE,

*Managers on the part of the House.*

W. L. JONES,  
KNUTE NELSON,  
REED SMOOT,  
H. L. MYERS,  
DUNCAN U. FLETCHER,

*Managers on the part of the Senate.*

Concur in above report except on amendment No. 36.

G. N. HAUGEN.

Mr. ESCH. Mr. Speaker, I ask unanimous consent that the statement of the House conferees may be printed in the RECORD immediately following the Report just read.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that the statement may be printed in the RECORD. Is there objection?

There was no objection.

The statement of the House conferees is as follows:

#### STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes on the amendments of the Senate to the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, approved August 8, 1917, and for other purposes," and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the committee of conference submitted in the accompanying conference report as to each of the said amendments, namely:

On amendment No. 1: In lieu of the provision in the House bill that the commission shall appoint an executive secretary, the Senate provided that the commission shall request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as executive secretary and engineer officer, his duties to be prescribed by the commission. The conferees restored the House provision requiring the commission to appoint an executive secretary and adopted the Senate provision as to detailing an officer from the United States Engineer Corps to serve as engineer officer, the request for such detail being permissive, instead of mandatory, as in the Senate provision. The Senate provision that the officer should also serve as executive secretary was stricken out.

On amendments Nos. 2, 3, 4, 5, and 6: These amendments are verbal changes perfecting the text.

On amendment No. 7: This amendment recasts the House definition of "reservations."

On amendment No. 8: This amendment recasts the House definition as to the term "navigable waters," the House agreeing to the Senate definition with an amendment inserting after the word "interruptions" the words "between the navigable parts of such streams or waters," thus making it clear that although the navigable parts of such streams may be interrupted by falls, shallows, or rapids, the portions occupied by falls, shallows, or rapids are within the jurisdiction of Congress and that no dams can be constructed at, upon, or across such falls, shallows, or rapids without securing a license as provided in the bill. Under the House definition of "navigable waters" it might be possible to construct dams at the very point where dams would have to be located without securing such license. The Senate definition, moreover, limits the application of the act to those cases where interstate or foreign commerce will be directly affected.

On amendment No. 9: Strikes out certain words not necessary to the definition of "Government dam."

On amendment No. 10: This amendment perfects the text with reference to the definition of "net investment."

On amendment No. 11: This amendment requires as to net investment that the classification of investment of the Interstate Commerce Commission shall, in so far as applicable, be published and promulgated as a part of the rules and regulations of the commission. This is for the purpose of publicity.

On amendments Nos. 12, 13, and 14: These amendments are verbal, perfecting the text.

On amendment No. 15: Amendment No. 15, with the amendment agreed to in conference, is merely an elaboration of the provision already contained in lines 1 to 15, inclusive, on page 12, relating to the examination of books and accounts of licensees, the submission of statements and reports, including full information as to assets and liabilities, capitalization, net investment, etc. The amendment as modified requires the licensee to file with the commission "a statement in duplicate showing the actual legitimate cost of construction of such project, addition, or betterment, and the price paid for water rights, rights of way, lands, or interest in lands."

On amendment No. 16: This is merely a verbal amendment perfecting the text.

On amendment No. 17: This amendment prohibited the issuance of any licenses affecting tribal lands embraced within Indian reservations which were ceded to the Indians by the United States by treaty except by and with the consent of the council of the tribe. The Senate conferees receded from this amendment. The conferees saw no reason why water-power use should be singled out from all other uses of Indian reservation land for special action of the council of the tribe.

On amendment No. 18: This amendment is verbal, perfecting the text.

On amendment No. 19: Amendment No. 19 provides that upon the filing of any application for a license which has not been preceded by a preliminary permit under subsection (e) of section 4, notice shall be given and published as required by the proviso of said subsection.

On amendments Nos. 20 and 21: These amendments are verbal, perfecting the text.

On amendment No. 22: Amendment No. 22, giving authority to the commission to investigate as to the utility of tunnels and to make rules and regulations for their use, has been eliminated from the bill, the Senate conferees having receded. No sufficient reason was presented why the authority to investigate should be limited to one particular type of water conduit rather than to all the major structures of a power project.

On amendments Nos. 23, 24, 25, and 26: These amendments are verbal changes and were considered desirable, as they clarify the text.

On amendment No. 27: This amendment relates to the construction on the Potomac River of a power plant outlined in project No. 3, House Document No. 1400, Sixty-second Congress, third session, generally known as the Great Falls project. The amendment authorized the commission to construct said project under its direct supervision or to enter into contracts for materials and labor for the construction of the same, or any part of the same, as in its judgment may be the most practical and economical, not exceeding a limitation of cost of \$25,000,000. In lieu of the amendment the conferees recommended a substitute authorizing and directing the commission—

"To investigate and, on or before the 1st day of January, 1921, report to Congress the cost and, in detail, the economic value of the power plant outlined in project numbered 3, House Document No. 1400, Sixty-second Congress, third session, in view of existing conditions, utilizing such study as may heretofore have

been made by any department of the Government; also, in connection with such project to submit plans and estimates of cost necessary to secure an increased and adequate water supply for the District of Columbia. For this purpose the sum of \$25,000, or so much thereof as may be necessary, is hereby appropriated."

On amendments Nos. 28, 29, 30, and 31: These amendments of section 8 relating to the involuntary transfer of licenses were not, with the exception of amendment No. 30, relating to judicial sales, adopted by the conferees, the Senate having receded from its amendments.

On amendments Nos. 32, 33, 34, and 35: These amendments are verbal, perfecting the text.

On amendment No. 36: This amendment relates to the charge imposed upon the licensee for water power developed. The House bill, in paragraph (e) of section 10, provided "that the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission." The Senate bill provided that "the licensee shall pay for the license herein granted such reasonable annual charges as may be fixed by the commission, for the purpose of reimbursing the United States for the cost of administration of the act in relation to water powers developed under its jurisdiction." The licensee was also to pay for the use and occupation of any public lands and lands in reservations, except tribal lands embraced within Indian reservations, necessary for the development of the project covered by the license such reasonable annual charges based upon the actual value of the Government lands used as might be fixed by the commission; but in no event should the annual charge for the foregoing exceed 25 cents per developed horsepower. In lieu of both Senate and House provisions as to charges the conferees recommend the following:

"That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of this act; for recompensing it for the use, occupancy, and enjoyment of its lands or other property; and for the expropriation to the Government of excessive profits until the respective States shall make provision for preventing excessive profits or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for the expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require."

On amendment No. 37: This amendment directs that licenses when issued for the development, transmission, or distribution of power by States or municipalities shall be issued and enjoyed without charge when "sold to the public without profit."

On amendment No. 38: This amendment permits the issuance of licenses without charge in projects of not more than 100-horsepower capacity when such power is used for the development, transmission, or distribution of power for domestic, mining, or other beneficial use. The House bill fixed this limit at 50 and the Senate bill at 200 horsepower.

On amendment No. 39: This amendment removes the exemption from charge where the power is developed upon tribal lands within Indian reservations.

On amendment No. 40: This amendment is verbal and perfects the text.

On amendment No. 41: This amendment makes it mandatory upon the licensee to reimburse the owner of a reservoir or other improvement for such part of the annual charges for interest, maintenance, and depreciation thereon as the commission may deem equitable.

On amendments Nos. 42 and 43: These amendments strike from the House bill the provision authorizing the commission, in its discretion, to waive certain conditions, provisions, and requirements of the act in issuing licenses for a part only of a complete project, where the land of the United States required is to be used only for transmission lines, water conduits, or for storage reservoirs, or for a complete project of not more than 50-horsepower capacity. In lieu of the House provision the Senate excepted from such waiver the license period of 50 years and increased the horsepower capacity to 200 horsepower. The House conferees agreed to the Senate substitute with an amendment reducing the horsepower capacity to 100. Under the House provision the commission could allow perpetual grants without conditions for transmission lines, water conduits, and storage reservoirs if the remainder of the project was on private land.

On amendment No. 44: This amendment provides that the licensee shall not directly or indirectly discriminate or permit discrimination in the apportionment, allotment, transmission,

distribution, sale, or lease of power or electrical energy or current in favor of any municipality as against any other or others in respect of service, rates, or the quantity of power or electrical energy or current transmitted or supplied to it or them. The Senate receded from this amendment. Under this Senate amendment, had it been retained, the licensee serving two adjacent cities, if he could not develop a new source of supply, might cancel a part of his contracts in one city and transfer the power to another city. Under such conditions no user of power in either city could get a binding contract and no one would purchase of the licensee if any other source of supply was available. Such a provision would lead to the raiding of one municipality by another, would keep business enterprises away, and would make power development under the act hazardous.

On amendment No. 45: Amendment No. 45, in section 12, as agreed to by the conferees is a substitute for both Senate and House provisions relating to applications for projects involving the construction of a lock or locks, or other navigation structures. The House provision was "the commission may before taking action upon such application cause a report," etc., to be made to Congress. The Senate provision was that the commission "shall take no action," but cause a report, etc. The substitute as recommended by the conferees provides that the commission "may grant the application with the provision to be expressed in the license that the licensee will install the necessary navigation structures if the Government fails to make provision therefor within a time to be fixed in the license and" cause a report to be made to Congress.

On amendment No. 46: This amendment relates to severance damages and provides that such damages "shall not exceed the aggregate actual expenses or loss for maintenance, depreciation, and interest upon such part of the property not taken as is made temporarily idle by the severance therefrom of the property taken; such aggregate expenses to be computed for a period reasonably necessary for providing a substitute source of power and in no case to exceed the value of the works taken." This amendment is a partial statement of the principle adopted by the California Railroad Commission for fixing severance damages in the case of the valuation for purposes of purchase by the city of Los Angeles of certain properties of the Southern California Edison Co. While the rule was an equitable one under the circumstances of that particular case, where the company was left in possession of its main transmission system and its largest generating plants, it might be inequitable in cases where, for example, the generating plants were all taken and the transmission and distributing systems left. The Senate receded from the amendment and it has been eliminated, the conferees believing that the existing provisions of section 14 were sufficient to take care of the matter of severance damages.

On amendment No. 47: This amendment is merely verbal.

On amendment No. 48: This amendment relates to the terms of the license. The House bill provided: "That in the event the United States does not exercise the right to take over and does not issue a new license to the original or a new licensee, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license until the property is taken over or a new license is issued as aforesaid." The Senate bill provided: "That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or tender a new license to the original licensee, upon the terms and conditions aforesaid which is accepted," then the commission, etc. The conferees agreed to the Senate amendment, amending it, however, so as to read as follows: "Provided, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or issue a new license to the original licensee upon reasonable terms," then the commission, etc. The House conferees contended that the retention of the words, "which is accepted," in the Senate amendment would practically result in a perpetual franchise. These words were eliminated and the Senate amendment modified as above set forth was agreed to.

On amendment No. 49: This amendment relates to the disposition of charges arising from licenses. The House bill provided that such charges should be paid into the Treasury of the United States; then 50 per cent of the charge arising from licenses for the occupancy and use of national forests was reserved and appropriated as a special fund in the Treasury for the survey, construction, and maintenance of roads and trails within the national forests. Fifty per cent of the charges arising from licenses for the occupancy and use of national parks was to be reserved and appropriated as a special fund in the Treasury, to be expended in the improvement and development of such parks. Fifty per cent of the charges

arising from licenses for the occupancy and use of public lands, and of national monuments and power site or other reserves outside of national forests, was to be paid into the reclamation fund. All proceeds from any Indian reservation were to be placed to the credit of the Indians of such reservation. Fifty per cent of the charges arising from all other licenses were to be placed in a special fund to be expended in the maintenance and operation of dams and other navigation structures owned by the United States, or in the construction, maintenance, or operation of headwater or other improvements of navigable waters of the United States. The Senate bill provided that all charges arising from licenses were to be paid into the Treasury of the United States and to be reserved as a special fund therein. Such part of said fund as Congress might from time to time direct was to be appropriated toward paying the costs of administration of the act and of conducting the investigations authorized thereunder. The remainder, if any, in so far as the same might be derived from dams in navigable streams, was to be expended in the maintenance and operation of dams or other navigation structures owned by the United States or in the construction, maintenance, and operation of headwater or other improvements of streams. In so far as such funds were derived from licenses to occupy portions of the public lands, one half thereof was to be paid into the reclamation fund and the other half was to be paid to the States in which the lands occupied were located in the proportion to each that the amount derived from the lands within its bounds bore to the whole amount derived from the occupancy of all such lands. The proceeds from licenses authorizing the occupancy of any part of any Indian reservation were to be placed to the credit of the Indians of such reservations.

In lieu of both Senate and House provisions as to the disposition of funds derived from charges the conferees agreed to the following substitute:

"That all proceeds from any Indian reservation shall be placed to the credit of the Indians of such reservation. All other charges arising from licenses hereunder shall be paid into the Treasury of the United States, subject to the following distribution: Twelve and one-half per cent thereof is hereby appropriated to be paid into the Treasury of the United States and credited to 'Miscellaneous receipts'; 50 per cent of the charges arising from licenses hereunder for the occupancy and use of public lands, national monuments, national forests, and national parks shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress known as the reclamation act, approved June 17, 1902; and 37½ per cent of the charges arising from licenses hereunder for the occupancy and use of national forests, national parks, public lands, and national monuments, from development within the boundaries of any State shall be paid by the Secretary of the Treasury to such State; and 50 per cent of the charges arising from all other licenses hereunder is hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the Secretary of War in the maintenance and operation of dams and other navigation structures owned by the United States or in the construction, maintenance, or operation of headwater or other improvements of navigable waters of the United States."

The plan of distributing these funds, as contained in the above substitute, follows, with some change in the percentages, the plan of distribution adopted in the oil leasing act recently passed.

On amendment No. 50: This amendment relates to the regulation of the issuance of securities and provides that securities issued by the licensee shall be subject to such regulations as prescribed by the commission, but they shall be allowed only for the "bona fide purpose of financing and conducting the business of such licensee."

On amendment No. 51: This amendment is a verbal change.

On amendments Nos. 52, 53, and 54: These amendments in section 21 relate to the acquisition by any licensee of dam sites through the exercise of the right of eminent domain. Amendment No. 54 states the conditions under which the right may be exercised.

On amendments Nos. 55 and 56: These amendments are verbal changes.

On amendment No. 57: This amendment provides for the determination of the valuation of projects already constructed when application is made for a licensee to come under the provisions of the act. Without such a provision there would be no means of determining valuation. One of the fundamental elements of the act is the current determination of the "net investment." No project should be brought under license until steps have been taken to determine the property value which is to be recognized throughout the entire duration of the license.

The amendment provides that "fair value" is the most satisfactory basis of determination at the date of the issuance of the license. The House conferees objected to the proviso at the end of amendment No. 57 to the effect—

"That no contract, which shall have been lawfully made prior to the passage of this act, not extending beyond the term of the license, for power, light, heat, or water, or for the service or delivery of the same to be furnished from any project works, and to which such project works, or the person, company, or corporation constructing, owning, or operating the same shall be subject, shall be affected by any license under this act, and no such person, association, or corporation shall be released from any lawful obligation by reason of this act or of any license granted thereunder."

The House conferees believed that the only purpose of this proviso was to prevent review in rate-making proceedings of any contract for power entered into prior to the passage of the act. Presumably this part of the amendment has particular reference to contracts at Niagara Falls. Public utility commissions in general have the right to review and to require the alteration of contracts which are not in the public interest. If contracts are in the public interest it is not to be presumed that the power granted under the act will be employed to annul or alter them, and hence no amendment would be needed in such circumstances. If they are not in the public interest, the latter half of the amendment would prevent their annulment or alteration, at least by any of the agencies provided in the act. This part of the amendment is, therefore, not proposed in the public interest, but for the purpose of protecting contracts which can not otherwise be defended before public rate-making bodies. The Senate conferees receded from this proviso in amendment No. 57 and it was eliminated from the bill.

Amendment No. 58: This amendment seeks to prescribe how a stream of doubtful navigability may be determined as within the provisions of the law, and in substance it provides that the commission shall ascertain whether the interests of commerce are affected; if not, then permission is granted to construct in accordance with the State laws.

Amendment No. 59: This amendment is a revision of section 18 of the rivers and harbors act approved August 8, 1917, creating a Waterways Commission. While in general the provisions of the amendment are identical with the original act, it changes the personnel of the commission and omits paragraphs 3 and 4 of the original act. The first of these paragraphs granted authority to employ expert assistance and made an appropriation of \$100,000 for the expenses of the commission. The second paragraph authorized the employment of clerical and other help in the District of Columbia. In view of the fact that many of the duties imposed upon this Waterways Commission will be assigned to the Water Power Commission under the pending bill and other duties have already been assigned to other governmental agencies under the transportation act of 1920, the House conferees opposed this amendment. The Senate conferees receded, and the amendment has been eliminated.

JOHN J. ESCH,  
N. J. SINNOTT,  
G. N. HAUGEN,  
EDWARD T. TAYLOR,  
GORDON LEE,

*Managers on the part of the House.*

Mr. SIMS. Mr. Speaker, will the gentleman from Wisconsin suggest some agreement about the time?

Mr. ESCH. Mr. Speaker, I ask unanimous consent that, notwithstanding the rule governing the debate on a conference report, the time be extended to two hours, one-half to be controlled by the gentleman from Tennessee [Mr. SIMS] and one-half to be controlled by myself, and that at the end of the debate I be recognized to move the previous question.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that the time for debate be limited to two hours, half to be controlled by himself and half by the gentleman from Tennessee [Mr. SIMS], and that at the end of the two hours he be recognized to move the previous question. Is there objection?

There was no objection.

Mr. ESCH. Mr. Speaker, the last dam act which passed Congress was the act of 1910. Since that time there have been but very few applications filed for the right to construct dams upon navigable streams. In fact, there have been but 140,000 horsepower developed upon navigable streams since the act of 1910 was put upon the statute books. No applications under that act have been made in recent years.

I will not indulge in any preliminaries, but will call attention to some features in connection with the conference report.

There were 59 Senate amendments. As to these the Senate receded from 8, and 14 were agreed to with amendments. I wish

to call attention to those agreed to with amendments, they being the ones giving rise to controversy between the Senate and House conferees.

The first amendment, found on page 2 of the bill, relates to the appointment of an executive secretary. As we had it in the House bill we provided—

That the commission shall appoint an executive secretary, who shall receive a salary of \$5,000 a year, and prescribe his duties.

The Senate substituted the following:

That the commission shall request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as executive secretary and engineer officer, his duties to be prescribed by the commission.

The conferees reported the provision restoring the House language with reference to the appointment of an executive secretary and adding the following:

And the commission may request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as engineer officer, his duties to be prescribed by the commission.

The change made by the conferees was to the effect that the Water Power Commission may request the President to detail an officer of the Engineer Corps to act as engineer officer. We did not make it mandatory. We did not make the engineer officer the sole executive officer of the commission, because we felt that that would practically magnify the importance of the War Department in connection with water-power development; and in view of the fact that the largest water-power development is possible on the public domain and in the forest reserves, we did not believe in giving such a disproportionate power or recognition to the War Department, so that we left it permissive with the commission to request the President to detail an Army officer. If we had left it as the Senate had it, with an Army officer as the engineer officer and executive secretary, such officer would only serve during his detail, and then would have to go back to the line, and there would thus be lost to the office that continuity of service which would make him valuable to the Government.

Of course, the expense of the Army officer would not be material, as he would be paid whether he served with the commission or not.

I next call attention to amendment No. 8 on page 4 of the bill. This deals with the definition of navigable waters. As the water-power bill in the last Congress left the House it did not contain a definition of navigable waters. A definition was inserted in conference, and the conference report was adopted by the House. In this Congress we reinserted the House definition as to navigable waters. The Senate struck out the House definition and inserted a definition of its own, and in conference the Senate definition has been retained with an amendment suggested by the conferees.

The weakness of the House definition of navigable waters lay in the fact that it excluded from the navigable waters over which the commission would have jurisdiction the shoals, shallows, falls, and rapids, which would be the very portions of a navigable stream where the dams would be located. Under the House definition, therefore, we feared that we would not be able to regulate or control the construction of a dam at shoals, shallows, falls, or rapids even in a navigable stream. Hence we concluded that the Senate definition was preferable to the House definition. But in order to make even the Senate definition more clear we inserted the words "between the navigable parts of such streams or waters," so as clearly to indicate that even in a navigable stream, where the navigable portions were separated by falls, shallows, or rapids, the falls, shallows, or rapids should also be considered as navigable waters.

Personally I think they would have been considered such anyhow under the decision of the Supreme Court in the Montello case, recorded in Twentieth Wallace. But to remove any doubt we have accepted the definition of navigable waters with the amendment suggested by the conferees. This amendment No. 8 should be taken into consideration with amendment No. 58 in the latter portion of the bill, where it is sought to aid applicants who desire to build power plants upon streams of doubtful navigability.

Amendment No. 27 provides for the construction of a power plant at or near Great Falls on the Potomac. You will remember that some three years ago a similar proposition was adopted by the Senate at the instance of Senator NORRIS, of Nebraska. It has been inserted by amendment on the floor of the Senate in this water-power bill. It provides that the Water Power Commission shall have the right to construct a dam at Great Falls, either under its own supervision or by contract, with an authorized expenditure not in excess of \$25,000,000; that in connection with the power project there should also be considered the matter of securing an additional water supply for the District of Columbia. The conferees, after careful de-

liberation, decided to eliminate this amendment from the bill. We were persuaded so to do not merely because of the very large appropriation authorized, namely, \$25,000,000, but because of the fact that no committee of the Senate or House had given thorough, careful consideration to all the details of this very great project. We all conceded the advisability and necessity of a water-power development at Great Falls in the not distant future and that an increased water supply should be secured for the city of Washington. But we did not believe that it would be advisable to do this through an amendment to a general water-power bill; that to do this might establish a precedent which might be urged to force Congress to construct water-power projects in other sections of the country.

While we have eliminated the provision of the bill relating to the Great Falls project, we have recommended a substitute. The substitute in brief provides that the Water Power Commission created by this act shall at once consider the plan as set forth in the Senate amendment based upon the report of Col. Langfitt, made in the Sixty-second Congress, known as House Document 1400; that it could take into consideration other plans and make further surveys, and, at the same time, it should also take into consideration the cost of the additional water supply for the District of Columbia, and for all these purposes we appropriate \$25,000, or so much as may be necessary. We also provide that the commission shall file a report by the 1st of January, 1921. We did this in the interest of expedition, so that Congress may have the necessary data and information by the 1st of January to enable it to act.

The next amendment is No. 36, page 22, and relates to the charges for water-power development. The matter of a charge for the development of power has been, from the beginning, one of the leading points of issue between the Senate and the House. The Senate has consistently opposed the making of a charge for power development on the ground that there was no constitutional warrant for the making of such a charge. The House almost as consistently has insisted that it had a right to make such a charge on the theory that where Congress grants a right to obstruct navigation on a navigable stream it has the right to impose such conditions as it sees fit. The House provision with reference to the charge was as follows:

That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission.

This imposed no limitation whatever upon the power to make a charge on the part of the commission. The Senate, in its amendment, however, provided that "the licensee shall pay for the license herein granted such reasonable charge as may be fixed by the commission for the purpose of reimbursing the United States for the cost of administration"—

of the act in relation to water powers developed under its jurisdiction, in the proportion that the water power developed by the project covered by said license bears to the total water power developed by all projects licensed under the act, and for that purpose such charges may be readjusted from time to time, not oftener than once in two years; the licensee shall also pay for the use and occupation of any public lands and lands in reservations, except tribal lands embraced within Indian reservations, necessary for the development of the project covered by the license such reasonable annual charges based upon the actual value of the Government lands used as may be fixed by the commission; but in no event shall the annual charge for the foregoing exceed 25 cents per developed horsepower.

The conferees did not accept in full either Senate or House provisions as to the making of the charge, but recommended a substitute to the effect that the licensee should pay the necessary reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the cost of the administration of the act. This constituted one ground for the charge.

Another ground was recompensing the United States for the use, occupancy, and enjoyment of its land or other property; and a third, for the expropriation to the Government of excessive profits until the respective States should make provision for preventing excessive profits, or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require.

Under the provisions of this bill no charge is levied upon a municipality or any other governmental agency or the State itself for the power developed by dams constructed by such State or municipality, and when the power is for public-utility purposes and not sold for profit. The only source of a charge would be upon the agency, private in its character, which furnished power to public utilities or for its own use.

In a case where a private plant builds alongside the dam and uses the power created, there is no State utility commission, there is no Federal authority, to regulate its rates. It is not

a public utility in any sense, and there would be no method of reaching the excess profits of an institution of that kind. We decided, therefore, that in view of the fact that such a plant is private in its character and could not be reached by the regulatory body of the State or by the Federal Government under this bill, we could reach its excess profits, if any, by right of expropriation, as provided in this conference substitute. However, we retain in the compromise agreement the provision as to the fixing of the charge for the power developed upon a Government dam, and also allow periods for the adjustment of such charge in terms of 10 years after the first 20 years have elapsed.

Amendment No. 44 relates to discriminations and was offered on the floor of the Senate. Its purpose is to prohibit any company, corporation, or individual selling or leasing or disposing of power, heat, or light to discriminate as between different localities. We did not believe that such an amendment would be workable, and therefore eliminated this amendment from the bill. For instance, here are two communities adjacent to each other supplied by a common power plant. One community grows twice as fast as the other. In order to comply with this amendment, the producer of the power would have to take from the community that was growing less and supply the community that was growing more rapidly, and thus give rise to a charge of discrimination. Moreover, there would follow uncertainty in respect to any contracts that might have been made with the town that grew less rapidly. Under the circumstances we did not feel justified in retaining this amendment in the bill.

Amendment No. 48 has reference to the termination of the 50-year period and to the matter of recapture. The House provision was:

*Provided*, That in the event the United States does not exercise the right to take over and does not issue a new license to the original or a new licensee, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license, etc.

The Senate struck out the House provision and inserted the following:

*Provided*, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or tender a new license to the original licensee, upon the terms and conditions aforesaid, which is accepted, then the commission shall issue from year to year, etc.

Because of the insistence of the House conferees that the language of the Senate provision did not meet with their approval, the conferees agreed to this modification:

*Provided*, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or issue a new license to the original licensee, upon reasonable terms, etc.

We believe that the use in the Senate amendment of the words "which is accepted" would result in a perpetual license, because all that the original licensee would have to do would be to say to the Government when it tenders terms, "These terms are not accepted; we will not accept them," and simply stand pat. Then, under the act, the Government would have to tender a license from year to year. We struck out the words "which is accepted" and in lieu thereof inserted the words "upon reasonable terms," so that the Government at the end of 50 years could tender reasonable terms to the original licensee, and if he would not accept those terms, proceedings could be begun against the original licensee and his contract terminated.

Amendment No. 49 provides how the charges which are secured in the previous section are to be distributed. There was difference between the Senate and the House with regard to this matter. We finally resolved upon adopting the plan which was adopted in the oil-leasing bill recently enacted by Congress, changing, however, in some degree the percentages, so that 12½ per cent of the charges derived from water-power development are to be paid into the Treasury of the United States to be used for the purpose of paying costs of administration; 50 per cent derived from national monuments, national-forest reserves, and the public domain, etc., to go into the reclamation fund; 37½ per cent derived from power development upon national forests, national monuments, and the public domain to be paid to the State in which the power is developed; 50 per cent of the charge derived from the construction of dams upon navigable waters to go into the Treasury of the United States, to be expended for construction and maintenance of navigation dams and for the construction of headwater improvements; the balance, 50 per cent, less 12½ per cent cost of administration, to go to the Treasury of the United States. We compromised the conflicting views of the Senate and House on the matter of distribution of the charge in the manner set forth in the conference substitute.

Amendment No. 57 relates to the "fair value" as the basis for net investment where an existing power plant comes under this new law upon its own application. The House did not



have any such provision. We feel that it would be necessary to have some basis of valuation on an existing plant when it comes in under the new law upon its own application, but the latter portion of amendment No. 57 was objected to by the House conferees and was finally eliminated. That latter portion of the amendment has reference to contracts with existing plants, and its purpose was to continue those contracts, not to exceed the license period, even though the power plant which makes the contract goes under this new law. We did not believe that this would be wise. We felt that this would simply make it impossible for the Water Power Commission to change the rates, even though those rates under the existing contracts were not in the public interest.

If these contracts are in the public interest, then the customer has nothing to fear under this law, and if they are not in the public interest there ought to be a regulatory body which could make them in the public interest, and so we say that they should be subjected to the regulatory control of the State authorities where they have such bodies, and if not under the Water Power Commission under the provisions of section 19 of the act.

The last amendment I wish to call attention to is amendment No. 59, and relates to the provisions of the rivers and harbors act of 1917, creating the so-called Newlands Waterways Commission. The amendment was eliminated. The conferees did not believe it was necessary to incorporate that provision in this water-power bill. We believed that we should repeal this provision of the act of 1917 creating the Waterways Commission for these reasons: The President never appointed the commission, notwithstanding the act was passed as far back as 1917. Moreover, many of the powers that were given to the commission we have given to various bodies created in the transportation act of 1920, especially with reference to inland water transportation. Other powers granted in the Newlands Act are contained in this water-power bill. So there was very little left for this commission to do.

Gentlemen, these are in brief the main amendments that have kept the conferees apart for six weeks. This report represents the consummation practically of eight years of contention between the Senate and the House upon water-power legislation. I sincerely trust that the time has come for this law to be put in force, to the end that industry may be promoted and that the prosperity of the country may be advanced. [Applause.]

Mr. SIMS. Mr. Speaker, I want to use as little time as possible, and I therefore asks unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none.

Mr. SIMS. Mr. Speaker and gentlemen of the House, I could not sign this conference report, but I want to say that while there is much good legislation in the bill there are Senate amendments which are absolutely fundamental, in my judgment, that I have never agreed to, that the House has never approved. But if this bill is sent back to conference I have not a particle of doubt that the Senate conferees will yield as to these objectionable amendments. One of them is amendment No. 8, one other is amendment No. 36. Amendment No. 8 will be discussed as to its effect by the gentleman from Maine [Mr. WHITE], to whom I expect to yield time for that purpose. Up to 1918 there had been developed water power in the United States to the extent of 6,000,000 horsepower.

I read as my authority for this statement, in the hearings held by the Water Power Committee of the Sixty-fifth Congress, a letter from Mr. H. J. Pierce, as follows:

THE ARLINGTON,  
1025 VERMONT AVENUE,  
Washington, D. C., May 8, 1918.

Hon. T. W. SIMS,  
Chairman Committee on Water Power,  
House of Representatives, Washington, D. C.

DEAR MR. SIMS: In response to your suggestion that you would be glad to know approximately how much of the water power already developed in the United States is under Government control and developed through permission of Government, and how much has been developed by private parties independent of Government control, the following figures I believe to be approximately correct:

	Horsepower.
In the national forest.....	755,000
In the public domain.....	173,000
Through reservoir development.....	72,000
Requiring right of way over public lands.....	1,000,000
In navigable streams.....	1,000,000
On nonnavigable streams and involving lands privately owned.....	3,000,000
Total amount of water horsepower developed in the United States.....	6,000,000

Very truly, yours,

H. J. PIERCE.

In other words, development up to that time, as shown by the Geological Survey, has been exactly half and half as to developments that would come under the provisions of this bill and that would not. There was 3,000,000 horsepower developed upon public lands and navigable rivers requiring the consent of Congress or the Government. There has been 3,000,000 horsepower developed not requiring an act of Congress or the consent of the Government. The definition of "navigable waters" that we carried in the bill that passed this House twice, that was agreed to in conference by House and Senate in the Sixty-fifth Congress, was as follows:

That the term "navigable waters," as used in this act and as applied to streams, shall be construed to include only such streams or parts of streams as are in their ordinary natural condition used for the transportation of persons or property in interstate or foreign commerce, or which through improvements heretofore or hereafter made have been or shall become usable in such commerce.

A majority of the conferees have agreed on the following instead of that definition of "navigable waters," which is Senate amendment No. 8:

"Navigable waters" means those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, and which either in their natural or improved condition, notwithstanding interruptions between the navigable parts of such streams or waters by falls, shallows, or rapids compelling land carriage, are used or suitable for use for the transportation of persons or property in interstate or foreign commerce, including therein all such interrupting falls, shallows, or rapids; together with such other parts of streams as shall have been authorized by Congress for improvement by the United States or shall have been recommended to Congress for such improvement after investigation under its authority.

The definition of navigable waters as carried in the House bill is a natural one, one that is easy to understand, one you know what it means. Here is 3,000,000 horsepower developed up to 1918 by State authority not upon navigable waters as then defined and understood. With the present tendency to extend navigation in very small streams by the use of small motor boats that can carry a hundred pounds of freight, that make regular or irregular trips, such streams can be recommended for improvement by the Government engineers, because they carry that which enters into interstate commerce. Who knows how many millions of this 3,000,000 horsepower development can be put under Government control by simply having the engineers recommend improvements in these small watercourses that never had been used for purposes of navigation?

Mr. RAKER. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. RAKER. I am watching the gentleman's argument in this matter very closely, and I am with him on the committee, and I have heard many of his careful examinations of witnesses. Now, just what is the gentleman's objection to this Senate provision which authorizes the development of streams designated here so that they can be improved and the Government handle them under this bill?

Mr. SIMS. I am trying my best to do that very thing. [Laughter.]

Now, where there is a great interruption like that in the Muscle Shoals on the Tennessee River, with two or three hundred miles of naturally navigable water above the interruption and two or three hundred miles of naturally navigable water below the shoals, of course the law ought to apply to both parts of it. But you can make, by artificial improvement under this definition, a navigable stream out of almost any kind of a watercourse or lake or dam if it can be used in part for interstate commerce.

I want you to remember how the definition in the House bill originally came to be in it. The original definition of a navigable stream as adopted by the House in the Sixty-fifth Congress went to the Senate, and Senator CUMMINS offered an amendment defining what navigable waters were, and it was so logical and so reasonable that for one I contended that the House committee should accept that definition, and it was accepted, and so the definition that was in the House bill, which was stricken out in the Senate, was really a former Senate amendment, proposed and advocated by Senator CUMMINS. Now, as there are many thousands of horsepower already developed in the State of Maine and in other States on streams not naturally navigable, but under the provisions of this bill may be so declared, it seems to me you are playing with fire to change this definition that is natural, that is logical, that is easily understood, and put in this "reworked shoddy" provision of the Senate.

Now, as to Senate amendment 36, that has been the bone of contention in every water-power fight we have ever had on this floor and in the Senate. Heretofore Congress passed certain bills; the charge provisions did not suit the late President Roosevelt, and he vetoed them. The Congress passed other

bills during the administration of President Taft, and on this very identical feature he vetoed them.

The House provision is to my mind very similar to the House definition as to navigable waters. It is natural, it is reasonable, it is clear. It reads as follows:

That the lessee shall pay to the United States reasonable annual charges in an amount to be fixed by the commissioner.

Who was the author of the language of the House provision? The gentleman from Minnesota [Mr. ANDERSON], who was a member of the Special Water Power Committee. That provision was agreed to by the Senate conferees in the Sixty-fifth Congress and was adopted by the House. The licenses to be issued contemplate the use of Government land or permission to develop power on navigable waters. That provision fixed neither a maximum nor a minimum charge. Where a pioneer development is contemplated out in the West, where you want to develop water power for the purpose of attracting settlers, where the demand for power will be small for several years, charge them 1 cent a horsepower for a reasonable time, until the community is built up and the demand increases. But take the great Niagara Falls development, situated practically in the suburbs of Buffalo, where water power is being sold on both sides of the Niagara River—a great stream where no dam had to be built, where no private investment was required, and where power has been sold from that development at Niagara Falls for from \$10 per horsepower per annum all the way up to \$114 per annum. There stands the great city of Buffalo. Buffalo can not get anything like a fair division of the power produced at Niagara, the power companies having contracted to let the Aluminum Co. have, as I now recall it, 70,000 or 80,000 horsepower per annum and about 40,000 or 50,000 horsepower to other corporations, while Buffalo is given, as I recall it, less than 30,000.

There was an amendment placed on the bill, offered by Senator WADSWORTH, of New York, that required an equitable distribution of power among all those needing power. Why should not a great city like Buffalo, almost on the brink of the Niagara River, obtain its needed power, or at least a fair division of the power produced at its door? These power companies will perhaps apply for new licenses under this law. Why should not the commission have the right to require a just and equitable distribution of power, and give to Buffalo and other cities near enough to utilize it power as cheap as possible, to be used for public utility purposes, instead of giving the Aluminum Co. and other private corporations the bulk of it? Buffalo to-day has the largest steam power plant in the world, about 150,000 horsepower, as I now recall, used to light the city and operate other city utilities, while a great monopolistic private corporation is permitted to utilize at a minimum charge per annum by far the larger volume of the horsepower produced on the American side of the great Niagara Falls. Do you want to vote for a bill that confirms the grip that monopolies already have on these power resources, with no power given to the commission to make these power companies award a certain percentage of this power to Buffalo and other cities or to make among private users an equitable distribution? I want to know why a producer of power at Niagara Falls should not pay a higher charge to the Government than a producer of power at Priest Rapids, in the State of Washington, almost in a desert?

Mr. McKEOWN. Mr. Speaker, will the gentleman yield for a question?

Mr. SIMS. Yes.

Mr. McKEOWN. Is there anything in this bill that will give municipalities or divisions of the Government any prior rights to lease or establish these water powers or license these water powers?

Mr. SIMS. Yes; if they show equal capacity to do it.

Mr. McKEOWN. A prior right?

Mr. SIMS. Yes; a municipality.

Mr. McKEOWN. Do I understand the gentleman to say there is nothing in this bill by which the control of the power by the private corporation can be exercised—that is, that they can not be ordered to furnish the municipality with the power?

Mr. SIMS. No; the commission can not force an equitable division. You heard the chairman discuss that. He was afraid it would bring about practical difficulty.

Now, why should not the commission be permitted to make a just and reasonable charge, as provided in the present House bill and in the bill that passed the House and was agreed to in conference in the Sixty-fifth Congress, and leave it to the commission to determine what should be a just and reasonable charge be made for each project? One cent might be high enough at one project and ten or fifteen dollars might not be

unreasonable at another improvement. These projects are not all public utilities serving cities and municipalities. Private corporations will exercise the right to apply for licenses. Every water power in the United States is already known to gentlemen who will file applications on the best sites almost before the ink gets dry on the President's pen, if he should approve the bill. All the best locations are well known to private interests, who will grab while the grabbing is good. The municipalities will not hear of it perhaps until it is too late. Why should we turn over these valuable national assets while we have the power to refuse them a license except upon conditions and terms that will do justice to the public? Why should we turn over to the Steel Trust, to the Aluminum Co., or any other great corporate manufacturer that wants to develop for the purpose of private profit and not for the public benefit? This conference report as it is ought to be defeated. The bill ought to go back to the conferees with instructions to at least adhere to their disagreement on amendments Nos. 8 and 36.

Senate amendment No. 36 reads as follows:

That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of this act; for recompensing it for the use, occupancy, and enjoyment of its lands or other property; and for the expropriation to the Government of excessive profits until the respective States shall make provision for preventing excessive profits or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for the expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require: *Provided*, That when licenses are issued involving the use of Government dams or other structures owned by the United States or tribal lands embraced within Indian reservations the commission shall fix a reasonable annual charge for the use thereof, and such charges may be readjusted at the end of 20 years after the beginning of operations and at periods of not less than 10 years thereafter in a manner to be described in each license.

Mr. Speaker, I would like for any man to tell the House, if we are to prefer the public to private interest, in what way does this Senate amendment better serve the public and better protect the interest of the United States than does the House provision for a just and reasonable charge to be fixed by the commission, to be paid by the licensee for the permission of doing for his individual profit a thing the Government has the right, power, and duty to do, if the public interest is to be served rather than the promotion of private, selfish, profiteering, monopolistic schemes for the amassing of great wealth by exploiting the public.

When a would-be developer gets a permit he will have two or three years to get ready, to make financial arrangements, and to make borings, and one thing and another. If a water-power site is improved at the present time, under the present prices for labor and material, what kind of a project would it have to be in order to pay a desirable return on the investment?

This is a leasing bill only in name, because it does not provide a practical, workable method for the Government to resume control of that which it has leased. To admit that it can lease is to admit that it has the right to lease, and to admit that it has a proprietary interest in the thing so leased, and we provide that the Government may take this property back after 50 years by paying the licensee or assign the net investment in the project. Why, the Government will never take one of them back on these terms unless it is during a war and taken for war purposes. Why? Because if you gentlemen and myself should be living at that time, which in all probability we will not, you would not make an appropriation out of the Public Treasury to pay for any kind of a net investment in any project.

So private capital will hold the property indefinitely, perpetually. The original licensee may not hold it, but some other will hold it, because Congress will not make the required appropriation. Therefore, while we provide for recapture, it is only in name, as no recapture will ever take place under this bill. Mr. Speaker, nothing less than compulsory amortization during the period of the lease will ever get back anything for the Government. Do you know what the amortization charge would have to be in order to pay out absolutely every dollar of the investment in 35 years? Only 1 per cent per annum on the actual investment; yet we are giving licensees 50 years and then paying them for the property. Here is the testimony of Mr. Britton, a very able man, who is general manager of the Pacific Coast Gas & Electric Co., of San Francisco, Calif. His company serves about 2,000,000 people, produces and disposes of 164,000 electric horsepower a year, and not one project of it on a navigable stream, and he says that the price that they get for their power is \$68 per horsepower per annum, on the average, and that they pay as taxes 5.6 per cent upon the gross receipts, which means about \$3.50 a year per horsepower. One

per cent more, or 6.6 per cent on gross receipts, would amortize every one of these projects, if they were under the provisions of this bill, in 35 years and would require an additional charge of only 68 cents per horsepower per annum. His company is making money. It is one of the most prosperous companies in the United States, paying in taxes six times the amount that it would take to completely amortize the property of these companies in 15 years less time than the licenses have to run in this bill. Suppose the State of California had been the proprietor, like the Government is, of the public lands and had the power on navigable rivers possessed by the Government and had provided for a compulsory amortization charge of 1 per cent per horsepower per annum. In 35 years the State of California would have owned the whole blessed outfit without having to pay one cent for any part of the investment. No such provision is in this bill.

Too-day through this bill we are parting with the last national resource we have over which we have any power of control. Canada has taken care of her timber. The timber on the public lands of Canada can be sold only by permission of the Dominion Government, and then they send a Government agent to mark the trees that may be taken. They are conserving their forests. We have wasted and destroyed our timber in the United States by having no Government supervision of the forests, either State or national.

The coal mines of the country are fast being depleted because the mining is not scientific, but is wasteful and under no control whatever. Here is the competitor of coal. Water power is the competitor of power produced through the agency of coal, which is going to become more expensive all the time. So far as water power is concerned, the power house and the electric generating machinery do not require very much for maintenance. Transmission lines are different. Now, if we are going to lease these water powers, let us provide that after five years of operation, or some other period of time, after they have passed through the pioneer stage, they must charge 1 per cent per annum as an amortization charge in addition to the charges they are authorized to make for other reasons, and that the Federal and State commissions must provide for it, and at the end of 35 years the Government will own the projects absolutely, with no suit to bring or one additional dollar to pay in order to retain these great water-power rights and possibilities, or do we want to give them away? The question is with us to decide now or it will be forever too late.

Mr. Speaker, Senate amendment No. 44 reads as follows:

The licensee hereunder shall not directly or indirectly discriminate or permit discrimination in the apportionment, allotment, transmission, distribution, sale or lease of power or electrical energy or current in favor of any municipality as against any other or others in respect of service, rates, or the quantity of power or electrical energy or current transmitted or supplied to it or them; but the licensee shall fairly and equitably apportion, allot, transmit, and supply power, electrical energy and current among and to such municipalities as can be efficiently served and supplied directly or indirectly by the licensee in proportion, so far as practicable, to their respective populations, industrial or commercial importance and prospects, needs and requirements, so as best to subserve the public interests. This condition shall be binding upon every person, association, and corporation receiving power or electrical energy or current from the licensee and engaged in developing, transmitting, distributing, selling, or leasing power, electrical energy or current to any municipality or to its inhabitants, and shall inure to the benefit of such inhabitants. Every contract, agreement, or understanding between the licensee and such person, association, or corporation shall be expressly subject to and limited by the provisions of this subsection. This condition may be enforced and regulated by the commissions or other agencies mentioned in, and in the manner and to the extent prescribed by, section 19 of this act.

I was strongly in favor of yielding to the Senate as to this amendment, as was also Mr. HAUGEN, and I shall in my motion to recommend instruct the House conferees to yield and agree to this amendment. It is a just and proper provision to have in the law.

Mr. ESCH. I yield to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I congratulate the conferees that finally, after these many years of effort, a water-power bill has been reported that both branches seem to have agreed upon. It is of particular interest to my section of Massachusetts that cooperation can be arranged between private owners and the Government for the use of the water power on navigable streams. The subject has been very thoroughly discussed on this floor, and I am sure the report of the conferees will meet with the hearty approval of the people in my section. [Applause.]

I can add nothing to the details of the discussion of the relations between private corporations desiring to generate power and the interest of the Federal Government in increasing the use of navigable streams. Before I was a Member of Congress the Connecticut River above Hartford was the outstanding example of this form of cooperation.

The increased cost of fuel, the lack of power, and the need of additional transportation facilities have greatly augmented the previous strong arguments made in behalf of transportation on this stream. Within a very compact area about Windsor Locks, Conn., are centered industries which would quickly absorb the 40,000 horsepower now running to waste down the Connecticut River.

Navigation to Springfield and Holyoke, Mass., by a limited Federal appropriation would mean material reduction in cost of fuel and raw material. Under the bill the conferees to-day report, private enterprise can combine with Federal appropriation by which the natural resources will be utilized and navigation made possible. May this bill soon become law and thereby end an effort of many years' standing in behalf of navigation on the Connecticut River.

Mr. ESCH. I yield to the gentleman from Georgia [Mr. LEE].

Mr. LEE of Georgia. Mr. Speaker, after nearly 10 years of controversy, during which adverse interests have fought to secure the incorporation of their ideas into legislation, a conference committee of the two Houses of Congress has finally agreed upon and reported out a water-power bill which constitutes one of the best examples of constructive legislation of recent years.

Up to the present time water powers on the navigable rivers have been administered by the War Department, on the national forests by the Department of Agriculture, and on the public lands by the Department of the Interior. Under the provisions of the bill now agreed upon all water powers over which the United States has any jurisdiction will hereafter be administered by a commission composed of the Secretaries of War, Interior, and Agriculture, a measure by which duplication of work may be avoided, a common policy pursued, and the combined efforts of the three departments directed toward a constructive national program of intelligent economical utilization of our water-power resources.

Under the terms of the bill the public retains complete control of water-power rights on the public lands and in the navigable rivers. No development can be made by any agency other than the United States itself, except under the authority of and in accordance with the provisions of a license issued by the commission. Any lands of the United States proposed to be used for power development are to be automatically reserved for such purposes as soon as application is filed, and the title to such lands will be forever reserved to the United States. Existing laws which provide for a different disposition of water-power rights are to be repealed.

The first right to develop any power project rests in the United States, and this right may be exercised at any time for any purpose that Congress may approve and to any extent that it may appropriate funds. The bill provides that if the commission shall find that the power available at any Government dam may be advantageously used by the United States itself, or that any specific project should be developed by the United States, it shall not approve any application by any other agency, but shall report to Congress with recommendations for Government construction. At the expiration of any license the United States retains the right to take over and thereafter to maintain and operate the properties of any licensee upon payment of an amount which shall in no case exceed the original cost of the property and which, on account of the provision for amortizing original cost out of earnings in excess of a specified rate, may in many cases be much less than such cost.

The United States further reserves the right to take over at any time for purposes of operation any plant under license upon the payment of an amount to be determined by condemnation proceedings; and finally, in time of public danger, upon order of the President, the United States may take possession of any project and operate it for any purpose involving the safety of the United States.

In the development of water powers by agencies other than the United States, the bill gives preference to States and municipalities over any other applicant, both in the case of new developments and in case of acquiring properties of another licensee at the end of a license period. Furthermore, no charges are made for licenses issued to these agencies in so far as the power developed is sold to the public without profit or is used for State or municipal purposes.

Whenever licenses are issued for developments by private capital, full public control is retained over the construction, maintenance, and operation of the project. Plans and specifications of all structures and the general scheme of development must be approved by the commission, which has authority to require the best practicable utilization of any site applied for. Construction must be started within two years of issuance of

license and must proceed to completion at a rate prescribed by the commission. Failure to begin or to complete construction within the time specified subjects the license to cancellation.

Licenses must maintain their power plants and other structures in good repair and efficient operating condition, and must set aside annually out of earnings a sum sufficient not only for current maintenance but for replacing any structures or equipment that may become worn out or obsolete. They also must so operate their works as not to interfere with navigation and must, upon request, furnish power for lighting and operation of locks. They must at all times conform to reasonable regulation concerning the maintenance of reservoir levels and the discharge of water through the plant in order to maintain satisfactory conditions of navigation.

Licenses are required to maintain a system of accounting in a form to be prescribed by the commission, to permit examination of their books or records at any time, and to submit such statements concerning their business as the commission may require. This provision of the bill will make it possible to keep a continuous check upon the expenditures of a licensee and will enable the commission to know at all times the amount of money which has been invested in the property.

The bill provides that the regulation of rates, of service, and of issuance of securities shall be exercised by the several States whenever they have established agencies with the necessary authority. If local agencies do not exist, the Federal commission is given jurisdiction to act, upon the request of any State, or of any interested person, or on its own initiative. In rate-fixing proceedings no valuation can be claimed by the licensee in excess of the actual cost of the properties used in the development of power.

Licenses issued to private or corporate applicants will require the payment of annual charges in an amount to be fixed by the commission for the purpose, first, of paying the costs of administration of the act; second, for recompensing the United States for the use or enjoyment of its lands or other property; and, third, of absorbing any excess profits that may be earned by licensees. Charges for this last purpose will be collected only until the several States have made provision for preventing excessive profits or for taking over such profits for themselves or until a provision of the bill which requires that excessive profits shall be used for retiring the cost of the property becomes effective. In fixing annual charges the commission shall avoid naming an amount which would result in increasing prices to consumers. Of the charges collected on account of the use of public lands one-half are to be paid into the reclamation fund, three-eighths to the States, and one-eighth into the United States Treasury. One-half of the charges collected on account of licenses on navigable rivers are to be reserved as a special fund to be spent by the Secretary of War in the maintenance and operation of navigation structures or in the construction of headwater improvements on navigable rivers. The remaining half of charges from this source are to be paid into the Treasury.

The bill provides that whenever any licensee is benefited by the construction by another of a storage reservoir or other headwater improvement the commission shall require the licensee who is thus benefited to reimburse the owner of the reservoir or other improvement for a fair share of the annual charges for interest, maintenance, and depreciation. This provision will be a direct encouragement to the construction of storage reservoirs and will result in the conservation of flood waters, the regulation of river discharge in the interests of navigation, and the prevention of flood damage as well as in the development of water power.

The feature of outstanding public importance is the basing of property values upon cost. Under present conditions whenever public agencies seek to regulate rates for services or to acquire private property for public use, the valuations are likely to include not only the original cost of the properties but appreciation in land values, franchises, "going value," and every other element, tangible or intangible, that the ingenuity of owners or of their attorneys can devise. Every licensee under the new bill will, as a provision of his license, enter into a contract with the Federal Government never to claim anything in excess of actual cost when his properties are valued for purposes of rate making, and even this amount will be reduced to the extent that reserves have been accumulated out of excess earnings for the purpose of retiring a part of the cost. This same method of valuation will be employed in determining the prices to be paid for the property at the end of the license period if it is taken over by the United States or if any State or municipality exercises its preference right to acquire the properties for public use.

It is believed that this legislation will protect the public against excessive charges for power and at the same time is sufficiently liberal to encourage development by the States, municipalities, individuals, and corporations; that within a reasonable time dams will be built and storage reservoirs constructed which will prevent the untold loss of millions of dollars by disastrous floods and give the Nation at a minimum cost cheaper power for lighting our cities and homes and to drive the machinery of our industries.

Mr. ESCH. I yield five minutes to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Speaker, I have been a member of the Public Lands Committee for nearly 12 years, and during nearly all that time we have had a water bill before us. We have spent many, many months of hard and patient work upon it, and it is needless to say that this final act is a great relief to some of us. I feel that this is one of the most important and far-reaching bills and really great pieces of constructive legislation that Congress has enacted in many years. [Applause.] Fortunately there is no politics in the bill. Both political parties are entitled to great and equal credit for enacting it. It has been a most tedious, difficult, and often exasperating task. Even after its special water-power committee was created some two years ago and all these bills referred to it, I know from being on that committee that the work has been long and trying, and I am exceedingly glad to have taken a humble part toward this final adjustment of a policy that will affect this and future generations in this country. I wish we could be endowed with the foresight to see the defects of this bill as our posterity will see them 50 years from now. We can only say to our heirs and descendants that we have earnestly and conscientiously tried, first, to fully and thoroughly protect the Government and the rights of the people against monopoly and extortion, and to provide for good service at fair rates, and, secondly, to draft a law that will encourage and fairly protect investments in water-power development, and it is my earnest hope and prayer that we have accomplished both of these objects. If we have, the committee will for generations to come be entitled to the thanks of the American people. The possibilities of the water-power development of this country are beyond the imagination of any living human being. We already have the richest and greatest Nation the sun has ever shone on, and when all our streams are properly harnessed the power possibilities and industrial development that it will bring about are beyond human calculation at this time.

We need fear no competition so long as we keep a level head. As I listened a few minutes ago to the bitter and impassioned speech of the gentleman from Massachusetts [Mr. GALLIVAN] against the prohibition constitutional amendment, and heard his reference to other countries, I thought to myself, "Let other nations revel in drink and scoff at us if they want to; but history will record that sober America beat a drunken world." We will not only compete with but distance every nation on earth and the more liquor they consume the easier it will be to outstrip them. The marvelous resources of our country, handled by educated, intelligent, sober, energetic, ambitious, and patriotic Americans, will make our country exceed all others in a geometrical proportion in the coming years, and this bill, together with the hundreds of other splendid constructive measures that have been enacted by Congress during the past few years, will very greatly aid in that future development and glory of our beloved and glorious country. [Applause.]

#### MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

- S. 1661. An act for the relief of Maj. Ellis B. Miller;
- S. 2554. An act for the relief of J. B. Waterman;
- S. 2274. An act for the relief of the owners of the schooner *Charlotte W. Miller*;
- S. 1003. An act for the relief of Jesse L. Clay;
- S. 557. An act for the relief of Oscar C. Guessaz;
- S. 3995. An act providing for the relinquishment of certain described property by the United States to the city and county of San Francisco, State of California;
- S. 3421. An act for the relief of Mabel L. Noble;
- S. 4205. An act to amend section 4, chapter 1, of Title I of "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other

judicial purposes," approved March 3, 1909, and for other purposes;

S. 1521. An act authorizing the Cowlitz Tribe of Indians, residing in the State of Washington, to submit claims to the Court of Claims;

S. 3716. An act conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Tribe of Indians, South Dakota, to the Red Pipestone Quarries, Minnesota.

S. 3307. An act authorizing the Ottawa and Chippewa Tribes of Indians of Michigan to submit claims to the Court of Claims;

S. 4046. An act to cancel an allotment made to Mary Crane, deceased, embracing lands on the Winnebago Reservation, in Nebraska;

S. 4047. An act authorizing and directing the Secretary of the Interior to make an allotment to Pessa, a member of the Comanche Tribe of Indians in Oklahoma;

S. 192. An act authorizing the Crow Tribe of Indians residing in the State of Montana to submit claims to the Court of Claims;

S. 3164. An act authorizing the Northern Arapahoe Tribe and the Northern Cheyenne Tribe of Indians to submit claims to the Court of Claims; and

S. 3774. An act to authorize the coinage of a Roosevelt 2-cent coin.

The message also announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 4311. An act to authorize the addition of certain lands in the Caribou National Forest; and

H. R. 9781. An act to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 9783) to provide a national budget system and an independent audit of Government accounts and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. McCORMICK, Mr. SMOOT, Mr. KEYES, and Mr. SIMMONS as the conferees on the part of the Senate.

#### WATER POWER.

Mr. ESCH. Mr. Speaker, I yield three minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker and gentlemen of the House, like my good friend from Colorado [Mr. TAYLOR], who has been on the Committee on Public Lands and the Water Power Committee, that has had this legislation under consideration, I have been on the same committees with him and have seen similar legislation pass the House at three different times in prior Congresses. I was on the special water-power committee of the last Congress and attended the committee hearings, which gave great consideration to this bill; also on the same Committee on Water Power which reported this bill. This is a nonpartisan bill. To my mind it gives the best judgment of the Members of the House and the members of the committee and the conferees for the purpose of proper development of the great water powers of the United States, both as to navigable and nonnavigable streams, and properly looks after irrigation; both interests are protected.

I take a good deal of delight in finding in this bill one of the provisions that was uppermost in my mind during the two months of hearings, developed thoroughly and completely, that in addition to the development of water power we should not overlook the utilization of our water resources for irrigation. The conference committee has retained that in the bill after it was placed there by the Senate, so that we may get the highest use for irrigation and for water-power development. I believe the country should be congratulated on the near completion of this vitally important piece of legislation. There is sure to follow this legislation much improvement and development of our water resources. It is not, perhaps, perfect in every part. Some may criticize some particular feature, but I do believe that it protects the Government, that it gives an opportunity for a large and proper development under proper safeguards.

And then it provides for the recapture after 50 years' use, so that we are not yielding or deeding away, if I may use that expression, in perpetuity these valuable rights. [Applause.]

Mr. SIMS. Mr. Speaker, I yield 20 minutes to the gentleman from Maine [Mr. WHITE].

Mr. WHITE of Maine. Mr. Speaker, I have a very keen appreciation that in marshaling judicial opinions and in any effort to discuss the legal phases of legislation pending before the House, there is danger of quickly clearing the Chamber of

such few Members as are still here, but because of my conviction that it is useless to talk about this measure in general terms, and because of my hope that out of an attempted analysis of certain portions of the bill some helpful suggestions may come to the House, I propose to make what by courtesy may be called a legal argument.

I must support the promised motion to recommit this conference report. I do so for the particular reason that, in my opinion, the definition of "navigable waters" agreed upon violates settled principles of law and the rights of States and of individuals.

Let me direct attention to my objection to the report. The words "navigable waters" do not appear in the Federal Constitution. Congressional jurisdiction over a stream within a State must rest upon that article of the Constitution which gives Congress the power to "regulate commerce with foreign nations and among the several States." In these words is the sole grant of power and in their fair intendment is the limitation upon our right to exercise control over the rivers and waters of a particular State. Our authority is for the specific purpose named and can be asserted for none other. What constitute "navigable waters" of the United States over which Congress may exercise power in each instance and in the last analysis is for the Supreme Court to determine. Legislative definition therefor is unnecessary. Such definition is justified only if its purpose is to place a restriction upon the full exercise of our rights; it is futile and foolish when the language employed goes beyond the rule and the reason for it, as declared by the final judicial authority. And that is what we here seek to do.

What are "navigable waters" of the United States? What is the rule which must be applied in determining whether a particular stream comes within our jurisdiction? Cases in which the question has been discussed are many, but in them all the principle which must guide is clearly recognized.

In the *Daniel Ball* (10 Wall., 557), the court said:

Those rivers must be regarded as public navigable rivers in law, which are navigable in fact. And they are navigable in fact when they are used, or are susceptible of being used, in their ordinary condition, as highways of commerce, over which trade and travel are or may be conducted in the customary modes of trade and travel on water.

In the *Montello* (20 Wall., 430), the court accepted navigability of the river in its natural state as the proper test, and said:

If it (the river) be capable in its natural state of being used for purposes of commerce, \* \* \* it is navigable in fact and becomes in law a public river or highway.

And again it lays down the proposition that—

The vital and essential point is whether the natural navigation of the river is such that it affords a channel for useful commerce.

The case quotes with approval the language by Chief Justice Shaw, of Massachusetts (21 Pickering, 344), in which he asserts that it is not—

Every small creek in which a fishing skiff or gunning canoe can be made to float at high water which is deemed navigable, but in order to give it the character of a navigable stream it must be generally and commonly useful to some purpose of trade or agriculture.

And through the years the principle laid down in these early cases has been followed. The measure is the use or the susceptibility of use of the stream in its natural condition for useful commerce.

In *United States v. Rio Grande Dam & Irrigation Co.* (174 U. S., 690), the court limited the definition in this language:

The mere fact that logs, poles, and rafts are floated down a stream occasionally and in times of high water does not make it a navigable river.

This case emphasizes the requirement that we must look to the ordinary and natural condition of the stream and to its natural availability for substantial commerce.

The case of *United States v. Brewer-Elliott Oil & Gas Co.* (249 Fed. Rep., 615), states the essentials of the rule with unusual clarity. I quote from the opinion:

The issue of navigability is one of fact. \* \* \* A river is not navigable unless so in fact. It will be deemed navigable when used or susceptible of use in its ordinary condition as a highway of trade and travel in the customary modes on water. \* \* \* The exceptional use of a stream for purposes of transportation in times of temporary high water or "the mere fact that logs, poles, and rafts are floated down the stream occasionally \* \* \* in \* \* \* high water does not make it a navigable river." To meet the test \* \* \* a water-course should be susceptible of use for purposes of commerce or possess a capacity for valuable floatage in the transportation to market of the products of this country through which it runs. It should be a practical usefulness to the public as a public highway in its natural state and without the aid of artificial means. A theoretical or potential navigability, or one that is temporary, precarious, and unprofitable, is not sufficient.

In *Donnelly v. United States* (228 U. S., 262), we find the rule expressed thus:

The question of the navigability in fact of nontidal streams is sometimes a doubtful one. It has been held in fact that what are navigable waters of the United States within the meaning of the act of Congress

in contradistinction to the navigable waters of the States depends upon whether the stream in its ordinary condition affords a channel for useful commerce.

One of the recent cases on this subject, and the last to which I shall refer in this connection, is *United States against Cress*, Two hundred and forty-third United States, page 316. I quote:

In Kentucky \* \* \* numerous cases have arisen where it has been necessary to draw the line between public and private right in waters alleged to be navigable, and by an unbroken current of authorities it has become well established that the test of navigability in fact is to be applied to the stream in its natural condition, not as artificially raised by dams or similar structures; that the public right is to be measured by the capacity of the stream for valuable public use in its natural condition; that riparian owners have a right to the enjoyment of the natural flow without burden or hindrance imposed by artificial means, and no public easement beyond the natural one can arise without grant or dedication save by condemnation with appropriate compensation for the private right. \* \* \* We have found no case to the contrary. \* \* \* Many State courts \* \* \* have held, also, that the legislature can not by simple declaration that a stream shall be a public highway if in fact it be not navigable in its natural state, appropriate to public use the private rights therein without compensation. \* \* \* This court has followed the same line of distinction.

The opinion then cites with approval some of the cases hereinafter mentioned by me and later in the opinion reaches the conclusion—

that the servitude of privately owned lands forming the banks and bed of a stream to navigation is a natural servitude, confined to such streams as in their ordinary and natural condition are navigable in fact and confined to the natural condition of the stream.

I invite the House to test the definition of "navigable waters," which you are asked to approve, by the rule of these cases. This conference definition, which is the Senate definition, in substance, divides into three parts. It first declares "navigable waters" to be—

those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States—

With this much of the definition no one can quarrel. It then goes on as follows:

and which either in their natural or improved condition, notwithstanding interruptions between the navigable parts of such streams or waters by falls, shallows, or rapids compelling land carriage, are used or suitable for use for the transportation of persons or property in interstate or foreign commerce, including therein all such interrupting falls, shallows, or rapids.

Why this addition to the definition? Is this language used for the purpose of restricting the general terms immediately preceding or is it an effort to extend authority? If the former, if intended to be restrictive, why use the general language at all? Why not omit this comprehensive language and limit our definition in terms to the restricted class of streams? The answer is that this second part of the definition does not restrict. Its effect, if it can be given effect, is to enlarge the definition.

The word "and," connecting the two parts of the definition, does not take from and limit what goes before. A proper construction of this portion of the definition makes navigable those streams which either in their natural or improved condition are used or are suitable for use in interstate or foreign commerce. It is an assertion that the condition of a stream as improved measures its navigability in law. It announces a principle sustained by no court. The references to shallows, to falls, and to rapids compelling land carriage and the inclusion of such obstructions to navigation within so-called navigable waters also condemns the definition. It asserts to be navigable streams which experience, reason, and fact declare are not navigable.

The balance of the definition is manifestly unwarranted. It declares "navigable waters" to mean those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States—

together with such other parts of streams as shall have been authorized by Congress for improvement by the United States or shall have been recommended to Congress for such improvement after investigation under its authority.

This is a brazen effort to extend our jurisdiction beyond its constitutional limits. It first undertakes to make navigable in law streams for which Congress has appropriated money for improvements and, next, those streams which the Board of Engineers of the Army or the waterways commission, created under this act, may recommend for improvement. Henceforth neither the Constitution nor the decisions of our Supreme Court nor the facts as to navigability are to be the basis for jurisdiction or are to affect the manner or the degree in which we shall exercise our authority. The language does not even require the improvement first to be made. We declare streams to

be navigable which we authorize or some one else recommends for improvement without any regard to the present condition of the stream or the existing facts as to navigability.

But it is interesting, even though it may not affect our action, to make brief reference to a few decisions of our courts which bear directly on this proposal. The cases already quoted, in holding that the test of navigability applies to streams in their ordinary and natural condition, by plain implication deny the suggestion of this last part of the Senate definition that the opinion of Congress expressed by an authorization for improvement, or the recommendation of any body that an improvement be made, can change the character of the stream.

But we do not need to rely on inference. Text writers and the courts have expressly held that navigability in law can not be created by artificial means.

Kenney, volume 1, page 570, discussing navigable waters, writes:

A stream which can only be made navigable or floatable by artificial means is not a public highway.

In *People v. Economy Light & Power Co.* (241 Ill., 290), quoted with approval in Two hundred and forty-second Federal Reporter, 560, the rule is thus stated:

To hold that a State can by artificial means make a stream navigable which in a state of nature was not navigable, and thereby deprive riparian owners of their property rights in the bed of the stream, is simply to hold that private property may be taken for public use without compensation.

In *United States v. Brewer-Elliott Oil & Gas Co.* (249 Fed. Rep., 615) the court in discussing what constitutes navigability holds that a watercourse should be susceptible of use for purposes of commerce or possess a capacity for valuable floatage in the transportation to market of the products of the country through which it runs, and further says:

It should be of practical usefulness to the public as a public highway in its natural state and without the aid of artificial means.

And the same principle is sustained in *United States v. Cress* (243 U. S., 316), in these words:

By an unbroken current of authorities it has become well established that the test of navigability in fact is to be applied to the stream in its natural condition, not as artificially raised by dams or similar structures.

This decision further says:

Many State courts, including the Court of Appeals of Kentucky, have held also that the legislature can not by simple declaration that a stream shall be a public highway, if in fact it be not navigable in its natural state, appropriate to public use the private rights therein without compensation. \* \* \* This court has followed the same line of distinction.

This distinction and the principle which these cases point out is founded in sound sense. If we admit that a stream may become navigable in law through such means as are set out in the last four lines of this Senate definition, then we substitute the judgment or the whim of Congress and of engineers for fact and accepted rules of law. I can not admit that Congress by artificial means, by skill of engineers, in expenditure of large sums of money appropriated therefor, can make a nonnavigable stream navigable and thus create jurisdiction which otherwise it would not possess. Admit that Congress may of right do this, and it follows that there is no stream within the whole United States which may not be thus brought under congressional control. I oppose the adoption of this conference report with the Senate definition included and urge its return to the conferees, because I will not support a proposition so clearly without authority in law. I would oppose it if this definition could be sustained in law, for it would then constitute an extension of Federal control in a manner and to a degree which must retard water-power development within our States. No State has done more than Maine in the scientific conservation and utilization of her natural resources. If our State and people may be let alone, we will meet the demands of the future. We do not want our progress impeded by the delays and inefficiencies incident to Federal interference with and control over our nonnavigable streams, our industries thereon, and our people. [Applause.]

I favor this motion to recommit this conference report to the conferees with instructions to them to insist upon the House definition of "navigable waters" for the added reason that by the acceptance of this definition we will minimize a further offense in the legislation. It is true that the bill by its title declares it is for the purpose of creating a commission to provide, among other things, for the improvement of navigation, and there is enough in the body of the bill to justify this reference in the title to the improvement of navigation, but no man who studies this act can resist the conclusion that the improvement of navigation is but incidental to, if at all connected with, the substantial purpose of the act. It is but the haze

behind which is hid the substance. Stripped of its covering, the proposal relates not to commerce between the States or with foreign nations, but it authorizes a commission to issue licenses to corporations and to individuals to build dams and to erect power houses for the generation of electricity for industrial purposes. And in this purpose may be found the explanation of the strained effort to enlarge the definition of "navigable waters" beyond its proper limits. The proponents of this legislation are not concerned with navigation and so with navigable waters in fact. Theirs is a scheme of power development for the demands and the profits of industry under Federal control. They recognize the impracticability of such developments upon streams navigable in fact and in law, except under unusual and exceptional conditions. The natural and customary location of these developments is upon streams broken by rapids and falls, upon streams unused and useless for commerce, and in the recognition of this truth we find the reason for the effort to declare navigable and so within Federal jurisdiction those streams and those parts of streams down which in their ordinary and natural condition trade and commerce have never been carried between the States or with foreign nations. Limit this definition of "navigable waters" as we may and the bill even then will go to the very verge of constitutional inhibition. I know of no authority in our fundamental law for the licensing by Congress of corporations and individuals for the building of dams, the erection of power houses, and the generation of electricity for industrial and commercial purposes. There are those who profess to believe that this may be done upon navigable streams as an incident to the improvement of navigation. Whether this view be sound or not, it is clear in my mind that such powers can not be exercised by the Federal Government within the limits of our States upon streams which are not navigable and over which Congress has no jurisdiction. The excess of zeal on the part of the proponents of this legislation tends to obscure and to jeopardize that which is meritorious in it. The legislation must be regarded as but another manifestation of the growing and alarming tendency of the Government to absorb and to regulate the rights and activities of States and of individuals.

Mr. ESCH. Mr. Speaker, I yield four minutes to the gentleman from New York [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Speaker, the gentleman from Maine in concluding his argument, as a summary and the result of all he has said, made the bald statement that power is developed and can be developed in the United States on streams that are not navigable, and that it is not developed on navigable streams.

That is a broad general statement. Let us test this by facts. The greatest water power in the world is on the Niagara River. Is it navigable in fact or not? As a result of the gentleman's conclusion, we must necessarily find that it is not navigable. Let us examine the facts and see. To-day they are locating on the upper Niagara some of the greatest steel plants in the world, and by deepening the river they are making it possible to carry on plants on the lower part of the upper river that have existed there for 20 years or more. Below Tonawanda, only just above and out of the sound of the thundering cataract, they are paying \$5,000 a day to labor in the steel plant, and all of its manufactured products are carried away and all of its raw material is brought to it by the navigation of the Niagara. Therefore, so far as the navigation of the Niagara is concerned, we find that it not only has been navigated for a generation, but we find that its use for navigation is growing day by day, year by year, until there is growing up there to-day a separate and independent region of industry, one of the great regions of industry in all this broad land of ours. Let us take the lower Niagara, let us go below the cataract and see whether that is navigable in fact. From the earliest days, as long as we have had a country, the lower Niagara has been the connecting link between the upper Lakes and the lower Lakes, and even down to the ocean. Boats start there, and while the same boats do not go down to Montreal and the ocean, they connect with these other boats and carry their tonnage all of the way, and there is not a day in the season when you can not go up there and see the boats running back and forth, hour in and hour out. The gentleman from Maine [Mr. WHITE] brought all his argument down to one conclusion, that you could not have water power on a stream and in that same stream have navigability for commercial purposes, and it takes one example only, as I say, of the Niagara, where there is the greatest power in the world, and where you have navigability at both ends of the river, to utterly destroy the basis of his argument. The fallacy of his argument is demonstrated by the very best example that you can use.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SIMS. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. MACGREGOR].

Mr. MACGREGOR. Mr. Speaker, it is very unfortunate that under the procedure of this House one is obliged or required, almost, to swallow a conference report, and it is especially distasteful in a matter of such importance as that which is now before us. Any legislation that is passed by us should have in mind as its end the conservation of the interests of the people of the United States. This bill does not to my mind go to that end. An amendment was introduced in the Senate which required a licensee to distribute the power developed by it among the communities in its vicinity without any discrimination, and that has been stricken out.

I am primarily interested in the great water power at Niagara Falls. We are now developing upon the American side practically 250,000 horsepower. That is developed by one company, because to one company has been given all of the water that is permitted to be diverted from the Niagara River for power purposes. That company uses most of the power that is developed by it upon its own lands. It has several thousand acres of land, and it has established upon that land manufacturing to which it sells the power that is developed by it, so that the surrounding community, the other communities along the Niagara River, do not receive any benefit from the Falls of Niagara. In fact the city of Buffalo receives from the Niagara Falls only 27,000 horsepower out of 254,000.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. MACGREGOR. Yes.

Mr. ESCH. How much does Buffalo get from the Canadian plant?

Mr. MACGREGOR. It does not get any, as I understand it.

Mr. ESCH. I understood that it had 60,000 horsepower from the Canadian side, making a total of 87,000 horsepower that is obtained.

Mr. MACGREGOR. None of it goes into the city of Buffalo; it all goes to the Lackawanna Steel Plant, which is not in the city of Buffalo.

The recent report of Col. Warren, division engineer, which has now come to the river and harbor board, recommends that the treaty which now exists between the United States and Great Britain, with reference to the diversion of water, be amended, and if amended it will probably permit the diversion of 80,000 cubic feet of water development at Niagara Falls, dividing between the United States and Canada 40,000 on each side. The report recommends that a canal be constructed from the river above the Falls on the American side down to the gorge, where there is a drop of 300 feet. That will develop, according to the estimates, one and a half million horsepower on our side of the river. For the effective development of the power the license should be granted to one concern, and there should be thrown around it the safeguard that the company that is given the license can not acquire large tracts of land in the immediate vicinity and rear up a manufacturing community which shall inure to its own benefit to the exclusion of the surrounding communities.

The amount of power that is capable of being developed at Niagara Falls is almost inconceivable to the ordinary individual. Taking both sides of the river together there will be developed 3,000,000 horsepower. The total water-power development of the United States at the present time, as stated by the gentleman from Tennessee [Mr. SIMS], is 6,000,000 horsepower. The requirement of coal for the production of 3,000,000 horsepower would be 18,000,000 tons. The total tonnage capacity of the railroads of the United States is 96,000,000 tons. It would require for transportation 360,000 coal cars. It is estimated by the United States engineers that electric power could be delivered at the switchboard at \$19 per horsepower as against \$50.70 for steam power. It is not necessary for me to point out what that means to the Niagara frontier, and it should be conserved for the benefit of the people of the Niagara frontier and not simply to enrich a single corporate interest to which this license will be granted.

It is contended that under this act the public-service commission of the State of New York would have power to make regulations. I very much doubt that. In fact, a very great question could be raised about that, because under section 6 it is provided that—

Each such license shall be conditioned upon acceptance by the licensee of all of the terms and conditions of this act, and such further conditions, if any, as the commission shall prescribe in conformity with this act.

Under section 19 all of the conditions that are prescribed are—

That as a condition of the license, every licensee hereunder which is a public-service corporation or a person, association, or corporation owning or operating any project and developing, transmitting, or distributing power for sale or use in public service, shall abide by such reasonable regulation of the services to be rendered to customers or consumers of power, and of rates and charges of payment therefor—

It does not say a word in the bill with reference to distribution. It does not say that the licensee shall distribute the power among the communities in the vicinity in an equitable manner, and I doubt very much whether in the face of the provisions of this bill any public-service commission could be given the right to make any such regulation.

The industrial development of the Niagara frontier, which is the center of 15,000,000 people, depends upon a proper distribution of the immense quantity of cheap power that can be developed by the falls, and it is to this Congress to see to it that the rights of the citizens in general are protected. The power belongs to the people in general and the people should have the benefit of it. It should not be granted in such a manner that the result will be the enrichment of one individual or corporation. There should be a wide distribution of it, so that there may be a widespread enjoyment of this great gift of nature.

It is true, as the gentleman from Wisconsin [Mr. ESCH] has said, that there is now coming into the United States from Canada some 60,000 horsepower, but very little if any of that goes to the city of Buffalo. Part of it goes to the city of Lackawanna and part of it goes down the State as far as Syracuse, lighting the cities and running the street cars of Syracuse, Rochester, and I think Oswego.

That power is liable to be cut off at any time. The Canadian authorities contend that they have the right to prohibit its export at any time and I think there is considerable logic in their argument. If they do that then the cities of Rochester and Syracuse and various other communities would be deprived of power unless provision is made for distribution from the development on the American side. If the licensee is permitted to make such use of the power developed according to its own desire and should make use of it upon its own property or in the immediate vicinity then the general public would be deprived of a right that they are entitled to. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ESCH. Mr. Speaker, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, with the adoption of the conference report on the water-power bill this Congress shall have placed in the way of final enactment another great constructive measure. The consideration of this bill carries us back to the days of Roosevelt and Taft, for it was during the administration of those two great Presidents the sentiment crystallized for Federal legislation regulating and controlling in the interest of all the people of the country water-power development and the creation of hydroelectric energy. Many have grown weary in the long-continued effort to secure legislation of this character, and yet perhaps it is just as well that the Congress has not sooner legislated on the subject, for every time measures of this character have been considered they have been improved. Each time the committees of the Congress and the Congress have considered water-power legislation they have improved it. This may not be a perfect bill, but it is a better bill than any of its predecessors. Its enactment will bring a fulfillment of the dreams, desires, and efforts of those who have earnestly labored for constructive progressive legislation of this character. This Congress has much helpful, beneficial legislation to its credit. We have made a wonderful record so far for economy and carefully considered appropriations. We will, we hope, before this session closes bring about the enactment of further constructive legislation, but I think that nothing that the Congress has done and nothing that it will do will reflect greater credit upon it than the passage of the water-power bill. [Applause.] Some of our friends may think only of what they consider its faults. I am sure that no law was ever placed upon the statute books entirely lacking faults, but this measure is remarkably free from faults, and it will aid tremendously in the development of the water-power resources of the country, and in a way that will be of benefit and advantage to all the people. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ESCH. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. DEMPSEY] to explain a certain matter.

Mr. DEMPSEY. Mr. Speaker and gentlemen, so far as the development at Niagara is concerned, I was in entire accord with my colleague in respect to the Wadsworth amendment and went to the Senator and suggested that it be placed in the

bill. However, as the gentleman from Wyoming [Mr. MONDELL] has said, we are in this position: We have reached a state where we can have a water-power bill. By its provisions there must be an efficient development. At Niagara, instead of 240,000 horsepower, through this bill we will get about 400,000 horsepower at the cataract and by a new development a half million horsepower in the gorge. It will be an enormous advantage to the whole frontier, and the city of Buffalo will stand a much better chance to get the horsepower it needs when there is 750,000, three-quarters of a million, horsepower to distribute than it does now with only a quarter of a million horsepower to divide. On that account, because of the wonderful advantage it will be to the frontier, to Buffalo, as well as the rest of the frontier, and to the whole country, I am for this bill.

If we send the bill back to conference, we can not tell whether we would get a bill at this session or not. Congress has debated, the two Houses have been in dispute, for so long that we can not afford to take the chances of further delay.

All the time we have debated the water has been running to waste, coal has had to be mined and transported to take its place, and the railroads, which ought to have been carrying other things, have been swamped with coal to make power for our factories.

We have considered no greater reconstruction measure than this, none that will conserve our natural resources more, and the congestion on our railroads, and lower the high cost of living. It will be of lasting and of constantly increasing benefit. Not a pound of coal should be used where water power can be had to take its place, and there can and will be no considerable development of water power without the passage of such a measure as this.

The SPEAKER. The time of the gentleman has expired.

Mr. ESCH. I have only one more speech on this side.

Mr. SIMS. Mr. Speaker, I shall offer a motion to recommit the conference report to the conference committee with instructions to further insist on its disagreement to Senate amendments Nos. 8 and 36, and to agree to Senate amendment No. 44.

Senate amendment No. 8 is the amendment put on in the Senate defining "navigable waters," which will be fully discussed both from a legal standpoint and otherwise by the very able gentleman from Maine [Mr. WHITE]. Amendment No. 36 is the charges provision, which in the House bill are to be just and reasonable, with absolute power to make the charge high or low as the circumstances that each project may require, demand, or permit. Then the further instruction to agree to Senate amendment No. 44 is for the benefit of the people of any community, or any industry, which will be discussed by the gentleman from New York [Mr. MacGREGOR]. Mr. Speaker, if the motion to recommit is agreed to, I have not the slightest doubt that if the Senate sees that we are in earnest about it and mean what we say, that the instructions of the House will be agreed to and leave the bill just as good as it was when it passed the House. Now, I beg to say to the gentleman from New York [Mr. DEMPSEY], one of the ablest men in the House and personally well acquainted with the situation at Buffalo, that the adoption of amendment 44 would not prevent the developing of three-quarters of a million horsepower at Niagara Falls. With the Wadsworth amendment in the bill, it will not prevent them from developing to the fullest extent, but it will require an equitable distribution of that three-quarters of a million horsepower so developed. Now, it can not hurt the bill to adopt the Wadsworth amendment. It could not hurt the Niagara Power Co., or whatever company may develop additional power, but it would prevent discrimination in favor of private corporations as against municipalities and public utilities. Why not put it in? What objection has any gentleman of this House got to a proposition of that sort? Senator WADSWORTH, from New York, is also a very able man, and the Senate agreed to his amendment. If we recede from our disagreement to that amendment, it becomes a part of the law.

Now, why does this House want to deny to Buffalo and to those other municipalities within reach of Niagara Falls what is perfectly clear that they ought to have? The responsibility for such denial will not be mine, because all we have to do is to go back and recede from our disagreement on the Wadsworth amendment, No. 44, which will not in the least retard Niagara Falls development. But by so doing we will give the people there what they are entitled to have, equal and just treatment and the opportunity to have an equal pro rata of power that may result from further development. What objection have the Members of the House to it? There can be no reasonable objection to it. There may be some undisclosed possible water-power user that wants to grab more than a just and reasonable proportion and hopes to get it from the company that may



apply and get the license if the Wadsworth amendment is finally defeated. If I had the power, I would make it a part of the license itself, with forfeiture if violated.

Now, we can make that amendment absolutely certain by simply yielding our disagreement to Senate amendment No. 44. By yielding we will give the public a fair, square opportunity to at least have an equal division in the benefits which the Government of the United States authorizes the licensee under this law to do, and without such authority no further development can be made at Niagara Falls.

Mr. Speaker, there was another Senate amendment that I was very anxious to have in the bill in full, just as it passed the Senate, which amendment is No. 27, known as the Norris amendment, as it was offered by Senator NORRIS.

Amendment No. 27 is as follows:

The commission is hereby authorized and directed to construct or cause to be constructed on the Potomac River the power plant outlined in project No. 3, House document No. 1400, Sixty-second Congress, third session, including each and every detail and plan outlined and specified in said document or any of the exhibits, plans, and specifications attached thereto. And for such purpose the commission is hereby authorized to construct said project under its direct supervision or to enter into contracts for materials and labor for the construction of the same or any part of the same as in its judgment may be the most practical and economical, not exceeding a limitation of cost for all the items connected with and mentioned in said project, of the sum of \$25,000,000: *Provided*, That the commission may, from time to time, modify or change any of the plans or specifications in said document as it may deem advisable or practicable for the better carrying out of the purposes of this legislation, and if in the judgment of the commission the object to be attained by said project can be better or more economically brought about it is hereby authorized to change the location of said dam or to build two or more dams instead of the one specified in said document.

And the commission is hereby authorized and directed to acquire by purchase, condemnation, or otherwise a suitable site for said dam or dams and for all other real estate necessary to the carrying out in detail of said project, including all real estate that will be overflowed by the formation of the lake mentioned in said project. And whenever in any case the commission is unable to acquire by purchase at a fair value any land, property, or property rights necessary to be acquired in the carrying out of said project, it is hereby authorized and directed, in the name of the United States, to begin and prosecute to final adjudication all necessary suits for the acquisition of such property in any court having jurisdiction.

In the construction of said project a separate account shall be kept of the expenditure necessary on account of the increased water supply for the city of Washington and the expenditure on account of the power development.

Mr. Speaker, there is pressing necessity for an increased water supply for the District of Columbia. Senator NORRIS, as also Senator NELSON, thought that by utilizing the Great Falls in the Potomac River, so near this city that both the need for additional water supply and for much-needed hydroelectric power both for Government and city uses might be combined and result in great economy to both the city and Government. So the Senate adopted the Norris amendment, which I think was a very wise provision. Of course, the Senate conferees had to stand by that amendment. But a majority of the House conferees agreed to the Senate amendment with an amendment as follows:

The commission is hereby authorized and directed to investigate and, on or before the 1st day of January, 1921, report to Congress the cost and, in detail, the economic value of the power plant outlined in project No. 3, House Document No. 1400, Sixty-second Congress, third session, in view of existing conditions, utilizing such study as may heretofore have been made by any department of the Government; also in connection with such project to submit plans and estimates of cost necessary to secure an increased and adequate water supply for the District of Columbia. For this purpose the sum of \$25,000, or so much thereof as may be necessary, is hereby appropriated.

I hope that action will be taken immediately upon the approval of this bill as provided in the substitute amendment just read, so that as soon as Congress convenes for the December session this much-needed water and power supply project for the benefit of the Government and the District of Columbia may be authorized and appropriated for at the earliest moment possible.

Mr. Speaker, I had known in a general way that the Washington Railway & Electric Co. had owned, or claimed to own, for a number of years what is known as the Great Falls power site, which it afterwards sold and conveyed to the Potomac Electric Power Co. for \$1,000,000 of its stock. I do not know just what property is included in this so-called power site, but I suppose it will be necessary for the Government to secure this property by purchase or condemnation, if the purpose of the Norris amendment is ever carried out. Several years ago Congress passed what is called the public utilities law. Under the provisions of this law a Public Utilities Commission of the District of Columbia was established. Under this law the Public Utilities Commission was authorized to ascertain by methods designated the values of the property of the several public utility companies serving the city of Washington and the District of Columbia; and the said law also provided that any public utility being dissatisfied with the value thus fixed by the commission on its property might by a proceeding in equity in the Supreme

Court of the District of Columbia against the commission have any order of the commission thus made modified or vacated, if found unlawful, inadequate, or unreasonable. The Public Utilities Commission under said law proceeded, as provided therein, to fix the value of the property of the said Potomac Electric Power Co. The said power company, as authorized by said act of Congress, did file a bill in the said supreme court to review the findings of the commission. All proper proceedings were had in said equity suit, and the same was finally decided by said court on the 2d day of March, 1920, Justice Ashley M. Gould delivering the opinion of the court. I beg the indulgence of the House to read the following excerpts from the opinion of the court bearing somewhat on the action of the power company in the acquiring of this power-site property, and as to the financing operations of the power company:

The power company also claimed that it had a right to the allowance, as part of the historical cost of its property, of the sum of \$1,000,000, representing what it paid in its stock for certain water rights at what is known as the Great Falls power site. It is a significant fact that these rights to this nonproductive property were not only previously acquired by the Washington Railway & Electric Co. and held by it for 12 years before it transferred them to the power company, but that title, up to the time of the hearing in this case, had not been perfected, either in that company or in the power company. It is also worthy of notice that shortly before the public utilities law was enacted the Washington Railway & Electric Co. and the power company, acting through identical boards of directors, consummated a transaction by which these rights were transferred to the power company for \$1,000,000 of the stock of the latter company. This power site is located outside the District of Columbia. It has never been used for the purpose of supplying power to those who use electric current in the District of Columbia, nor is there a scintilla of evidence in the record that it ever will be so used by the power company. Its actual value is problematical, and the ability of a private owner of power rights at this site to develop them is further complicated by the larger Federal Government's interest therein. No witness who claimed to have any knowledge on the subject testified as to what the value was. For these reasons there was no justifiable theory upon which the \$1,000,000 of stock issued for it by the power company could be treated as an actual value of \$1,000,000 upon which the power company would be entitled to collect revenue from its patrons in the District of Columbia. The commission therefore did not err in excluding it, either as an item in the historical cost of the property, or in the reproduction cost, or in its finding of fair value.

The power company also claimed under the head of preliminary and organization expenses and as a part of the historical cost the sum of \$550,000, representing that amount of the capital stock of the power company issued to Messrs. Crosby & Lieb for their services on behalf of the company in obtaining loans from the United States Mortgage & Trust Co. amounting to between \$400,000 and \$700,000, the testimony being somewhat obscure as to the exact amount of the loan, and also for their services in securing a contract for power with the Eckington & Soldiers' Home Railway Co. At the time of these transactions Crosby & Lieb were the owners of practically the entire capital stock of the power company, and voted to themselves this \$550,000 of stock as a commission for negotiating the loan and securing the contract. In the issue of the stock they designated that it was for "extraordinary services." It does not appear from the evidence that the contract they secured, whatever may have been its nature, was of any value, and when it is considered that the sum of \$109,750 was paid by the power company for discount and commission in securing the loan it is impossible to understand upon what theory this stock issued to Crosby & Lieb can be justified as a proper part of the historical cost of the power company. At the time they were practically the sole owners of the stock of the company and were among its officers and directors, and whatever services they performed were not only not extraordinary but were clearly within the line of their duty as such officers and directors. The principle of law which prevents a person standing in a fiduciary relation from making a profit at the expense of his cestui que trust is too well established to justify me in making citations to support it. Under the evidence as to this transaction the commission was justified in excluding this sum in its ascertainment of the historical cost of the property.

Mr. Speaker, the opinion of Justice Gould is very able and illuminating and one of the most exhaustive discussions of the questions involved and raised in the case referred to, in which he sustained each and every act and decision of the Public Utilities Commission, and I feel justified under the permission given me to extend my remarks to include same in full. It will be most valuable and instructive to all Members of the House in any further legislation that may be had bearing on the Public Utilities Commission of the District of Columbia.

[In the Supreme Court of the District of Columbia. Potomac Electric Power Co. (Inc.), plaintiff, v. Public Utilities Commission of the District of Columbia, defendant. In equity, No. 35336.]

#### OPINION OF THE COURT.

This is a bill in equity, filed by the Potomac Electric Power Co. (Inc.), plaintiff (hereinafter called the power company), against the Public Utilities Commission of the District of Columbia (hereinafter called the commission), for the review of this court of the findings of the commission as to the value of the property of the power company.

The jurisdiction of this court attaches by reason of the provisions of paragraph 64 of the act of Congress approved March 4, 1913, which provide that any public utility being dissatisfied with any order or decision of the commission fixing any valuation, rate or rates, tolls, charges, schedules, joint rate or rates, or regulation, requirement, act, service, or other thing complained of may commence a proceeding in equity in the Supreme Court of the District of Columbia against the commission, as defendants, to vacate, set aside, or modify any such decision or order on the ground that the valuation, rate or rates, tolls, charges, schedules, joint rate or rates, or regulation, requirement, act, service, or other thing complained of fixed in such order is unlawful, inadequate, or unreasonable.

Pursuant to this provision of the law, the company has filed its bill in this court to review the findings of the commission. The law further provides that such proceedings shall be decided and determined as are all equity proceedings in this court.

Paragraph 69 of the act provides that in all trials, actions, and proceedings arising under the provisions of this section or growing out of the exercise of the authority and powers granted therein to the commission, the burden of proof shall be upon the party adverse to such commission or seeking to set aside any determination, requirement, direction, or order of said commission to show by clear and satisfactory evidence that the determination, requirement, direction, or order of the commission complained of is inadequate, unreasonable, or unlawful, as the case may be.

In the instant case, the opinion and findings of the commission in the matter of the valuation of the property of the power company, filed May 2, 1917, contain 105 printed pages, and it is this opinion that the court is called upon to review. The record of oral testimony taken by the commission contains 6,221 pages in nine volumes; the testimony of one expert on the part of the power company (Harold Almert), and in four volumes, contains 1,234 pages; the findings of other experts are of equal length; and the brief of one of the counsel for the plaintiff contains 557 pages, exclusive of appendices.

No brief of testimony, as required by the equity rule of this court, has been filed by either party. The result has been that this court, at most exacting expense of time and labor, has been compelled to read practically the entire record, as well as the voluminous briefs.

A thorough review of the work done by the commission in this case serves to emphasize the wisdom of applying to its findings the rules laid down by the United States Supreme Court in determining the weight to be given them. In April, 1914, the commission organized a valuation bureau to assist in the task of ascertaining the amount of money expended in the construction and equipment of the plaintiff company; that is to say, what is generally described as the historical cost of the utility, and also the amount of money it would require to replace all of the physical properties belonging to the power company, which measure of value is commonly known as the reproduction cost.

The accounting division of the commission, whose duty it was to ascertain the historical cost, was under the immediate direction of Mr. Andrew Sangster, of Chicago, a certified public accountant, as chief accountant. Mr. Sangster made a report on the historical cost of the power company, which is in evidence, and subsequently testified before the commission, and was cross-examined by the counsel for the power company at great length in regard to the items which made up the historical cost of the property of the plaintiff company.

The ascertainment of the reproduction cost was under the immediate direction of Mr. Charles L. Pillsbury, a consulting engineer, as chief engineer employed by the commission. The work of inventorying the property was begun on June 1, 1914, and was continued throughout 1914 and the first half of 1915. The report of Mr. Pillsbury upon the reproduction cost is also in evidence as an exhibit in this case; he further testified before the commission and was cross-examined at great length by counsel for the power company.

Copies of both of these reports, namely, those of Mr. Sangster and Mr. Pillsbury, were transmitted to the power company on the 18th day of May, 1916, and the company was notified that on the 26th day of May, 1916, the commission would proceed to a valuation of its property in accordance with the law. On the latter day the oral hearings on the valuation commenced.

At the outset the power company objected to the consideration of the reports of the commission as a prima facie ascertainment of the valuation to be placed on its property. Whereupon the commission assumed the initiative and offered for cross-examination the witnesses who had compiled the above-mentioned reports. On July 21, 1916, an adjournment was granted by the commission until September 15. From that date until October 26, 1916, the cross-examination of Mr. Sangster and Mr. Pillsbury continued by the counsel for the power company.

The power company then put upon the stand Mr. Harold Almert, of Chicago, a consulting engineer, who submitted in evidence his report on the cost of reproduction of the company's property. Other witnesses also testified on behalf of the company. The case was finally submitted to the commission for decision on January 21, 1917.

Mr. Almert's report on the cost of reproduction of the company's property, including all claimed intangible elements of value, consists of 1,234 pages of typewritten matter comprised in four volumes.

It will thus be seen that the investigation by the commission on the one side as to the valuation of the property of the company, together with the presentation by the company of its claim as to such value, covered a period of substantially two and one-half years.

It is not unreasonable, therefore, that the court should attach to the findings of the commission in this case all the weight that has been attached to such findings under the decisions of the Supreme Court and the other courts.

It may be added that the power company submitted no complete statement of the historical value of its property; or, in other words, the amount shown by its books to have been invested in the property, although Mr. Ham, an official of the company, discussed at length that value as shown by the books of the company.

At the outset of the consideration of the important questions involved, it is necessary to ascertain with exactness the jurisdiction possessed by this court under the statute. It does not admit of question that any rule laid down by the Supreme Court in similar cases should be followed by this court.

In the case of the Interstate Commerce Commission v. Union Pacific Railroad Co. (222 U. S., 541) the Supreme Court of the United States, in deciding whether the Interstate Commerce Commission had exceeded its power in fixing a rate on lumber, said:

"In determining these mixed questions of law and fact the court confines itself to the ultimate question as to whether the commission acted within its power. It will not consider the expediency or wisdom of the order, or whether, on like testimony, it would have made a similar ruling. 'The findings of the commission are made by law prima facie true, and this court has ascribed to them the strength due to the judgments of a tribunal appointed by law and informed by experience.' (Ill. Central Ry. Co. v. I. C. C., 208 U. S., 441.) Its conclusion is, of course, subject to review, but when supported by evidence is accepted as final: not that its decision, involving, as it does, so many and such vast public interests, can be supported by a mere scintilla of proof; but the courts will not examine the facts further than to determine whether there was substantial evidence to sustain the order."

So in the case of the Interstate Commerce Commission v. Louisville & Nashville Railroad Co. (227 U. S., 88, p. 100), the court said:

"The order of the commission restoring a local rate that had been in force for many years and making a corresponding reduction in the through rate was not arbitrary, but sustained by substantial though

conflicting evidence. The courts can not settle the conflict nor put their judgments against that of the rate-making bodies."

Probably no case emphasizes the point involved more emphatically than *People ex rel. The New York & Queens County Gas Co. v. McCall* (219 N. Y., 84). There the company declined to obey the commission's order because the extension of its gas mains and services required of the company by the commission would not yield more than 2½ per cent. The company began a suit in the supreme court of the State to have the order of the commission declared unreasonable. The supreme court decided against the commission, asserting the right to say "whether the extension ordered was a reasonable extension." The court of appeals reversed the appellate division, ruling that this assertion was erroneous, because "the court has no power to substitute its own judgment of what is reasonable in place of the determination of the public commission; it can only annul the order of the commission for the violation of some rule of law."

As to why the judgment of the commission should predominate over that of the court, the court of appeals pointed out that the commission was created to perform important functions in the community with reference to the regulation of the utilities, and that the commissioners were expected to have peculiar capacity for dealing with the complex problems presented by the activities of public-service corporations.

This case was affirmed by the Supreme Court of the United States under the same title in 245 U. S., 337, the court saying:

"This interpretation of the statutes of New York is conclusive, and the definition, thus announced, of the power of the courts of that State to review the decision of the public-service commission, \* \* \* differs but slightly, if at all, from the definition by this court of its own power to review the decisions of similar administrative bodies, arrived at in many cases in which such decisions have been under examination." (Citing cases.)

While the greater number of the cases deciding the question were rate cases, the principle is equally applicable to valuation cases. Perhaps no case ever before the courts involved the same necessity of a clear recognition and application of it to the findings of the commission as the instant case.

The limitation of the court's rights to review the findings of the commission, as determined by the Supreme Court of the United States, renders a detailed discussion of the evidence in the instant case unnecessary, even if it were practicable, and a general analysis of the decision of the commission will be sufficient to indicate the grounds upon which my conclusions are based.

It may be stated, however, quite broadly that if the testimony adduced as to the value of the power company's property by both the witnesses for the latter and for the commission was to be weighed as in an ordinary civil case, I would find not only that the conclusions of the commission as to the historical value of the property were sustained by substantial evidence, but by a preponderance of the evidence. This conclusion does not include certain specific items which the power company claims should have been included in making up the value of its property, and which were excluded by the commission, as to which the evidence is not in substantial dispute, and where the conclusion of the commission might be said to be a matter of law. Such of these items as are important will receive separate consideration hereinafter.

Some question was made in the argument by one of the counsel for the plaintiff, the power company, as to the character of the valuation which the public utilities law directed to be made. There is no doubt in my mind that the valuation contemplated by that law was one for the purpose of determining rates and services. Section 2 of the law provides:

"That every public utility doing business within the District of Columbia is required to furnish service and facilities reasonably safe and adequate and in all respects just and reasonable; the charge made by any such public utility for any facility or service furnished or rendered, or to be furnished or rendered, shall be reasonable, just, and nondiscriminatory. Every unjust, unreasonable, or discriminatory charge for such facility or service is prohibited and is hereby declared unlawful. Every public utility is hereby required to obey the lawful order of the commission created by this section."

It is self-evident that the only method by which the commission could determine whether a charge was reasonable or unreasonable, or whether a service was adequate or inadequate, was by determining the fair value of the property upon which the utility had a right to receive a reasonable return, and this was done by the commission.

It was insisted by counsel for the power company that the Washington Railway & Electric Co., by virtue of its ownership of all of the stock of the plaintiff and of certain contractual relations alleged to exist between it and the power company, and because it had guaranteed certain obligations of the power company, had a right to be made a party defendant in the cause; it also was insisted on behalf of the power company that a proper construction of the act of Congress of June 5, 1900, entitled the Washington Railway & Electric Co., by reason of the ownership of the stock of the power company, to have electric-light rates fixed with reference to deficiencies in the earnings of the Washington Railway & Electric Co. Neither of these contentions can be sustained. The public utilities law in specific terms made it the duty of the power company to furnish its services at a reasonable cost, and that reasonable cost is to be determined, according to repeated decisions of the Supreme Court of the United States, by the return which the power company is entitled to receive upon the fair value of its property, and the amount of this return is not to be affected by the financial needs or difficulties of another corporation, performing a dissimilar service, even if the latter is the owner of the entire capital stock of the power company. In addition to this, the act of Congress of June 5, 1900, specifically prohibits the Washington Railway & Electric Co. from acquiring or owning the whole or any part of the property or franchises of the power company. For these reasons the commission did not err in refusing to permit the Washington Railway & Electric Co. to become a party respondent, nor did it err in holding that the duty of the power company under the law was to furnish its services at a reasonable cost to consumers regardless of its connections through stock ownership or otherwise with any other public utility.

The fair value to be found by the commission under the terms of the public-utility law for rate-making purposes, in my opinion, and I so find, means the actual, necessary, and reasonably true investment in money or its equivalent made by the utility for the purpose of the exercise of the public duty it owes under the public grant which it enjoys. This investment covers the cost of the property used and useful in its operation, the reasonable value of any property dedicated to it by private persons for this public use, and such unearned increment from its property holdings of real estate as may have accrued to it through any general rise in real estate values. It covers and includes every

legitimate expenditure made and properly chargeable to its capital account, provided it has written off all property that has ceased to exist or passed from use from any cause and depreciation has been properly provided for. A public utility is not, and under the law can not be, considered in the nature of a speculative enterprise. The persons, whether as individuals or as partners or in a corporate form, are under no obligation to themselves or to the public to invest their capital in any public utility. Having done so, however, they have under the law and by a principle which was announced by Lord Hale in England centuries ago the right to a fair return upon their actual investment, and to nothing more. If risk and danger be attached to the enterprise at its inception, the law gives them the right to a larger return because of the risk encountered, but not the right to a larger valuation for this reason, and when the period of risk is passed and the enterprise is safely established the law reduces the rate of return to a fair and reasonable percentage upon the fair value of the property, to be ascertained upon a consideration not of the rights of the investor in the utility alone, but upon the rights of the public, whose patronage is the prime factor in the success of the enterprise. In my opinion, there is no other just and reasonable principle upon which a rate base can be determined in the case of a fairly normal utility operating under fairly normal conditions. These conclusions are to be read, in one form or another, in repeated decisions of the United States Supreme Court, beginning with *Munn v. Illinois* (94 U. S., 113), which has well been called a "landmark in the law." In language oft quoted, Chief Justice Waite uses this oft-repeated language:

"Property does become clothed with a public interest when used in a manner to make it of public consequence and affect the community at large. When, therefore, one devotes his property to a use in which the public has an interest, he, in effect, grants to the public an interest in that use and must submit to be controlled by the public for the common good to the extent of the interest he has thus created."

The method of ascertaining fair value depends upon circumstances, and frequently, as in this case, the ascertainment of the historical cost of the property is combined with its reproduction cost, less depreciation, and these are considered in the light of those other elements of value specified in *Smyth v. Ames* (169 U. S., 466) and other decisions of the Supreme Court of the United States.

As previously stated, the commission, through its accountants and engineers, made a prima facie ascertainment of the historical cost and an estimate of the reproduction cost of the physical property of the plaintiff, and used the same as a basis upon which to begin its hearings as to the valuation of the power company's property, and took upon itself the burden of putting in evidence by competent testimony these ascertainment and estimates made by its accountants and engineers. In this procedure there was nothing of which the power company could justly complain. The record discloses not only that the power company in no wise assisted the commission or its officers or assistants in making these ascertainment and estimates, but it indulged in a system of negative obstruction far from commendable; and while it may not have actually concealed the truth in any instance, it certainly put itself to no pains to advise the commission of any facts relative to the extent, location, or cost of its property.

A great deal was said in the argument with reference to certain eliminations, amounting to \$144,285.75. This amount is the residue of a considerably larger sum representing the cost of many items of property which, from the evidence, had disappeared from the tangible property of the power company or had become no longer used nor useful. It appears that the commission, after weighing the power company's claims for the restoration of the entire amount originally eliminated by the commission's accountant, did restore the larger portion, leaving the \$144,285.75 referred to. These eliminations were justified by substantial evidence, and when it is remembered that the fair value of the property of the plaintiff as found by the commission as of July 1, 1914, is more than \$1,300,000 greater than the amount found by its accountants as the undepreciated historical cost of the property, and over \$1,000,000 in excess of the commission's finding for the same item, it will be seen that no injustice resulted from this action of the commission.

Another item which the commission refused and properly refused to allow in the historical cost of the power company's property was the sum of \$1,977,150.63, being the amount added on the books of the power company to the cost of the property at the time of the absorption of the United States Electric Lighting Co. by the power company.

It appears from the testimony that on the 30th day of September, 1902, the balance sheet of the United States Electric Lighting Co. showed its cost of plant and equipment to be \$2,081,959.75, to which was added certain construction expenditures charged to surplus account, in the sum of \$279,465.79, making its total plant and equipment cost the sum of \$2,361,425.54. This property was transferred to the power company and written on its books as costing \$4,338,576.17. The property account was thus inflated in the sum of \$1,977,150.63, for which stock was issued. This inflation of the property account of the power company was accomplished by means of a so-called sale of the property of the United States Electric Lighting Co. to the power company. At the time of this transaction, the Washington Railway & Electric Co. was the sole owner not only of all of the stock of the Potomac Electric Power Co., the plaintiff, but of all the stock of the United States Electric Lighting Co., and the boards of directors of the latter companies were identical. Of course, no lawyer would argue for a moment that this transfer amounted either to a valid contract or sale. The common saying that "it takes two to make a bargain" has an absolutely unshakable foundation in law; because it has been held in repeated cases that it takes two parties to make a contract. (*Gorham's Admr. v. Meacham's Admr.*, 63 Vt., 231.)

By means of this so-called sale, conceived, conducted, and closed by identical boards of directors, the cost of the United States Electric Lighting Co. to the power company was made to appear on the books of the latter at \$1,977,150.63 more than was actually paid. The power company now seeks to capitalize this amount and to exact a return upon it. Regardless of the fact that it is exceedingly doubtful whether the United States Electric Lighting Co. had the legal right to divest itself, without legislative authorization, of the property which it was using in the public service, this attempt to inflate the book value of the property of the United States Electric Lighting Co. above the actual cost to the power company and charge such increase against the public ought not to be permitted from the standpoint either of law or justice. If this excess amount actually represented anything, it represented an attempt to capitalize, as against the public, the privilege or franchise to use the public streets of Washington for a public purpose which had cost the United States Electric Lighting Co. nothing, so far as the evidence in this case shows. The commission, therefore, did not err

in refusing to countenance this transaction, and properly disallowed this item.

The power company also claimed that it had a right to the allowance, as part of the historical cost of its property, of the sum of \$1,000,000, representing what it paid in its stock for certain water rights at what is known as the Great Falls power site. It is a significant fact that these rights to this nonproductive property were not only previously acquired by the Washington Railway & Electric Co. and held by it for 12 years before it transferred them to the power company, but that title, up to the time of the hearing in this case, had not been perfected, either in that company or in the power company. It is also worthy of notice that shortly before the public utilities law was enacted the Washington Railway & Electric Co. and the power company, acting through identical boards of directors consummated a transaction by which these rights were transferred to the power company for \$1,000,000 of the stock of the latter company. This power site is located outside the District of Columbia. It has never been used for the purpose of supplying power to those who use electric current in the District of Columbia, nor is there a scintilla of evidence in the record that it ever will be so used by the power company. Its actual value is problematical, and the ability of a private owner of power rights at this site to develop them is further complicated by the larger Federal Government's interest therein. No witness who claimed to have any knowledge on the subject testified as to what the value was. For these reasons, there was no justifiable theory upon which the \$1,000,000 of stock issued for it by the power company could be treated as an actual value of \$1,000,000 upon which the power company would be entitled to collect revenue from its patrons in the District of Columbia. The commission, therefore, did not err in excluding it, either as an item in the historical cost of the property, or in the reproduction cost, or in its finding of fair value.

The power company also claimed that it had a right to have included in its property to be valued as a part of its historical cost what is known as Graceland Cemetery, the valuation claim of which was \$116,155.80. The evidence in the case discloses that this property had never been used for the purposes of the power company; that it had been acquired for the benefit of the Washington Railway & Electric Co., and was in fact, at the time of the hearing, being used for street railway purposes so far as it was being used for any purpose whatever. The commission excluded this property in its finding of fair value, and in doing so committed no error.

The claim of the power company to have capitalized \$201,174.42 representing unamortized debt discount and expense was properly disallowed by the commission. A careful examination of the opinions of experts who have made a study of the accounts of public-service corporations convinces me that this is neither a proper charge to cost of property nor to cost of operation, but that it should be taken care of in the fixing of rates to be charged by the power company in such a manner that it will finally disappear.

The order of the commission shows that it carefully considered, so far as the historical cost is concerned, all amounts expended for engineering and superintendence, general administration, interest during construction, and similar overhead charges shown by the books and records of the power company. The findings of the commission show that as to some of these items more was allowed than its accountants had included in their reports. After weighing the evidence on both sides, which was to an extent conflicting, the commission exercised its judgment as to the proper amounts to be allowed, and as its conclusions were based upon substantial evidence they will not, as already stated, be disturbed.

The power company also claimed under the head of "Preliminary and organization expenses" and as a part of the historical cost, the sum of \$550,000, representing that amount of the capital stock of the power company issued to Messrs. Crosby & Lieb for their services on behalf of the company in obtaining loans from the United States Mortgage & Trust Co. amounting to between \$400,000 and \$700,000, the testimony being somewhat obscure as to the exact amount of the loan, and also for their services in securing a contract for power with the Eckington & Soldiers' Home Railway Co. At the time of these transactions Crosby & Lieb were the owners of practically the entire capital stock of the power company and voted to themselves this \$550,000 of stock as a commission for negotiating the loan and securing the contract. In the issue of the stock they designated that it was for "extraordinary services." It does not appear from the evidence that the contract they secured, whatever may have been its nature, was of any value, and when it is considered that the sum of \$109,750 was paid by the power company for discount and commission in securing the loan, it is impossible to understand upon what theory this stock issued to Crosby & Lieb can be justified as a proper part of the historical cost of the power company. At the time they were practically the sole owners of the stock of the company and were among its officers and directors, and whatever services they performed were not only not extraordinary but were clearly within the line of their duty as such officers and directors. The principle of law which prevents a person standing in a fiduciary relation from making a profit at the expense of his cestui que trust is too well established to justify me in making citations to support it. Under the evidence as to this transaction the commission was justified in excluding this sum in its ascertainment of the historical cost of the property.

It is unnecessary to go into further details with reference to the commission's findings of historical cost. Many of the claims made by the power company were the result of an apparent attempt to rewrite its books and charge to its capital account items which it had for many years reported to Congress as operating expenses, and others were mere estimates based on some arbitrary percentage assumed on one or two years' operations as what might have been overhead charges included in operating expenses. These claims were unsupported by any direct testimony that such expenditures had actually occurred, and I find no ground upon which the commission's conclusions as to these matters should be disturbed.

It was strenuously contended by counsel for the power company that the commission in making its estimate of reproduction cost as of July 1, 1914, committed error; that the reproduction cost should have been taken as it was by Almert, the expert for the power company, in his report as of July 1, 1916. To this I can not agree. Reproduction cost less depreciation is but one of the elements of value, and in my judgment ordinarily only a negative element, to be considered in the final determination of fair value. Its use is to throw light upon the actual amount invested, and this can only be done where the reproduction cost is determined as of a fairly normal period. It would lose all value if made as of an abnormal period when prices were abnormally low or high. To be of any assistance or real use, it must be made as of a normal time, and the unit cost applied thereto should

extend over a sufficient number of years to show a normal trend of prices. To quote the language of former Justice Charles E. Hughes, acting as referee in the case of Brooklyn Borough Gas Co. v. Public Service Commission (July 24, 1918):

"To base rates upon a plant valuation simply representing a hypothetical cost of reproduction at a time of abnormally high prices due to exceptional conditions would be manifestly unfair to the public, and likewise to base rates upon an estimated cost of reproduction far lower than the actual bona fide and prudent investment because of abnormally low prices, would be unfair to the company. This question of taking the hypothetical reproduction cost under abnormal conditions as a rate base should, of course, not be confused with the necessity of recognizing actual cost of operation, even though abnormal. A public-service corporation is entitled to be reasonably compensated for its service, and the actual cost of its operations must always be taken into consideration in determining whether or not it receives a fair compensation above that cost. But it is a different thing, after cost has been defrayed, and the question is as to the compensation to be allowed in excess of cost, to take as the basis for a compensatory return an asserted plant value, far above the actual investment, which is reached merely by expert estimates of a cost of reproduction under abnormal conditions. This would result in allowing a public-service corporation to take advantage of a public calamity by increasing its rates above what would be a liberal return not only on actual investment, but upon a normal reproduction cost. In the view that unless it could make an essentially exorbitant demand upon the public it would be deprived of its property without due process of law. The enforcement of the constitutional guaranty does not require the application of any artificial formula. It has constantly been pointed out that the rate base must be what is called 'the fair value of the property,' and that as to this there must be a reasonable judgment based on a proper consideration of all relevant facts." (Citing many cases.)

The date adopted by the commission in this case was as near a normal date as it was perhaps possible to get; the unit costs applied to the inventory were determined after a consideration of the trend of prices given by the witnesses and the commission added 5 per cent to the entire reproduction cost of the physical property as found by its engineers. As already indicated by the quotation from the opinion of Judge Hughes, the fact that prices of labor and material on account of the war in Europe advanced to great heights with a rapidity and to an extent never before experienced from about the 1st of January, 1915, to the time of the valuation has no bearing whatsoever upon the cost of reproduction as a factor in a valuation of rate-making purposes. The commission would have committed a grave error, unjust to the public and destructive of the value of the reproduction cost as an element in a valuation case of this character, to have attempted to find normal prices based upon either current prices as of July 1, 1916, or upon normal prices then or thereafter, as claimed by the power company. Such a course would have greatly impaired the reproduction-cost estimate as one of the elements of fair value. The adoption by the commission of the date of July 1, 1914, as to which the inventory was to be made and normal unit prices applied was reasonable and proper, and its action in so doing has the sanction of the highest legal and engineering authorities.

It is unnecessary to analyze the findings of the commission as to the cost of preliminary operation, financing, reorganization expenses, brokerage and commission, and kindred items, so far as reproduction cost is concerned. These hypothetical costs, based upon an hypothetical reconstruction of the property, the commission allowed for in its final finding of fair value in such sums as under the evidence in the case and the exercise of reasonable judgment it thought proper, and I find no error in its conclusions in this respect.

There was a wide disparity between the witnesses for the commission and those for the power company in regard to the amounts to be allowed for interest and taxes during construction. This resulted from the fact that the commission's engineers conceived the erection of this hypothetical plant upon one basis and the engineers of the power company upon another basis, and the time of construction adopted by the engineers of the power company was two years longer than that of the commission's engineers. The determination of the questions involved in this particular was for the good judgment and discretion of the commission, and in its exercise no reversible error appears. The testimony was conflicting as to what allowance should be made for working capital and supplies, and as the finding of the commission was based upon substantial evidence I have neither the right nor the disposition to substitute my judgment for that of the commission.

The power company claimed as an item of reproduction cost the sum of \$650,000 for "compensation to conceivers." This claim also is derived from a percentage applied by the power company's engineer, Almert, to his reproduction cost of the physical property. It is a purely hypothetical cost, based upon the hypothetical reconstruction of the property and is asserted upon the theory that some such amount might be required to be paid to some promoters or conceivers as compensation for the suggestion that a plant similar to that of the power company's should be constructed in Washington under the assumption that the existing plant was nonexistent either on the 1st of July, 1914, or on the 1st of July, 1916.

It appears from the evidence that the power company is not the company which established and developed the electric light and power business of the District of Columbia. The United States Electric Lighting Co. developed this business and at the time it was taken over by the power company it was the result of slow evolution from a very small initial concern, and it is exceedingly unlikely that any cost whatsoever in the nature of a conceiver's commission or a promoter's commission attached to the enterprise. The business was developed slowly but successfully for 15 years before its acquisition by the power company, and there is not the slightest evidence in the record that any such cost was ever paid by it. To hold that the public is to be charged with such an amount, which is a pure figment of the imagination, unsupported by any evidence, is without justification either in law or fair dealing, which latter the public utility owes to its patrons. The commission properly disallowed this item.

In the estimate made by Almert, the engineer of the power company, a claim of \$2,115,323 was made for what he called development costs, under his reproduction theory. This figure was arrived at by applying an arbitrary percentage to his reproduction cost of the physical property of the power company. The theory upon which such a claim was based seems to be that during a certain period of the power company's existence it must have incurred losses incident to the expansion of its business, either by obsolescence caused by change of construction or advancement of the art or because of securing the patronage which it now has. While it is true that such costs might attach under a purely hypothetical construction, yet when they are claimed as a basis upon

which consumers are required to pay, not a hypothetical but an actual return, there should be at least some evidence that they actually did occur in the existing plant. The records of the power company show that the net earnings of the United States Electric Lighting Co. up to the time of its acquisition by the power company and of the combined companies since that time have been more than sufficient to cover any such claim. All costs of attaching the business, so far as they were shown by the books and records of the power company, were allowed, and no actual expenditure appears in the testimony upon which a claim could be granted. The commission in considering the question of development losses took the position that there was no justification for the large claim made by the power company, yet that it was proper to make some allowance for this element of value in its final finding of fair value, and that it made such allowance is evidenced by the fact that in its final finding of fair value as of July 1, 1914, it allowed \$1,137,157 more than the cost of reproduction less depreciation found by its engineers.

The power company further claimed that it had a right to include in the present fair value of its property the sum of \$2,500,000 for what it designated as its easements in the public streets. Whether the privilege to use the public streets which the power company possesses should be called a franchise, a privilege, or an easement, is of no consequence. The power company claims that its actual occupation and use of the streets under this privilege gives it an easement therein, and gives to this easement a separate and distinct value which it has a right to capitalize as against the public.

To claim that these so-called easements which cost the power company nothing, without which it could not perform its public duty, and which it is allowed to exercise to enable it to do so, can be capitalized against the consumer of its product in any sum whatsoever, is to make the public use destructive of the public right and effect a result which should not be tolerated by any judicial tribunal. Without passing upon the question as to whether or not these so-called easements would be property rights if the property of the power company were to be condemned and taken by public authorities, or if the power company, being thereunto authorized by Congress, should effect a sale of its property to another company, it is sufficient to say that there should be no capitalization of an item of this character in a valuation made for the purpose of determining rates.

Under the decisions of the Supreme Court of the United States and of almost, if not every commission and court which has passed upon the question, it was necessary for the commission to consider the actual depreciation of the property at the time of the valuation. It did so consider it, and although the power company's expert, Almert, testified that percentages and amounts both as to age, life, and residual value of the different parts of the property were approximately fair, yet the commission found that the actual depreciation should be materially less than that found by its engineers.

Fair value for rate-making purposes is necessarily expressed by some amount, and this amount, or fair value, constitutes the rate base. The objection that the commission was finding "a fair amount" and not a "fair value for rate-making purposes" is without force, as the terms as used by the commission are similar in meaning and effect.

The final result of the work of the commission in its finding of fair value as of July 1, 1914, was to fix that value as of that date at an amount \$1,300,000 greater than that found by its accountants as the historical cost of the property and \$1,137,000 greater than the cost of reproduction less accrued depreciation as found by its engineers. It found the fair value as of July 1, 1914, at \$10,250,000 and added thereto at the actual cost thereof all net additions to capital from that time up to the date of the valuation, determining the fair value as of December 31, 1916, to be \$11,231,170.43. The commission valued the property as a going concern (as) in successful operation. In my opinion, its procedure was logical, lawful and without prejudice to the power company, and that its conclusions were reached after careful and impartial consideration of all the evidence and data before it, and should be sustained.

I therefore overrule all exceptions taken by the plaintiff to the rulings of the commission during the course of the hearing and all exceptions to the findings which have been insisted upon before this court and direct that a decree be entered dismissing the bill of complaint herein exhibited.

ASHLEY M. GOULD, Justice.

Mr. ESCH. Mr. Speaker, I yield the remainder of my time to the gentleman from Oregon [Mr. SINNOTT].

The SPEAKER. The gentleman from Oregon is recognized for 12 minutes.

Mr. SINNOTT. Mr. Speaker, if I were given the right to draft a water-power bill covering navigable streams, the bill that I would write would contain about one paragraph. It would provide that the applicant for a right to a dam or to divert water upon a navigable stream should show to the Secretary of War that his proposed project would in no way interfere with navigation.

The rest of the right and the power I would leave to the States upon the navigable streams, for I am firmly convinced that the people of the several States own the water in the navigable streams. They own all the privileges attached thereto, just the same as they own the fish in the stream, according to the decisions of the Supreme Court, as they own the sand and the rocks in the bed of the stream, as they own the oysters in the bays and ocean within the 3-mile limit, as they own the sponges growing within the 3-mile limit; all of this subject to the paramount right of the Federal Government to control navigation.

The States, or rather the original Colonies, when they separated from England were all sovereign States. They surrendered to the Federal Government only the right to control navigation in the navigable streams and waters under the commerce clause of the Constitution. The rest of the rights in these streams and waters, the water-power rights and the right of fishing, they reserved to themselves.

But I realize that that question has been thrashed out, so far as this House is concerned, and is an academic question, and I am willing to waive that question in order to get legislation to release these vast water powers—60,000,000 horsepower, that the experts tell us may be developed without storing, and 200,000,000 may be developed with storage, each horsepower equal to the annual consumption of 10 tons of coal or 30 barrels of oil. I want to see this horsepower developed, and for that reason I am willing, reluctantly, I may say, to acquiesce in this legislation.

Now, the gentleman from Maine [Mr. WHITE] has given us a valuable treatise upon the legal definitions and the interpretations of the courts concerning navigable streams and what are navigable streams. I compliment him upon his very careful gleaning over of the decisions and the massing them together here to-day. But the decisions which he read were decisions in cases where the courts were determining the vested rights, the rights of individuals along streams, navigable and non-navigable streams. They have no relation or no bearing upon this bill. The courts determined whether the stream in question was a navigable or a nonnavigable stream in order to ascertain in those cases the rights of the riparian owner, for a riparian owner on a nonnavigable stream has the right of access to the stream, the right to cross the stream, the right to use the stream without molestation, and that right can not be taken away from him without his being compensated for the loss of that right. But the right of the riparian owner upon a navigable stream is an entirely different matter. The access of the riparian owner on the navigable stream can be taken away from him by the Government under the exercise of the Government's right to control navigation, and his wharfage rights may be taken from him. He only owns a qualified fee in the bed of a navigable stream, whereas on a nonnavigable stream he owns the absolute right to the bed of the stream.

Now, this definition in the bill in no way changes that rule of law, and as the gentleman from Maine well said, Congress can not change that rule of law. We can not declare that under certain conditions a stream is a navigable stream and deprive the riparian owner of his rights; and we do not undertake to do that, but merely to say that "for the purposes of this act a stream in a certain condition is a navigable stream," and that is all that we are undertaking to do. Under this bill we respect the rights of the States. In fact, no license can be granted under this bill unless the applicant shows that he has complied with the laws of the individual States.

Let me read to you some of the provisions recognizing the rights of the States. On page 19, subsection (b), it is provided that each applicant must show:

Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located with respect to bed and banks and to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purposes of a license under this act.

Mr. WHITE of Maine. Mr. Speaker, may I interrupt the gentleman? I do not wish to interrupt him needlessly.

Mr. SINNOTT. I yield to the gentleman.

Mr. WHITE of Maine. I want to ask the gentleman a question about that particular subsection that he was referring to. It says each applicant for a license shall submit to the commission (b) satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States. In the gentleman's interpretation does that carry any contractual agreement to observe the requirements of the law as to the licenses granted?

Mr. SINNOTT. I think it does, especially when you read it in connection with section 27.

Mr. WHITE of Maine. That troubles me, because it says "has complied," and I supposed that meant only up to the time of making the application. I was interested to get the gentleman's opinion that there is carried in that the suggestion that the licensee must conform to the State laws after the license is granted.

Mr. SINNOTT. Both the present and the future requirements. Section 27 provides—

That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

The State may provide that before one can secure the right to appropriate the water the electricity developed from the water must be used in a certain way. All through this bill the right of the State is recognized. The right of the State is recognized to fix the charges, to control the securities, and if the State has no public-utilities commission and no law covering that point, then the commission itself fixes that.

The bill also provides for efficient power production, and that at the end of the 50-year period the property may be taken over by paying the net investment. Now, that net investment does not mean what we commonly refer to as the net investment. It means the legitimate investment, the legitimate expense put into the property, less certain deductions. If at the end of the 50-year period it is found that the licensee has made excessive profits, why then those excessive profits are deducted from the net investment, and to that extent the net investment is reduced. Also to the extent that they are accumulated from earnings in excess of a fair return there is also deducted from the net investment the following:

First. Unappropriated surplus.

Second. Aggregate credit balances of current depreciation accounts.

Third. Aggregate appropriations of surplus or income held in amortization, sinking fund, or similar reserves, or expended for additions or betterments or used for the purposes for which such reserves were created.

The SPEAKER. The time of the gentleman has expired. All time has expired.

Mr. ESCH. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

Mr. SIMS. Mr. Speaker, I move to recommit the bill to the conference committee with instructions.

The SPEAKER. The gentleman from Tennessee offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. SIMS moves to recommit the conference report to the conference committee with instructions to further insist upon its disagreement to Senate amendments numbered 8 and 36 and to agree to Senate amendment numbered 44.

The SPEAKER. The question is upon the motion to recommit.

The question was taken, and the Speaker announced that the yeas appeared to have it.

Mr. SIMS. I make a point of order that there is no quorum present.

The SPEAKER. The gentleman from Tennessee makes the point of order that there is no quorum present. The Chair thinks there is no quorum present. The Doorkeeper will close the doors, and the Sergeant at Arms will notify absent Members. As many as favor the motion to recommit will, as their names are called, vote yea, those opposed nay, and the Clerk will call the roll.

The question was taken; and there were—yeas 86, nays 209, answered "present" 1, not voting 130, as follows:

YEAS—86.

Almon	Evans, Mont.	Johnson, Miss.	O'Connor
Ashbrook	Evans, Nev.	Keller	Oldfield
Babka	Fisher	King	Oliver
Baer	Flood	Kleccka	Peters
Barbour	Gallagher	Lampert	Rainey, J. W.
Blanton	Gandy	Layton	Schall
Box	Ganly	Linthicum	Sherwood
Briggs	Gard	McDuffie	Sims
Browne	Garner	McGlennon	Sinclair
Burroughs	Garrett	McKeown	Sisson
Byrns, Tenn.	Goldfogle	McKiniry	Smithwick
Cars	Goodall	McLane	Summers, Tex.
Casey	Goodwin, Ark.	MacCrate	Tillman
Clark, Mo.	Greene, Vt.	MacGregor	Voigt
Classon	Hardy, Tex.	Mapes	Walsh
Coady	Hersey	Mays	Welty
Connally	Holland	Mead	White, Me.
Cullen	Huddleston	Moon	Wilson, Pa.
Dale	Hull, Tenn.	Mooney	Woods, Va.
Davis, Tenn.	Jacoway	Nelson, Mo.	Young, N. Dak.
Dowell	James	Nolan	
Eagan	Johnson, Ky.	O'Connell	

NAYS—209.

Ackerman	Cole	Fuller, Mass.	Igoe
Anderson	Collier	Garland	Ireland
Andrews, Nebr.	Cooper	Glynn	Jefferis
Anthony	Crago	Good	Johnson, Wash.
Aswell	Crisp	Graham, Ill.	Jones, Pa.
Bacharach	Currie, Mich.	Graham, Pa.	Jones, Tex.
Bee	Dallinger	Green, Iowa	Juhl
Begg	Davey	Greene, Mass.	Kan
Benham	Dempsey	Hadley	Kearns
Benson	Dickinson, Mo.	Hamilton	Kendall
Black	Dickinson, Iowa	Hardy, Colo.	Kinkaid
Bland, Mo.	Dominick	Harrel	Knutson
Bland, Va.	Doughton	Hastings	Langley
Boles	Dunbar	Hawley	Larsen
Booher	Dunn	Hays	Lazaro
Brooks, Ill.	Dupré	Hernandez	Lea, Calif.
Brooks, Pa.	Elliott	Hersman	Lee, Ga.
Buchanan	Esch	Hickey	Lehbach
Burdick	Evans, Nebr.	Hicks	Little
Campbell, Kans.	Fairfield	Hill	Longman
Candler	Fess	Hoch	Longworth
Cannon	Focht	Houghton	Luce
Chindblom	Foster	Howard	Luhring
Christopherson	Freeman	Hudspeth	McArthur
Clark, Fla.	French	Hull, Iowa	McClintic
Cleary	Fuller, Ill.	Hutchinson	McFadden

McKenzie	Park	Rucker	Towner
McLaughlin, Nebr.	Parker	Sanders, Ind.	Treadway
Madden	Parrish	Sanders, La.	Upshaw
Magee	Phelan	Sanford	Venable
Major	Porter	Scott	Vestal
Mann, Ill.	Pou	Sells	Vinson
Mann, S. C.	Purnell	Siegel	Volstead
Mansfield	Quin	Sinnot	Walters
Michener	Radcliffe	Slemp	Weaver
Miller	Rainey, Ala.	Smith, Idaho	Webster
Milligan	Rainey, H. T.	Smith, Mich.	Welling
Minahan, N. J.	Raker	Snyder	Whaley
Monahan, Wis.	Ramsey	Stedman	Wheeler
Mondell	Ramseyer	Stephens, Miss.	White, Kans.
Moore, Ohio	Randall, Calif.	Stevenson	Wilson, Ill.
Moore, Va.	Randall, Wis.	Stoll	Wilson, La.
Morgan	Rayburn	Strong, Kans.	Winslow
Mott	Reavis	Sweet	Wise
Mudd	Reed, N. Y.	Swope	Wood, Ind.
Murphy	Rhodes	Taylor, Ark.	Woodyard
Neely	Ricketts	Taylor, Colo.	Wright
Nelson, Wis.	Robison, Ky.	Taylor, Tenn.	Yates
Newton, Mo.	Rogers	Temple	Young, Tex.
Ogden	Romjue	Thompson	Zihlman
Osborne	Rouse	Tilson	
Overstreet	Rowe	Timberlake	
Paige	Rubey	Tincher	

ANSWERED PRESENT—1.

Rodenberg

NOT VOTING—130.

Andrews, Md.	Doremus	Kennedy, R. I.	Robinson, N. C.
Ayres	Drane	Kettner	Rose
Bankhead	Dyer	Kiess	Rowan
Barkley	Eagle	Kincheloe	Sabath
Bell	Echols	Kitchin	Sanders, N. Y.
Blackmon	Edmonds	Kraus	Scully
Bland, Ind.	Ellsworth	Kreider	Sears
Bowers	Elston	Lanham	Shreve
Brand	Emerson	Lankford	Small
Brinton	Ferris	Leshler	Smith, Ill.
Britten	Fields	Lufkin	Smith, N. Y.
Brumbaugh	Fordney	McAndrews	Snell
Burke	Frear	McCulloch	Steagall
Butler	Gallivan	McKinley	Steele
Byrnes, S. C.	Godwin, N. C.	McLaughlin, Mich.	Steenerson
Caldwell	Goodykoontz	McPherson	Stephens, Ohio
Campbell, Pa.	Gould	Maher	Stiness
Cantrill	Griest	Martin	Strong, Pa.
Caraway	Griffin	Mason	Sullivan
Carew	Hamill	Merritt	Summers, Wash.
Carter	Harrison	Montague	Tague
Copley	Haugen	Moore, Ind.	Thomas
Costello	Hayden	Morin	Tinkham
Cranton	Heffin	Newton, Minn.	Vaile
Crowther	Hoey	Nicholls	Vare
Curry, Calif.	Hulings	Olney	Ward
Darrow	Humphreys	Padgett	Wason
Davis, Minn.	Husted	Pell	Watkins
Denison	Johnson, S. Dak.	Platt	Watson
Dent	Johnston, N. Y.	Reber	Williams
Dewalt	Kelley, Mich.	Reed, W. Va.	Wingo
Donovan	Kelly, Pa.	Riddick	
Doolling	Kennedy, Iowa	Riordan	

So the motion to recommit was rejected.  
 The following pairs were announced:  
 Until further notice:  
 Mr. SUMMERS of Washington with Mr. BANKHEAD.  
 Mr. DENISON with Mr. STEAGALL.  
 Mr. CURRY of California with Mr. DRANE.  
 Mr. SHREVE with Mr. KITCHIN.  
 Mr. ECHOLS with Mr. LANKFORD.  
 Mr. KELLEY of Michigan with Mr. OLNEY.  
 Mr. STEPHENS of Ohio with Mr. SMALL.  
 Mr. STRONG of Pennsylvania with Mr. HEFFLIN.  
 Mr. DYER with Mr. KETTNER.  
 Mr. WATSON with Mr. STEELE.  
 Mr. KENNEDY of Rhode Island with Mr. TAGUE.  
 Mr. ANDREWS of Maryland with Mr. ROBINSON of North Carolina.  
 Mr. TINKHAM with Mr. WINGO.  
 Mr. REED of West Virginia with Mr. AYRES.  
 Mr. FORDNEY with Mr. DEWALT.  
 Mr. KRAUS with Mr. GODWIN of North Carolina.  
 Mr. WILLIAMS with Mr. SEARS.  
 Mr. SMITH with Mr. WATKINS.  
 Mr. ROSE with Mr. HUMPHREYS.  
 Mr. BLAND of Indiana with Mr. THOMAS.  
 Mr. MASON with Mr. CARTER.  
 Mr. ELLSWORTH with Mr. CANTRILL.  
 Mr. MCKINLEY with Mr. MONTAGUE.  
 Mr. RIDDICK with Mr. EAGLE.  
 Mr. ELSTON with Mr. BRUMBAUGH.  
 Mr. BUTLER with Mr. CAMPBELL of Pennsylvania.  
 Mr. MOORES of Indiana with Mr. SULLIVAN.  
 Mr. WARD with Mr. ROWAN.  
 Mr. MCPHERSON with Mr. CAREW.  
 Mr. DAVIS of Minnesota with Mr. HARRISON.  
 Mr. EDMONDS with Mr. HAYDEN.  
 Mr. HUSTED with Mr. SMITH of New York.  
 Mr. KREIDER with Mr. MAHER.

Mr. BOWERS with Mr. LESHNER.  
 Mr. NEWTON of Minnesota with Mr. CALDWELL.  
 Mr. GOODYKOONTZ with Mr. FERRIS.  
 Mr. SNELL with Mr. GALLIVAN.  
 Mr. COPLEY with Mr. GRIFFIN.  
 Mr. PLATT with Mr. PELL.  
 Mr. WASON with Mr. SCULLY.  
 Mr. MORIN with Mr. NICHOLLS.  
 Mr. GRIEST with Mr. RIORDAN.  
 Mr. SANDERS of New York with Mr. HOEY.  
 Mr. COSTELLO with Mr. BLACKMON.  
 Mr. KIESS with Mr. BARKLEY.  
 Mr. FREAR with Mr. PADGETT.  
 Mr. REBER with Mr. MARTIN.  
 Mr. VARE with Mr. SABATH.  
 Mr. STINESS with Mr. HAMILL.  
 Mr. MERRITT with Mr. LANHAM.  
 Mr. McLAUGHLIN of Michigan with Mr. DENT.  
 Mr. STEENERSON with Mr. BELL.  
 Mr. CROWTHER with Mr. DOOLING.  
 Mr. HULINGS with Mr. BRINSON.  
 Mr. KENNEDY of Iowa with Mr. CARAWAY.  
 Mr. BRITTON with Mr. McANDREWS.  
 Mr. BURKE with Mr. JOHNSTON of New York.  
 Mr. DARROW with Mr. BRAND.  
 Mr. KELLY of Pennsylvania with Mr. BYRNES of South Carolina.  
 Mr. GOULD with Mr. FIELDS.  
 Mr. HAUGEN with Mr. DOREMUS.  
 Mr. McCULLOCH with Mr. DONOVAN.  
 The result of the vote was announced as above recorded.  
 A quorum being present, the doors were opened.  
 The SPEAKER. The question is on agreeing to the conference report.  
 Mr. ESCH. Mr. Speaker, on that I demand the yeas and nays.  
 The yeas and nays were ordered.  
 The question was taken; and there were—yeas 259, nays 30, not voting 137, as follows:

YEAS—259.

Ackerman	Evans, Nebr.	Kendall	Parker
Almon	Evans, Nev.	Kinkaid	Parrish
Anderson	Fairfield	Kloczka	Phelan
Andrews, Nebr.	Fess	Knutson	Porter
Anthony	Fisher	Lansley	Purnell
Ashbrook	Food	Larsen	Radcliffe
Aswell	Focht	Layton	Rainey, Ala.
Babka	Foster	Lazaro	Rainey, H. T.
Bacharach	Freeman	Lee, Calif.	Rainey, J. W.
Barbour	French	Lee, Ga.	Raker
Bee	Fuller, Ill.	Iehlbach	Ramsey
Begg	Fuller, Mass.	Linthicum	Ramseyer
Benham	Gallagher	Loneragan	Randall, Calif.
Benson	Gandy	Lubring	Randall, Wis.
Black	Gandy	McArthur	Rayburn
Bland, Mo.	Gard	McClintic	Reavis
Bland, Va.	Garland	McDuffie	Reed, N. Y.
Blanton	Garner	McGlennon	Reed, W. Va.
Boies	Garrett	McKenzie	Rhodes
Booher	Glynn	McKiniry	Ricketts
Britten	Goldfogle	McLane	Riddick
Brooks, Ill.	Good	McLaughlin, Nebr.	Robison, Ky.
Brooks, Pa.	Goodwin, Ark.	MacCrate	Rodenberg
Burdick	Graham, Ill.	Madden	Rogers
Butler	Green, Iowa	Magee	Romjue
Byrns, Tenn.	Greene, Mass.	Mann, Ill.	Rouse
Campbell, Kans.	Hadley	Mann, S. C.	Rowe
Candler	Hamilton	Mansfield	Rubey
Cannon	Hardy, Colo.	Mapes	Sanders, Ind.
Casey	Hardy, Tex.	Mays	Sanders, La.
Chindblom	Harrell	Michener	Sanford
Christopherson	Hastings	Miller	Scott
Clark, Mo.	Hawley	Milligan	Sells
Classon	Hays	Minahan, N. J.	Sherwood
Cleary	Hernandez	Monahan, Wis.	Siegel
Coady	Hersman	Mondell	Sinnot
Cole	Hickey	Mooney	Slemp
Collier	Hicks	Moore, Ohio	Smith, Idaho
Cooper	Hill	Moore, Va.	Smith, Mich.
Crago	Hoch	Morgan	Smithwick
Crisp	Holland	Mott	Snyder
Cullen	Houghton	Mudd	Stedman
Currie, Mich.	Howard	Murphy	Steenerson
Dale	Hudspeth	Neely	Stephens, Miss.
Dallinger	Hull, Iowa	Nelson, Wis.	Stevenson
Davey	Hull, Tenn.	Newton, Mo.	Stoll
Davis, Tenn.	Hutchinson	O'Connell	Strong, Kans.
Dempsey	Igoe	O'Connor	Summers, Tex.
Dickinson, Mo.	Ireland	Ogden	Sweet
Dickinson, Iowa	Jacoway	Oldfield	Swope
Dominick	Jefferis	Osborne	Taylor, Ark.
Doughton	Johnson, Ky.	Overstreet	Taylor, Colo.
Dunbar	Johnson, Miss.	Padgett	Taylor, Tenn.
Dunn	Johnson, Wash.	Paige	Temple
Dupre	Jones, Pa.	Kahn	Thompson
Eagan	Juul	Kearns	Tilson
Elliott	Kahn	Kelley, Mich.	Timberlake
Esch	Kearns		Tincher
Evans, Mont.	Kelley, Mich.		Towner

Treadway	Walters	Wheeler	Wood, Ind.
Upshaw	Weaver	White, Kans.	Woods, Va.
Veinable	Webster	Wilson, La.	Wright
Vestal	Welling	Wilson, Pa.	Yates
Vinson	Welty	Winslow	Young, Tex.
Volstead	Whaley	Wise	

## NAYS—30.

Baer	Goodall	MacGregor	Tillman
Box	Hersey	Mead	Voigt
Briggs	Huddleston	Peters	Walsh
Browne	Keller	Quin	Wason
Burroughs	Lampert	Schall	White, Me.
Carss	Little	Sims	Young, N. Dak.
Connally	McFadden	Sinclair	
Dowell	McKeown	Sisson	

## NOT VOTING—137.

Andrews, Md.	Dyer	Kettner	Rose
Ayres	Eagle	Kless	Rowan
Bankhead	Echols	Kincheloe	Rucker
Barkley	Edmonds	King	Sabath
Bell	Ellsworth	Kitchin	Sanders, N. Y.
Blackmon	Elston	Kraus	Scully
Bland, Ind.	Emerson	Kreider	Sears
Bowers	Ferris	Lanham	Shreve
Brand	Fields	Lankford	Small
Brinson	Fordney	Leshner	Smith, Ill.
Brumbaugh	Frear	Longworth	Smith, N. Y.
Buchanan	Gallivan	Luce	Snell
Burke	Godwin, N. C.	Lufkin	Steagall
Byrnes, S. C.	Goodykoontz	McAndrews	Steele
Caldwell	Gould	McCulloch	Stephens, Ohio
Campbell, Pa.	Graham, Pa.	McKinley	Stiness
Cantrill	Greene, Vt.	McLaughlin, Mich.	Strong, Pa.
Caraway	Griest	McPherson	Sullivan
Carow	Griffin	Maber	Summers, Wash.
Carter	Hamill	Martin	Tague
Clark, Fla.	Harrison	Mason	Thomas
Copley	Haugen	Merritt	Tinkham
Costello	Hayden	Montague	Vaile
Cramton	Heflin	Moore, Ind.	Vare
Crowther	Hoey	Morin	Ward
Curry, Calif.	Hullings	Nelson, Mo.	Watkins
Darrow	Humphreys	Newton, Minn.	Watson
Davis, Minn.	Husted	Nicholls	Williams
Denison	James	Olney	Wilson, Ill.
Dent	Johnson, S. Dak.	Pell	Wingo
Dewalt	Johnston, N. Y.	Platt	Woodyard
Donovan	Jones, Tex.	Pou	Zihlman
Dooling	Kelly, Pa.	Reber	
Doremus	Kennedy, Iowa	Riordan	
Drane	Kennedy, R. I.	Robinson, N. C.	

So the conference report was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. LONGWORTH with Mr. POU.

Mr. ZIEHLMAN with Mr. NELSON of Missouri.

Mr. WOODYARD with Mr. SCULLY.

Mr. VAILE with Mr. RUCKER.

Mr. LUCE with Mr. OLNEY.

Mr. KING with Mr. MCANDREWS.

Mr. LUFKIN with Mr. JONES of Texas.

Mr. JOHNSON of South Dakota with Mr. EAGLE.

Mr. GREENE of Vermont with Mr. CLARK of Florida.

Mr. GRAHAM of Pennsylvania with Mr. CAMPBELL of Pennsylvania.

Mr. FREAR with Mr. AYRES.

Mr. CRAMTON with Mr. BELL.

Mr. EMERSON with Mr. BUCHANAN.

Mr. BRAND. Mr. Speaker, I would like to vote, though I was not present when my name was called.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

On motion of Mr. ESCH, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

## SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 13870, the sundry civil appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the sundry civil appropriation bill, with Mr. ANDERSON in the chair.

The Clerk reported the title of the bill.

Mr. GOOD. Mr. Chairman, I yield to the gentleman from New York [Mr. HICKS].

Mr. HICKS. Mr. Chairman, there has been much discussion on the floor of this House and throughout the country in regard to an increase of pay in the Navy, Army, Marine Corps, Coast Guard, and Public Health Service. The conference committee is at present endeavoring to reconcile the bills passed by the House and the Senate in reference to this very important matter. I fully realize the need of economy, of strict economy,

In Federal expenditures, and by my vote I have repeatedly expressed my determination to curtail national extravagance, but when reduction creates inefficiency and curtailment causes deterioration, then it is not economy but waste.

I feel that in order to keep our military service up to the standard of efficiency we expect and demand, an increase in pay, both of officers and men, is not merely desirable but imperatively necessary, not kindness but justice.

Personally I prefer a force smaller in numbers and greater in efficiency than one greater in numbers and smaller in effectiveness. If the pay account is to remain as it is, it were better, in my opinion, that the amount be spread over a smaller number of officers and men, which would operate as an increase, thus stimulating enlistments and strengthening the morale of the entire service. With the higher rates of compensation being offered and paid by commercial enterprise, our officers and men are rapidly leaving the service, and discontent on the part of those who remain is the natural and inevitable consequence. Our standards of excellence can not be maintained unless we recognize and meet conditions. We are confronted not by theories but by facts, and while officers and men are imbued with patriotism and love of service the pressure of increased expenses becomes not only a hardship but an obstacle too great for them to surmount on their present rates of pay.

Let me analyze each branch of our military service.

## THE ARMY.

While West Point is looked upon as the source of supply for our Army officers, less than half of our Regulars come from this institution. Since the establishment of the Military Academy 118 years ago there have been less than 5,000 graduates, and it is safe to say that of the officers in the Regular Army today not 1,000 are graduates of West Point.

At no time since the academy was established have there been so many vacancies, 770 I understand, due, without question, in large part to the unattractiveness of Army life from the financial standpoint. It is but fair to state that these vacancies may also be attributable in a small degree to the desire of our people to return to a peace basis.

Since the signing of the armistice 2,452 officers have resigned from the Regular Army, due primarily to the fact that these officers could not maintain their families on Army pay, and, secondly, because of the larger inducements offered in civilian life.

Reference has been made in this House to the fact that these officers do not need an increase of pay since they received promotion during the war. But it is a fact, according to statistics obtained from the War Department, that while there were in promotions 72 per cent during the war of all officers in the Regular Army, since the armistice was signed they have all been demoted except 25 per cent, and these officers will be demoted by the end of the fiscal year, June 30, 1920.

In regard to enlisted men and noncommissioned officers, the desertions from the Regular Army between March 1, 1919, and April 1, 1920, reached the astounding number of 11,000, the reason being insufficiency of pay and the lack of inducement to remain in the service. This state of affairs is cause for reflection, and should prompt us to action if we are to have an Army worthy of the traditions and the achievements of its splendid past.

## THE NAVY.

Not all Regular Navy officers are graduates of the Naval Academy, although the great majority of those of the line of the Regular Navy come from Annapolis. Since the establishment of the Naval Academy 75 years ago there have been 5,693 graduates, and to-day there are about 2,825 in the Regular Navy, as compared with the 6,326 officers who never attended the academy. The graduates of the Naval Academy serve in the line, in the Construction Corps, and, in a very few cases, in the Civil Engineering Corps. The number of vacancies in the Naval Academy is greater than it has been in many years, amounting to 247 for which no nominations have been made.

Of all officers in the Regular Navy, line and staff combined, there have been 2,130 resignations since the armistice, of whom approximately 1,450 were line officers. Of Regular officers who were in the service prior to the war, something over 400 have resigned, line and staff combined.

Reference has repeatedly been made to war promotions. War promotions as applied to the Navy is a misnomer. Congress authorized a permanent number of officers in the United States Navy. During the war the Navy being short of this permanent number, Congress authorized the filling up of these permanent places temporarily. This is the so-called "war promotions" of the Navy. Among officers of over eight years'

service, very few, as a result of this so-called emergency promotion, received an increase of 18 per cent. A comparatively large number received an increase of 15 per cent, and many received an increase of only 11 per cent. Several officers of long service received no increase whatever. Remarks in regard to emergency promotions in the Navy, it is believed, are not applicable.

As to enlisted men, during the last six months of 1919 there were 4,666 desertions from the Regular Navy, of whom 1,057 were petty officers and 60 chief petty officers. The total for February was 765 desertions, of whom 60 were petty officers and 7 were chief petty officers. Prior to the war the desertion of a petty officer was unusual, and the desertion of a chief petty officer almost unheard of. The petty officers and chief petty officers are now our old-time men. They have not deserted because their training has not been good or because they do not realize the seriousness of the offense, but for the simple reason that they are driven to desert in order to care for their families.

In this connection we must not lose sight of the fact that the merchant marine service is offering inducements for seamen far greater than the law permits the Navy to offer them. These men are human, and while desertion must be condemned in the sternest terms, we should not forget that the emoluments of civilian life beckon them to other pursuits.

Such is the condition to-day in the Navy of the United States, a situation that must be remedied and remedied at once if the Navy, in theory and in practice, is to continue as the first line of defense of the Nation and remain true to its mighty history—a history which is the pride and the glory of every American.

#### THE MARINE CORPS.

Since December, 1918, a total of 114 permanent and probationary officers have resigned from the Marine Corps. They are subdivided according to their grades as follows:

Lieutenant colonels.....	1
Majors.....	2
Captains.....	85
First lieutenants.....	22
Second lieutenants.....	4
Permanent.....	54
Probationary.....	60
Total.....	114

Since December, 1918, a total of 889 temporary officers have resigned from the Marine Corps. They are subdivided according to their grades as follows:

Captains.....	179
First lieutenants.....	397
Second lieutenants.....	313
Total.....	889

The desertions of enlisted men are as follows:

1919.	
March.....	44
April.....	41
May.....	45
June.....	21
July.....	43
August.....	91
September.....	52
October.....	59
November.....	88
December.....	70
1920.	
January.....	73
February.....	82
March.....	81
April.....	103
Total.....	893

Here is a service whose valiant deeds in every war is a record of glory and of brilliant accomplishment. Yet to-day their ranks are depleted because we have failed to recognize the exigencies of the hour.

The necessity for advancing pay to meet advancing costs of living has been recognized and accepted by practically all the great nations in every branch of the service, with the exception of the United States.

In the British Navy the increase of pay for officers over prewar rates reaches as high as 185 per cent, and these increases apply to officers of the Royal Marines. The pay of the enlisted men of both services has been doubled.

In the French Navy the increase of officers' pay reaches from 35 per cent to 129 per cent, while the pay of the men has been advanced in proportion.

In the Italian Navy the increase of officers' pay has been made at the flat rate of 30 per cent, and the pay of the men has been advanced in proportion.

In the Japanese Navy the increase of officers' pay extends from 30 per cent to 50 per cent, with additional compensation to enlisted men.

In the Chinese Navy a flat increase of 20 per cent in the pay of officers has been made, with increases in the pay of sailors.

While I have no figures showing the pay advances in other branches of the service of other nations, I understand the increases have been material.

#### THE COAST GUARD.

The situation in the Coast Guard as regards personnel is most serious, and is causing the administrative officers very great concern. The service is in serious straits on account of the lack of a sufficient number of men to man its vessels and stations, and because such few men as are obtainable are untrained and much below the standards necessary for the proper performance of the important and hazardous work of the Coast Guard. Men are leaving the service as their terms of enlistment expire, and many whose terms have not expired are clamoring for discharge. It has become practically impossible to secure adequate replacements. The sole reason for this most serious condition lies in the fact that the rates of pay allowed by law in the Coast Guard are too low to meet existing conditions, and are extremely low in comparison with the pay that the same type of men can receive in the merchant marine or in practically any other civil pursuit.

So serious has the situation become that the Coast Guard has actually been compelled to place a number of its cruising cutters out of commission because there are not sufficient men to man them. Only recently it was found necessary to place five of the cruising vessels on the eastern coast out of commission in order to attempt to provide adequate crews for vessels participating in the patrol of the Bering Sea and North Pacific Ocean to enforce the provisions of the convention of July 1, 1911, between the United States, Great Britain, Russia, and Japan for the protection of the fur seal and sea otter and the performance of other important duties in Alaska.

The withdrawal of these vessels from active service on the eastern seaboard is a very serious matter. Commerce upon the Atlantic has greatly increased since the active operations of war have ceased, and it will continue to increase rapidly, carrying with it corresponding liability to accident and casualty. There can be no better evidence of the imperative need of full and adequate equipment and personnel for the Coast Guard than the work that service is now doing. During the past nine months the Coast Guard has rendered assistance to vessels and cargoes whose value amounted to the enormous sum of \$55,000,000. There were on board these vessels between 6,000 and 7,000 persons, and more than 2,000 persons have been rescued from positions of actual peril through the instrumentality of the Coast Guard. These most impressive figures do not include the various items of miscellaneous assistance that the crews of vessels and stations of the Coast Guard are constantly rendering.

A similar condition of affairs exists at many of the shore stations, and it is very probable, if something is not done shortly to improve the situation, that a number of stations will have to be placed out of commission and their crews concentrated at points where they can work to the greatest advantage. The Coast Guard stations on the Great Lakes opened for active service on March 1 with greatly reduced complements, some stations actually having no more than three or four regular men—not enough to man a boat.

The number of enlisted men required properly to man the units of the Coast Guard is 5,745, and there are to-day only 3,709 enlisted men in the service, a shortage of 2,036 existing. The number of desertions in this small corps since the armistice amounts to 442, an unprecedented number in the Coast Guard. Since November, 1918, there have been 1,115 court-martial cases, including deck courts, minor courts, and so forth. The depleted state of the enlisted personnel of the Coast Guard would be even worse than it is but for the fact that many of the older men are holding on in the hope that legislation to remedy conditions will be enacted in the near future.

Twenty-two warrant officers have tendered their resignations since the armistice. The warrant officers are the very backbone of the service. Unless pending legislation be enacted, they will, after the proclamation of peace, revert to a base pay, in most grades, of \$75 per month. They can not possibly live on this sum and they will be compelled to leave the Coast Guard. If the warrant officers leave the service in any considerable numbers, as they will be compelled to do, the Coast Guard can not operate.

In regard to commissioned officers, the number authorized by law in the Coast Guard is 270. There are to-day only 212 officers. Twenty-two officers have resigned since the signing of the armistice. Much has been said to the effect that commissioned officers are not entitled to an increase in pay because they have been very materially advanced in rank during the



war and because under sundry plans of reorganization of the military services they might hold advanced rank or even be advanced still further. I desire to make this matter clear as regards commissioned officers of the Coast Guard.

Under war-time legislation, of the officers of the Coast Guard holding regular rank corresponding to commander in the Navy just three have been advanced to the next higher rank. Of officers holding the normal rank of lieutenant commander, just 13 out of a total number of 37 have been advanced to the grade of commander. There are officers in the Coast Guard of the rank of lieutenant commander who have had over 25 years' continuous service, some of whom commanded combatant ships of the Coast Guard and of the Navy in the war zone, and who have received no temporary advance whatever. Certain war-time legislation has, indeed, permitted the temporary advancement of the younger officers to the same temporary grade as that attained by officers of the Navy of corresponding length of service, not above the rank of lieutenant commander. All temporary advanced rank in the Coast Guard ceases absolutely not later than six months after peace shall have been proclaimed.

The Coast Guard needs about 70 cadets for training at the Coast Guard Academy at New London to become commissioned officers. An examination has just been held, after being given wide publicity throughout the country. From this examination it is found that not more than six cadets are obtainable. Conditions in the Coast Guard as regards enlisted personnel are fully as bad as those confronting any of the other military services.

It is of decided interest to note that the percentage of total personnel who lost their lives in the World War as a direct result of enemy action is larger in the case of the Coast Guard than in the case of the Army. This speaks for itself. It is not necessary for me to describe the work of the Coast Guard in time of peace. It is a hazardous calling at all times, demanding courage, determination, and ceaseless vigilance by day and by night—a calling in which only the hardy and fearless can endure. Its difficult, dangerous, and extremely valuable services are well understood and gratefully appreciated by everyone interested in the lives and fortunes of those "who go down to the sea in ships and have their business on great waters."

#### THE PUBLIC HEALTH SERVICE.

In October, 1918, there were in the regular corps of the Public Health Service 217 commissioned officers. Since that time there have been 4 admissions to the corps, 3 deaths, and 21 resignations. Prior to that date the Public Health Service usually obtained by admission 10 to 15 officers per year and lost practically none by resignation.

The reserve of the Public Health Service was established in October, 1918. In order to obtain medical officers for the medical care and treatment of war-risk insurance patients the service commissioned 472 reserve officers who were leaving either the Army or Navy. Of the number recruited in this way 76 have resigned. It is almost impossible to secure new recruits. The importance of this service, especially to those who wore the uniform in the recent war, should appeal to us to enact legislation for relief.

Mr. GOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman and gentlemen of the committee, I received a letter this morning from a constituent who very pointedly requested me to inform him why his community was compelled to pay six times as much for a pound of sugar as it did 10 years ago. An inquiry like fixing a specific date naturally would carry a man's mind back to the political situation in 1910. I remember that this high cost of living is not at all a new term in political discussion. I remember very well in my own county and district that every little Democratic convention declared it to be its specific purpose to reduce the high cost of living. That campaign began in 1908. It had gained full headway in 1910, and from the results that have been obtained, the Lord only knows how much we shall be able to reduce the high cost of living in the next decade.

In another letter there was a request to know about the condition of the President of the United States—his physical condition—and the suggestion that there is a profound apprehension on the part of the people that the President of the United States is not able to fully function, and that that apprehension does not come out of any want of sympathy for the very unfortunate condition in which the Chief Executive finds himself. Of course, no Member of Congress knows, and there is no way in which any Member of Congress can find out, whether there is now disability under the meaning of the Constitution.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. FAIRFIELD. Yes.

Mr. McKEOWN. Why does not the gentleman introduce a resolution to investigate the subject? You are investigating everything else.

Mr. FAIRFIELD. Would the gentleman vote for a resolution of that kind?

Mr. McKEOWN. I would not.

Mr. FAIRFIELD. It is a strange and unprecedented situation in which we find ourselves. The gentleman from Oklahoma asked me if I would introduce a resolution of that kind. Not at all. It would be ineffective, and, in my judgment, both unwise and unkind. However, it is certainly pertinent on the floor of this House to voice what is in the mind and heart of the people in respect to whether there is a possibility under the Constitution to enact a law that would make it possible when there is such a question in respect to disability for the people to know, and I doubt not that out of the present very tragic circumstances, if actuated only by a feeling of sympathy, there will come ultimately a solution of this problem.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. FAIRFIELD. Yes.

Mr. JOHNSON of Mississippi. For the information of the gentleman I would state that I have just received an afternoon edition of a paper in which it is stated that the President is recovering rapidly, that he is getting all right, that he is able to attend to his business, and is now taking rides and strolling around without the aid of any physician, that he is able to look after his duties. This paper is a Republican paper, and I take it that what it states is true.

Mr. FAIRFIELD. The credulity of the gentleman is remarkable under all the circumstances. I wish to God it were true. I can think of no more unfortunate circumstance that has come to this country than the breaking down of President Wilson, and I wish that he were strong and rugged and able to stand forth in the fight that he is making, as he has stood hitherto. [Applause.]

But I am not willing that that unfortunate circumstance shall be presumptive evidence of the fact that his course is wise and for the best interest of the country. Unfortunately, perhaps his very condition makes it less likely that there will be such careful, full, and drastic analyses of many of the things which he has proposed as would otherwise be true. There has been much discussion in the general debate here on a variety of topics relating either directly or indirectly to the politics of the present year. Do you know as a man sits and listens first to one side and then to the other, if he wants to think honestly, if he wants to conclude in harmony with his thought, if he wants, above all else, to do his duty as a representative of the people, that he often wishes the statements made on both sides as to matters of fact, at least, could be taken without any color as to their absolute truth. But unfortunately most speeches are tempered by the particular effect that they may have upon political fortunes.

Mr. RAKER. Will my distinguished friend from Indiana yield for a question right there?

Mr. FAIRFIELD. Yes, sir.

Mr. RAKER. On the first question that was propounded by this constituent the gentleman did not answer. Would the gentleman tell us what his answer was for the reason of the rise in price on sugar six times to what it was five years ago?

Mr. FAIRFIELD. He undertook to make no answer.

Mr. RAKER. But what is the gentleman's answer?

Mr. FAIRFIELD. He asked me how I would explain to my constituents the fact of that raise and whether I could introduce a law that would reduce it. I have not answered that letter yet. [Laughter.] My own conviction is that in the main the price of sugar has been determined and has risen due to the law of supply and demand until in the very recent months, when my judgment is, although I do not know—I wish I did—that there has been concerted buying and reselling and reselling again and again.

Mr. RAKER. For the purpose of raising it?

Mr. FAIRFIELD. For the purpose of raising it.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. FAIRFIELD. Certainly.

Mr. JOHNSON of Mississippi. When the gentleman writes the letter will he kindly put a copy of that letter in the Record? Some of us are getting the same requests and we would like to send such a statement to our constituents.

Mr. FAIRFIELD. I would be very glad to collaborate with the gentleman in framing such a letter [laughter] that would

properly and satisfactorily answer the gentleman. You see, your constituents sometimes, perhaps unwisely, think you have access to sources of knowledge which are denied you. Then I began to wonder why that selling and reselling and mounting, and so on, has been permitted under the law. I remember under the food-control act, when the Lever Act was before us, I thought, and I think Mr. Lever thought, and that the committee which framed the bill thought and the men who voted for the bill thought, that that act gave full power to this country absolutely to control the price of the necessities of life. If it did not, and it seems from the inaction of the Attorney General that has been his interpretation of it, then the act is a failure. When President Wilson returned from France and came before this Congress, he asked for additional legislation, and on the 22d of August there was an amendment to the Lever Food Act, brought in by the Committee on Agriculture, which expressly provided it to be a criminal offense in any way to increase or to charge excessive prices for the necessities of life.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FAIRFIELD. Just a minute more.

Mr. GOOD. I yield the gentleman five minutes additional.

Mr. FAIRFIELD. That law passed the House, passed the Senate, was agreed to on the 11th day of October, and now we are told that the pyramiding of the price of sugar can not be controlled by the Attorney General. I have little faith in legislation controlling the high cost of living, and certainly when that high cost of living primarily grows out of the law of supply and demand; but shall we say to the people of this country, with a Democratic Congress in power since 1910, for nine years, until the 4th of March, 1919, that they are unable to draft any law that an Attorney General appointed by a Democratic President could enforce against the high cost of living?

Mr. GARNER, Mr. BYRNS of Tennessee, and Mr. GOODWIN of Arkansas rose.

Mr. FAIRFIELD. I have only two or three minutes, and I want to finish, if you please, and I refuse to yield. And then when the Lever food act was passed and the additional act passed, shall we say to all now that with this power we are helpless? I am not a lawyer, men, but it does seem strange to me that after your 10 years of that slogan, "Reduce the high cost of living," and 6 years under absolute control of all the departments of the Government, that the party that started that slogan informs us that in this year of grace 1920 we find ourselves absolutely helpless. It may be so; it may be so; but, oh, what a commentary on the inefficiency or the impossibility of enacting a law to control those matters!

No law can be enacted that will control the high cost of living in so far as it is due to increased cost of production or determined by the law of supply and demand. Every power that Congress can grant by way of law for the control of profiteering is now upon the statute books. The outrageous profiteering in sugar grew out of the failure of the President to permit the Sugar Equalization Board to buy the Cuban crop at 6½ cents. I am reliably informed that in August of last year this board requested the permission of the President to purchase the crop of 1919 from Cuba. This request was renewed in November of the same year. The President acknowledged the receipt of the letters, but did not delegate to the sugar board the authority to make purchase. There was but one man on the board who opposed the purchase of this crop. For the failure to secure that crop the American people are paying to the profiteers a sum variously estimated at from \$800,000,000 to \$1,000,000,000. Even that failure does not warrant the excessive prices that are now being exacted. In 1918 the Louisiana sugar producers received 9 cents per pound for their sugar. In 1919 they had half a crop, and the Attorney General of the United States permitted them to charge 18 cents per pound. The price permitted by the Department of Justice began the phenomenal rise in the price of sugar.

Thus the Government undertook to compensate the sugar dealers of Louisiana for their crop failure by permitting them to fix the price at 18 cents when at the same time the Government knew perfectly well that Louisiana produces but a tithe of the sugar used in this country. On the same reasoning, if any State had raised but half its usual crop of wheat the Government might have justified itself in permitting the farmer to charge \$4 per bushel for wheat and thus have raised that necessary of life by 100 per cent. The Government has no excuse for the bungling manner in which this sugar situation has been handled. The American people are paying the bill. Even now, if the Department of Justice would act as it is empowered by law to act, the upward movement of sugar could be arrested. The unfortunate long-continued absence of the Chief Executive in Europe, coupled with his unfortunate and most lamentable

sickness, has deprived the American people of the service of their Chief Executive in full power and strength for 14 months of the time since December of 1918. In other words, for 14 months out of 17 the Chief Executive of the Nation has been unable because of absence or illness to properly attend to the domestic affairs of a Nation of 110,000,000 people.

Even his chief advisors have been denied the privilege of counseling together concerning the most vital interests of the Nation. This situation is tragic, indeed. Only the wise, tolerant, patient, and forbearing spirit of the American people has made it possible for order and peace to prevail. We shall weather every storm, for in the heart of every true American there is abundant faith in our institutions, hallowed by the suffering and sacrifice of those who have gone before. There is abundant hope in the present and the future because of the richness and fullness of our physical heritage. There is undying love for the beneficent institutions under which we live. There is joy and pride in the consciousness of our strength and the rectitude of our intentions. "With malice toward none and with charity toward all" we shall continue to cleave to those principles of government that have made the Republic the refuge of the oppressed and the hope of every country struggling toward liberty.

Mr. SMITH of Michigan. Mr. Chairman, I make the same request to extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. SANDERS].

Mr. SANDERS of Louisiana. Mr. Chairman, I desire to thank the House for the privilege of submitting these remarks on this legislation at this time, because of the far-reaching effects it may have upon the social, agricultural, and industrial system of Continental United States.

In so far as this bill (H. R. 13500) provides for the relief of the Hawaiian race, I am heartily in favor of it, and I believe that it will meet with the general approval of Congress. Our people have usually been in accord upon legislation dealing with dependent races and, with the exception of the slavery issue, party politics have rarely marked the cleavage line in the intercourse of the American white man with other peoples. A benevolent policy has been particularly true of our attitude toward the American Indians and the Hawaiians.

In both cases, those races have been upon our frontiers—either military or naval, and the Federal legislation that has been enacted here usually had its inception in military considerations when we felt it necessary to more firmly establish American authority among them.

But, Mr. Chairman, it will be an evil day whenever we confuse military considerations with our civil policy in dealing with the Hawaiian Islands. In saying this I do not intend the slightest reflection upon the patriotism or the good citizenship of either the native population or the small group of American citizens who have cast their lot among them and who constitute an overwhelming percentage of the professional and commercial classes. My remarks are not uttered in an unkind spirit, but the presence of those Americans must not blind us to the fact that the island population is overwhelmingly Asiatic and that Hawaiian institutions are as un-American as the people who make up the bulk of the population.

In saying this, Mr. Chairman, I am only echoing what has been said in the past by the leaders of both of the great political parties. When the Hawaiian reciprocity treaty was under consideration April 6, 1876, Gen. Garfield, who shortly thereafter was called to the Presidency, said in addressing this House in support of that treaty:

[CONGRESSIONAL RECORD, p. 2273.]

I do not approve of the Hawaiian treaty, because it looks in the direction of securing possession of those islands. \* \* \* We occupy a portion of that great northern zone which girdles the world and which has been the theater of the greatest achievements of civilization, especially in the history of the Anglo-Saxon races; but should we extend our possessions into the tropical belt, we should weaken the powers of our people and Government. Hence I disclaim any purpose or suggestion of annexation of those islands as any part of my reason for supporting the treaty. On the contrary, one of the reasons why I favor the treaty is that it will be a satisfactory substitute for all probable schemes of annexation that may come if this fails. \* \* \* This treaty will completely avoid such a result as that.

That debate shows that as many Democrats as Republicans favored the treaty, because they thought it would forever dispose of the question of bringing these islands, with their un-American institutions, into our political system; but Gen. Randall Lee Gibson, of Louisiana, who followed Gen. Garfield, was opposed to both annexation and the reciprocity treaty. He favored the maintenance of the treaty relations then existing, and in view of subsequent developments his warning to

the American people was prophetic. After exposing the insincerity and the guile of the group of speculators who were exploiting the natives of Hawaii upon the one hand and the American people on the other, he asked:

What is the convention that is proposed to us to-day? It is, in effect, that sugar, which is the chief article of production and every pound of which for exportation, it has already been seen, comes to this country, shall be admitted free of duty. It has been estimated by the Secretary of the Treasury that the amount so remitted for the fiscal year 1873 is about \$320,345. But with increased production the subsidy, and consequent loss of revenue, will equal the sum of one, two, and probably three millions. This amount bestowed as a bonus on the 25 or 30 American sugar planters would necessarily enhance their profits and stimulate production. It would be an invitation to those planters to bring hordes of Chinese into the Hawaiian Islands under the contract system which prevails there, and they would extend the area of sugar culture so as to embrace every foot of arable soil.

I ask, gentlemen, if it is desirable, looking at the true welfare of the people of the Sandwich Islands, that we should be a party to a policy that shall convert the islands into one vast and crowded Chinese settlement devoted to the exclusive task of producing sugar.

Sir, open these islands to these eastern hordes and you condemn their whole civilization, their institutions, their liberties founded upon law, the benevolent auspices under which these people are being gradually trained and growing up into a well-formed and compact commonwealth; you condemn them to a state worse than that from which you have but recently rescued them, to a moral and intellectual sterility in striking contrast to the gardens these Chinese materialists, debased and debasing, will plant upon all their slopes and planes, their hillsides and valleys.

Gentlemen have delighted us with the spectacle of a proud dependency far out in the Pacific Sea, a half-way house for our caravans laden with the rich treasures of the East; our flag flying over Honolulu; our garrisons passing in reviews before some general officer in command of the islands; our heaviest guns crowning their ramparts, and our invincible monitors quietly sleeping in the harbors of Pearl River, but ready at the first tocsin of war with Great Britain to wake the echoes of those silent seas with their loudest thunders and to drive the British fleet from the track of our commerce.

But gentlemen are mistaken. All this fine record, these bright visions, these dreams of extended empire, vanish at the touch of fact. Sober-minded men, charged with the responsibilities of government, will appeal from these fancy sketches to the prosaic terms of the convention itself. And when they shall analyze them, they will at once perceive that there are no flagstaffs, no ramparts, not even Pearl River harbors that were to have been offered to us according to Mr. Nordhoff, no emblems of empire, but only sugar, provided we will admit it free of duty. A serious proposition to buy trade; a matter of mere dollars and cents; a vulgar subsidy in favor of a few men and no reciprocity. Where, then, is your lofty statesmanship?

Mr. Chairman, note how that prophecy has been fulfilled. It is true that a Japanese menace has been substituted for the Chinese, but the menace has nevertheless been successfully introduced into our political system by these Hawaiian interests. The 25 or 30 American sugar planters who were flourishing out there when the reciprocity treaty was passed, have incorporated their properties and are now conducting their operations in brazen defiance of the Federal statutes.

In this connection, Mr. Chairman, I desire to insert in the RECORD an extract from the testimony of Gov. McCarthy of Hawaii, when he was testifying before the Committee on the Territories on February 3, 1920. Chairman Curry asked the governor if under the law a corporation was not limited to holding 1,000 acres of land.

The governor replied in the affirmative, on page 15 of the committee hearings. The record of the hearings before the committee continues, as follows:

THE CHAIRMAN. Now, there are plantations of 10,000, 15,000, and 20,000 acres that are organized along these lines, if I am correctly informed. There may be 5, 10, 15, or 20 men organize a corporation. They have a thousand acres of land as one corporation of which John Doe is chairman. There are 5, 10, 15, or 20 men interested in each one of these corporations. Now, there is another corporation of which Richard Roe is chairman and so on down the line, 5, 10, 15, or 20 men, so that the same men are interested in the 5, 10, 15, or 20 lots of land of a thousand acres each, and while one corporation is only supposed to own and work a thousand acres of land, that corporation by this roundabout method of interlocking control and ownership owns 20,000 acres, 10,000 acres, or 5,000 acres. It looks to me as though that system was in violation of law, and that it has a tendency to create large sugar holdings and to discourage and make unprofitable the holdings of 10 or 15, or 20 or 40 acres of land as sugar plantations, for this reason. Sugar cane is only valuable where you can get it to the mill. These large plantations each have a mill. Men with 40 acres can not afford to put up a mill. The large plantations can pay him so little for his sugar cane that it does not make it profitable for him to raise sugar. Does not that condition exist in the islands or have you tried to stop it?

Gov. MCCARTHY. They have got over this section of the law. There is no doubt about it. They form land companies that will take up a thousand acres—buy a thousand acres—and then each land company, each of these individual land companies, makes either leases of plantations, or in one case several of these small corporations have formed a copartnership or corporation. Whether that thing is according to law or not I do not know, but it has been done. I understand that the present United States district attorney is going to take the matter into court to find out if that is a transgression of the United States law. Attorney General Irwin cabled to his office the other day to find out if the case had been entered as yet, and he had an answer that it had not.

Mr. Irwin, the present attorney general of the Territory, who was present, interposed at this juncture to enlighten the committee with the following bit of interesting information:

Mr. IRWIN. I would like to say, Mr. Curry, that in my conversation with you I told you that Mr. Huber, the United States attorney, had told me he had filed a case. After leaving you I began to reflect on that, and I sent a cable there to find out about it. I was incorrect. I have gone over this matter with him several times. I know that he is working on it and that he is about ready to file a case. Neither he nor I are entirely sure of what the results will be.

THE CHAIRMAN. Are those land companies acting under any advice of Federal officials?

Mr. IRWIN. I am informed that before they proceeded along those lines they asked the opinion of the then United States District Attorney Breckons, and he advised them that they could proceed along those lines.

THE CHAIRMAN. If they have his advice, what do you expect to do with them?

Mr. IRWIN. Mr. Rawlins was Mr. Breckons's assistant at that time and may be able to give you more information.

Mr. RAWLINS. Mr. Breckons never passed on that matter at all.

Mr. IRWIN. That is the impression in Honolulu. Whether it is true or not I do not know.

THE CHAIRMAN. If they are acting on the authority of a United States district attorney, even though the advice may be illegal, it is going to be pretty hard work for you to convict them of an illegal act.

Mr. IRWIN. The organic act is very specific. It provides that in case of violations of that provision of the law the land is to escheat to the United States of America. Whether they are acting under legal advice or not, if it is a violation of the law, that would be no defense.

In the brief time that I have it is impossible for me to quote in extenso from the hearings before the Committee on Territories, but the one hundred and ninety-odd pages are replete with matter of the most interesting, not to say the most startling, character.

In the running colloquy from which I have just quoted between the chairman of the committee and the governor and attorney general of the Territory evidence was adduced that the agricultural corporations on those islands were not only defying the land laws of the United States in the most open fashion but it was asserted that this was being done by the consent of the United States district attorney of the Hawaiian Islands.

I do not believe all stories of graft, of malfeasance in public office that has shocked the American people since the Hawaiian reciprocity treaty was up here for consideration nearly 40 years ago, but these committee hearings disclose a condition that undoubtedly calls for your most serious consideration. I have only time to quote a few extracts, but they will give the House an idea of the shameless manner in which the native Hawaiian has been exploited.

Senator Wise, one of the native leaders, and a members of the Territorial General Assembly, in describing to the committee the lands that he asks Congress to restore to his people, testified (p. 142):

#### STATEMENT OF HON. JOHN H. WISE.

Mr. WISE. The first piece of land is Kamaoa-Puueo, on the island of Hawaii, in the district of Kau, 11,140 acres, leased to the Waiohina Agricultural and Grazing Co. The lease is for 21 years and expires May 21, 1929. It contains a withdrawal clause.

Gov. MCCARTHY. What is the annual rental?

Mr. WISE. \$200.

Mr. MONAHAN. How many head of stock can you carry on that, Senator?

Mr. WISE. I do not know how many head of stock you could run independent of other lands.

THE CHAIRMAN. How much have they in that ranch?

Mr. WISE. This ranch, I should say, is running something like 5,000 to 6,000 head, and they have all these lands here. [Indicating.] They have leased other pieces, several other pieces, and own some lands in fee.

THE CHAIRMAN. Amounting to how much?

Mr. WISE. There is another piece leased to them of 2,060 acres for 21 years. The lease is for \$55. There is another piece of Waiohina, 15,000 acres, leased to the Hutchinson sugar plantation. The ranch lands are under the sugar plantation. That lease expired in 1914. Portions of that are in ranch and portions in sugar cane. They have a piece in Kona, I think; I am not certain, however.

Gov. MCCARTHY. What is the annual rental?

Mr. WISE. Annual rental is \$600 for Waiohina.

Within the Hutchinson sugar plantation they have another 11,000 acres. The rental is \$75 a year.

He testified of many such leases, among them Pauahi, 750 acres at an annual rental of \$3.52 to the Parker Ranch.

Gov. McCarthy summarizes the matter in a general way at page 34 of the hearings. He says, speaking of the Crown lands, approximately 1,600,000 acres:

The income from those Crown lands in 1890 was \$50,000 a year, and many of the leases were made at a time when the lands were fit only for pasture and had very little value; but after 1876, when the reciprocity treaty went into effect, these pasture lands were then converted into sugar lands, so that the lands had a greatly increased intrinsic value. As an instance, the Crown lands on Kauai, 57,000 acres, were leased to one man at \$4,000 a year. The lease expires on the 1st of June this year. The lease was extended a year to enable them to take off the crop, and last year \$100,000 income was received from portions of the lands which they sublet, and they had a cattle ranch outside of that.

Mr. SHINGLE. I would like to amplify the governor's statement with reference to this piece of land the lease of which expires this year. I would like to put into the record that for this land there has been an upset price of \$5,000,000, or a rental price of \$250,000 a year. That is an upset rental that would be offered for this land.

Mr. DOWELL. Who gets this, the Government?

Mr. RAWLINS. The Government gets \$4,000 and the lessor \$100,000.

Mr. DOWELL. This is by lease which the Government made?

Mr. RAWLINS. And which has expired.

Mr. DOWELL. If the Government leases it, it will get what rental?

Gov. MCCARTHY. \$250,000 a year.

But, Mr. Chairman, I will not dwell further upon this phase of the subject, because I think that these disclosures have received the careful consideration of the committee, which will recommend a suitable means of dealing with these lands for the best interest of the Hawaiian people.

There is, however, a feature of this matter which concerns every household in the United States, which threatens the standards of American living and American institutions, and I feel it my duty to see that it does not pass unnoticed. The prophecy which the Hon. Randall Lee Gibson, of Louisiana, made upon this floor nearly half a century ago, that the plantation interests would turn these islands into an oriental colony, has been fulfilled. Note what the governor of the Territory has to say upon this subject at page 17 of the hearings:

Gov. MCCARTHY. The last official census was 1910. At that time the total population was 191,909, of which 29,099 were Hawaiians; part Hawaiians, 12,485; Portuguese, 22,294; Chinese, 21,698; Japanese, 79,663; Spanish, 1,962; Porto Ricans, 4,828; other Caucasians, 14,684; Filipinos, 8,196. The estimated population for the period ending June 30, 1919, was 263,666.

He also submitted a census table compiled last year showing how the population for 1919 was divided. It was as follows:

Hawaiians	22,600
Part Hawaiians	16,600
Portuguese	25,000
Chinese	22,800
Japanese	110,000
Spanish	2,400
Porto Ricans	5,400
Filipinos	22,000
All others	5,896
American, British, German, and Russian	31,000
Total	263,666

In this connection I think it well to reproduce an extract from a distinguished Federal judge, which the chairman had incorporated in the hearings:

The CHAIRMAN. In the Constitutional Review for January of this year, Judge William W. Morrow, judge of the United States circuit court of appeals for the district of which Hawaii is a part, has an article on "The Americanism of the Constitution of the United States," and in that article appears the following:

"When I was in Honolulu three years ago," which would be 1917, "it was represented that in 10 years the majority of the voting population of that Territory would be children of Japanese born in the Hawaiian Islands since they became a part of the territory of the United States in the year 1900, and that this voting population would naturally tend to the building up of Japanese political ideals in the Territory unless it is Americanized. I explained to those who brought the matter to my attention that the only remedy, it seemed to me, was to see to it that these Japanese children were thoroughly trained in our form of government and its political institutions; that they ought to be taught the fundamental principles of the Constitution of the United States and be made so familiar with them that they could declare, as aliens are now required to prove in order to become citizens, that they are attached to the principles of the Constitution of the United States and well disposed to the good order and happiness of the same.

"In this connection, I noticed in the public press a few days ago the following in the dispatches from Honolulu: 'Within 14 years Hawaiian-born Japanese will hold the political control in this Territory, according to the Rev. Umataro Okumura, a prominent Japanese clergyman, speaking at a church convention here. To prepare for the inevitable, declared the Rev. Mr. Okumura, it is essential that greater efforts be made to Americanize the younger Japanese who are growing into the franchise.' This was good advice, and that it is a matter of importance is apparent when we find that the estimated population of Hawaii on June 30, 1918, was 256,180," that is two years before your estimate, "an increase of 64,271, or 33.49 per cent, since the census of 1910. The population of the islands is divided as follows: Hawaiian, 22,850; part Hawaiian, 16,100; Portuguese, 24,250; Spanish, 2,270; Porto Ricans, 5,000; other Caucasians, 30,400; Chinese, 22,250; Japanese, 106,800; Filipinos, 20,400; all others, 5,560. The total number of births during the year was 9,204. The total number of pupils attendant on the public schools in the Territory on December 31, 1916, was 39,024. Of this number 14,440 were Japanese, 40,070 were Chinese, 1,795 were Americans, 3,914 were native Hawaiians, and 4,918 were part Hawaiians."

Of course, that may be the situation. If it is, it shows that over half of the population of the Territory of Hawaii are aliens ineligible to citizenship, and at the present time you are having a lot of trouble out there. The Japanese are striking on your sugar plantations and in other industries. The Japanese want more money than the planters and sugar mills want to give them. I understand that there is a proposition that 40,000 Chinamen should be imported into Hawaii to meet the labor situation. Of course, if you imported 40,000 Chinamen there would be simply 40,000 more ineligible to citizenship. I would like to see every Territory in the United States become a State when the time comes that it is eligible and qualified, and while you have the population necessary for a Representative in Congress and a few of the present States have been admitted with as small a population as you have at the present time, at least the population of those States is American, and in your Territory of Hawaii less than half of them are American citizens or eligible to become American citizens. Without

the law or the Constitution is changed, prohibiting children of aliens ineligible to citizenship from exercising the franchise—and it does not look as though it would be—in a few years the voting population of Hawaii will be in the hands of the children of aliens who are themselves not eligible to citizenship, and we would have created right in the middle of the Pacific a Japanese State ready made, for the use of the Japanese Government in case of trouble between the two countries. The orientals, having the voting strength in a few years, would naturally hold the offices were Hawaii admitted as a State.

How serious this matter has become, Mr. Chairman, is well illustrated by the remarks of Senator PHELAN, of California, on the floor of the Senate on February 27, 1920, when the naval bill was under discussion. I read from page 3578 of the CONGRESSIONAL RECORD, as follows:

There are now in the city of Washington the governor of the Hawaiian Territory and a delegation from the legislature, and I learn from them in conversation that the conditions in the islands are very critical; that there is a strike among the Japanese, who comprise one-half of the entire population of the islands; that there are 120,000 Japanese in the islands, and they are on a strike, and their consuls, it has been discovered, have agents in every camp who report to them. In order to make the strike effective notice has been sent out by the unions composed of Japanese that in case any Japanese refuses to join in the strike he shall be reported to the burgomaster of his native cantonment, or whatever political subdivision it is, in Japan; and great pressure, which seems almost to be of an official character, is put upon these men to join the strike—against whom? Against the white planters.

These Hawaiians say that the white planters will not yield. Already, they state, 14 cane fires have been started in the different plantations. They are using the method of sabotage and the destruction of property to bring about the accomplishment of their purposes; and I am told that a Japanese warship has just entered the harbor, ostensibly for the purpose of taking off Japanese who are willing to go back.

When the delegation that came here from Hawaii was not engaged in seeking relief from the vicious land system which has deprived the native population of its patrimony they were urging Congress to revise the labor laws in that oriental colony. And what form did their suggestion take; did it provide for Americanizing conditions on the plantations? No. Instead they asked that they be allowed to bring in a flood of Chinese coolies, so that they could play the Chinese against the Japanese. On page 40 of their hearings before the Senate Committee on Immigration they ask for only "a limited number of Chinese to come to Hawaii, not to live permanently but for a period of five or seven years"; but in the bill introduced by the Delegate from that Territory during the last Congress they are more specific. That bill reads as follows:

Whereas since the voluntary annexation by the United States of the Hawaiian Islands more than \$30,000,000 has been expended for Army, Navy, and harbor improvements to the end that the strategic key to the Pacific Ocean be made a safe base of military operation; and

Whereas there are now garrisoned in the Territory of Hawaii upward of 10,000 men in the Army, Navy, and Marine Corps branches of the military service; and

Whereas since the discontinuance of Chinese immigration the labor supply of the Territory has diminished to such an extent that large areas of lands, both public and private, suitable for the growing of rice, garden truck, and other edibles are now lying fallow, idle, and unimproved; and

Whereas the question of how to provision the Territory in the event of hostile demonstration against it has been carefully considered by the different commanders of the United States Army of the Department of Hawaii, efforts have been made to reestablish the planting of rice and other products on unemployed lands, but without success, because of the utter lack of suitable or available labor; and

Whereas there is no citizen or European labor available to relieve an acute and actual necessity, and without the improvement and cultivation of unemployed lands the scant food supply of the Territory of Hawaii, in the absence of a strong Pacific Ocean fleet, makes its 240,000 inhabitants early and easy prey to a blockading hostile fleet; and

Whereas the Chinese are the most skilled rice and garden-truck agriculturists now procurable; and

Whereas the condition obtaining in the Territory of climate, diversity of race, lack of skilled employment, complete isolation from the mainland, and noncompetition with either skilled or unskilled labor of the mainland, eliminate from serious consideration the many objections urged against general Chinese immigration; and

Whereas the admission of a limited number of Chinese laborers to the Territory of Hawaii upon such terms and conditions and under such special rules and restrictions as the Department of Labor might deem advisable would enable the Territory of Hawaii to plant and cultivate its unemployed lands in rice, garden truck, and other products, and thereby solve the now perilous food situation: Therefore be it

Resolved, That the Congress of the United States by apt legislation provide for the admission into the Territory of Hawaii from the Republic of China (without right to proceed to any other part of the United States), under such terms and conditions and subject to such rules and restrictions as it deems advisable, 30,000 Chinese laborers.

But Hawaii is not the only oriental dependency over which the American flag flies that is experiencing these troubles. Here is a cablegram that appeared in the New York Sun and Herald of Saturday, April 3:

FIGHT PHILIPPINE SALE TO JAPANESE—RESIDENTS IN RIZAL PROVINCE ENTER PROTEST.

MANILA, P. I., March 30 (delayed).

One thousand residents of Rizal Province, 20 miles from Manila, marched to Gov. Harrison's office here to-day and presented a protest against the sale of 10,000 acres of sugar-plantation lands to Japanese capitalists. The sale price was reported to be \$250,000.

The former owners of the land are in Spain. Tenants have been notified by the new Japanese owners that they must vacate the property. Manuel L. Quezon, president of the Territorial senate, told the protestants that the matter would be considered by the next legislature.

There have also been grave labor troubles on the plantations in Porto Rico, although the oriental question does not enter there. In fact, I am informed that on that island the plantations are almost entirely owned by white men, and that the conditions there somewhat approximate the conditions under which cane is raised in Louisiana. There are large plantations that grind their own cane and make their own sugar, and then there are numerous small holdings where the farmer raises his cane and sells it to the factory by the ton.

The continental sugar industry of America must not be destroyed. The cane crop of my section and the sugar-beet growers of the West constitute the continental sugar supply of these United States. We should never permit this industry to be destroyed, for, no matter what may become of all other sources of supply, this source is ever available to our people.

Sugar to-day is an essential in the life of the Nation. The catastrophe of the Great War practically destroyed the sugar-beet industry of Europe, and the islands surrounding America and ourselves were called upon to make good this deficiency. It is conceivable that a condition will arise under which sugar could not be imported from the islands, and then we would be dependent alone upon the sugar produced upon the continent.

Under normal conditions sugar can be produced much cheaper in the islands than it can upon the mainland. It can be produced, however, without violating the organic law of the land. It can be produced without making an oriental colony of any of these islands, and bringing the product of this coolie labor in direct conflict with the product of the free labor of the States. With this thought in view I introduced on May 19, 1919, H. R. 413, which reads as follows:

A bill (H. R. 413) to regulate the interstate commerce of articles produced in the Territories, Districts, and other subdivisions of the United States in violation of the land laws of the United States.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any person, partnership, or corporation organized under the laws of the United States, or of any State thereof, or of any foreign country that has acquired and holds real estate in contravention of the laws of the United States in any Territory, District, or other political subdivision of the United States, shall be prohibited from disposing through interstate commerce of the product of any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment conducted in conjunction with said real estate so unlawfully held.

The purpose of this act being that wherever land is held in these islands contrary to the organic law that the product thereof should not be permitted to enter into interstate commerce. My idea in introducing this act was to call attention to the very condition that has been brought out in the hearings before the Committee on the Territories.

Land in the Hawaiian Islands is being held by these great sugar corporations contrary to the organic law, in defiance of the statute, worked practically with slave labor, and the product is brought into the United States and sold in competition with the product of our free labor here; vast fortunes are being made by the exploiters and these fortunes are being made at the expense of the native Hawaiians and of the people of the United States.

Personally, I have no objection to any man or set of men accumulating money, but I protest when these fortunes are being piled up by the use of Asiatic labor, practically in a state of peonage, the natives being "carpetbagged" upon, and the life of the continental industry being threatened by and through such illegal and lawless acts.

If ever the American Sugar Trust, acting through its subsidiaries in these islands, is able to destroy the continental sugar producer, then, indeed, will they have the American people at their mercy, and they will be able to make them pay whatever they choose for this necessity of life.

The one safety for the American consumer is to see to it that the continental sugar industry is permitted to live. There are millions and millions of acres of land in these United States susceptible of growing sugar cane and sugar beets. These acres ought to be brought under cultivation, and the people owe it to themselves to so legislate in the future as to guarantee for all time to come that the American people will never be at the mercy of the Sugar Trust alone for their supply of sugar.

The Department of Agriculture has officially reported that there is an area of 274,000,000 acres of land that are adapted, both by climatic conditions and the nature of the soil, to the successful production of the sugar beet within our continental borders. Secretary Wilson, in submitting these figures, added that—

Of course, a large part of this area is now occupied by woodlands, permanent pastures, cities and villages, farm homes, roads, rivers, etc., and considerable areas are too rough or too swampy for cultivation.

It is neither possible nor necessary in this discussion to determine exactly what part of this area is at present actually improved. It is certain that the percentage of the cultivated ground is large and, moreover, that it is steadily increasing and will continue to increase so long as the density of population increases.

That prophecy of the Secretary has been abundantly fulfilled. He pointed out that at that time the average production of beet sugar per acre was 2,400 pounds, or about 1½ short tons. In the decade that has followed production per acre has increased to slightly more than 1½ short tons.

The Bureau of Crop Estimates reports that during the year 1919 only 692,455 acres out of the 274,000,000 acres of the soil that is suitable for the production of sugar beets was devoted to that industry.

It has been estimated that last year—1919—the total consumption of sugar in the United States amounted to 4,067,671 tons, and of this amount the beet fields furnished 872,253 tons and the cane fields of Louisiana, where there was the worst crop failure in the history of the industry, furnished, with the addition of the small Texas crop, 154,034 tons, making a total tonnage produced in continental United States of 1,026,287 tons, or approximately one-quarter of our consumption. There was brought in from Porto Rico, the Virgin Islands, Hawaii, and the Philippines 882,501 tons, and the remaining 2,159,883 tons were imported from abroad, principally from Cuba. There is an average of 225,000 acres of land in Louisiana devoted to the cultivation of cane for conversion into sugar, and that represents only a small part of the area that is available and would probably be planted to cane following the inauguration of a policy for the production upon the continent of our necessary supply of sugar.

The records of the Department of Agriculture show that the average of production from cane in this country is slightly in excess of a ton of sugar to the acre, although it may exceed that figure on some of the better managed plantations.

Sugar cane will grow in all parts of Florida, and in the section of that State below the frost line the sucrose content of the cane is equal or superior to that grown in Cuba. It is therefore safe to assume that should a settled policy with respect to the home production of our sugar supply be inaugurated the production of cane in Florida would in a short time equal the Louisiana crop.

It is easy to see, therefore, that there are ample cane and beet lands to supply our people with all the home-grown sugar necessary to meet their wants, and make them immune to the uncertainty of an overseas supply.

If the World's War proved any one fact more than another it was this: That the safety of a nation attacked lies in its ability to produce its food supplies within its own borders. And in no other article of food was this so clearly demonstrated as in the case of sugar. The Central Powers did not want for sugar when their people were suffering for almost every other item of food, because the governments of those powers had for many years preceding the outbreak of hostilities developed the production of sugar to such a point that they had all that was necessary for their people to consume and surplus stocks for export. But early in the war England and her allies began to experience the most acute sufferings because their sugar supplies were cut off, and as the war dragged on through the years that pinch for sugar was even felt severely in this country. The reason for this lay in the fact that nearly all of the supplies of England, France, Italy, and the countries that were allied with them, had to be imported from across the seas, and the German submarines sank many of those cargoes as soon as they entered European waters.

It will be remembered that almost all of the early cargo ships leaving this country that were destroyed either by submarines or by bombs concealed in the cargo were vessels that carried sugar from our own meager stock to England and France. But this was not the only difficulty with respect to obtaining sugar that the Allies had to contend with. While they were suffering acutely from the sugar shortage hundreds of thousands of tons were piled high in the warehouses of Java and other distant fields, but the journey to those places was too long to permit of vessels being sent to convey it to Europe or even to this country.

All available tonnage was required to transport troops, munitions, and necessary supplies to the battle fields, and the world had to witness the tantalizing spectacle of practically all of Christendom being placed on a meager monthly ration of sugar while almost unlimited supplies were available in the distant islands of the seas and in far-away tropical countries, but it was impossible to send the ships to those distant seas in order to secure it.

The cordon that was drawn around England by the German submarines, the daily sinking of cargo ships in the Irish Sea, the English Channel, and the other waters surrounding the

"tight little island" shows how absolutely impossible it is in this day of submarine warfare for any nation to depend upon overseas sources for its supplies of food in time of war. It is therefore, Mr. Chairman, no exaggeration to say that with our extended coast line and with our dependence upon far-away possessions and foreign nations for our supply of sugar, that should, by any unfortunate turn of circumstances, we find ourselves in the position that England and France have so recently occupied, we would, like them, suffer from an acute shortage of sugar just as they did. It is no far stretch of the imagination to anticipate such a situation in the present unsettled condition of world affairs, much as we all hate to think of it. It is therefore the part of wise statesmanship to guard against such a possibility by taking the necessary steps now in time of peace to inaugurate a policy that will enable us to grow, within our own borders a supply of this necessity of life that will be sufficient for our people should we find ourselves again at war. In doing this we will simply be following in the recent footsteps of those who have learned by experience, because as a result of the harrowing experience through which her people have recently gone, Great Britain has at last set about to establish in a serious way a policy of producing a home-grown supply of sugar in the British Isles. French statesmen and economists are also looking to the rehabilitation and expansion of the sugar industry in that country, and in fact, the leading men of all nations, as a result of the terrible experience through which the world has just passed, are seeking to develop this necessary crop in their lands.

I speak from the standpoint of a consumer and not a producer of sugar. I speak from the standpoint of one whose motives can not be assailed on the grounds of personal interest. I have not a dollar invested in the sugar industry either directly or indirectly.

I speak, however, also from a personal knowledge of the sugar section of my State, as I was born and raised in the largest sugar-producing parish in Louisiana. I know the troubles and the misfortunes of the people engaged in that industry. I know how they have had to fight their battles, not only against the forces of nature, and have had to face not only the normal vicissitudes of all agricultural pursuits, but in addition thereto have had to fight for their very existence against the machinations of the trust that would destroy them for its own purposes, but also they have had to bear the burden of hostile legislation in the past. Knowing this industry as I do, I say without any degree of hesitation that it is one of the great agricultural industries of this country worthy of your most serious consideration.

The future of the continental sugar producing is in your hands, and when the time comes for action on your part be not swayed by statements of temporary benefit, be not swayed by statements emanating from selfish sources, but approach the subject in the broad spirit of Americanism and do that which is best for all the people of America, remembering at all times that a constant supply of sugar is essential to the life of the Nation, and that to destroy the continental source of supply may under circumstances easily imagined deprive the American people of this prime necessity. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Ohio [Mr. BABKA].

Mr. BABKA. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. GOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Colorado [Mr. HARDY].

Mr. HARDY of Colorado. Mr. Chairman, we have passed another May Day without a serious outbreak on the part of the reds in this country, although there are many who would like to turn the day into a carnival of crime the world over and start the revolution.

However, the Bolshevik propaganda is getting in its work. You will hear a kind word for the experiment in Russia occasionally in almost any circle of society. You can hear the soviet rule heartily indorsed by some in all walks of life. You can find enthusiastic advocates of Bolshevism in this country if you care to look them up, and you need not leave Washington, D. C., to do it. And you may find some on the pay roll of the Government.

Bolshevik propaganda is being circulated in this country in large quantities and in unsuspecting ways.

The high-toned stuff finds its way to the Congressman's desk and into many offices and homes. It is well printed on good paper and carries the air of respectability. It talks of great business opportunities for capital in Russia. It tells little of bloodshed and revolution, but pictures the beautiful Utopia

which Bolshevism has given to the world in the shape of soviet Russia. It boasts of freedom and equality, of a Government that relieves the individual of all initiative and responsibility. It appeals to American manufacturers and capitalists to open up negotiations and reap a harvest, and offers an easy peace with all the world. This class of propaganda gets into our best magazines. An official soviet weekly journal of this high-toned class is circulated in this country—Soviet Russia.

Quite another sort of propaganda is being spread in other circles. It is the anarchistic, revolutionary, red ink stuff. It urges the proletariat to arise and conquer the world, to start the general strike, to end the capitalistic reign, to take over the property that is theirs. This sort of propaganda is circulated in the dark and in underground ways. It breeds discontent, strikes, riots, bloodshed, revolution, war. Such printed matter has been gathered up by the ton by secret service men. But meetings are being held regularly at which Bolshevism is preached openly. Societies are being formed, newspapers and magazines are published in the interest of revolution.

Of course this sort of talk is not new. Communism has been talked for a hundred years. Karl Marx was its leading advocate about 1847. The Marx theories have been advocated by Socialists in all civilized countries for 70 or 80 years. But about as far as this social revolution ever got, until recently, was the murder of some king, prince, or president by a crazy anarchist.

The people have become accustomed to the shrieks of the anarchist and they pay far too little attention to the dangers of the day. Russia is far away and the story of the red revolution reads like a story book—even like a Dickens or a Carlyle on the French revolution of another century. It does not sound like an affair of our day—so the majority of people give it little serious consideration.

I believe that the subject of Soviet Russia and her propaganda, as well as communistic activities in America, should be considered in every club, organization, and gathering in America. Let's look the question straight in the face.

If the majority of our people like the soviet system, it can be had peaceably. If we don't like the "dictatorship of the proletariat" let's combat it at every turn of the road. Let's stamp out red Bolshevism in the United States.

In times past we have had only the wild theories of imaginative writers to consider. We could look only on dream pictures of communistic utopias.

But to-day we have before us a living—or dying—example of the real thing. We can look at and analyze and study a great country ruled by communists-bolsheviki. A practical example of the dictatorship of the proletariat. In his wildest dreams Karl Marx could not have drawn up a system of government more to his liking.

In our study of soviet Russia, fortunately we do not have to depend upon newspaper reports alone for our information. The United States Senate has held several notable investigations which have brought out much reliable information about soviet Russia and Bolshevik propaganda in the United States. Several thousand pages of hearings have been printed and you can read what people have to say of it under oath. Many of those who testified in these hearings have been identified with the Bolshevik government of Russia. You can take their testimony alone and draw a pretty good picture of soviet Russia and the red rule.

A few facts stand out prominently in this Russian Bolshevik experiment.

The Government is what Lenin has tried to make it—a dictatorship of the proletariat. It is run by and in the interest of the propertyless class.

The incidents of the several revolutions leading up to the present dictatorship are history that will be read with increasing interest as the years go by.

The reign of terror which accompanied the establishment of this dictatorship and placed at the head of this great crumbling nation this pair of political pirates, anarchistic fanatics, is more or less known and may be passed over here. The fact that between 50,000 and 100,000 people of the property-holding class were murdered in cold blood and that perhaps 1,000,000 others have been driven from the country is a mere incident in the revolution, and perhaps has been found necessary in the process of making Russia safe for this new form of autocracy.

The interest Germany has shown in aiding Lenin in his work of establishing his new government is of little importance in this discussion.

So we will pass over these disagreeable scenes and take a close-up view of the Russian Social Federal Soviet Republic, as it is officially called, and see how we like it and how the system would work out if adopted in our own country.

The term Bolsheviks is merely the name of the political party which is now in control of affairs in Russia.

Soviet is the name used for council, legislature, congress.

A committee called the soviet controls the affairs of the factory, mine, bank, or store. A body of men called the soviet make and administer the laws for a village, a city, a county, a Province. The All-Russian Congress of Soviets is the national body. This body is composed of about 1,500 men. It meets every 3 months for a session of 10 days or 2 weeks. It passes upon all the decrees and orders and laws made by the executive committee. This national body is too large for working purposes, so from it is selected an executive committee of from 200 to 250. This body assumes the function, more or less, of our own National Congress. The executive committee selects the cabinet, composed of 18 members, each the head of a department. The cabinet has large powers. Lenin and Trotski are members of the cabinet, Lenin being premier and secretary of foreign affairs; Trotski is secretary of war and head of the army.

In our own country it is a well-known fact that every American citizen has a vote for every officer elected, from alderman up to President. But if the United States were being operated under the soviet Russian constitution, your voting privilege would work out about like this:

You as an individual would vote for your town councilman or city alderman, and then you would go back to work and forget about your government. It would take care of itself as it does in this free (?) country of boasted equality—Russia.

Members of the city or town council would select the members of the State legislature. The State legislature would select the Members of the National Congress. The National Congress would select its executive committee of 250. The executive committee would select the Cabinet of 18. The Cabinet would be dominated by the premier, probably, and he would run your Government for you. That is about the way it is worked out in the constitution of soviet Russia.

I believe I said that you would have the pleasure of voting for members of your town or city council or soviet; but let us see if you would if the Russian plan were carried out in our country.

In Russia everybody, men and women, 18 years old and over can vote, EXCEPT—and I quote from the constitution:

"Persons using hired labor for the sake of profit.

"Persons living on unearned increment, such as interest on capital, income from industrial enterprises, and property, etc.

"Private traders, trading and commercial agents.

"Monks and ecclesiastical servants of churches and religious cults.

"Employees and agents of the former police, of the special corps of gendarmes, and of branches of secret police department, and also members of the former reigning house of Russia.

"Persons duly recognized as mentally afflicted or insane, as well as persons placed in charge of guardians.

"Persons sentenced for crimes of speculation and bribery to a term fixed by law or by a judicial sentence."

Examine that closely and see if you could vote. In my district it would cut out a good many of the leading citizens in city, village, and in the farming districts.

In Russia the great majority of the people live in the country on farms. So, to make it absolutely certain that the workmen of the industrial centers may have a majority of the Congress, representation is based on this apportionment—one member in the rural districts for each 125,000 people and in the cities and industrial cities one member for each 25,000 people. That is, a voting worker in a factory town is as good at the polls as five peasants on the farms.

So much for the form of government. What has this dictatorship of the proletariat done for the people?

It has nationalized the lands.

No one can own any land in Russia. It is all owned by the State. The town houses are divided up among the officeholders and poorer people by the local soviet and the farm lands are parceled out among the farmers by the rural soviet. No man can have more land than he can work himself. He can not employ farm help. He may work his parcel of land so long as the soviet permits him, and when he is too old longer to produce a crop he is removed to the town's poorhouse or given a pension.

It has nationalized railroads, manufacturing plants, banks, insurance companies, newspapers, mines—all industries, in fact.

It has not exactly nationalized women, but its marriage laws are a joke, and it is as easy to get married or get a divorce in Russia as it is to pay a dog tax in our country.

After several weeks of hearings, in which some strong friends of the Bolsheviks testified and defended the system, the Senate

committee published a report, in which it set forth briefly and in short paragraphs just what Bolshevism had accomplished in Russia and what it would mean to this country if it got a hold here.

Here are the conclusions of the Senate committee:

WHAT BOLSHEVISM HAS ACCOMPLISHED IN RUSSIA AND WOULD DO TO THE UNITED STATES.

"1. The repudiation of democracy and the establishment of a dictatorship.

"2. The confiscation of all land and the improvements thereon.

"3. The confiscation of all forests and natural resources.

"4. The confiscation of all live stock and all agricultural improvements.

"5. The confiscation of all banks and banking institutions and the establishment of a State monopoly of the banking business.

"6. The confiscation of all factories, mills, mines, and industrial institutions and the delivery of the control and operation thereof to the employees therein.

"7. The confiscation of all churches and all church property, real and personal.

"8. The confiscation of all newspapers and periodicals and all mechanical facilities and machinery used in the publication thereof.

"9. The seizure and confiscation of all public meeting places and assembly halls.

"10. The confiscation of all transportation and communication systems.

"11. The confiscation of the entire estate of all decedents.

"12. The monopolizing by the State of all advertisements of every nature, whether in newspapers, periodicals, handbills, or programs.

"13. The repudiation of all debts against the Government and all obligations due the non-Bolshevist elements of the population.

"14. The establishment of universal compulsory military service, regardless of religious scruples and conscientious objections.

"15. The establishment of universal compulsory labor.

"16. The abolition of the Sunday school and all other schools and institutions that teach religion.

"17. The absolute separation of churches and schools.

"18. The establishment, through marriage and divorce laws, of a method for the legalization of prostitution, when the same is engaged in by the consent of the parties.

"19. The refusal to recognize the existence of God in its government and judicial proceedings.

"20. The conferring of the rights of citizenship on aliens without regard to length of residence or intelligence.

"21. The arming of all so-called 'toilers' and the disarming of all persons who had succeeded in acquiring property.

"22. The discrimination in favor of residents of cities and against residents of the rural districts through giving residents of cities five times as much voting power as is accorded to residents of rural districts in such elections as are permitted.

"23. The disfranchisement of all persons employing any other person in connection with their business.

"24. The disfranchisement of all persons receiving rent, interest, or dividends.

"25. The disfranchisement of all merchants, traders, and commercial agents.

"26. The disfranchisement of all priests, clergymen, or employees of churches and religious bodies.

"27. The denial of the existence of any inalienable rights in the individual citizen.

"28. The establishment of a judicial system exercising autocratic power, convicting persons, and imposing penalties in their absence and without opportunity to be heard, and even adopting the death penalty for numerous crimes and misdemeanors.

"29. The inauguration of a reign of fear, terrorism, and violence."

Of course the dictatorship of the proletariat was first established by the sword and bayonet, and is maintained by the red army. Mr. Lenin, the dictator, who has long been a disciple of Karl Marx, had the opportunity of writing the laws for this new communist government without much interference from parliamentary bodies. The constitution and laws are the work of idealists—dreamers.

Russia is to-day as nearly a perfect communist government as its leaders can make it. There she stands in all her misery, that other nations may look upon her and see how they like the sample.

In the past we have had only the glowing pictures of Utopian dreams drawn by imaginative writers to contemplate. But to-day we can look at starving Russia, a country of extensive domain and 180,000,000 people, absolutely governed, controlled, and dominated by communists.

What would the communists, or Bolsheviki, or the I. W. W. do to this country if they ever got control?

Well, there is Russia. You can see what they have done to her. They would undoubtedly endeavor to do as much for us.

I do not think for one single minute that Bolshevism in any form will ever get control in this country.

But the reason that it will not is no fault of its friends. The reason is that the common people of America are wise, intelligent, and are on guard.

However, Bolshevism, now sulking in the dark in America, may show its head some unhappy day. That it has many supporters in America this very day is a well-known fact.

I have heard a United States official who had been in Russia say that there were more real Bolshevists in the United States to-day than there are in Russia. He estimates that there are no more than 300,000 real, sincere Bolshevists in Russia, and that these 300,000 rule that country through the red army and the red terror. He estimates that there are at least 300,000 Bolshevists in the United States.

The Senate hearings brought out some interesting things, showing the close relationship between the Bolshevists of Russia and the United States. Albert R. Williams, a communist back from Russia, stated that there are 100,000 people in Russia who have lived in the United States and at least 5,000 of these are connected with the soviet government. He said that you can go into a soviet meeting anywhere in Russia and ask for some one who can speak English and you will find one or more persons who have been in this country and have returned to Russia. Strange to say, these folks have not carried back to Russia an exalted opinion of our form of government. Mr. Williams says that the soviet form of government, so far as it originated in the mind of one man, was planned by an American, Daniel de Leon.

Others have testified that there are 500,000 Russians in New York City to-day and many of them are Left Wing Socialists and communists. The Federation of Russian Workers in America is made up of various unions and organizations of Russian workers. These people are practically all communists. They are all in hearty sympathy with Bolshevik Russia.

John Reed, well known in Colorado for his radical publicity during the coal strike in 1914, testified before this committee that he had been in Russia several times, had aided the Bolshevik government in its propaganda, and had interpreted into English many of the decrees used at the hearings. This same John Reed was in Chicago as late as August 31, 1919, when he helped to organize the Communist Labor Party of America. Reed has since returned to Russia.

Ludwig C. A. K. Martens, duly appointed "representative in the United States of the Russian Socialist Federal Soviet Republic," has given some interesting testimony before a Senate committee. Since January, 1919, he has maintained official headquarters in New York and Washington. He has an admitted staff of 35 people, most all communists of more or less note. He contends that his chief business in America is to encourage trade with Russia. But he has spoken before many of the most radical societies in New York and elsewhere, has contributed to the radical press, and has been in close touch with many of the radicals in and out of jail in this country.

Couriers pass back and forth between soviet Russia and America carrying money and messages to and reports from Mr. Martens.

Every now and then Lenin issues a broadside to his comrades in America urging them to arise and take possession of the earth—which is theirs.

In Russia the Bolshevik propaganda ran something like this: To the soldiers: "You want peace; that is simple—shoot your officers and go home."

To the peasant: "You want the land; there it lies—the estates of the landed proprietors and the former Czar. Take the land; it is yours."

To the workmen in factory and mine: "Take possession of the land and its product; operate it to your own profit; it is yours."

These admonitions are not far different from many heard by the radical leaders of disorder in our own land.

Russian Bolshevism, with all its agencies and supporters in America, will make little headway as such.

But we should not shut our eyes to the real danger of serious trouble from the radicals in this country.

The great majority of the members of organized labor in this country are not Bolshevists nor communists and do not believe in abolishing personal-property rights. All labor, organized and unorganized, is anxious, of course, to improve wages and living conditions, which is certainly a recognized right.

I believe that the majority of the leaders of the labor-union movements in the country are loyal to the country and are opposed to communism.

But working within many of the unions are men who are openly seeking to disrupt the unions, openly espousing the cause of the various revolutionary programs, and active in their efforts to start the general strike. Wherever a strike is called that bids fair to amount to anything, you find these men and the evidence of their work. It was so in Winnepeg, in Seattle, in the coal strikes, in the recent steel strike, and most apparent in the present outlaw railroad strike.

Fortunately for them, these men do not all write out their thoughts and plans. But some do, and the hearings before the Senate committee contain many pages of incendiary literature put out by these men and their organizations.

One strike leader, whose name has been much in the papers recently, wrote a book a few years ago, which, I dare say, he now wishes had never been put into print, for it rises up to haunt him wherever he starts out to conduct a modern strike in an orderly (?) way. I refer, of course, to William Z. Foster, who, in conjunction with Earl C. Ford, issued a book on Syndicalism in 1912.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HARDY of Colorado. Yes.

Mr. BLANTON. The gentleman speaks of "an orderly strike conducted in a modern way." I want to ask him if there is any such thing as "an orderly strike in a modern way"?

Mr. HARDY of Colorado. I will say to the gentleman that I will insert a question mark after the word "orderly" when I revise my remarks for the printer.

Mr. BLANTON. That will be better, then.

Mr. HARDY of Colorado. Mr. Chairman, I would like to read to the committee what Mr. Foster says, but I shall not in order to save time, but I would like to ask unanimous consent to extend my remarks by inserting his statement.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

Mr. HARDY of Colorado. Mr. Foster was a free lance for a while, but more recently announced the policy of "boring within" the regular unions as the best way to make progress.

There is much in Mr. Foster's little book that would be illuminating to you gentlemen, showing the viewpoint of a bunch of agitators working in the name of labor before the name Bolshevik became a household term. But all I can take time to read you is a part of the chapter on "The general strike."

Mr. Foster says of the purposes and operation of

"THE GENERAL STRIKE.

"By the term 'general strike,' used in a revolutionary sense, is meant the period of more or less general cessation of labor by the workers, during which period the workers by disorganizing the mechanism of capitalist society will expose its weakness and their own strength; whereupon, perceiving themselves possessed of the power to do so they will seize control of the social means of production and proceed to operate them in their own interest instead of in the interest of a handful of parasites, as heretofore. The general strike is the first stage of the revolution proper.

"The everyday tactics of the workers strongly indicate the truth of the conclusion that they will expropriate the capitalists as soon as they learn they have the power to do so. In their daily strikes they pit their strength against that of their employers and wring from them whatever concessions they can. They do not remain long content with these concessions, and as soon as they are able they proceed to win more. They are insatiable, and when the general strike proves their ability to do so they will have no scruples against expropriating the capitalists. This expropriation will seem the more natural to them then, as they will be fortified by the syndicalist conception that the capitalists are thieves and have no 'right' to their property.

"The wealthy capitalists themselves will also need generous guards.

"Syndicalists in every country are already actively preparing this disorganization of the armed forces by carrying on a double educational campaign among the workers. On the one hand they are destroying their illusions about the sacredness of capitalist property and encouraging them to seize this property wherever they have the opportunity. On the other they are teaching working-class soldiers not to shoot their brothers and sisters who are in revolt, but, if need be, to shoot their own officers and to desert the army when the crucial moment arrives. This double propaganda of contempt for capitalist property 'rights' and antimilitarism is inseparable from the propagation of the general strike.

"In all probability the general strike, at least in its incipient stages, will follow the course that any number of modern great strikes have taken. Only a small part of the workers



will be organized. This organized fraction, under some strong stimulus, will provoke a great strike; vast masses of unorganized workers seeing an opportunity to better their conditions and caught in the general contagion of revolt will join the strike, organizing themselves meanwhile. The strike will spread, society will be paralyzed, and the revolutionary workers, perceiving their power, will proceed to put an end to capitalism.

"The success of the general strike does not necessitate the voluntary striking of every worker. Modern industry is so delicately adjusted and the division of labor so complete that if the bulk of the workers in a few of the so-called strategic industries—transportation, coal mining, steel making, etc.—quit work the rest of the workers would be forced to do likewise through lack of materials and markets for their products. No doubt the workers forced to quit thus, who would be mostly unorganized, unskilled, and the oppressed of the oppressed, would readily fall in with the program of the revolutionists once the general strike was well under way."

I could read you pages of modern hair-raising stuff from notorious citizens such as Morris Hillquit, who came near being mayor of New York City, Bill Haywood, Vincent St. John, and John Reed, all three of whom are well known in Colorado, and from the platforms of the Communist and Socialist Parties, the constitution of the I. W. W., from the propaganda of the communist socialist federations, and other radical societies in the big cities to show you that the manifestoes of Lenin and Trotsky have nothing on some of our own radicals for sheer anarchy, except that the pronouncements of the two notorious Russians have the effect of law, but the limit on my time forbids.

Out in the country, where the questions of capital and labor are discussed, the term capitalist is wrongly construed as meaning some imaginary individual who has accumulated or inherited millions or billions of dollars. He is far away in the dim distance and the extermination of his race would mean little inconvenience to most of our people.

But the fight of the Bolshevik, the syndicalist, the I. W. W., the communist, the radical, is not directed exclusively against such. It is directed against and would overthrow the system of property ownership, the system by which you have saved up enough money from your work to buy a home which you hope to leave to your son or daughter, by which through thrift, hard work, and enterprise you own your farm, or your store, or your little shop, or stock in the local canning factory, or flour mill, or mine, or oil well, or bank. The new order of things would confiscate your savings-bank deposits, your insurance policy, your investments, your Liberty bonds. It would put the thrifty farmer, the ambitious working man, the successful merchant, on a level with the tramp, the sluggard, the shiftless, the rowdy.

In theory it would do all that.

In the light of practical experience of the recent past, as well as of all ages, the revolution or the general strike would turn government into chaos, in which the dictatorship of brute force would take the place of law and reason.

Never in the history of all the world has civilization risen so high as it has in this country this very year, and never has the opportunity been so great for the boy of lowly birth. Never has the working man of any country in any age been so liberally rewarded, nor has he been able to enjoy so many of the luxuries of life, as he has in America in recent years.

The man who labors and who would have his loved ones about him in his own home, ambitious for their future opportunities and happiness, should consider well before he lets the seed of discontent sowed by the apostles of darkness take lodgment in his heart. [Applause.]

In their own interest union men should purge their unions of the syndicalist, the I. W. W., and the advocates of the general strike, and laboring men of all classes should cling to the liberties guaranteed by the Constitution.

All liberty-loving men and women in America are proud of their country and their Constitution, the greatest document of its kind ever written by man, and should aid in every lawful manner to rid the country of those who preach confiscation and violence and would overthrow the Government by force.

As for Russia, she will in time right herself. Either the people will rise and overthrow the usurpers of authority now in control or the present ruling class will grow conservative and rewrite the laws in an effort to keep possession of the lands and wealth they have stolen from others.

It was ever thus—the easiest way to keep an anarchist from burning down the town is to induce him to buy a home in the town. A Socialist with two pigs does not believe in dividing up the pigs. America's safeguard is in her great body of home-owning people. Our greatest weapon of defense against bolshevism and kindred ills is to keep wide open the doors of opportunity.

At the same time we should close our gates to the aliens who would come here to preach violence, anarchy, and revolution; and the citizen who advocates sabotage, the "general strike," syndicalism, and revolution, individually or in the name of some radical group or organization, is no better than a common criminal and should be treated as such. [Applause.]

Poor Russia! It matters not what circle of society you move in, nor how you earn your daily bread, the more you look into Soviet Russia the more thankful you will be that you live in America, and the more anxious to keep America clean. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. CASEY].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 30 minutes.

Mr. CASEY. Mr. Chairman, the hour is getting late, and having no desire to intrude upon the time of the House any more than it is necessary, I therefore ask unanimous consent to be permitted to revise and extend my remarks.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. CASEY. Mr. Chairman, we have now under consideration the sundry civil appropriation bill, the last of the great appropriation bills to be considered by the House during this session. I would not take the time of the House at this time were it not for the fact that the very distinguished gentleman from Iowa [Mr. Good], chairman of the Committee on Appropriations, recently made two statements with which I can not agree and which I feel should not go unchallenged. First, he stated that because the Committee on Appropriations had refused to appropriate the full amounts estimated by the several departments that the Committee on Appropriations, which is in the control of the Republicans, had thereby saved the taxpayers in round figures about \$1,500,000,000. If the reasoning of the gentleman from Iowa [Mr. Good] should be followed to its logical conclusion, then the Democrats are entitled to credit for saving to the taxpayers of the country during a recent session of Congress, when they were in control, between five and six billions of dollars, this being the amount they had cut from the estimates of the several departments. The other statement is this—and I quote from the CONGRESSIONAL RECORD of May 1, page 6413. In the discussion of the reduction of expenses Mr. Good said:

In making these reductions the several appropriation committees of Congress have not been unmindful of the needs of the various branches of the Government service. The reductions will not prevent the healthful and vigorous functioning of every needed governmental activity.

For about a quarter of a century the laboring people of the United States had been advocating the creation of a Department of Labor, with a Secretary as a member of the President's Cabinet. The Congress of the United States, believing that this was a proper thing to do, finally enacted a law creating the Department of Labor, and the Hon. W. B. Wilson, a former honored and distinguished Member of this House, was appointed by President Wilson as the first Secretary of Labor.

As I sat here during this Congress I have wondered why the appropriations to the Department of Labor have been cut to the bone by the Committee on Appropriations. I never knew the reason until the chairman of the committee told the House the other day that the Department of Labor was not "a needed governmental activity." Some of us have had our suspicions as to why these appropriations had been cut, but never did any Member of this House on either side of the aisle, nor did any person occupying the high, responsible position of chairman of the Committee on Appropriations intimate, if not directly charge, that the Department of Labor was not "a needed governmental activity."

I received on last Friday afternoon a letter from a man by the name of Williams, a representative of the Machinists' Union, residing in Allentown, Pa., in which he claimed that because of the cut made in the appropriations to the Department of Labor a man by the name of Angelo, unknown to me, was compelled to discontinue his activities as administrator of an award made by the National War Labor Board in a decision rendered by that body in the case of the Bethlehem Steel Co. against their employees, and that because of this fact in all probability the employees, who had honestly earned this money and which rightfully belonged to them, may be deprived of about one million and a half dollars in wages earned during the war.

I went to the Department of Labor on Saturday last to see if the statements contained in that letter were correct. I could hardly believe that such a condition could exist. I talked with the chief of the conciliation division in the department, and he informed me that the statements made by Mr. Williams were

correct. I asked him if it were not possible to find enough money to pay the wages of this man until this award had been administered, and he said he was very sorry to be compelled to say no, that this could not be done.

The importance of this matter may appeal to the Members of the House, even though it does not appeal to the members of the Committee on Appropriations, when you understand that the War Department and the Navy Department have officially accepted this man as an official representative of the National War Labor Board and have agreed to recognize him as a person who has the right to certify to these departments the amount of money due the men working in the Bethlehem Steel plants. Of course, the Machinists' Union could pay this man his salary. Outsiders who want to see justice done those employees could pay his salary. But neither the War Department nor the Navy Department would be justified in accepting a certification made to it for the payment of Government funds by an interested party or by a party whose salary was paid by any other than the Government of the United States.

I asked the man in charge of the Division of Conciliation if it were not possible that some other commissioner of conciliation be assigned to this work. I was informed that this could not be done, because this man had laid out the plans for this investigation; he had already prepared a partial report, as I understand it, and it would be impossible for a new man to go in there and take up this work at this time; and to my great surprise I was further informed that notwithstanding all of the unrest throughout the country, which we hear so much about on this floor day in and day out, that already the department had been compelled to furlough a number of its commissioners through lack of appropriation, and that unless something unforeseen happened the Secretary of Labor would be compelled to lay off every commissioner of conciliation the first week in June and wait until the appropriations for this work are available at the beginning of the next fiscal year on July 1.

It may be, as stated by the chairman of the Committee on Appropriations, that this is not "a needed governmental activity," but I want to say to you, my colleagues, that I know of no department of the United States Government, nor do I know of any branch or division of any of the departments of the United States Government, that are as essential to the welfare and well-being and the stabilizing influences of the country as the Department of Labor and its Division of Conciliation. [Applause.]

Mr. GOOD. Will the gentleman yield?

Mr. CASEY. Yes.

Mr. GOOD. Does the gentleman mean to say there were any estimates in this bill for the commissioners of conciliation in the Department of Labor?

Mr. CASEY. No, I do not; but I do deny the statement of the gentleman from Iowa when he says that in making these reductions the several appropriating committees of the Congress have not been unmindful of the needs of the various activities of the Government service, and that the reductions will not prevent the vigorous functioning of every needed governmental activity.

Mr. GOOD. The gentleman is aware of the fact that the transportation act very largely relieved the commissioners of conciliation of all their activities with regard to disputes in transportation companies?

Mr. CASEY. The gentleman from Pennsylvania is not aware of anything of the kind; neither is the gentleman from Iowa aware of anything of the kind, because it is not so.

Mr. GOOD. Does the gentleman mean to say that the transportation act did not provide for a labor board to adjust those disputes?

Mr. CASEY. I mean to say it does provide for such a board, and I mean to say also that you carry in this very bill now under consideration an item for the Board of Mediation and Conciliation on railroad matters, which is entirely separate and apart from the Division of Conciliation in the Department of Labor.

Mr. GOOD. I will say to the gentleman that the board recently appointed by the President under the provisions of the transportation act have lately applied for an appropriation of \$400,000 for next year, claiming that they would take over all the work of the Board of Mediation and Conciliation of the Labor Department so far as disputes in connection with railroad and transportation companies are concerned.

Mr. CASEY. Of course, the gentleman from Iowa, chairman of the committee, knows that the board recently created by the railroad act can not take from the Secretary of Labor the right as provided for in the organic act creating the Department of Labor, which makes the Secretary of Labor a commis-

sioner of mediation and conciliation. The gentleman knows that the only work this new labor board will take over will be the mediation and conciliation work of that particular branch of the Railroad Administration with which the Department of Labor had nothing to do. They had their own mediators and conciliators. The great difficulty about this whole matter is that either those who are charged with the responsibility of making proper appropriation for this work do not understand or they do not want to understand what the proper functions of the Department of Labor are and its proper activities.

I want to say to you frankly that I have no desire to be understood as in any way attempting to make a partisan speech on this matter. I am only interested in seeing that justice is done to this department that represents the wage earners of the land. Money can be appropriated by the millions and hundreds of millions to the Department of Justice and to the War Department to put men in jails and penitentiaries, and to shoot them down if they go on strike, but no money can be appropriated for the legitimate activities of the Department of Labor, whose function and duty it is to prevent those strikes. [Applause.]

There are two schools of thought on this question in this country. One is to put the fear of might into the hearts of the workers, the Prussian system; and I am sorry to say that I am afraid that that line of thought is making too much progress in this land of ours to be advantageous to it.

The other school of thought is that we should by education, mediation, and conciliation prevent those industrial conflicts as far as it is possible to do so, and there is not a governmental activity of the United States that has the right under the law to take up these matters other than the Division of Conciliation in the Department of Labor.

I also hear much said about our immigration officials, about the reversal of some decisions rendered by commissioners of immigration, by the Assistant Secretary of Labor. I know nothing about the merits of these controversies. I do not know whether the Assistant Secretary of Labor is justified in his position or not, but I do know that the laws of the land provide that the commissioners of immigration shall be appointed by the President by and with the advice and consent of the Senate.

I also know that because of a lack of appropriations by this Congress to the Division of Conciliation of the Department of Labor these responsible commissioners of immigration have had to leave their official stations and go out through the land acting as commissioners of conciliation in an effort to try to keep down this industrial unrest that we have so much of throughout the country. I also know that the assistant commissioners of immigration have been compelled to leave their stations and go out and act as commissioners of conciliation, because of a lack of appropriations by this Congress to the Division of Conciliation in the Department of Labor. I do not say that it is a fact, but it is just possible that because of your failure to appropriate properly for the Division of Conciliation in the Department of Labor you have made it necessary for these responsible commissioners of immigration and assistant commissioners of immigration to leave their posts and go out and try to keep down the unrest and to settle these strikes that come up from time to time; it is just possible you have contributed more to this mix-up in the Bureau of Immigration than anybody I know of. But I hear men talk on this floor about labor and about the Department of Labor.

Those labor baiters and labor haters who abuse the high privileges of their responsible position on the floor of the House of Representatives by their actions are creating more socialists, I. W. W.'s, bolshevists, and anarchists than all the propaganda these people could spread throughout the country. [Applause.]

Congress should be legislating in the interest of the people and stop playing politics with this all-important labor question. It may be that men who have never had any training in or dealings with the labor movement of the country are better qualified to speak in its behalf than they are themselves. It may be that the man who is so obsessed with himself and with the opinion that the Congress of the United States should be used to crush and destroy the American labor movement is a better judge of what should be done for these people than they are; but I doubt it.

Woe be the day when those in this Congress and out of it who are seeking to destroy the American labor movement succeed. Once you destroy the militant, well-disciplined organization of wage earners of the United States, you are then inviting conditions similar to those in Russia that we hear so much about on this floor.

We are asked to appropriate millions and hundreds of millions of dollars for the Department of Agriculture, and I am satisfied that they should have every dollar that they can legitimately use.

But there seems to be a difference of opinion in the minds of some gentlemen on the floor of this House as to the advisability of taking care of the children of the land, the men and the women who produce the wealth of the land, and the animals on the farm. I am not going to take up the time of the House by discussing that phase of it, only to say that when you let the men and women who produce the wealth of this land of ours understand that the cattle in the fields are entitled to more consideration than they are, you will then be doing something that, in my judgment, is very dangerous and may come back to plague you.

Who uses this Division of Conciliation that we speak of? Is it a labor-organization institution? Do the employees approve of it? Do the employers approve of it? Do the civic bodies, such as the chambers of commerce and other similar activities, approve of the Division of Conciliation? I am not going to take the time to read the indorsements received from the large employers of the country. But I do want to say to you very frankly that there are large employers who are Members of this House who can testify to the efficiency and good work being done by the commissioners of conciliation of the Department of Labor. I have heard a great deal said by men who knew absolutely nothing about what they were talking, that the Department of Labor is a labor union organization; that the commissioners of conciliation go out and organize the workers into labor unions; and that they sandbag the employers into giving the employees an increase of wages and better conditions. I am not ready to say, because I do not know, whether there ever has been a man connected with the Division of Conciliation in the Department of Labor who has done those things, but if there is such a person in the Division of Conciliation at the present time, no man in this House will do more to remove him from his position than I will, because that is no place for such a person.

Much has been said because some of these men are union men. They must be union men to some extent, because if they were not they could not get into the meetings of the labor organizations, nor would many of the labor organizations have any confidence in them. Many of the commissioners of conciliation are employers, and necessarily so, because many of the employers of the country will not meet with or transact business with a man who is a member of a labor union. The Secretary of Labor in his wisdom has selected as commissioners of conciliation men representing both side of the labor question. The commissioners of conciliation, in my judgment, are doing more to eliminate the industrial strife that we have in this country than any other governmental activity connected with the Government.

We hear much also about the Americanization of American workmen. We are being called upon to spend hundreds of millions of dollars for a campaign of that character. The American workingman and the American working woman need no Americanization from the people who are preaching that propaganda. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BYRNS of Tennessee. I yield to the gentleman five minutes more.

Mr. CASEY. Now, Mr. Chairman, in the few moments that I have I want to say to you frankly that in my judgment the best thing that this Congress can do and the succeeding Congresses can do is to recognize that the workers of the land have a right to organize into labor unions if they so desire; that the principle of collective bargaining should be recognized, because just as long as Congress and Members on this floor preach the doctrine that the employers have the right to organize and the right of collective bargaining, and the right to be represented by lawyers and others, and undertake to deny that same right to the workers of the land, you are doing something which, to say the least, will not be advantageous to the country. I have a telegram which I received from Mr. John L. Lewis, president of the United Mine Workers of America, in which he says:

I am advised that Appropriation Committee in House has reduced appropriation for conciliation division, Department of Labor, to \$100,000. I have in mind that the Department of Labor through this division is exercising a stabilizing influence in industry which can be effected in no other way. It is my sincere judgment that \$100,000 is insufficient, and that a substantial service to the country can be rendered by increasing it.

It may be that men like Mr. Lewis, who is representing probably five or six hundred thousand miners of the country, do not understand these economic questions, but here is his telegram, and I want to say that the sentiment expressed in that telegram is the sentiment of all of the men at the head of those great labor organizations, and is the opinion of a great many of the manufacturers of the country. It is the opinion

of almost every person who has given any thought to this question.

I also want to say that I believe Congress can do no greater service to the country than by seeing to it hereafter that the appropriations for the Department of Labor and the Division of Conciliation are sufficient for them to carry on their work.

Another thing I want to impress upon you is the importance of granting sufficient appropriations to the Bureau of Labor Statistics.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. CASEY. Yes.

Mr. WALSH. Will the gentleman state in what measure or in what particular Congress has established its refusal to recognize the principle of collective bargaining?

Mr. CASEY. I do not say Congress, by action; I said the Members of Congress, preaching on the floor.

Mr. WALSH. So that was not directed at any legislative action?

Mr. CASEY. Oh, no. I clearly stated that—at least I so intended to.

Mr. WALSH. I misunderstood the gentleman.

Mr. CASEY. I had in mind when I made the statement the Clayton Act.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BYRNS of Tennessee. I yield one minute more to the gentleman.

Mr. CASEY. In conclusion, I want to add that it is important also that sufficient appropriation be given to the Bureau of Labor Statistics, because that is the only bureau of the Government that works out the increase in living costs and the wages and working conditions in industry. It is the only responsible activity of the Government where the workers and the employers alike can go and get an unbiased and authentic statement as to the facts. [Applause.]

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13870, the sundry civil appropriation bill, and had come to no resolution thereon.

#### LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. LANKFORD, indefinitely, on account of sickness.

To Mr. WINGO, for to-day, on account of illness in his family.

To Mr. KETTNER, indefinitely, on account of important business.

#### CALENDAR WEDNESDAY BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to dispense with business in order on Calendar Wednesday, tomorrow.

The SPEAKER. Is there objection?

Mr. ESCH. Mr. Speaker, I suppose that is with the idea of the day being granted later?

Mr. MONDELL. My hope is that next week we may have disposed of the more pressing business to such an extent that it will make possible an additional day for Calendar Wednesday business.

Mr. ESCH. Possibly Thursday following Wednesday of next week?

Mr. MONDELL. That is my hope, and if not Thursday, a day very soon thereafter.

The SPEAKER. Is there objection?

There was no objection.

#### HOOR OF MEETING TO-MORROW.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet to-morrow at 11 o'clock a. m., in order to expedite the consideration of the sundry civil appropriation bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, I do not quite see how we are going to expedite the consideration of that measure. We have been meeting here for two or three days at 11 o'clock, and we have taken more time on this measure than ordinarily.

Mr. MONDELL. Mr. Speaker, we are approaching the end of the session and gentlemen desire to address the House on a variety of subjects. It is important, I think, that they should be given that opportunity.

Mr. WALSH. I have heard a great many gentlemen say that we agree to meet at 11 o'clock before we adjourn; that they are obliged to be away and do not know anything about it, and come over here at the usual hour.

Mr. MONDELL. I should regret if anybody missed these speeches, but, of course, if one should, he might read them in the RECORD.

Mr. WALSH. I think it is very unwise to establish meeting at 11 o'clock for general debate when debate is not confined to the bill. I dislike very much to run counter to the request of the majority leader and the chairman of the Committee on Appropriations, but unless there can be some more urgent reason given than that, I feel compelled to object.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. GOOD. I will say to the gentleman that to-morrow morning, before we go into Committee of the Whole for further consideration of the bill, an agreement will be reached with regard to limiting debate. There are quite a number of Members who want to make some speeches at this time. I hope we will begin to read the bill before 3 o'clock to-morrow afternoon.

Now, there are some gentlemen who prepared speeches for some time, and they feel that this might be the last opportunity, and we have been quite liberal because of that, but the gentlemen should remember that this bill should be expedited as rapidly as possible so as to give the Senate some time for its consideration, and as soon as this bill is out of the way it will be necessary for the deficiency subcommittee to take up some deficiency estimates and hold hearings on them. I hope the gentleman will not interpose an objection at this time.

Mr. BLANTON. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. BLANTON. I do not see why the gentleman from Massachusetts should object at this time, because this same little bunch of 8 or 10 men who are present now have stayed to close the House every evening, and will be here in the morning to open it, headed by the distinguished gentleman from Massachusetts. They have to do it every day, so why should the gentleman object at this time?

Mr. WALSH. Well, Mr. Speaker, I do not believe if we dispense with meeting at 11 o'clock on one day during this general debate we are going to obstruct the passage of this measure, and I feel compelled to object.

The SPEAKER. Objection is made.

#### SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 1521. An act authorizing the Cowlitz Tribe of Indians, residing in the State of Washington, to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 3164. An act authorizing the Northern Arapahoe Tribe and the Northern Cheyenne Tribe of Indians to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 192. An act authorizing the Crow Tribe of Indians, residing in the State of Montana, to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 3307. An act authorizing the Ottawa and Chippewa Tribes of Indians, of Michigan, to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 4046. An act to cancel an allotment made to Mary Crane, deceased, embracing lands on the Winnebago Reservation, in Nebraska; to the Committee on Indian Affairs.

S. 3716. An act conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Tribe of Indians, South Dakota, to the red pipestone quarries, Minnesota; to the Committee on Indian Affairs.

S. 3774. An act to authorize the coinage of a Roosevelt 2-cent coin; to the Committee on Coinage, Weights, and Measures.

S. 3421. An act for the relief of Mabel L. Noble; to the Committee on Claims.

S. 3995. An act providing for the relinquishment of certain described property, by the United States, to the city and county of San Francisco, State of California; to the Committee on the Public Lands.

S. 557. An act for the relief of Oscar C. Guessaz; to the Committee on War Claims.

S. 1003. An act for the relief of Jesse L. Clay; to the Committee on Claims.

S. 2274. An act for the relief of the owners of the schooner *Charlotte W. Miller*; to the Committee on Claims.

S. 2554. An act for the relief of J. B. Waterman; to the Committee on Claims.

S. 1661. An act for the relief of Maj. Ellis B. Miller; to the Committee on Naval Affairs.

S. 4047. An act authorizing and directing the Secretary of the Interior to make an allotment to Pessa, a member of the Comanche Tribe of Indians in Oklahoma; to the Committee on Indians Affairs.

S. 4205. An act to amend section 4, chapter 1 of Title I, of an act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other judicial purposes," approved March 3, 1909, and for other purposes; to the Committee on the Judiciary.

#### ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 13677. An act making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes.

#### ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 9228. An act to authorize the establishment of a Coast Guard station on the coast of Lake Superior, in Cook County, Minn.; and

H. R. 12869. An act for the construction of a bridge across the Pentwater River or Pentwater Lake, Mich.

#### SENATE CONCURRENT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, the following concurrent resolution was taken from the Speaker's table and referred to the Committee on Claims:

#### Senate concurrent resolution 26.

*Resolved by the Senate (the House of Representatives concurring), That the Speaker of the House of Representatives be requested to cancel his signature to the enrolled bills:*

S. 1005. An act for the relief of the owner of the steamship *Matoa*; and

S. 1222. An act for the relief of the owners of the schooner *Henry O. Barrett*.

That upon the cancellation of such signature the Secretary of the Senate be directed to reenroll said bill, S. 1005, with an amendment as follows: Strike out of section 2 the following words: "That should damages found to be due from the United States to the owner of the said steamship *Matoa*, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided*,"

And further. That the Secretary of the Senate be directed to reenroll the said bill, S. 1222, with an amendment as follows: Strike out of section 2 the following words: "That should damages be found to be due from the United States to the owners of said schooner *Henry O. Barrett*, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided*,"

#### ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p. m.) the House adjourned until to-morrow, Wednesday, May 5, 1920, at 12 o'clock noon.

#### 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 the Treasury, transmitting deficiency estimate of appropriation required by the Bureau of Internal Revenue to cover "Refunding internal-revenue collections, 1919" (H. Doc. No. 749); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting paragraph of legislation authorizing the payment of certain sums from the unexpended balances of the appropriation, "Miscellaneous expenses, Bureau of Fisheries," for the fiscal years 1918 and 1919 (H. Doc. No. 750); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MAYS, from the Committee on the Public Lands, to which was referred the bill (S. 730) to amend chapter 559 of

the Revised Statutes of the United States, approved March 3, 1891, reported the same without amendment, accompanied by a report (No. 922), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (S. 46) for the protection of the water supply of the town of Sunnyside, Utah, reported the same with an amendment, accompanied by a report (No. 923), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

#### CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 13695) granting a pension to Hannah B. Kesler, and the same was referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CARAWAY: A bill (H. R. 13927) authorizing and declaring Little Black River to be nonnavigable from the mouth; to the Committee on Interstate and Foreign Commerce.

By Mr. MCKINLEY: A bill (H. R. 13928) creating a commission to assist in the purchase, sale, and distribution of newsprint paper in order to insure a supply to newspapers of limited circulation; to the Committee on Interstate and Foreign Commerce.

By Mr. KAHN: A bill (H. R. 13929) to amend the Army appropriation act approved July 11, 1919, so as to release appropriations for the completion of the acquisition of real estate in certain cases and making additional appropriations therefor; to the Committee on Military Affairs.

By Mr. O'CONNOR: A bill (H. R. 13930) to authorize the establishment of a Coast Guard station on Lake Pontchartrain at New Orleans; to the Committee on Interstate and Foreign Commerce.

By Mr. VOLSTEAD: A bill (H. R. 13931) to authorize association of producers of agricultural products; to the Committee on the Judiciary.

By Mr. TAGUE: Resolution (H. Res. 543) to ascertain certain facts from the United States Shipping Board and Emergency Fleet Corporation regarding the refitting and reconditioning of the U. S. S. *Leviathan*; to the Committee on Rules.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 13932) granting an increase of pension to Dayton P. Harrington; to the Committee on Pensions.

By Mr. BLAND of Missouri: A bill (H. R. 13933) granting an increase of pension to Walter B. Kelley; to the Committee on Pensions.

By Mr. CANDLER: A bill (H. R. 13934) granting an increase of pension to Mary Neal; to the Committee on Invalid Pensions.

By Mr. HULL of Tennessee: A bill (H. R. 13935) granting an increase of pension to James E. Losey; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 13936) granting an increase of pension to Mary C. Parsons; to the Committee on Pensions.

By Mr. KREIDER: A bill (H. R. 13937) granting a pension to Georgianna Curry; to the Committee on Invalid Pensions.

By Mr. MANN of South Carolina: A bill (H. R. 13938) granting a pension to Charles G. Sontag; to the Committee on Pensions.

By Mr. RICKETTS: A bill (H. R. 13939) granting an increase of pension to Martin A. Neff; to the Committee on Pensions.

By Mr. SVOPE: A bill (H. R. 13940) granting an increase of pension to John Ellis; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

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

3424. By Mr. CULLEN: Petition of patients of Walter Reed General Hospital, Washington, D. C., protesting against a cash bonus and asking adjustment of insurance; to the Committee on Ways and Means.

3425. By Mr. DRANE: Petition of sundry citizens favoring the passage of House bill 1112; to the Committee on the Judiciary.

3426. By Mr. JOHNSTON of New York: Petition of the American Legion, College of the City of New York Post, op-

posing bonus of any form for able-bodied veterans of the World War and favoring properly adjusted compensation for those wounded or disabled; to the Committee on Ways and Means.

3427. Also, petition of executive committee of the One hundred and seventh Infantry Post, American Legion of New York, urging better provisions for disabled soldiers and sailors of the World War; to the Committee on Ways and Means.

3428. By Mr. McCLINTIC: Petition of Custer County Division of the Farmers' Educational and Cooperative Union of America against compulsory military training and in connection with other legislation; to the Committee on Military Affairs.

3429. By Mr. O'CONNELL: Petition of Disabled Men's Bureau of Service and Legislative Relief, Washington, D. C., regarding bonus for disabled men; to the Committee on Ways and Means.

3430. By Mr. RAKER: Petition of Augustus P. Gardner Post, American Legion, protesting against soldier's bonus legislation; to the Committee on Ways and Means.

3431. Also, petition of Philadelphia Trade Association, of Philadelphia, Pa., protesting against the passage of House bill 12320; to the Committee on Immigration and Naturalization.

3432. Also, petition of Commercial Federation of Los Angeles, Calif., protesting against the bill introduced by Senator McNARY requiring the cost mark to be stamped by manufacturers upon manufactured goods; to the Committee on Interstate and Foreign Commerce.

3433. Also, petition of Foreign Trade Club, of San Francisco, Calif., urging the passage of the legislation providing for Federal incorporation of American companies in China; to the Committee on Foreign Affairs.

3434. Also, petition of Belyea Advertising Co., of Auburn, Calif., protesting against House bill 12976; to the Committee on Ways and Means.

3435. Also, petition of Ivan Parker, of Auburn, Calif., protesting against House bill 12976; to the Committee on Ways and Means.

3436. Also, petition of sundry citizens, favoring the passage of House bill 1112; to the Committee on the Judiciary.

3437. Also, petition of United Engineering Societies of the Canal Zone, indorsing and urging the passage of the Jones-Reavis bill; to the Committee on Expenditures in the Interior Department.

3438. By Mr. ROWE: Petition by citizens of the State of New York, in favor of House bill 13334; to the Committee on the Merchant Marine and Fisheries.

3439. By Mr. TAGUE: Petition of International Steel and Copper Plate Printers' Union of North America and Printers' Local, No. 3, of Roxbury, Mass., urging support of amendment to restore appropriation for Bureau of Engraving and Printing; to the Committee on Appropriations.

3440. Also, petition of Scott Linotyping Co., the Atlantic Printing Co., and Henry W. Rowe, all of Boston, Mass., protesting against the passage of House bill 12976, for a tax on advertising; to the Committee on Ways and Means.

3441. By Mr. TINKHAM: Petition of joint board Cloak and Skirt Makers' Union, Boston, Mass., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3442. Also, petition of United Cloth Hat and Cap Makers of North America, Boston, Mass., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

#### SENATE.

WEDNESDAY, May 5, 1920.

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

Almighty God, we desire to perform our task in life upon the highest plane we are capable of. We seek to master the physical forces and make them our servants. We seek to enter the realm of truth, to know the relationship of things and power, and we seek above all the realm of the spirit, where we may adjust our lives to God, and complete our task by fulfilling the will of God. Help us to-day to live upon this plane. For Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.