

path that I have endeavored to check out in my proposed amendment to the Federal Constitution.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRUCE. In one moment. I am almost through. Every county and city in the Union would be allowed to say whether it would or would not have prohibition within its limits, but so far as the different local communities of the United States did not declare in favor of prohibition, the manufacture, the sale, the distribution, and the use of intoxicating beverages would be subject to the strict supervision and control of the Federal Government.

Then, restrictive or regulatory laws relating to liquor would have a true moral sanction behind them, for the sympathy and support of the people of the United States would rally to their aid, and we would no longer have the spectacle of a law not respected because it was not respectable. We would not have the present outcropping of daily abuses and scandals; we would not have those long files of bootleggers passing daily through the courts on their way to the jails and penitentiaries, from whence they are only too likely to issue full-blown criminals. We would not have the demoralization which has been worked among the youth of the land by prohibition. We would not have a man like Bishop Nicholson, the president of the Anti-Saloon League and a Methodist bishop, admitting here in the city of Washington, as he did several years ago, that one thing at least must be admitted by the prohibitionists and that was that women were drinking more freely than ever before. We would not have official corruption in the enforcement of law so common as to excite only a fugitive emotion of surprise.

That is all that I have to say at this time. Later, when the hearing before the Senate Judiciary Committee takes place, I hope to be able with some success to explain the purposes that lie back of my proposed constitutional proposition and to obtain at least some measure of approval from the members of that committee. But it makes very little difference to me, much as I desire to obtain their full approval, whether it is given or not, because before long we shall have an approval in comparison with which the approval of any committee of the Senate is but as the whisperings of a zephyr in comparison with the voice of the winds and waves in an ocean storm.

The question of prohibition will be drawn into the next congressional election. Make no mistake about that; and we are facing that fact with the utmost confidence. But whether it is drawn into the next congressional election or not, it will assuredly be drawn into the next presidential election. I do not know what the Republican Party will do then, but I believe that as certainly as I stand here that at the head of the Democratic hosts will be some man like Gov. Alfred E. Smith, of New York, or Albert C. Ritchie, of Maryland, or some other Democrat who shall have pledged himself, if elected, to do all in his power to bring about the restoration of law observance, social decency, and official fidelity in the United States.

#### EXECUTIVE SESSION

Mr. WATSON. 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 15 minutes spent in executive session, the doors were reopened, and the Senate (at 6 o'clock and 5 minutes p. m.) adjourned until to-morrow, Thursday, March 25, 1926, at 12 o'clock meridian.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate March 24 (legislative day of March 20), 1926*

#### POSTMASTERS

##### ILLINOIS

Charles Koenig, Brookfield.  
Fred W. Diefenbach, Herscher.  
John W. Sheary, New Holland.  
Isaac D. Gum, Pochontas.  
Arthur L. Johnson, Rockford.  
Frank B. Courtright, Sheridan.  
John R. Fornof, Streator.

##### PENNSYLVANIA

Ira R. Burns, Bellwood.  
Anna M. Hess, Duncansville.

##### VIRGINIA

S. Leon Lewis, Zuni.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, March 24, 1926

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our blessed, blessed Father in heaven, our thoughts would utter life is divine when duty is a joy. In this way we would express the highest wisdom which cometh from Thee. To rob Thee of Thy authoritative place in life is to rob life itself of its grandeur. O God, lead us not to do so, but may we gratefully realize that the moral light that we may possess and the good we may do are gleams of Thy glory. O great is the Lord and greatly to be praised in the mount of Thy holiness. Thou art our God forever and forever, and will be our guide even unto death. In the might of Thy wisdom, in the tenderness of Thy mercy, in the service of Jesus our Savior be with the stricken sections of our country. Amen.

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

#### CURTIS BAY ORDNANCE DEPOT

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to address the House on the subject of the Curtis Bay ordnance depot.

The SPEAKER. The gentleman from Maryland asks unanimous consent to address the House on the Curtis Bay ordnance depot. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL of Maryland. Mr. Speaker, yesterday the Maryland delegation received a communication from the mayor of Baltimore in reference to the Curtis Bay ordnance depot. I at once took up the matter with the War Department, and received the following letter from the office of the Chief of Ordnance.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks by printing a letter from the War Department in reference to this matter, an editorial from the Sun, and this letter of the mayor.

The SPEAKER. Is there objection?

Mr. BLACK of Texas. Mr. Speaker, reserving the right to object, what is it about?

Mr. HILL of Maryland. It is about the Curtis Bay ordnance depot in Baltimore Harbor.

Mr. BLACK of Texas. It is a Federal project?

Mr. HILL of Maryland. No; the mayor of Baltimore is becoming disturbed over the fact there are to-day high explosives stored there, and this is a calming letter from the War Department.

Mr. BLACK of Texas. Storage of explosives by the Government?

Mr. HILL of Maryland. Yes.

Mr. BLACK of Texas. I have no objection.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL of Maryland. The communication is as follows:

MARCH 23, 1926.

Hon. JOHN PHILIP HILL,

House of Representatives, Washington, D. C.

MY DEAR MR. HILL: Your letter referring to the letter received by you from the mayor of Baltimore concerning conditions at the Curtis Bay ordnance depot has been received.

The Chief of Ordnance desires me to inform you concerning this depot as follows:

The Curtis Bay ordnance depot, located near Baltimore, is one of several Army depots in which are stored the war reserves of ammunition and components thereof. There are stored at the Curtis Bay depot a considerable quantity of smokeless powder, both in bulk and made into propelling charges. There is likewise a considerable quantity of black ignition powder, which is packed in 50 or 100 pound kegs and stored in standard magazines designed for this character of material.

There are large quantities of loaded shell from 37 millimeters in caliber on up. There is a relative small amount (of less than 150,000 pounds) of high explosive stored at Curtis Bay.

These materials are segregated and stored separately in standard fireproof magazines built during the war. These magazines are separated several hundred feet apart and around each there is a cleared space approximately 50 feet in width in which all vegetation is destroyed.

The Ordnance Department considers Curtis Bay to be one of its best organized, best laid out, and safest ammunition depots. The organization has constantly in mind the necessity of fire protection and

other precautionary measures concerning the storage of the ammunition.

Since the war there have occurred various fires and explosions in the ordnance depots, but in no case has the fire or explosion communicated from one magazine to another. In other words, we have lost single magazines. In no case has damage been done outside of the Government reservation.

At the Charleston depot, Charleston, S. C., we have had a single magazine on two separate occasions burn. In each case the magazine contained .30 caliber powder. At Old Hickory, near Nashville, Tenn., we had quite a large fire, but in this case the buildings containing powder belonged to the old powder plant and were very close together and in this regard differing very widely from the conditions at Curtis Bay.

All in all, this office feels that the conditions at Curtis Bay are satisfactory and that no alarm need be felt.

To move the depot from Curtis Bay and locate it in a new place would cost the Government a very large sum of money.

Very respectfully,

C. T. HARRIS, Jr., Executive Assistant.

This matter is one of great importance to Baltimore City, but apparently its citizens may rest assured that there is no danger from this source. In speaking of this matter, the Sun this morning said editorially as follows:

The mayor's objection to the storage of ammunition and explosives in the Curtis Bay district is calculated to accentuate fear of a disaster without giving hope of prompt elimination of such danger as may exist. In the circumstances, it would have been better to set quietly about an investigation to ascertain how great the menace is, and, if there were reason to believe there was real cause of anxiety, to take steps to see what could be quickly done to put an end to it. In view of the statement published, undue alarm may be aroused.

If any part of Baltimore is subjected to danger of the kind noted, such a condition should not be tolerated. If the city's protest did not bring reassurance against untoward happenings, the alternative would have been a frank public statement. But it is hardly to be assumed that the Government is knowingly acquiescing in maintenance of a huge ammunition and explosive dump which exposes the city to serious and unnecessary hazard.

The wiser course would have been first to take the matter up with the War Department, and if the mayor then felt that its assurances were not satisfactory and that the public was being put in jeopardy, to resort to every proper means to warn against the danger and to seek to do away with it.

The letter from the mayor of Baltimore is as follows:

MARCH 22, 1926.

Hon. JOHN PHILIP HILL, M. C.,

House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN HILL: You have, in common with all true Marylanders, an interest in the future development of Baltimore as a port and as an industrial and commercial mart. Any deterrent to such growth should not be tolerated.

The purpose of this letter is to acquaint you with the fact that we have in our midst such a menace. We have not made any effort to rid ourselves hitherto, because it was placed here as a war measure, and while its real purpose was not divulged by the Government at the time of its construction no objection was raised while it was serving the country in time of war.

I refer to the Curtis Bay ordnance depot, lying on the border of the most active industrial area of the city and on an important portion of our harbor. From the time it was finished it has been stored with vast volumes of high explosives. At times there have been as high as 3,000,000 pounds of T. N. T., 158,000 pounds of tetryl, 1,700,000 pounds of black powder stored in bulk at this depot, to say nothing of the explosives in loaded shells. This was information secured in 1920 from the then Secretary of War, Newton D. Baker. According to the information secured in 1925 from Dwight F. Davis, now Secretary of War, while the quantities and kinds of explosives is not given, the value of the stores—and presumably most of this is ammunition, because of the arrangement and character of buildings—is estimated at \$125,000,000.

Baltimore does not want an experience such as occurred at Perth Amboy, Black Tom Island, nor even a repetition of the Alum Chine explosion in our harbor. From the experience of that explosion in the harbor it is no exaggeration to say that an explosion of a large quantity of the much more powerful explosives in the arsenal would completely wreck or put out of commission the three centers of industry in our port, namely, Curtis Bay, Canton, and the Bethlehem Steel Co.

I don't believe a similar situation exists in any other city in the country, nor would be permitted to exist for a moment.

Much more could be said concerning the dangers of storage of high explosives, such, for instance, as the constant tendency through chemi-

cal action and age to explode without other aid, but these facts will be submitted from time to time as the opportunity offers.

Our plan is to ask Congress through the various agencies in the city interested in matters of this kind to rid us of this danger, and to that end may we ask your immediate aid and cooperation.

Very truly yours,

HOWARD W. JACKSON, Mayor.

Mr. Speaker, the whole Maryland delegation in Congress is deeply interested in this matter, and meets this afternoon at the call of the gentleman from Maryland [Mr. LINTHICUM] to consider the question raised by Mayor Jackson; but I feel that the above report of the War Department should be promptly communicated to the citizens of Maryland who are in proximity to the Curtis Bay ordnance depot. My recollection is that we took up this matter with the War Department a year or so ago and convinced ourselves that there was no danger to the public from the Curtis Bay ordnance depot, which is most carefully constructed, most carefully managed, and apparently is no menace to the neighborhood.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

Mr. TILSON (when the Committee on Rivers and Harbors was called). Mr. Speaker, we have now reached the place on the call where the Committee on Agriculture will be the next committee on call. I understand that this committee has some business that will be ready by next Wednesday which is not ready to-day.

Mr. GARNER of Texas. The Clerk has not called the Committee on Agriculture yet. The call has not passed the Rivers and Harbors Committee yet.

Mr. TILSON. The Committee on Rivers and Harbors has been called twice. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TILSON. Should the Committee on Agriculture be called or should it not be? I wish to have the call rest on that committee.

The SPEAKER. The Chair thinks, it having the right of way and having been called twice and not responding, that the next committee would be on call on next Wednesday.

Mr. TILSON. I ask unanimous consent that Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

Mr. SUMMERS of Washington. Mr. Speaker, reserving the right to object, would it not be possible by unanimous consent for the Agricultural Committee not to lose its call, but the next committee proceed at this time? There are other committees that have some important bills that we fear may never be reached if we lose one Calendar Wednesday.

Mr. TILSON. Under the present circumstances, if the gentleman from Washington will pardon me, I do not believe that it would be wise to do what my friend suggests. Besides we should very much like to finish the appropriation bill that is now under consideration. If the gentleman is willing to let the matter pass and leave the Committee on Agriculture on call next Wednesday, I do not believe there is any disposition to have any other Calendar Wednesday set aside from now until the end of the session.

Mr. SUMMERS of Washington. I am not disposed in any way to interfere with the call of the Agricultural Committee, but this appropriation bill, prepared by the committee of which I am a member, has not been proceeding very rapidly in the last few days.

Mr. TILSON. We desire to finish it as soon as practicable.

Mr. SUMMERS of Washington. I think it might have been finished before.

Mr. MAPES. Mr. Speaker, reserving the right to object, I understand from the statement of the floor leader, the gentleman from Connecticut [Mr. TILSON], and also from the statement of the Speaker, that the call would now rest, if Calendar Wednesday is dispensed with to-day, with the Committee on Agriculture?

The SPEAKER. That is the view of the Chair. Is there objection?

Mr. SUMMERS of Washington. Mr. Speaker, further reserving the right to object, with the assurance that there will be no further setting aside of Calendar Wednesday—

Mr. TILSON. So far as I can see now there will not be. Of course, a condition might arise, an emergency of some kind, where we ought to dispense with it.

Mr. SUMMERS of Washington. It will be nothing but a real emergency?

Mr. TILSON. But there is not anything in mind to cause us to ask again to dispense with Calendar Wednesday.



Mr. SUMMERS of Washington. There will not be such an emergency as the one that has existed in the last two or three days here?

Mr. TILSON. No; I hope not.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

#### AMERICAN FOREST WEEK

Mr. DAVEY rose.

The SPEAKER. For what purpose does the gentleman from Ohio rise?

Mr. DAVEY. I would like to make a suggestion to the Speaker and the distinguished leader of the House with reference to American Forest Week, which I understand is to start on the 18th of April. I would like to make a suggestion that a day during that week should be set aside for the specific consideration of conservation and reforestation.

Mr. TILSON. Mr. Speaker, I do not think this is a matter that it would be proper to take action on now. With all due deference to the gentleman's request, which is perhaps a proper one, it does not seem to me that it would be in order, or that it is a matter that we should take care of at this time.

Mr. DAVEY. This is the week proclaimed by the President for the specific consideration of matters pertaining to conservation. I do think that at least one day should be set aside for the serious consideration of one of the greatest national problems we have.

#### LEGISLATIVE APPROPRIATION BILL

Mr. MADDEN. 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 legislative bill.

The motion was agreed to.

The SPEAKER. The gentleman from Oregon, Mr. HAWLEY, will please take the chair.

Accordingly 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. 10425, the legislative appropriation bill, with Mr. HAWLEY 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. 10425, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10425) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1927, and for other purposes.

Mr. MADDEN. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. LAGUARDIA].

The CHAIRMAN. The gentleman from New York is recognized for 30 minutes.

Mr. LAGUARDIA. Mr. Chairman and gentlemen, I do not desire at this time to start a debate on the wet and dry question. We have had a lot of that of late. I have some facts which tend to show a disgraceful disregard for the law on the part of officials who are or were responsible for its enforcement. Personally, I would much have preferred had these facts been presented by some of the dry advocates of the House. They came to my knowledge and I deem it my duty to present them to you and to register my protest against the indifference of the Department of Justice and the Prohibition Unit in tolerating conditions which under proper vigilance could not escape their official knowledge.

When a United States official, a prominent investigator in the Department of Justice, who acquired a national reputation as the "ace" of investigators, leaves the United States Government service in order to go into the bootlegging business and to traffic in the very same goods for which others were convicted and sent to jail, it is about time that Congress takes notice and makes some effort to ascertain how general this condition may be and to what degree the departmental conscience has been calloused. I submit these facts in the hope that this House, having a majority of over 200 votes opposed to any modification of the existing prohibition law, will take the necessary action to prevent bootlegging by employees of the Prohibition Department and hijacking by employees of the Department of Justice.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. No; I regret I can not yield. I am reading this, and I fear I read very badly. I hope the gentleman will excuse me.

Mr. RANKIN. The gentleman has made a statement there about some one leaving the Department of Justice and going into the bootlegging business. Does not the gentleman think he should name him, if he is going to make such a charge?

Mr. LAGUARDIA. I will come to that. I will give his name.

In the early part of 1922 one George Remus and several others were tried and convicted in the city of Cincinnati, Ohio, on an indictment of conspiracy. The conspiracy charge was based on activities of the various defendants in diverting quantities of liquor to unlawful channels. Owing to the large quantity of the liquor which passed through the hands of these defendants, this case was one of the most important tried up to that time. The case naturally attracted national attention. The case was worked up by a Department of Justice agent, one Franklin L. Dodge, who took pride in making himself known as the "ace" of the Department of Justice. In connection with this case most, if not all, of the defendants were tried and convicted on a separate indictment charging them with maintaining a nuisance in violation of the prohibition enforcement act.

George Remus and others were sent to the Atlanta Penitentiary for periods of from 15 months to 2 years. It will be remembered that during the time that these same defendants were in the Federal penitentiary in Atlanta a scandal broke loose in the penitentiary concerning the discipline and favoritism on the part of the warden and other officials of that institution. This same man Dodge was sent by the department to work up the case against the warden. While he was investigating the conduct of the warden and other officials he became very friendly with the wife of the prisoner Remus, and their conduct in the very warden's office is too obscene to relate at this time.

This "ace" of investigators who worked up the Remus case, through conspiracy and connivance with the wife of George Remus, obtained possession of certificates of liquor, the property of the said George Remus, valued at about two hundred to two hundred and fifty thousand dollars. Seemingly \$200,000 worth of liquor can not be profitably disposed of readily, and therefore it became necessary to keep Remus in jail and within the clutches of the law.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. I will yield later. The gentleman from Texas will have plenty of time.

Now, what happened? When Remus was convicted of the conspiracy charge he, together with eight other defendants, as I have just stated, was also convicted of maintaining a nuisance in violation of the prohibition laws somewhere in the State of Ohio. Two of the eight defendants received a sentence of 15 months on the conspiracy charge, and naturally were the first to leave Atlanta. They were not taken in custody on the nuisance conviction, which was seemingly entirely ignored by the Department of Justice as to these two men. Three months later the five defendants who were convicted to a term of 18 months were discharged from Atlanta, and they were held on a warrant for the nuisance conviction and committed. Just follow and see what happened. These five defendants obtained a writ of habeas corpus. United States Judge Hickenlooper sustained the writ liberating all five defendants and holding that the sentence to imprisonment on the nuisance charge ran concurrently with the conspiracy charge, the fine imposed was paid, and the defendants discharged. The Government did not appeal. Judge Hickenlooper's decision, in the failure of the Government to appeal, thereby became the law of the case.

The Government seemingly was satisfied with the decision of the judge. It established the law of that particular case. Six months later Remus was discharged. Dodge, still in the Government service and an agent of the Department of Justice, had obtained possession of Remus's property, while Remus was in the penitentiary, not only of jewelry and personal effects but also liquor certificates. He had made attempts to dispose of them and still had these certificates in his possession. It was therefore necessary to keep Remus in custody, and although the Government had a decision of the United States court in the very same case and the law established, Remus was held on the nuisance conviction. He, too, obtained a writ of habeas corpus, basing it on the law as laid down by Judge Hickenlooper. The judge naturally held exactly the same as in the previous cases and released Remus. But in Remus's case the Government took an appeal, although it had accepted the law in the same case as to the other defendants. I concede the propriety and the right of the Department of Justice or a district attorney in selecting defendants and placing them on trial and quashing indictments as to others who may assist in the conviction of codefendants. That is not what happened here. All the defendants were convicted on two indictments. They all served their time on the one indictment. On committing the defendants after the expiration of the first term, on the second sentence the court held as a matter of law

that the time ran concurrently. The Government could in the first instance have taken an appeal, if it questioned the soundness of the law. The Government did not. It accepted the law and that became the law of the case. It waited six months, then entirely ignoring what happened in the very same case, it files an appeal in the Remus case in order to hold him under heavy bond in the hope of again committing him to jail, while a Department of Justice agent was trying to bootleg Remus's whisky.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. LAGUARDIA. I will yield later.

There was no question of fact involved; it was purely a question of law. If the judge erred, he erred in the first instance and the Government should have taken an appeal, but they permitted the first decision to stand and took an appeal on the second decision, holding Remus under heavy bail. What was the purpose? What was the reason? At the very time that the Department of Justice took an appeal on the writ against Remus, one of its agents, conniving and conspiring with the prisoner's wife, was obtaining possession of the very property for which Remus had been sent to jail and for which he had been convicted of maintaining a nuisance.

While all this was going on the Government was ready to go to trial in the case known as the Jack Daniels conspiracy case. If I am not mistaken, this case was removed to another district owing to the local conditions in the district where the conspiracy is alleged to have taken place and a special United States attorney sent out to try the case. In this case some 16 or 17 men were jointly indicted, among whom was this same George Remus. In this case George Remus was a witness for the Government against the other codefendants. The bail for the 16 defendants in the Jack Daniels conspiracy case was fixed at \$5,000 and for George Remus the bail was fixed at \$50,000. Bear in mind that Remus was a Government witness, and this was done through the efforts of the agents of the Department of Justice in conjunction with prohibition agents.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. I regret I can not yield now.

Mr. CONNALLY of Texas. I would like to know why the gentleman from New York is pointing his fingers over here when he is accusing the Department of Justice. [Laughter.]

Mr. LAGUARDIA. The gentleman knows that "the gentleman from New York" can not speak without using his hands. [Laughter.] I was using my right hand to produce the effect of emphasis while I was reading. But I will keep my hands in my pockets. [Laughter.]

Mr. CONNALLY of Texas. Yes. The gentleman should keep his hands in his own pockets. [Laughter.]

The CHAIRMAN. Gentlemen will not interrupt without the consent of the gentleman having the floor.

Mr. CONNALLY of Texas. If the gentleman consents, it is all right to interrupt. I do not think the Chair should be so particular in protecting the Department of Justice by not letting us in. [Laughter.]

Mr. LAGUARDIA. A prohibition agent, I am informed, personally applied to the court that high bail be fixed in the case of Remus. Dodge, while Remus was in Atlanta, had acquired most of the property of Remus, and Remus was in the predicament of finding his property taken by a Department of Justice agent, and his bail fixed so high that he could not furnish the necessary collateral to obtain bond.

That the appeal of the Government in the Remus case and the high bail fixed and the attitude toward this man while an ex-agent of the department was disposing of the property, carries with it a suggestion of oppression is not only the opinion of all who have any knowledge of this case but of the special United States attorney who tried the Daniels case. Let me read what John B. Marshall, the United States special attorney in the case, wrote to his superior here in Washington:

WASHINGTON, D. C., February 25, 1926.

HON. MABEL WALKER WILLEBRANDT,

Department of Justice, Washington, D. C.

MADAM: I have at various times discussed with you the attitude of the Department of Justice in the matter of a certain case, brought by the United States against George Remus, in the United States District Court for the Southern District of Ohio, and now pending in the Circuit Court of Appeals for the Sixth Circuit on a writ of error, in which case a sentence of one year in jail was imposed.

In this case the defendant Remus and certain others were convicted on facts which, I am informed, were also in part the basis of a conspiracy charge, upon which he was also convicted and served two years in the Atlanta prison.

The United States district court held that the jail sentence above referred to ran concurrently with the sentence of imprisonment at Atlanta, and a writ of error was sued out in the case of the defendant Remus, but the prosecution of his codefendants on the same charge was abandoned.

When the so-called Jack Daniel case was in course of preparation for trial it became apparent that there could be no conviction of the principal defendants involved—more especially defendants Hellmich and Goldstein—without the testimony of Remus, and he was accordingly called as a witness, with results with which you are familiar. Before the trial, in consideration of the aid to the Government which Remus had agreed to give, I promised him that I would make such representation as I consistently could to procure the dismissal of the case referred to, carrying the jail sentence of one year. While it is true that this offense does not as a matter of law merge in the conspiracy charge, the punishment of an offender both for the conspiracy and for the substantive offense upon which the conspiracy charge is in part based, carries with it some suggestion of oppression, and the conviction and service of sentence upon the conspiracy charge alone fully vindicates the law.

In my judgment, Remus has totally abandoned any connection with the illicit liquor business; he has kept faith with the Government as a witness in the Jack Daniel case, and is entitled to every assistance that I can render him in the matter of one year sentence referred to. I therefore earnestly recommend that the case in question be dismissed.

Very respectfully,

JOHN B. MARSHALL,  
Special United States Attorney.

Yet the appeal is going on, the persecution continues, and Dodge, as an agent of the Government in possession of Remus's whisky certificates, and wife traveling around the country violating both the Mann and Volstead Acts.

After the Government's appeal in the Remus case and after he was held in heavy bail Dodge resigned from the Government service on the 10th of August, 1925. The next we hear of him he is in New York and under the name of "John Gray, of Cleveland," offers to one George W. Wallenstein, of 30 Broad Street, New York City, certificates covering \$200,000 worth of liquor, the property of George Remus. The man John Gray is identified as being one and the same as Franklin L. Dodge. Mr. Wallenstein refused to buy the certificates, and we learn that the same Franklin L. Dodge transferred the same certificates to one Mat Hinkle, of Cleveland, Ohio, covering this large amount of liquor. This liquor was then at the Pogue distillery at Maysville, Ky. Since then Mr. Hinkle, who bought the certificates covering this liquor from Dodge, has attempted to remove the whisky from Maysville to the old Pepper distillery at Lexington, Ky. Surely the transfer of the liquor was not for sentimental reasons. Some other day I hope to furnish the House with some information of what takes place when liquor is transferred from one distillery to another. I am informed that Hinkle was prevented from transferring the liquor by injunction proceedings instituted by Remus to protect his property.

So much for the activities against Remus to keep him engaged at home while his property is being bootlegged around the country. If Remus or anybody else has liquor in storage and it is diverted in violation of law, he is held accountable and properly so. If any private individual or company has liquor in its possession and it disappears, they, too, are held accountable and properly so. How about liquor which is in the possession of the Prohibition Department and mysteriously disappears? How about liquor that is in the possession of the Prohibition Department and is taken away and no report made? Should not these officials who are sworn to enforce the law be held as accountable for the custody of liquor as a private individual or a private corporation? Here is another interesting situation.

Mr. BLANTON. Before the gentleman leaves that subject will he yield?

Mr. LAGUARDIA. I will yield to the gentleman later.

Shortly after the conviction of Mr. Remus the United States Government, through the prohibition department, seized the Squibb distillery at Lawrenceburg, Ind., and removed therefrom 1,500 cases of bonded whisky to Indianapolis, Ind., and stored said whisky in the Federal building in Indianapolis. The whisky was seized and my information is that it was ordered destroyed. An appeal was taken against the seizure, and naturally the whisky was held pending the appeal in the United States Circuit Court of Appeals for the Seventh Circuit. I believe the appeal has been or is about to be argued in a few days. In the meantime 350 cases of this liquor has mysteriously disappeared. This matter was investigated by a reputable representative of one of the largest newspapers in the Middle West and the officials confirm that the shortage existed.



As far as I could ascertain no report was ever made in the matter, and it is even whispered that of the remaining cases many of them do not contain their original contents. I called attention to this fact in a letter to the Secretary of the Treasury on March 16, 1926, but to date have received no reply from the department. I have heard though that since my letter to the Secretary the United States officials are extremely anxious to have this case disposed of and the original order to destroy the liquor or dumped into the sewer carried out. I believe, gentlemen, that before the liquor is destroyed inventory should be taken, and the officials responsible for its custody should be held to account and to answer. Whisky does not walk off by itself. In all likelihood these 350 cases of liquor, while in the custody of the prohibition enforcement department, found its way through unlawful channels to the bootleg market of the country.

It seems to me now that the country is alive to the subject of prohibition, and advocates of the law are urging strict enforcement, a good place to start that enforcement is in the prohibition department and in the Department of Justice.

Mr. BLANTON. Mr. Chairman, now will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BLANTON. I take it that the gentleman from New York is in favor of strict enforcement?

Mr. LAGUARDIA. As long as it is the law.

Mr. BLANTON. That he is in favor of strict enforcement of the prohibition law. I could not just get it whether the gentleman from New York was elated or disappointed because this prohibition agent went wrong. Did it bring elation or disappointment to the gentleman from New York?

Mr. LAGUARDIA. Why, I think that when we have a situation where a Government agent works up a case and puts his man in jail and while that man is in jail he acquires the very same property for which this man was sent to jail and succeeds in having the Department of Justice prosecute this man and hold him while cases against others are dismissed—I think it is an outrageous condition, and I think that some action should be taken.

Mr. BLANTON. I was wondering whether or not the gentleman is now gloating over it or is expressing disappointment and humiliation?

Mr. LAGUARDIA. I would like to know in turn whether the gentleman from Texas is asking the questions in a spirit of disappointment and humiliation?

Mr. BLANTON. I should be greatly disappointed if one of our officials should go wrong.

Mr. LAGUARDIA. So would we.

Mr. EDWARDS. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. EDWARDS. Is this man Dodge now in the service?

Mr. LAGUARDIA. No. He has been out since August, 1925. He resigned. He violated another statute of the United States while in the employ of the Department of Justice, and he was permitted to resign.

Mr. EDWARDS. Was not this man fired?

Mr. LAGUARDIA. I inquired as to that only day before yesterday, and I ascertained that he resigned and that his resignation had been accepted.

Mr. EDWARDS. Will the gentleman yield further?

Mr. LAGUARDIA. Yes.

Mr. EDWARDS. I wish to ask the gentleman if he thinks it is going to help the Government service and the Department of Justice by making these unfortunate criticisms and whether he thinks those things will help the cause before the country?

Mr. LAGUARDIA. They are not unfortunate criticisms, but they are the unfortunate conditions which exist in the department. Would not the gentleman have brought such conditions to the knowledge of the House if he had obtained them?

Mr. EDWARDS. No; I think I would have done the same as the Department of Justice did, fire the man out.

Mr. LAGUARDIA. But he was not fired.

Mr. OLIVER of New York. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. OLIVER of New York. Is it not a fact, though, that these criticisms are made because it is said the prohibition law can not be enforced because of the constant bribery of prohibition officials?

Mr. LAGUARDIA. That is so, of course.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLANTON. Ought we not to hold the infamous liquor traffic responsible for seducing this Government agent and leading him astray?

Mr. LAGUARDIA. What do you want to do? Do you want to give him a congressional medal for his behavior? I would put him in jail.

Mr. BLANTON. It is the liquor interests that are forever trying to break down this law, and their pernicious efforts lead these agents astray.

Mr. LAGUARDIA. Surely the gentleman is not going to condone the conduct of agents who are led astray?

Mr. BLANTON. No; I condemn them just like you do—not.

Mr. LAGUARDIA. I do condemn them. I had this knowledge, and I will bring such other knowledge as I obtain to the attention of this House. [Applause.]

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back six minutes.

Mr. DICKINSON of Iowa. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. W. T. FITZGERALD].

Mr. W. T. FITZGERALD. Mr. Chairman, as a new Member of the Sixty-ninth Congress, I appear before the committee with some hesitancy and trepidation—something akin, I presume, to that depressed feeling experienced by the young nimrod when he is brought face to face with a fine large deer or bear, known as buck fever. Here is hoping that this disturbance of the peripheral circulation of the frontal aspect of your humble colleague will vanish as did the proverbial mist before the morning sun.

Mr. Chairman and fellow Members, may I beg your indulgence in a few personal remarks by way of explanation. It fell to my lot to be classed for a short time as a pedagogue in a first-grade high school, in which I had, among others, two large classes in physiology and hygiene. This was about 40 years ago, when I became one of the prime factors in paving the way in the Buckeye State to have placed in the curriculum of our course of study in the public schools the evil effects of alcoholic beverages on the human body. This experience is coupled with about 35 years in the active practice of medicine, during which time I was, and yet am, a close student of the medical phase of the alcoholic question. Reverting to my school experience, I would say that on more than one occasion I was threatened with bodily harm and the loss of my—then highly prized—position unless I quit “larning them kids such new-fangled ideas” about temperance, and these threats were accompanied with oaths and epithets entirely too emphatic to appear in these pages. At that time there were more saloons than churches, more bartenders than barristers or lawyers, in my home city.

These introductory remarks are simply to picture to our younger Members the conditions as they were in “ye olden times.”

Definition of alcohol: It is a drug, not a food or beverage, and belongs to the same family as chloroform and ether. These drugs are depressants—not stimulants as is so often claimed by those who are ignorant of their physical action. Before ether and chloroform were discovered—about 1840—alcohol was sometimes used to stupify and numb the patient; prior to a surgical operation he was given a “slug” of whisky, a quantity sufficient to put him off—“dead drunk,” as expressed in street parlance—in many instances, with resulting conditions more serious than the operation itself. Alcohol is a poison to the cells, of the different organs of the human body, and likewise to those of lower animals. When alcohol is imbibed freely the brain is usually the first organ to show the effect, by the paralyzing action on the higher nerve centers, due to the removal of the controlling influences over the brain cells, and as a result of this loss of nerve control the individual becomes hilarious and excited but not stimulated. This is the drunken stage, that condition we so often saw in our streets in the days of the open saloon. At this time, the individual is not only very talkative and abusive, even to the point of cursing and blaspheming in the presence of children and ladies, but his sense of shame and morality is nil, and he suffers from a diarrhea of words and paucity of connected ideas. Now, this is where the victim is liable to be quarrelsome and very dangerous—if his idiosyncrasy shows this propensity. His imagination may induce him to commit any sort of crime, aye, even in the name of religion. Following this stage of the drunk, if more liquor is imbibed, the victim will sink into a deep sleep—the pronounced anodyne or depressed condition known as “hog drunk.”

Now, Mr. Chairman, this is a picture of the acute or periodic drunk as it affects the action of the brain temporarily, but the impression is indelibly left on the brain cells. The prolonged use of alcohol as a beverage in any of its forms—beer, 3 per cent; wine, 10 or 15 per cent; whisky, 50 per cent; or brandy, 50 per cent—when continued for many months or years develops a habit, which in most individuals becomes an incurable

disease. If the habitué should be a woman—an expectant mother; God forbid such a condition—what may be expected? First, a poisoned fetus—dead—followed by an abortion, or later in pregnancy by a miscarriage and in many cases by the death of the mother, but out of respect for the family the death certificate is in many instances made out euphemistically and does not specifically say death was caused by alcoholic poison.

Secondly. The unborn child may not be poisoned so severely as to result in prenatal death, but may be imperfectly nourished in utero and at birth be a monstrosity or a child with some mental or physical defect and before it has passed babyhood may fall a victim to many of the infant diseases due to an inherited malnutrition.

Thirdly. If the child escapes the former curses of this abominable demon alcohol, it may reach adolescence or even adult life as an imbecile or a physical wreck, a calamity not only for its parents but a charge upon some public institution.

Let us revert to the young man who claims to be able to indulge in the drink habit without fear of becoming a habitué, but he suddenly yields and becomes happy and a good sport, when he, not by chance, falls into the clutches of a female, not a virtuous lady but a prostitute, the lowest form of God's human handiwork. In a short period he realizes that he is the victim of a vile disease, practically an incurable disease. This young man may be temporarily cured (?) if he begins a long course of treatment and persists in taking medicine, but this is seldom done, and in later years he may develop any one of the many nervous diseases due primarily to his escapades of earlier life, resulting in, not delirium tremens, but insanity, which is positively not amenable to medical treatment. As to his innocent wife or child, they may develop probably a picture quite similar to the one painted a few moments ago.

The persistent use of these alcoholic beverages will so lower the vitality of the body that it becomes an easy mark for all forms of microbial diseases. This type of patient stands a very limited chance for recovery from flu, pneumonia, typhoid fever, and so forth, as evidenced by the heavy toll levied on our apparently healthy young men in the scourge of influenza during the fall and winter of 1918-19. Physicians in every part of the United States were forced to admit that a large per cent of the deaths among the young, robust soldiers and home boys who had been regular imbibers, not drunkards, of alcoholic beverages fell an easy victim to these diseases. The registrar of vital statistics of Kansas for the year 1913 gives the following table showing the comparative death rate per 100,000 as follows:

	Kansas	United States
Tuberculosis.....	64.6	149.5
Diabetes.....	12.9	15
Pneumonia.....	85.5	132.2
Bright's disease.....	64.5	95.5
Suicides.....	10.9	16
Homicides.....	4	6.5

During the cholera scourge in Glasgow in 1848, a Doctor Adams found a death rate of 19.2 per cent among abstainers and 91.2 per cent among those addicted to the use of alcohol. In 1904 Dr. John Hay, a noted English physician, treated 150 cases, all of whom were treated, as was the custom, with alcohol as a medicine. Then in the same hospital, with the same care and nursing, he treated 150 patients without alcohol, with, as he states it, startling results in favor of the nonalcoholic treatment.

Post-mortem statistics reveal the sad fact that many cases of so-called heart failure are in reality due secondarily to acute dilation of this delicate organ, the result of prolonged use of beer and light wines, which had induced fatty degeneration of the heart muscle. Nearly all of the vital organs are very susceptible to this slow but sure poison and none of us are exempt from these well-proven facts, notwithstanding the negative opinion of the individual who is a habitué and slave of the demon called a beverage.

The advocates of individual liberty oppose the Volstead Act "ad libitum" but yield complacently, in most cases, to the Harrison Narcotic Act, and then censure John Chinaman for his indulgence in his opium smoke as a means of assuaging his uncontrollable appetite for this habit-forming drug.

Relative to the use of beer, Dr. G. Von Bunge, professor of chemistry in the University of Basle, Switzerland, declares that—

Of all alcoholic drinks, beer is the most harmful, because no other beverage so readily lends itself to dulling this sense of tedium. When

spirits make a man a thief or a murderer the man of the street grows indignant, but it is of small consequence to him that thousands become stupid and brutalized by beer. It is the most harmful of alcoholic drinks, because it is the most seductive. To drink spirits is a disgrace among all classes of people, but our best class of people (here in Europe) take pride in drinking heavily of beer.

There is no drink to which one becomes accustomed so quickly and none which destroys more rapidly the taste for normal food and harmless drinks. No other leads so much to intemperance. Let us further add, namely, never yet has a drinker been saved by proposing to be moderate. In all cases where the drinker has been restored it is by the conviction that the only chance for safety is to avoid the first glass.

The alcoholism of a people is not cured differently from that of an individual.

#### ENVIRONMENT

Doctor McDougal, the great psychologist, says:

"Every normal human being grows up under the constant influence of the society into which he is born, and his mental development is molded by it at every point. He becomes the heir to an intellectual and moral tradition which has been slowly built up, bit by bit, through the efforts of thousands of generations.

"A more important part, perhaps, of the individual's social heritage is the moral tradition. Each of us has to make this his own, not merely by acquiring knowledge of it but by building up a system of moral sentiment, for it is questionable whether these are in any degree transmitted by heredity; and even if a certain basis of the moral sentiments is thus transmitted, it is certain that much of the moral tradition has to be impressed anew upon each child in order that he may become capable of controlling his behavior in accordance with the moral code of his community."

In other words, we are creatures of circumstances over which we had no control at the time of our induction into the realms of this mundane sphere. And from the time of this momentous début, through the period of babyhood, we grow physically by internal absorption and mentally from external influences, whatever they may be. Hence, if we were born in Africa of Hottentot parents, we would have been of a different color and physique; also with different inherent capabilities to meet the conditions of these nomadic and barbarous tribes of the dark continent.

Now, as to the attitude of the American physician and surgeon toward the use of alcohol, whisky, brandy, as well as pure alcohol:

All of us concede its value as a preservative of certain kinds of tinctures and fluid extracts; also we are not unmindful of the limited value of a 98 per cent (pure) alcohol for sterilizing instruments and cleansing of the surface of the body preparatory to an operation. But even here there are other chemicals far superior to alcohol. The medical profession as a body is practically a unit in favor of its permanent abolition from the category for use as an article in the armamentarium of medical supplies.

Of course, there still remain a few who insist on dispensing it in some form, partly from the erroneous belief that it is a stimulant and partly through force of habit. But this class is but a drop in the bucket as compared with the great majority, who know its true negative value as a drug for internal use when used as a beverage.

A few quotations now to exhibit the unanimity of the great physiologists, pathologists, psychologists, surgeons, and physicians regarding the deleterious effects of alcohol on the human body.

Dr. Andrew Clarke, of England, one of the ablest physicians in Europe, says:

Alcohol is a poison and is classed as such with strychnine; so is arsenic, and also opium. It ranks with these agents.

"Alcohol assists time to produce the effects of age and, in a word, is the genius of degeneration." These are the significant words of Dr. W. H. Dickenson, a medical teacher of national fame.

Professor Metchnikoff, a noted medical instructor in a large medical school in Germany, says:

Besides the deleterious effects of alcohol on the nervous system and other parts of the body, it has also a harmful action on the white blood corpuscles, the agents of natural defense against infective microbes.

Again, here are the significant words of another noted and renowned physician of London, England, namely:

"That alcohol has a somewhat similar effect on the heart to that of typhoid fever; this, of course, refers particularly to the constant use of alcohol as a beverage. Doctor Kocher, another noted German professor, says that in fighting against alcohol we are battling many other diseases."



These several quotations from the teachings of noted European students of physiology and psychology are presented to show what our neighbors across the pond are doing and thinking about this, our greatest enemy of civilization, namely, the uncontrolled use of alcohol.

Dr. Haven Emerson, one of the best authorities in America, says that—

"alcohol is the mother of venereal diseases."

Now, Mr. Chairman and worthy colleagues, last but not least of a large number of international students of sociology, I desire to quote from the writings of our esteemed and learned instructor of Johns Hopkins University, Dr. Howard Kelly, who says:

"The alcoholic habitué is the common victim of a host of chronic diseases of the liver, heart, blood vessels, kidneys, stomach, and intestines."

He further says that—

"alcohol's social ravages daily knock at the doctor's door and beg for treatment."

The experiences of the writer, and long years of observation of this momentous social question, qualify him to unhesitatingly indorse all that has been said by these noted scientists relative to the evils done to civilization by the continued use of this deadly though slowly acting poison as a beverage when prolonged over an extensive period of time. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 25 minutes to the gentleman from New York [Mr. O'Connor].

Mr. O'CONNOR of New York. Mr. Chairman and gentlemen of the committee, if it be true that "the truth will make men free," the corollary must also be true that falsehood will make men slaves.

My purpose in arising to-day is to call to the attention of the Members of the House of Representatives of the United States of America, and especially those Members longer in service, a news dispatch from Berwick, Pa.—wherever that may be—published in the New York Times of yesterday. It is there narrated that Dr.—I understand he is a reverend doctor—Clarence True Wilson, of Washington, mind you, secretary of the Board of Temperance, Prohibition and Public Morals of the Methodist Church, in the course of his intemperate remarks, said in part, as follows:

Before prohibition the rum element was in control of Congress, while to-day 94 per cent of the Members of Congress are members of some evangelical church.

This contrast is a trifle enigmatical, but the Reverend Wilson may have had an idea he attempted to convey.

But more important he continues that—

the Sergeant at Arms had told him the chief duties of that office before prohibition were to "walk Members up and down and get the drunks to their homes," while now it was directing strangers.

"That is the effect of prohibition that I have seen in Congress myself," added Doctor Wilson.

Gentlemen, is that true? Does this divine correctly record past events of this Congress? Is the Sergeant at Arms of this House correctly quoted? Did the reverend gentleman see these conditions with his own eyes?

I call for proof! I call for witnesses to substantiate or refute such charges. I call upon the distinguished gentleman who holds the high office of Sergeant at Arms of the House of Representatives of these United States to admit or deny the statement accredited to him.

Prohibition has only been in effect seven years. The pre-prohibition days are easily recalled to many distinguished Members of this House. I call as witnesses to the truth or falsity of such charges the distinguished Speaker, the grand old, young men of the House, Mr. COOPER of Wisconsin; Mr. BUTLER, of Pennsylvania; Mr. POE, of North Carolina; Mr. HAUGEN, of Iowa; Mr. GARNER of Texas; Mr. BELL, of Georgia; Mr. GARRETT of Tennessee; Mr. MADDEN, of Illinois; Mr. BURTON, of Ohio; and over 200 other gentlemen who saw service here before the year 1919, to stand up and testify as to whether this cleric correctly reports conditions existing in those days before the coming of the eighteenth amendment.

Oh, gentlemen, it would be a horrible disillusionment to me and many young men here if such a charge were true. When we were boys, long before we ever dreamed that we would be so highly honored as to be permitted to be a Member of the Congress of the United States, we revered and honored the distinguished men who held that high office. We respected them for their conduct and their characters and their sobriety. We longed to emulate them. And to-day we love to look upon their memories with the same veneration, with the same con-

fident belief in their high ideals. Are we laboring under a delusion? Were they drunkards whom the Sergeant at Arms led to their homes? Were they? Has this great office which we now hold been so dishonored in the past? Answer me, please! Answer my four boys and the boys of the other Members here—those boys who now look upward at the office held by their fathers and firmly believe with all the faith of American youth that that high place has never been sullied. [Applause.]

Mr. BLANTON. Will the gentleman yield in the interest of just treatment to Dr. Clarence True Wilson?

Mr. O'CONNOR of New York. I will yield when I am through.

Mr. BLANTON. Does the gentleman know it is true that Doctor Wilson said this? Has he asked him about it?

The CHAIRMAN. The gentleman from New York declines to yield.

Mr. O'CONNOR of New York. Do you and I now sit in the places vacated only seven years ago by drunken derelicts? Oh, my country! Can this be true?

I will presume to answer it and I will answer it for my own boys and for the boys of America who shall come after us and sit in our places. It is a lie—a deliberate, dastardly canard. And, my God, fallen from the lips of a minister of the gospel. Back in his teeth we boys hurl it—back into his intemperate brain where it was concocted without an atom of foundation! Let us brand it as the falsification of one who, though he wears the cloth, is not worthy to unloose the latches of the shoes of those whose memory he would defile. And his middle name is "True"!

Mr. BLANTON. Mr. Chairman, I make a point of order and I ask that the gentleman's words be taken down. Dr. Clarence True Wilson is known all over the United States as an honored minister.

The CHAIRMAN (Mr. CHINDBLOM). The gentleman will state his point of order.

Mr. BLANTON. And there is no proof here that he ever used that language.

The CHAIRMAN. The Chair will state that that is not a point of order. The gentleman has not stated any point of order. Will the gentleman state his point of order?

Mr. BLANTON. Mr. Chairman, my point of order is that there should be proof before the gentleman calls a distinguished clergyman a liar.

The CHAIRMAN. The Chair holds that is not a point of order.

Mr. BLANTON. It is not parliamentary to call an honored minister a dastardly liar?

The CHAIRMAN. That is not a point of order.

Mr. BLANTON. I ask that the gentleman's words be taken down.

Mr. O'CONNOR of New York. And I concur in that request.

Mr. BLANTON. I ask that the gentleman's words be taken down.

Mr. TINCER. And the gentleman from New York has said he is willing that they be taken down.

The CHAIRMAN. If the gentleman is serious in that request, of course, we will suspend business and have the words taken down.

Mr. BLANTON. I ask that the words be taken down.

Mr. O'CONNOR of New York. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. O'CONNOR of New York. I have not much interest in it, and I do not so much object to my words being taken down, but I raise the question that the words do not refer to a Member of the House.

Mr. BLANTON. But they refer to a Christian minister of the gospel, Mr. Chairman, who doubtless never made any such statement.

Mr. O'CONNOR of New York. But in America he stands no better before this Government than the greatest atheist in the country.

The CHAIRMAN. The Chair will inquire of the gentleman from Texas whether these are the words to which he has reference?

Mr. BLANTON. Where the gentleman called Doctor Wilson a dastardly liar.

Mr. O'CONNOR of New York. The words are marked there, Mr. Chairman.

Mr. BLANTON. Those are the words, and I ask that they be taken down under the rules, because they are unparliamentary.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Maryland. When the gentleman from Texas referred to Mr. Feining the other day as a robber, were those words unparliamentary and were they taken down?

Mr. BLANTON. That was a matter of proof, and I introduced the facts connected with it. [Laughter.]

Mr. HILL of Maryland. I will say to the gentleman that the gentleman who is speaking has just read the statement and it is not denied.

Mr. BLANTON. That is a newspaper report, and you know how very erroneous they are. Doctor Wilson would not make such a statement about Congress.

Mr. HILL of Maryland. Yours was a "Blantonism," I suppose.

The CHAIRMAN. This private debate is out of order.

The Chair has before him the remarks of the gentleman from New York [Mr. O'CONNOR] and will read what has been handed to him and will ask the gentleman from Texas whether these are the words to which he refers:

I will presume to answer it, and I will answer it for my own boys and for the boys of America who shall come after us and sit in our places. It's a lie—a deliberate, dastardly canard. And, My God, fallen from the lips of a minister of the gospel.

Mr. BLANTON. They are the words—that it was a dastardly lie.

The CHAIRMAN. The gentleman need not interpret the words. The Chair simply asked whether they are the words to which the gentleman referred.

Mr. BLANTON. They are the ones.

The CHAIRMAN. The Chair will ask the gentleman from Texas whether he desires a ruling by the Chair upon his point of order.

Mr. BLANTON. I ask that, under the rules of the House, there be submitted to the House the question of whether or not they should go into the Record. That is the procedure. They have been taken down, and they should be reported to the House.

Mr. CRISP. The rule covers the proposition.

Mr. BLANTON. Yes; and the Chair should report the words to the House for action.

Mr. OLIVER of New York. Mr. Chairman, may I ask whether the words say the preacher is a liar, as the gentleman from Texas says?

The CHAIRMAN. No debate is in order upon the meaning or the proper interpretation of the word; the words have been read.

The Chair will state that under similar conditions on June 22, 1922, the Chair made a preliminary decision in Committee of the Whole upon a point of order to words which had been taken down and to which exception had been taken. The Chair will avail himself of that precedent and say that, in the opinion of the present occupant of the chair, the words are not subject to the point of order. However, under the long practice of the House and the precedents it becomes the duty of the Chair to report to the House the words to which exception has been taken, and the committee will rise for that purpose.

Mr. RAMSEYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAMSEYER. Do I understand that the ruling of the Chair is to the effect that when a Member asks that words be taken down, however innocent they may be and even though they are not unparliamentary, it becomes the duty of the occupant of the chair in Committee of the Whole to report them to the House.

The CHAIRMAN. Unfortunately, that seems to be the effect of the precedents. Sections 1257, 1258, and 1259 in volume 2 of Hinds' Precedents, pages 808-810, sustain this rule:

Unparliamentary words spoken in Committee of the Whole are taken down and read, whereupon the committee rises and reports them to the House.

Mr. LINTHICUM. Mr. Chairman, a parliamentary inquiry. Mr. MADDEN. Mr. Chairman, would that be true if the gentleman withdrew his request?

The CHAIRMAN. If the gentleman from Texas withdrew his request?

Mr. MADDEN. Yes.

The CHAIRMAN. No; there would then be no occasion for reporting the words to the House.

Mr. MADDEN. Then I hope the gentleman from Texas will withdraw his request and not take up the time of the House.

Mr. BLANTON. Mr. Chairman, at the request of the gentleman from Illinois, I withdraw the request. I think the end desired may be reached in another way.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] withdraws his request. Without objection, the gentleman from New York will proceed.

There was no objection.

Mr. BEEDY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from New York yield for a parliamentary inquiry?

Mr. O'CONNOR of New York. Yes.

Mr. BEEDY. Do I understand that as the situation now obtains that the committee in session sanctions the remaining in the Record of the words used irrespective of—

The CHAIRMAN. The Committee of the Whole has no control of the Record, in the opinion of the Chair. If any action were to be taken upon the Record as made, such action would have to be taken in the House.

Mr. BEEDY. I would like to make a suggestion. I hope the gentleman from New York will himself strike out the words.

Mr. O'CONNOR of New York. I still maintain it is a lie that my predecessors were all drunkards; that is what I am stating here. [Applause.]

Mr. BEEDY. If the gentleman from New York will permit me—

The CHAIRMAN. Does the gentleman from New York yield?

Mr. O'CONNOR of New York. Yes; I yield.

Mr. BEEDY. I appreciate the gentleman's feelings and he has the right here to present his views, but I would suggest the word "untrue" is more becoming in this body than the words "dastardly lie."

The CHAIRMAN. The gentleman from New York will proceed.

Mr. O'CONNOR of New York. Such is the spirit, however, gentlemen, that pervades this great question with which we are confronted to-day. On both sides we have deliberate and malicious exaggeration and falsehood. No great problem was ever solved by such device. Slander and libel of both the living and the dead never argued for a great cause. And let us not discount the importance and magnitude of this problem of complete prohibition. The question is with us. It is paramount—Olympian. It is a fact and not a theory. And whether we be willing or not, we must meet it.

To my mind, and with extreme reluctance to seem to fall into the present-day habit of exaggeration, I sincerely believe it is the greatest question which has confronted our Nation. Bigger than slavery? I answer yes. That great question touched only a comparatively small portion of our people intimately, while the all-consuming topic of the hour sits at the table of every home in our land.

The great question of 70 years ago developed great men—great champions for and against the institution. This is a time for big men. This is the hour for serious-minded men to step forward and grapple with this problem. It has been buffooned; it has been burlesqued; it has been hippodromed long enough. It has been debated chiefly by clowns and jesters.

It has been woven into a garment of "State rights," of morals, of health, of happiness, of crime, of rum. No such questions, gentlemen, are involved. To my mind, the sole question involved—the one approach that should be taken by all serious-minded Americans, leads to the foundations of our Government. Can this thing be in America? Does it violate the traditions of our country? If it does not, let us preserve it, let us enforce it with all the power at our command, though war follow in the wake of its enforcement. But if it is not consistent with the true concepts of our heritage—out with the damned spot! Have done with it!

Somewhere in this great land of ours there are serious-minded men equal to any occasion. So far practically none have enlisted on either side. At least but few have accepted a commission to lead the fight.

This great problem is not going to be decided by small men, by narrow men, or by demagogues. It is not going to be solved by the clergy of our land—at least, not by a Reverend Wilson or a Reverend Anderson—or by certain other prelates. This is a problem of government of a free people, and not one principally of morals. Let the clergy stick to its last and keep its hands off a question of government. Nor is it a question of the tastes or habits or the thirst of any particular race or creed. It is a question affecting only Americans, though every alien element suffers in its solution.

Nor is it, gentlemen, fundamentally a question of whether we shall be permitted to indulge ourselves in beer or wines or whisky. Their elimination or return are unimportant in the final analysis.



And let me say, gentlemen, that this great problem is never going to be decided by "dry" politicians or "wet" politicians—men who are "wet" or "dry" according to the political barometer. "Down with drink," or "Away with the saloon," or "We want beer," are not going to be the battle cries of this encounter. When the forces of sane, clear-thinking men take their positions in the trenches on either side of this question, the call to arms will be "My country, what are your inalienable guarantees?" Did you guarantee for all time under the description of "liberty" the right to eat what we want and drink what we want and conduct our intimate personal and domestic affairs as we see best? Did you appoint each succeeding generation as trustees of certain guaranteed rights which must be passed on and must never be surrendered?

That, gentlemen, is my own humble interpretation of the repeated utterances of our forefathers. I sincerely believe a trust has been placed in our hands which must be handed on to the new trustees, irrespective of our personal views.

I for one do not believe that such shibboleths as "Vote as you drink" or "Don't drink wet and vote dry" are well-considered utterances. I believe they fail to appreciate the form of government which we deliberately chose and under which we now happily exist. Ours is a representative form of government. A representative who substitutes his personal views or tastes or habits for those of his constituents is unworthy of a place in our scheme of government. He does not represent. He misrepresents his constituency. He may be as personally "dry" as Mahomet, but if his constituency, or the people of this entire country, his real constituency, desire the return of certain beverages he must vote "wet" or be forever branded as a traitor to the trust imposed in him. And on the other hand he may be as personally "wet" as Bacchus, but if the people desire real prohibition I for one commend him, though he falls prostrate in the well of this Chamber as he casts his "dry" vote.

The difficulty lies, gentlemen, in the sources of proof one accepts as to the attitude of his constituency. In passing I may say I am one who believes that on such a question, as on most questions, a representative speaks for the entire 115,000,000 people of this country and not for the few thousands who vote in his election. Such is my conception of the trust imposed in us. We are representatives from New York or from Texas or from Georgia or from Illinois and not of those Commonwealths. It is a geographical description, not a limitation of our trust.

If, for instance, the straw votes now being taken throughout the land led one to believe the people of this country as a whole desired beer and light wines, he would not be true to his trust if he denied their plea because he believed his immediate constituency was "dry."

But what are the proofs so commonly and reliably accepted by many Members as to whether or not their immediate constituency or the country is "dry"? There must be proofs to justify our position. I am confident no man here is so presumptuous as to act on his own personal inclination or his own attitude toward drink or to apply intuition to the solution of such a great problem. Is it the attitude of his immediate constituency, prior to 1919, toward State prohibition or county prohibition or local option? I fear so. But what a worthless criterion, what a fallacious precedent upon which to predicate a Nation's desire for national prohibition! Prohibition, as we know it now and as we have it enacted into law, in reality prohibits, proscribes, and prevents the drinking of liquor. State or county prohibition or local option were far different. They really regulated its sale. They did not prevent its consumption. Those local enactments did not say, even by indirection, "Thou shalt not drink." But that is in effect what national prohibition says to our people to-day. Can that be said to the people of this, a free country, without the grossest violation of the traditions of our past? That is the question. Was that possibility in the minds of the electorate which years ago voted for State prohibition or local option? I am confident it was not. It is to take the easiest way—perhaps to satisfy one's personal inclination—to rely on those ancient proofs which were based upon entirely different considerations. No one ever wanted a saloon underneath his dwelling. But a vote to eliminate the saloon was not a vote to invade the sanctum of the home and take the glass of beer off the table.

Let us then, gentlemen, coolly and sanely establish, for the first time, I maintain, whether the people of our country do desire now—now, I repeat—the continuation of the present restrictions. Choose your weapons. If you doubt the credibility of the present straw votes, be sportsmen and provide an indisputable method of ascertaining the people's will. And once it is ascertained, abide by it though all the forces of per-

sonal preference or pressure from the high or from the lowly would swerve you from your course.

The issue is here. The die is cast. Let us meet it now, as brave men intrusted with the destinies of a Nation. We can not longer postpone the decision. If not this year, it may have to be met next year, and surely not later than the national elections of 1928 the contending forces in this great struggle will meet at Philippi. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from Virginia [Mr. Moore]. [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, I am taking the liberty of proposing a modification of the rules of the House, and in order that it may be carefully considered, I am suggesting that if the change is made it shall not become effective until March 3, 1927, which is the day before the Sixty-ninth Congress will end. I ask that the resolution, which I have offered this morning, and which is brief, may be printed in the Record for the information of the House.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that his proposed resolution may be printed in the Record for the information of the House. Is there objection?

There was no objection.

The resolution referred to follows:

*Resolved, etc., That the rules be amended as follows:*

Rule X. Strike out clauses 37 to 46, inclusive, and insert in lieu thereof the following:

"37. On expenditures in the executive departments and independent offices and establishments, to consist of 21 members."

Rule XI. Strike out clauses 36 to 46, inclusive, and insert in lieu thereof the following:

"36. To matters generally affecting the condition of the business of the several executive departments, independent offices, and establishments; the examination of the accounts and expenditures and the manner of keeping the same; the economy, justness, and correctness of such expenditures; their conformity with appropriation laws; the proper application of public moneys; the security of the Government against unjust and extravagant demands; retrenchment; the enforcement of the payment of moneys due the United States; and the economy and accountability of public officers—to the committee on expenditures in the executive departments, independent offices, and establishments."

SEC. 2. This resolution shall take effect on March 3, 1927.

Mr. MOORE of Virginia. Rule X enumerates the present standing committees. This enumeration includes, and has for a long time included, 10 committees, consisting of seven members each, which are vested with authority relative to expenditures in the several 10 departments. For instance, one of these committees is called the "Committee on Expenditures in the State Department." The other committees are similarly designated. In addition to these 10 committees is a committee, also consisting of seven members, which has authority relative to expenditures for public buildings.

The resolution proposes the elimination of the 11 small committees mentioned and the substitution therefor of a single committee, consisting of 21 members, designated as "the committee on expenditures in the executive departments and independent offices and establishments." It is contemplated that there shall be conferred on the committee to be created all the jurisdiction possessed by the existing small committees and, beyond that, authority to consider matters touching the conduct of the business of the departments and other Government agencies. There will be advantage in the enlargement of the jurisdiction, but there will be obvious other advantages resulting from the change. Under the present plan the small committees function separately, when often a comprehensive method of procedure is needed applying to more than one department. Under the present plan none of the small committees has any relation to several independent offices and establishments which have been set up in recent years.

There is not the slightest disrespect to any of the small committees intended, but I say that ordinarily, in the nature of things, they are able to do little toward pointing the way to the general improvement of the governmental situation in testing the wisdom of legislation that applies to the administration of the laws and in making sure that the theories and requirements of statutes that are enacted are fully and faithfully carried out. If a strong, virile committee, endowed with the necessary powers, is brought into being, it would be in the direction of placing Congress in closer and more helpful contact with the executive branch of the Government, and better enable it to know, with respect to personnel, efficiency, and so forth, how the work of the Government is being done. Among the establishments within the scope of this contact would be

the Bureau of the Budget, and perhaps it would not be going too far to claim that the creation of such a committee as is designed will in a sense round out the Budget system, which we are inclined now and then to criticize, but which I believe is here to stay. I will now be glad to yield to the distinguished chairman of the Committee on Appropriations and let him state his opinion on this proposed amendment.

Mr. MADDEN. Mr. Chairman, I am very glad to do it. When I was first made chairman of the Committee on Appropriations we had to put the Budget into effect. I soon discovered that the Budget act, although one of the most important pieces of legislation ever enacted, had just this one shortcoming, as I saw. In an article which I wrote after my first year's experience for the Saturday Evening Post I outlined what I thought was needed to complete the circle of defense—if I may put it that way—of the Treasury of the United States.

We have, as the gentleman from Virginia has said, 11 committees on expenditures in the different departments. They have very wide jurisdiction. I suppose there is no committee in the House that has so broad jurisdiction as do these committees on expenditures. They have the power to send for persons and papers, documents of all kinds from the departments over which they have jurisdiction, and to investigate not only the details of every expenditure, but they have the power to investigate the legality of every expenditure. They could, if they would, supply the House with information which would be invaluable, but they never have, except in one or two rare instances.

Unfortunately the committees on expenditures usually are manned by men of the same political faith as the administration, and they do not want to investigate their own administration. They have the power to do it if they would.

I recall that in the past one man made a great national reputation by his work as chairman of one of these small committees. He impeached the Secretary of War for malfeasance in office; he showed up the rottenness of expenditure and made himself a name that was known all over the United States. He was later on elected governor of his State, a Senator from his State, and lived in the eyes of the American people until he grew old and passed on.

The proposal suggested in the amendment offered to the rules by the gentleman from Virginia would provide a new agency to cooperate with the agency already created by the Budget. It would, of course, abolish the 11 small committees. That might not be so easy, because those who are assigned to duties on those committees would be jealous of their rights. But it would assign to duty 21 men; if the rules were amended to permit of the suggestion, who would act in conjunction with the Appropriations Committee and with the Ways and Means Committee and also with the Comptroller General of the United States. They would fill in a missing link; they would have the power to investigate, to ascertain the legitimacy of the expenditure, and ascertain whether or not the expenditure was being made according to law, whether they were being made extravagantly or conservatively, whether wisely or unwisely; and they would be able to supplement information which neither the Comptroller General nor the Appropriations Committee is now able to obtain because of the pressing business which pushes them forward to the conclusion of the problems that confront them. They would supply information which we are now unable to get and upon which I think many financial reforms might be had.

Mr. CONNALLY of Texas. Will the gentleman yield?

The CHAIRMAN (Mr. CHINDBLOM). The Chair understands that the gentleman from Illinois is speaking in the time of the gentleman from Virginia.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield to the gentleman from Virginia five minutes more.

The CHAIRMAN. The gentleman from Virginia has still five minutes remaining, but has yielded to the gentleman from Illinois.

Mr. CONNALLY of Texas. I agree with the gentleman; but is not basically the trouble that the committees do not perform their duties under the present rule?

Mr. MADDEN. Of course.

Mr. CONNALLY of Texas. Would it not be better if the committees were to remain as they are and perform their duties than to have a big committee that would have to be subdivided?

Mr. MADDEN. I think it would be easier to have the work comprehensively done under one head.

Mr. CONNALLY of Texas. If they always had a head like the gentleman from Illinois I agree with the gentleman.

Mr. MADDEN. If they had a head of large experience and integrity—of course, it all depends on the men.

Mr. CONNALLY of Texas. Is it not quite as important to check up the appropriations and see that they are properly expended as it is to scrutinize them in the beginning?

Mr. MADDEN. Surely.

Mr. CONNALLY of Texas. I hold in my hand a clipping in which it is reported that the Comptroller General had to stop the Navy from spending \$25,000 which it proposed to offer in the form of a prize for an airplane landing. Of course, that evidently was for a purpose that Congress never intended it should be spent, and yet if we sit here and let the departments spend money for purposes for which we do not appropriate, we might as well not scrutinize the appropriations in the beginning.

Mr. MADDEN. I was just going to say in reply to the gentleman's statement, to which I agree in toto, that the best agency that has ever been created in the Government is the Comptroller General of the United States.

Mr. CONNALLY of Texas. I think one of the best.

Mr. MADDEN. And the reason why it is so good is that he is beyond the power of the President or anybody else to discharge, that he can not be removed except by act of Congress, that he can only be discharged then for certain specified causes, that he can not be reappointed at the end of his 15-year period of service. All these things give him an independence, whereas up to the time that that agency was created we had what was known as the Comptroller of the Treasury. There were six auditing agencies, one for each of certain subdivisions of the Government; that is, the War and Navy each had one, the Post Office one, and so on. In any event there were six, and the Comptroller of the Treasury had the power to decide questions on appeal. If he did not decide these questions the way the administration wanted them decided, frequently the President would remove him until he got a man who would decide them in that way. This man has never decided them in that way, and I do not know that anybody has ever asked him to do it, but if somebody did, he would not do it, and if he is unpopular it is because he has been living up to the rigid letter of the law. [Applause.]

Mr. CONNALLY of Texas. Mr. Chairman, I thoroughly agree with the gentleman in general as to the value of the Comptroller General. I was interested in the suggestion of the gentleman that under the old system, unless he ruled as the administration wanted, there was a certain feeling that he would lose his job.

Mr. MADDEN. And he would lose it.

Mr. CONNALLY of Texas. And I was interested in the gentleman's statement made a while ago that these committees are always composed of the ruling majority and have heretofore been more or less indifferent. What does the gentleman think of this proposition: To so amend the rules that this proposed committee which the gentleman from Virginia [Mr. MOORE] seeks to have created, this one great committee on expenditures, shall be composed of a majority of the minority party? The committee would then be actuated by no desire to conceal anything. If the appropriation was properly expended, it could find nothing wrong; if improperly expended, it would have an incentive to expose it.

Mr. MADDEN. That would not hurt my feelings at all.

Mr. CONNALLY of Texas. I am serious about it.

Mr. MADDEN. And so am I. That would not hurt my feelings at all.

Mr. CONNALLY of Texas. Does not the gentleman believe that would be carrying into the legislative machine the same principle that we have put into the office of the Comptroller General?

Mr. MADDEN. Yes; the more investigating power you have, the better it would suit me, because I believe the Government ought to be kept as clean as the hound's tooth everywhere [applause], and there ought not to be any politics in the finances of the Government under any circumstances or under any party.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield to me?

Mr. MADDEN. Yes; I am glad to yield to the gentleman in whose time I am speaking. [Laughter.]

Mr. MOORE of Virginia. With reference to the question put by the gentleman from Texas [Mr. CONNALLY], does not the gentleman think that it is simply impossible to have 11 committees, not coordinated in any way, do the same effective work that might be done by a single committee?

Mr. MADDEN. I just said in answer to the gentleman from Texas that I thought one directing head of a lot of subcommittees would be much more effective than 11 committees acting as independent entities.

Mr. MOORE of Virginia. The present plan is very much like the plan that was thought of when the Greeks were ar-



ranging to fight the Battle of Marathon, when there were, I believe, 10 generals of equal authority; but finally it was decided that the only sensible thing to do was to choose a single general, and they chose Miltiades, and the army won a victory.

Mr. CONNALLY of Texas. And I will say in that connection that Miltiades, after he was appointed, defeated his enemies; but, being in the minority, I do not care to make Miltiades too strong, if the committee is to be controlled by the dominant party. That is why it would be wise to give the minority control of the committee. [Laughter.] The disposition of the committees at present is to refuse to investigate themselves or their own party. To strengthen that disposition by merging the power into one chairman will make it easier not to investigate unless the minority controls the committee. However, what I stated was not in criticism of the plan of the gentleman from Virginia, but rather in approval and to try to point out that the reason for this condition is that these committees have not performed their duty and will not perform their duty, except possibly to appoint a chairman and a clerk and a porter.

Mr. MADDEN. It depends a great deal upon the man who is the chairman. A man of industry, a man of undoubted courage—I shall not say integrity, for all have that—could not fail to make a record if he would go to work.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. LAGUARDIA. The difficulty seems to be in the system, whether we have 11 committees or 1 big committee. The trouble is not in the integrity or the fear of the chairman of the committee, but it is the custom, it is the practice not to incur the displeasure of one's party leaders, whether in the House or in the administration.

Mr. MADDEN. Oh, that has never bothered me at all. I have never thought about that. I have done the thing that I ought to do according to my own conscience, and I never cared whether the party leaders believed in it or not.

Mr. LAGUARDIA. And so did I, and look what happened to me. [Laughter.]

Mr. MADDEN. I know, but the gentleman rushed off after false gods and got himself elected by another party. The trouble with the gentleman was that he would not play the game at all.

There is no politics as good as independent honesty. [Applause.] If you are not inclined to play politics and do the work without fear or favor for anybody, deal with facts instead of favors, with facts instead of influence, there will be nothing to do with politics. Everybody will be for you.

Mr. BEEDY. If the gentleman will yield for a moment, the gentleman from Texas has suggested that the probable cause of the suggestion of the gentleman from Virginia is the fact that these committees did not do any of the work supposed to be allotted to them except to appoint clerks and quarters.

Mr. CONNALLY of Texas. I said perhaps.

Mr. BEEDY. My understanding, and I believe I am chairman of one of these committees, is that they have no clerks, no quarters, and the whole framework of the thing is so arranged they are not supposed to do anything.

Mr. MADDEN. Yes; they are to do work. They can do it if they want to do it, and if you will undertake to do it you will be supplied with the facilities to do it.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 25 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, since Congress convened last December I have listened with a great deal of interest to a number of very able and eloquent speeches wherein various subjects under consideration have been discussed in a most instructive and edifying manner. Notably among these were a number of men who gave special attention to economic phases of agriculture or problems in which the farmers of the country are directly interested. Some have pictured in rather glowing terms the unusual prosperity prevailing among those engaged in this most wonderful and productive industry. On the other hand, quite a number have been able to see agricultural conditions from another angle, and have shown that there is no general prosperity among farmers, but, to the contrary, they are in the midst of adversity and discontentment, many of whom are experiencing the hardest times of their lives. Of course, those who have been able to see the farmer with nothing but overflowing barns and swollen bank accounts are satisfied to let him alone; let him enjoy himself; let him continue in this period of prosperity, and consider it unwise to suggest or recommend any changes in governmental activities affecting his interest. It is also worthy of note to observe that those who have seen the farmer's condition from the other angle

and pictured him as being in a most deplorable condition have not succeeded in bringing before Congress for consideration any definite or concrete plan for his relief, nor has any committee presented any well defined and definite way by which he could extricate himself from economic bondage. The only thing done so far was to pass what is known as the agricultural cooperative bill, which, in effect, says to the farmer, "Take hold of your own boot straps and lift yourself out of the mire."

Another significant feature about the speeches referred to is that, while most of them refer to the wheat growers of Kansas, the corn growers of Iowa, or the cattle raisers of Texas, it has not been my good fortune to hear anyone speak specially in behalf of that great class of farmers who grow cotton; that class that contributes so much to our national wealth and furnishes a product that is so vital in maintaining our balance of trade in favor of exports, without which we would be a debtor instead of a creditor nation. It is not my purpose to speak at this time of agricultural conditions in those sections in which I am not familiar, and I do not want to appear too pessimistic as to the conditions in my own State, but if I have properly analyzed the condition of the cotton farmer in South Carolina he is not enjoying that high degree of prosperity which our President and others accord to agriculture generally, and when I observe from a report of the Bureau of the Census that 27 per cent of the farms in the 10 leading cotton-growing States are under mortgage I am confirmed in the belief that very little prosperity prevails in the Cotton Belt. And when I take the same report and find that 46.5 per cent of the farms of Kansas; 46.2 per cent of those of Missouri; 54.2 per cent of the farms of Iowa; 52.4 per cent of those of Minnesota; 59.1 per cent of those of Wisconsin; 71 per cent in North Dakota; 57 per cent in South Dakota; 37.5 per cent of those in Indiana, I am forced to the conclusion that there is really no prosperity in those States engaged primarily in agriculture, but they are, on the contrary, in helpless and almost hopeless condition unless they receive substantial aid some way or other. In my State the farmer is confronted with the most serious labor problem in many years, probably in history, for never before was farm labor as demoralized and as undependable as to-day. After the farmer makes his contract for labor, makes advances to the laborer, and purchases the necessary amount of fertilizers he has no assurance whatever that the laborer will execute his contract, and the records in my district show for the past four years an average of 15 out of every 100 have breached the contract after farm operations were begun, leaving an indebtedness to the landlord of an average of \$150 in addition to the cost of fertilizers, and no one to complete the cultivation of the crop. Furthermore, the farmer is being charged unfair, unjust, and exorbitant prices fixed by the large fertilizer manufacturers in violation of a law enacted by this Congress, yet they are permitted to go untouched, undisturbed, and unharmed. Then at gathering or harvest time the capitalists and speculators in Liverpool—a foreign city in a foreign land—determine and fix the price of his American-grown product, and then those who are classed as gamblers and speculators sell or raffle it off on the exchange at the time of 4 to 1. That is, for every bale of cotton grown they sell or place four or more on the market, making the apparent supply four times as large as the actual. However, it will not do him any good to simply recite his ills and prescribe no remedy. I think it proper, therefore, to call attention at this time to a plan which I suggest and is incorporated in bill H. R. 7288, which I introduced some time ago and has been referred to the proper committee.

I desire to say at the outset that the bill contains two distinct provisions, two distinct purposes, and one incidental purpose.

In the first place, it provides that the Secretary of War be authorized and directed to purchase not less than 100,000 bales of cotton annually for the next 10 years, the same to be held in reserve as a munition of war, the total of such purchases on hand at any one time not to exceed 3,000,000 bales. The other provision is that the Secretary of War, with the joint and concurrent advice of the Secretary of Commerce and the Secretary of Agriculture, shall in case of emergency have the right to dispose of so much of the reserves as not to reduce the supply to less than 100,000 bales, the conditions under which such sales may be made being set forth in the bill.

#### PURPOSES OF THE BILL

The primary purpose of the bill is to provide a sufficient and necessary reserve as a munition in case of war.

The second purpose is to furnish or supply the Government with an instrument or agency to be used in obtaining concessions from foreign countries in the reduction of monopolistic prices our people and industries are now required to pay on certain commodities.

The third purpose is to remove from the channels of trade a large part of the surplus of one of the greatest agricultural crops grown in the United States, which should result in a just and stabilized price to the farmer for his product, together with a fair and living wage for his labor.

The principle on which this legislation is based is fundamentally sound and one long practiced by our Government, for it has long been our practice to prepare for war in time of peace by maintaining and keeping on hand a supply of munitions in reserve, although it has not been the policy to hold cotton in reserve as a munitions of war, even though it is considered absolutely necessary and indispensable. My understanding is that the War Department is now well supplied with many necessary munitions of war, although there are some essentials not in stock, and cotton is one of them. It is my further understanding that cotton is now recognized by military experts as essential in waging or carrying on a successful war as any other munitions generally used. For the last three-quarters of a century cotton has been looked upon in time of war very much in the same way as guns, explosives, and other munitions, and in recent years it has been declared a contraband just as much so as if it were shot and shell. In support of this statement I wish to quote an interview with Viscount Milner reported in the New York Times August 21, 1915, which is as follows:

"You ask me," says Lord Milner, "whether the declaration of cotton as contraband is justified. I am not a lawyer, but I should have thought it was quite clear that any of the belligerents nowadays was entitled to declare cotton as contraband. Lists of contraband articles vary necessarily with every war, but the broad principle is clear enough. Anything may be declared contraband which is essential to a belligerent for the continuance of the war. It is quite true that considerable doubt has existed until this war as to whether cotton comes within the category. But the present war has shown that the successful conduct of military operations requires an enormous consumption of munitions of all kinds, and since cotton is the basis of almost all propulsive explosives in actual use, vast quantities of cotton have to be employed and are in fact indispensable to a belligerent. In short, cotton is now just as essential a part of munitions of war as were in the old days the component parts of gunpowder or the raw materials from which ships or cannon were made."

To show that cotton was indispensable and was used as a munition to a very great extent in the recent World War, I desire to quote from a report furnished by the Bureau of the Census showing the quantity of cotton fiber consumed in the manufacture of explosives alone.

The demand—

Says the report—

for gun-cotton, smokeless powder, and absorbent cotton to meet the needs of the warring nations has been such as to affect the cotton situation appreciably. Importance of reliable information as to the quantity of fiber consumed in the manufacture of these products lead Congress to make provision for the collection of such statistics. The act approved August 7, 1916, requires the Bureau of the Census to collect data as to the several kinds of cotton fiber used in the manufacture of gun-cotton and explosives of all kinds during the calendar year 1915 and each quarter thereafter.

#### COTTON USED IN EXPLOSIVES

The manufacture of smokeless powders at the present time requires a considerable quantity of cotton fiber. Gun-cotton, technically known as nitrocellulose, obtained by nitration of cellulose, forms the principal ingredient of these powders. The purest form of cellulose and this fiber is used almost exclusively in the manufacture of gun-cotton. The quantity of bleached cotton fiber consumed in the manufacture of explosives during the calendar year 1915 was 244,003 bales, 583,610 bales in 1916, and 137,308 during the first quarter of 1917, the largest amount for any preceding quarter.

Further on the report says:

Before the cotton fiber can be used in the manufacture of explosives it is necessary that it be thoroughly cleaned and purified. In some instances the manufacturers of explosives have installed machinery for this purpose, but the majority of them purchase the fiber in the bleached and purified condition. Owing to this fact, it is impracticable to obtain data showing the quantity of unbleached cotton, linters, hull fiber, and waste used in this manufacture. In bleaching and purifying for nitrating purposes there is considerable loss, depending on the condition of the raw fiber, some stock being quite clean and some very trashy. However, it would appear from the information at hand that the loss in preparing linters and hull fiber from the wrapped and iron-bound bale to the purified material as used in nitration is between 30 per cent and 40 per cent. Based on an average loss of 35 per cent, the gross weight of unbleached cotton fiber used in the

manufacture of explosives in the United States during the calendar year 1916 was 898,000 bales.

It is seen, therefore, in 1916, the year before we entered the war, that the United States consumed nearly 1,000,000 bales in the manufacture of explosives alone. The Director of the Census Bureau advises that data are not available showing the amount used or consumed in 1917 and 1918, for the reason that the collection and publication of such information was discontinued at the request of the Navy Department in order that the enemy might not be furnished with information which would be of value in making war upon this country. However, it is reasonable to assume that we continued to manufacture explosives to as great extent in 1917 and 1918, while the war was on, as we did in 1916, the year before we entered the war. If so, then a reasonable estimate would be that we consumed at least 3,000,000 bales of cotton during the war in the manufacture of explosives alone; and if we consumed more in 1917 and 1918 than we did in 1916, which is also a reasonable assumption, it is not unlikely that the United States consumed upward of 4,000,000 bales during the recent war. It is obvious, therefore, that cotton is indispensable in case of war; and if we are going to maintain an Army and Navy and be reasonably prepared for any emergency, we must have a sufficient quantity of munitions in reserve; and as cotton is absolutely indispensable as a munition, it is essential that the War Department be required to maintain a reasonable supply at all times. Suppose the World War had been delayed four years and come on us in 1921, when we had a production of less than 8,000,000 bales—we would not have had enough cotton to have met our domestic requirements and furnished our Army and Navy with munitions enough to have sufficiently and successfully carried on our military operations.

We find, even with the large crop produced in 1917 and the large surplus on hand, our military officers were apprehensive that the supply would not be sufficient to meet our military demands. And this statement is predicated on information found in a report of the Assistant Secretary of War issued in 1919, showing use of munitions in 1917 and 1918. On page 106 is found this statement:

The first step taken in the endeavor to meet the need for raw material was an attempt to provide a substitute for cellulose in case a shortage of cotton should render its use necessary.

In other words, gentlemen, we find our Government in 1917, immediately after entering the war, preparing to make a substitute for cotton to be used in the manufacture of explosives, and these steps were made necessary because our Government had failed in time of peace to provide a sufficient and necessary amount of cotton in reserve as a munition. They felt that there was not enough cotton available to meet the demands, and they knew that if we did not have it there was no chance to get it from anyone else, and for these reasons they took steps to find a substitute. Therefore, from the standpoint of preparedness and military economy, our War Department should have on hand at all times a sufficient supply of cotton to meet any emergency that may arise.

It may be suggested that since we have agreed to enter the World Court we should be in a position to reduce our supply of munitions and dispense with some altogether. Permit me to say in reply to such a suggestion that I yield to no one as having a greater desire for permanent peace; yet I am not one of those who believe we have reached that period longed for by the poet:

When war drums shall throb no longer,  
And the battle flag be furled  
In the parliament of man,  
The federation of the world.

On the contrary, I believe that so long as the sun remains inclined 23½° to the axis of this old earth and continues to assert his accredited influence on the life and character of mankind there will be people of such different ideals of government and civilization that there will be wars and rumors of wars, and I believe further that we should always be reasonably prepared for such emergencies. And I submit that if this bill were enacted into law it would demonstrate a high degree of wisdom and at the same time supply an indispensable military necessity.

#### COTTON RESERVE USED AS LEVERAGE FOR MORE SATISFACTORY TRADE RELATIONS WITH FOREIGN COUNTRIES

However, it matters not how great the necessity may be for us to maintain cotton in reserve as a military necessity, this is not the only good reason why this bill should be enacted into law, and the reason is urgent and calls for immediate



action. We are advised by one of our executive departments, the Secretary of Commerce, that foreign combinations are fixing prices on raw materials imported into the United States and that these combinations have the support and indorsement of their governments. It appears further that these combinations for price fixing apply exclusively to those commodities in which these foreign countries have a complete monopoly. If it is true that the combinations are encouraged and supported by these governments I feel that it is only right and proper that our Government should exercise a corresponding prerogative and emulate their example, or as some one has said, "fight the devil with his own fire." We have a natural monopoly in cotton and, if properly managed, we should certainly be able to demand fair and just trade relations with any of the foreign countries supporting and upholding the monopolistic combinations demanding and extracting from our people such enormous bounties on rubber, nitrates, potash, and a number of other commodities not found naturally in this country.

In a statement issued recently by the Secretary of Commerce, the British East Indies produce about 70 per cent of the world's supply of rubber, and that the United States consumes about 70 per cent of the world's production. It is reported further that practically all of our rubber imports are from these British possessions and that the British Government is largely or partly responsible for the price of rubber going from an admitted "fair" price of 30 or 35 cents per pound to as high as \$1.20 per pound, the purpose being to retaliate against the policy of our Government in levying a tariff on articles imported from British possessions to the United States, or for the purpose of collecting from the people of the United States a sufficient amount to pay Great Britain's war debt. Let the purpose be what it may, the point I am making is that foreign combinations are fixing unfair, unjust, and excessive prices on commodities that we must necessarily purchase abroad and that such combinations are the products of legislation designed specifically to compel the American people to pay monopolistic prices for things we do not produce.

I again call upon the Secretary of Commerce to be a witness in this matter, and refer to a statement he made some time ago, in which he declared that our year's supply of rubber for the year 1926 at a price declared to be "fair" by a price-fixing body would cost approximately \$324,000,000, but if the prevailing price for December, 1925, should prevail throughout 1926 it will cost us \$990,000,000, or \$666,000,000 in excess of a "fair" price. At this rate our contributions as a bounty or tribute to foreign combinations would be enough to buy the entire surplus of our wheat and cotton crops for 1925, and we could afford to do so and dump both into the ocean, and the public would be just as well off, because the \$666,000,000 have gone, or will go, into foreign hands, not in exchange for value received but in the way of excess price or tribute money over and above a price representing actual value. Remember, gentlemen, this is on rubber alone. Testifying before a committee here a few weeks ago, the Secretary of Commerce said that the estimated total amount to be paid by the United States during this year in the way of excess prices on rubber, potash, nitrates, and other commodities would approximate \$1,200,000,000.

He goes further and says that—

The rising prices in some of these commodities have penetrated into every household in the United States. Every family budget is penalized. Further than that, they have thrown our industries into jeopardy. No industrial consumer of these commodities can rely upon his own judgment as to the conduct of his business when the policies of government officials in some foreign countries dictate his destinies.

But the tragedy of the situation is summarized when he says:

We are now subject to the full result of this monopoly action and we have no machinery of adequate defense.

Think of it, gentlemen, here we are representing the greatest Republic on earth, the greatest people on earth, the greatest Government on earth, with the greatest natural monopoly on earth, and then say, "We have no machinery of adequate defense." If you will pass this bill and take 3,000,000 bales of cotton out of the channels of trade you will see whether or not we have sufficient machinery for adequate defense.

My colleague [Mr. FULMER], in a speech on this floor a few days ago, stated that we paid to the Chilean Government in 1925 the sum of \$130,560,000 as a bounty on nitrates alone, and I am advised by the Department of Commerce that we paid in excess of a fair price on rubber and coffee \$494,688,000 in 1924, and the estimate for this year, 1926, is that we will pay approxi-

mately \$1,000,000,000 on these two commodities, each of which enters into practically every home in the United States, and every family, therefore, is called upon to contribute to this enormous bounty. Yet we are told that "we have no machinery of adequate defense."

Gentlemen, the situation reminds me of a 300-pound father standing more than 6 feet in his shoes with a half dozen or more of his own children nestling at his feet. As he stands empty handed and looks down on them he sees the pygmy children of his alien neighbors walk up and take the bread from the hands of his helpless offspring; he watches as they remove the shoes from their feet and clothes from their backs, leaving them cold, hungry, and naked; and while his own flesh and blood are writhing in pain and begging their giant father for bread he is untouched and unmoved by their cries of misery further than to say, "I am sorry for you. These pygmies should not be so cruel and treat you so harshly." What would you think of a father like that? I believe the blood of your veins would run hot at such a picture; you would rise in your righteous indignation and use your every effort to reach the indifferent and inconsiderate father and register your protest with all the force you could command by applying the tip end of your boot to his petrid or petrified anatomy. Think of it, gentlemen; the greatest Nation on earth, with the greatest Government under the shining canopy of heaven, standing by with empty hands, watching its own people as they are robbed of their food and clothing to the extent of over a billion dollars a year by being forced to pay tribute to foreign combinations upheld, supported, and maintained by their foreign governments, and yet it is untouched and unmoved further than to say, "I am very sorry for you, but we have no machinery for adequate defense."

It has been said that a fair exchange is no robbery. But it is not a fair exchange when the cotton farmer has furnished Great Britain with cotton at 20 cents per pound and take rubber in exchange at 85 cents per pound, or 50 cents per pound over and above the cost of production and a reasonable profit in addition. What do you suppose Great Britain would do if Congress should pass a law so we could exact from her people \$1 per pound for our cotton? Do you think she would calmly consent to such a procedure? No; she would not, and I would be afraid to hazard a guess to what extremes she would resort to have such a policy corrected.

This is the situation that confronts us and one that makes it absolutely necessary for us to take whatever steps are necessary to protect the interests of our own people regardless of that disregarded idea about international or reciprocal business courtesies. I for one am unwilling to calmly surrender or sacrifice the financial interests and general welfare of our people simply to avoid the possibility of a trade war or to maintain what is generally termed friendly trade relations. I believe in reciprocal trade relations. I believe in being courteous to other nations and other governments, both in a political and business way, but a proffered courtesy unsupported by dignity and courage enough to demand its recognition is generally a courtesy that will be unnoticed, ignored, unappreciated, disregarded, and trampled underfoot, just as is being done to-day by foreign combinations and foreign governments. Apparently we have nothing to gain by remaining silent but further and continued exploitations. I have always had a most profound respect and admiration for the character and ability of the Secretary of Commerce, Mr. Hoover, but I am disposed to disagree with his suggestion as to the solution of this great international problem when he recommends that our Government take no action in the matter further than to insist on the American people to economize to such an extent that there may be only a minimum demand for these commodities. In other words, I gather from his suggestions that, instead of buying a new automobile tire, the owner should go to the old scrap heaps made during the war, dig out the discarded tires, and use them. Instead of buying fertilizers the farmer should rake the burnt-over woods for hickory ashes and use them in place of potash; the housewife should use sassafras tea or drink branch water instead of coffee; and the motherless babe should be forced to remove the rubber nipple from the hygieia nursing bottle and substitute therefor the ragged and dirty "sugar tit" of former days. I believe we could well economize in nearly all of our social and business activities. As a matter of fact, I believe that extravagance is the besetting sin of the American people, including the President of the United States and the American Congress. But I believe in economy as a virtue, just as truth and honesty; but I do not believe in forcing the American people to exercise this virtue any more than I believe in issuing a mandate requiring them to be honest and tell the truth. I am not in favor of requiring the American

people to exercise such niggardly economy in order to solve a great problem that their Government should solve for them.

Mr. BOYLAN. Will the gentleman yield?

Mr. HARE. Yes.

Mr. BOYLAN. There are two points I would like the gentleman to be good enough to clear up. One is the gentleman stated that the Secretary of War should take 100,000 bales of cotton a year. Now, does the gentleman know how much cotton a year the Army uses?

Mr. HARE. I stated at the beginning we did not know except in time of war. During 1916, 1917, and 1918 we consumed in the United States, according to the report and information obtained from the Bureau of the Census, upward of 4,000,000 bales.

Mr. BOYLAN. During that period?

Mr. HARE. During that period of three years.

Mr. BOYLAN. Another question, if the gentleman will yield. Under what plan does the gentleman propose to use the cotton as a retaliatory feature against foreign countries?

Mr. HARE. I will reach that in a few minutes; but I might answer by saying this. If we would adopt the same policy Brazil did in reference to coffee, if we wish to take 3,000,000 bales surplus cotton out of the channels of trade, this being a commodity very much in demand and needed by the British Government and the other foreign governments who are supporting these combinations and demanding excessive and monopolistic prices, it would not be long before this cotton would be in such a demand that they would be making overtures to representatives of our Government for more definite and more reciprocal trade relations with foreign countries.

In other words, we should not be required to act like lambs, timorously walk up and lick salt from the generous hand of foreign combinations, and then wall our eyes heavenward like a dying calf and thank God for the privilege. No, sir! The American people have never eaten from the generous hand of anyone, and, if I have formed a proper estimate or conclusion, they never will. We should not only assert our rights in this particular matter but demand them, for it is not only a function of government but it is a duty it can not shirk, especially if it expects to maintain the respect of foreign governments and the loyal support of its own people, because no people have ever remained faithful and loyal to any government when it failed to protect their rights and interests.

The idea of our Government permitting legalized combinations under any foreign government to exercise such powers as to demand from the American people and American industries unfair, exorbitant, and monopolistic prices without registering a protest smacks of indifference or disloyalty to a trust. If this Congress would authorize the Secretary of War to take 3,000,000 bales of cotton out of the channels of trade and place them in reserve as a munition of war, it would not be long before these foreign combinations and representatives of foreign governments would be asking for a conference with representatives of our own Government looking for a more equitable and definite understanding for reciprocal trade relations instead of standing up and defying us to help ourselves. The prices or bounties the American people are having to pay on rubber, coffee, nitrates, potash, and so forth, are nothing less than legalized swindles, and this Congress should provide some kind of a weapon with which to fight these unjustified and unwarranted invasions of our business and economic rights.

#### HOW THIS BILL WILL BENEFIT FARMERS

Furthermore, if the provisions of this bill are put into actual operation, the incidental effect would, in a large measure, operate as a solution of one of the great problems of the cotton farmer. As I have said, it will remove from the channels of trade a large per cent of his surplus crop, and from what has already been said on this floor, statements made before committees, and reports carried in the press it is conceded that taking care of the surplus will solve the problem. You will observe that no new commission or board is provided for in this bill; no large expenditure of money for experimental purposes, but it simply uses existing governmental agencies and will require but little or no additional cost. Another advantage is that it would not be called upon to actively function except in years when the crop is abnormally large or abnormally small. For example, in the year like 1925, when there was abnormal production, a good portion of the surplus could be placed in reserve, and then in case of a short crop, like 1921, when the production was less than 8,000,000 bales, the Secretary of Commerce, the Secretary of Agriculture, with the Secretary of War, could determine whether there was such a shortage as to create an emergency; and if so, could dispose of whatever was necessary to relieve the emergency. The reserve

stock could then be replenished in years of abnormal production, and the inevitable result would be more or less uniform and stabilized prices—a condition that the cotton farmer has long looked for, because he and those who do business with him would rather see 25 cents per pound for a period of years than to see cotton worth 40 cents per pound one year and 10 or 15 cents per pound the next.

Another feature of the bill is that it will encourage and strengthen cooperative marketing associations, for the reason that one clause therein provides that in purchasing the cotton the Secretary of War shall give preference to duly and legally organized cooperative associations engaged in the marketing of cotton. It would also lend support and dovetail in with the operations of the agricultural cooperative bill which recently passed this House, and would demonstrate the earnestness and sincerity of those proclaiming that cooperation and cooperative marketing of farm crops is the one great and certain solution of the many problems now confronting the American farmer.

I do not anticipate that such objection would be raised, but some may say that it would take a great deal of money and would be a deviation from the well-beaten paths followed by the Government heretofore, saying they are afraid for any governmental agency to have this much cotton on hand or for the Government to lend its aid directly or indirectly to assist the farmer in this way.

My reply to such a statement would be that the cost would not exceed \$300,000,000, which would be a mere bagatelle as compared with \$1,200,000,000 contribution to foreign combinations as a bounty or tribute money. In the latter case the money is gone, never to be returned, but in the former we would still have the money equivalent. As to being willing to assist the farmer in this way, let me suggest that this Congress has been willing to guarantee to the railroads a fair profit on their watered stock, and we are willing to collect it from the producers, shippers, and consumers of our country. We are willing for the manufacturers to collect enormous tolls from the American people by erecting a barrier and making impossible for them to buy in the open market, and both of these "collecting agencies," collecting their revenues from the public, have the directing and supporting arm of this Government, and it receives little or nothing in return for these guaranteed privileges and protection. Yet so far this Congress has been unwilling to take necessary steps to provide munitions necessary for proper defense in case of war, when such steps would afford the additional protection against the practice of foreign speculators to collect unfair, unjust, and unwarranted prices for commodities needed by our own people.

Why should we be unwilling to trust our Government with 3,000,000 bales of cotton, or less? We are willing to risk it in the hands of the transportation companies while they carry it from place to place, and you are willing to place it in the hands of the gamblers and speculators and allow them to sell on the exchanges from three to five times as much cotton as made. They why should we be afraid to intrust a few million bales in the hands of the Government when it is prepared to store it in substantially built warehouses where moth and rust can not corrupt and where thieves can not break through and steal and where it can be kept almost indefinitely without deterioration. I can not subscribe to the idea that it would be a dangerous undertaking for our Government to purchase a limited supply of cotton to be held in reserve as a munition of war and at the same time allow our Department of Commerce to use the reserve as an instrument for effecting better and more equitable trade relations with other countries.

What are we going to do about it? Are we going to continue to sit here and make promises to the farmer and continue to allow the combinations and barons of foreign countries, as well as those of our own country, to literally rob the public and American people of a billion or more dollars annually and take no steps to protect their rights? Answering these questions, I wish to say that I am to-day pleading for the farmers' rights and I am asking the committee to which this bill has been referred to consider and report the same to Congress for action, and when this is done I ask that it be enacted into law so that we may be prepared for any emergency in case of war; that our Government may be prepared to effect more satisfactorily trade relations with foreign countries; and that our farmers may be able to obtain a fair, just, and equitable price for their products and a living return for their labor. Nothing more do they want, and with nothing less will they be satisfied. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 25 minutes to the gentleman from New York [Mr. Celler]. [Applause.]



Mr. CELLER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CELLER. Mr. Chairman and gentlemen of the committee, this morning I desire to pay my respects and compliments to the very astute leader of the Anti-Saloon League, Mr. Wayne B. Wheeler. In the press of New York we find this gentleman is now venting his venom and spleen upon the United States district attorney for the southern district of New York, Mr. Buckner. Mr. Buckner has honestly given his opinion of the breakdown of prohibition and prohibition enforcement, and has made prohibition look ridiculous. Wayne B. Wheeler prohibits any ridicule of prohibition. I believe it was the New York humorous weekly, *Life*, which recently spoke of a mayor of a western town which desired the passage of an ordinance prohibiting any criticism of prohibition, and *Life* reported that the citizens of the town are already preparing for the celebration of silent-chuckle week. I commend that to Mr. Wheeler. A few weeks ago this same man Wheeler had naught but praise for Buckner and fawned upon him.

Buckner now has come out advocating a New York State referendum on prohibition and is now reviled by Wheeler. The latter, and I might say his poltroon league, wither when the light of truth is cast upon them. They want the darkness of untruth to carry out their doctrine of prohibition and hypocrisy. I say that Wheeler is drunk with his power over a lot of maudlin women and mawkish men. He should be made to drink the vintage of his "grapes of wrath." The recent newspaper poll has been a sort of Keeley cure for his intemperate remarks. A few more shocks like that would sober him. He has defiled many a good character, and not even George Washington would be safe from his aspersions if George Washington were on earth to-day.

I am going to read some extracts from a very interesting book on George Washington called "The True George Washington," by Paul Leicester Ford. What I shall say I do not want to have construed in any sense as disparaging of the great and glorious George Washington, but the truth is finally coming into its own. George Washington could never have won his battles on barley water and pop any more than General Grant could have won his battles on ginger ale and chocolate soda. Before I come to the meat of my remarks I want to read what George Washington himself said in connection with his recognized personal defects. He said:

I have foibles; perhaps many of them. I shall not deny that. I should esteem myself, as the world would, vain and empty, were I to arrogate perfection.

And Shakespeare in the same line said:

Speak of me as I am; nothing extenuate or set down in malice.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield there?

Mr. CELLER. Yes.

Mr. NEWTON of Minnesota. Does the gentleman ascribe the great strategic faculties of Washington to the fact that he at times took a drink? Is that what the gentleman is trying to say to the House?

Mr. CELLER. I say that George Washington may have been aided materially in his battles by the fact that he was not averse to liquor.

Mr. NEWTON of Minnesota. That is the gentleman's position?

Mr. CELLER. Yes.

Mr. NEWTON of Minnesota. I think if the gentleman will read a little more about Washington and his campaigns he will probably revise his opinions.

Mr. CELLER. I am glad the gentleman reverted to Washington's campaigns, because I have something interesting to say about that later on—about his political campaigns.

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I will yield a little later. I never refuse to yield to anyone.

Let me call the attention of the House to the fact that George Washington, when he hired a gardener to work on his estate, agreed as a part of the compensation that—

the man should have \$4 at Christmas, with which he may be drunk for four days and four nights; \$2 at Easter, to effect the same purpose; \$2 at Whitsuntide, to be drunk for two days; a dram in the morning, and a drink of grog at dinner at noon.

I am reading from Paul Leicester Ford's *The True George Washington*. And, gentlemen, just as the sun has its spots, and the diamond has its flaws, and the giant can carry a thousand sins, so George Washington was the greatest American

that ever lived. He may have had his spots and his foibles, but nevertheless he remained the great George Washington.

Mr. CARSS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. CARSS. Does the gentleman concede that the fact that he once in a while took a drink was a defect of his character?

Mr. CELLER. No. On the contrary, I say it may have enabled him to some extent to win his glorious battles. It may have stimulated him to greater activities.

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield there?

Mr. CELLER. I yield.

Mr. ALLGOOD. Do I understand that the gentleman attributes the use of whisky as being a tribute to General Grant; that whisky caused his success?

Mr. CELLER. I will say to the gentleman that I think there was a delegation of the Women's Christian Temperance Union which went to President Lincoln in the White House and complained about the rum that General Grant was drinking, and the astute Lincoln replied:

Will you please tell me what brand of rum he uses, in order that I may get some of it and send it to my other generals?

[Laughter.]

Mr. UPDIKE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. UPDIKE. Does the gentleman contend that the use of liquor helped to win the American war? I am talking about the American troops in the war.

Mr. CELLER. I may say that in my opinion the armies of allies in Europe partially won their success as the result of liquor rations. Our troops were not without wine in France. I am unable to gauge the effect of that liquor on our troops. We do know they drank and helped win the war.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. BLACK of New York. How long would it have taken General Grant to win the Civil War if he had had the kind of stuff that is peddled around to-day?

Mr. CELLER. He probably never would have won it.

I want now to call attention to an interesting incident that happened to George Washington in the year 1757. It refers to his political campaign. It seemed that Washington was politically ambitious and wanted to have a seat in the House of Burgesses in Virginia. In his running as a part of his campaign he denounced what was then known as the "tippling housekeepers," claiming that they were influencing the election. Paul Leicester Ford, in his very splendid book, pages 296-297, says:

His conduct was admirable, but it was not good politics, and as soon as he offered himself as a candidate, the saloon element, under the leadership of one Lindsay, whose family were tavern keepers in Winchester for at least 100 years, united to oppose him.

Washington was defeated. Ford continues:

This sharp experience in practical politics seems to have taught the young candidate a lesson, for when a new election came in 1758 he took a leaf from his enemy's book, and fought them with their own weapons.

A law then on the statute books forbade what was called "tickling" the voters. Ford says:

None the less, the voters of Frederick enjoyed at Washington's charge—

	£	s.	d.
40 gallons of Rum Punch, at 3/6 pr. galn.....	7	0	0
15 gallons of Wine, at 10/ pr. galn.....	7	10	0
Dinner for your Friends.....	3	0	0
13½ gallons of Wine, at 10/.....	6	15	
3½ pts. of Brandy, at 1/3.....		16	3
8 qts. Cyder Roil, at 1/6.....	0	12	0
Punch.....		3	9
30 gallons of strong beer, at 8d pr. gall.....		1	0
1 hhd. & 1 Barrell of Punch, consisting of—			
26 gals. best Barbadoes rum, 5/.....	6	10	0
12 lbs. S. Refd. Sugar, 1/6.....		18	9
3 galls. and 3 quarts of Beer, at 1/ or gall.....		3	9
10 Bowls of Punch, at 2/6 each.....	1	5	0
9 half pints of rum, at 7½d each.....		5	7½
1 pint of wine.....		1	6

"After the election was over Washington wrote (Colonel) Wood (his benchman) that 'I hope no exception was taken to any that voted against me, but that all were alike treated, and all had enough. My only fear is that you spent with too sparing a hand.'"

Needless to say that Washington, by such methods, reversed the former election and was elected a member of the House of Burgesses.

Mr. NEWTON of Minnesota. Does the gentleman cite that as an evidence of the great strategic ability of Washington as a commander?

Mr. CELLER. My good sir, no; not at all.

Mr. NEWTON of Minnesota. That is what the gentleman was going to tell the House.

Mr. CELLER. I do not cite that for any such point whatsoever. I cite it for the reason that there are a great many people, particularly the gentleman from Georgia, who said in the House a few days ago that if Washington were living to-day he would be a prohibitionist and I offer that to show that Washington would not have been a prohibitionist; otherwise he would never have allowed his employees, his gardener, to get \$4 at Easter with which to be drunk for four days and for four nights. His morals and manners were typical of an eighteenth century gentleman, but withal he was liberal in his views. He would not have stood for illiberal prohibition.

Mr. HALL of Indiana. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. HALL of Indiana. Does the gentleman contend there has been no progress in 150 years?

Mr. CELLER. I certainly consider there has been progress, but there would have been much more progress in eradicating disrespect of law if we did not have prohibition.

Mr. CARSS. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. CARSS. It is conceded that George Washington was a very wise man in his day and generation.

Mr. CELLER. I agree to that.

Mr. CARSS. If he were living to-day, does not the gentleman think he would be thinking in terms of to-day and not of 150 years ago?

Mr. CELLER. Decidedly so. The terms of to-day are "temperance." Washington would be for that. I could quote you page after page of Washington's statements on the subject of temperance which do not jibe with anything the prohibitionists have to say in favor of prohibition. He would realize that prohibition is not "temperance."

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Texas.

Mr. CONNALLY of Texas. I believe the gentleman just stated that George Washington gave his gardener \$4 so that he could get drunk for four days at Easter?

Mr. CELLER. And four nights.

Mr. CONNALLY of Texas. Would it disturb the gentleman if I called his attention to the fact that George Washington gave him that money so he would be drunk during the holidays, when he was not at work, but he did not advocate giving him whisky at the time he was working in the garden? [Applause.]

Mr. CELLER. That may have been one of his reasons.

Mr. LEAVITT. Will the gentleman yield?

Mr. CELLER. I will yield when I make one other statement.

Mr. BLANTON. Will not the gentleman yield to his old friend for one question?

Mr. CELLER. Then I shall have to yield to both gentlemen. I will first yield to the gentleman from Montana.

Mr. LEAVITT. Is the House to conclude that the gentleman has prepared himself for this speech in the same way he said Washington prepared himself for his battles?

Mr. CELLER. I do not get the force of that question, but I will say this much, if the gentleman is fishing for information of my personal habits, I say I do not touch whisky, but I still have regard for those who might have a desire for it, and if it takes away their personal liberties and they still have a desire for it I want them to have it. But I do not touch it.

Mr. BLANTON. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. BLANTON. Just how soon do the primaries come in these wet districts in New York? [Laughter.]

Mr. O'CONNELL of New York. Will the gentleman yield to me?

Mr. CELLER. Yes.

Mr. O'CONNELL of New York. I would like to say to my friend from Texas that the primaries never worry us in New York at all.

Mr. CELLER. I will say to the gentleman from Texas that so far as I am concerned, a good portion of my district is so-called dry; but I try to educate those constituents to a different method of thought, and when my constituents are wrong I want to set them right, and I am willing to take chances. [Laughter.]

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. LAGUARDIA. Seriously, the gentleman has no dry spots in his Brooklyn district, has he?

Mr. CELLER. Indeed he has. He has three precincts, or assembly districts, one of which has much dry sentiment. I will go into those districts and say exactly what I am saying here. I will try, if possible, to crystallize public opinion in those districts against this hypocritical prohibition proposition.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. SUMMERS of Washington. Does the gentleman maintain the same attitude, for instance, toward morphine and opium which he maintains toward liquor?

Mr. CELLER. I do not, and I do not think the gentleman expects me to say I do. I do not, of course, and the reason is quite plain. There is a public sanction behind laws against morphine and narcotic drugs which is woefully and utterly absent with reference to the law against whisky, beer, and wine.

Mr. SUMMERS of Washington. Is not that a matter of public sanction?

Mr. CELLER. There is no sanction behind prohibition and there is no appreciable public sentiment in the country for the enforcement of prohibition.

Mr. SUMMERS of Washington. If there was no sanction against the indiscriminate use of opium, would the gentleman still favor it?

Mr. CELLER. I would not favor the indiscriminate use of opium in any event.

Mr. WEFALD. Why not?

Mr. CELLER. For the simple reason—

Mr. SUMMERS of Washington. Then why restrict the use of narcotic drugs?

Mr. CELLER. Because opium and other narcotic drugs, by virtue of the testimony of the medical profession, by virtue of common ordinary experience and by common sense—

Mr. SUMMERS of Washington. Create a habit.

Mr. CELLER. Should be ostracized, as it were, but you can not say that with reference to beer and wine. You might even say there may be a great divergence of opinion in the medical world as to its properties, and you might go still further and say, unlike what you can say with reference to morphine, cocaine, and all of its derivatives, that common sense tells us beer and wine are not inherently dangerous; their use under ordinary conditions is not destructive. Opium and cocaine, on the contrary, in the smallest quantities, if not taken under direction of a physician, are inherently dangerous and destructive.

I would want you to be deprived, probably, of narcotics but not of light wines and beer, the use (not the abuse) of which the medical profession as a whole says is harmless. I do not want you to be deprived of your personal liberty in that regard to a harmless use, and for that reason I am making this talk this afternoon.

Mr. OLIVER of New York. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. OLIVER of New York. Is it not a fact that opium is not prohibited by a constitutional amendment and that all narcotic drugs are regulated by State laws, except that it is a crime not to pay the tax in regard to the Federal act, and that is the only thing that applies to opium and other narcotic drugs in the Federal law?

Mr. CELLER. I thank the gentleman from New York, because he has wisely stated the situation as to limited Federal control over dangerous drugs.

Mr. BLANTON. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. BLANTON. I wish the gentleman had been here and heard the splendid speech by our physician colleague, Doctor FITZGERALD, of Ohio, who just an hour ago said that beer was the most harmful of intoxicating liquors. Doctor FITZGERALD is an eminent physician, with over a quarter of a century's experience as an active practitioner, and he clearly demonstrated the evil and harmful effects which beer has upon human beings. I specially commend that scientific speech to the thoughtful attention of our "wet" colleagues.

Mr. CELLER. I would commend the gentleman who made the speech, with all due respect to him, to his knowledge and wisdom, to some of the very eminent savants and some of the very eminent medical men of Johns Hopkins University and other places of learning, who have recently given us a very elaborate and very helpful tome on the subject quite counter to what has been said here this afternoon by the gentleman from Ohio.

Mr. MOORE of Virginia and Mr. UPDIKE rose.

Mr. CELLER. I yield to the gentleman from Virginia.

Mr. MOORE of Virginia. I want to ask the gentleman a question very seriously. We all know the drastic character of the eighteenth amendment. Now, exactly what legislation



would the gentleman propose in substitution of the Volstead law that would be consistent with the eighteenth amendment?

Mr. CELLER. That is a very good question, and I am very pleased to answer it.

Mr. MOORE of Virginia. We, I think, must also realize that changing the percentage to 2 per cent or 2.75 per cent would not satisfy the antiprohibitionists.

Mr. CELLER. I disagree with the latter part of the question, and I will offer a very constructive remedy with reference to our most intolerable condition. I refer the gentlemen of the committee to a bill introduced by my colleague and friend, Mr. OLIVER of New York, which is known as H. R. 10436, and provides that up to a per centum of 6 per cent by volume as to wine and 2½ per cent by volume as to beer, that this House and the Senate shall pass an enabling act allowing any State, if it so sees fit, to conduct a referendum in the State, and if the people of that State want to have light wines and beer up to the percentage indicated, namely, 6 per cent for wine and 2½ per cent for beer, they shall have it. The bill also provides that the act shall not apply to any county, town, or city that refuses to ratify the return of beer and wine. It is a thoroughgoing local option bill within the eighteenth amendment. If you are in favor of State rights, if you are in favor of putting this up to the people, then I commend the bill of the gentleman from New York [Mr. OLIVER] to you. It does advance the proposition that 2½ per cent beer and 6 per cent wine are not intoxicating in fact. The Supreme Court has ruled that Congress, within reason, can state what degree shall be intoxicating.

Mr. UPDIKE. Will the gentleman yield there for a question along the same line?

Mr. CELLER. I yield.

Mr. UPDIKE. The gentleman said a while ago the people did not sanction prohibition. I would like to ask the gentleman how many States by referendum vote voted dry?

Mr. CELLER. I will answer the question of the gentleman by saying that we have just had a straw vote—

Mr. UPDIKE. Not a straw vote; I am talking about the referendum vote in every State in the United States. How many States went dry in that vote?

Mr. CELLER. I will answer your question. We have just had a straw vote [laughter], my good friends, and that straw vote you might say is the straw that broke the camel's back. It was conducted by almost 400 newspapers in wet and dry cities and communities. The result is that for the amendment of the Volstead law and the repeal of the eighteenth amendment there were cast 2,992,648 votes and for strict enforcement of the Volstead law and the retention of the eighteenth amendment 546,648 votes, and the wets appear to have it by about 4 to 1. I will admit that this vote is not perfect and can not be in the very nature of things, but it does indicate the trend of public opinion, and I do advise and caution the men who vote dry in this House to take heed of this changing public opinion, because those wet votes are going to inundate you if you are not careful.

Mr. W. T. FITZGERALD. Will the gentleman yield?

Mr. BLANTON. Yield to the Ohio physician.

Mr. CELLER. Yes; I beg the gentleman's pardon. I did not know he asked me to yield.

Mr. W. T. FITZGERALD. Does not the gentleman know that nine-tenths of our best, greatest, most scientific, most practical, and most humane men in this country are opposed to the use of alcohol in any form as a medicine or as a beverage? [Applause.]

Mr. CELLER. I do not agree with that at all, and as a matter of fact this House has recognized that whisky and wine have medicinal qualities. It is in the law now. The gentleman himself probably voted for it. If the gentleman does not square his personal ideas with his vote here, that is not my funeral, but is his own lookout. Probably as the result of medical testimony this body said whisky and wine has medicinal qualities.

Mr. W. T. FITZGERALD. I have practiced medicine 20 years and never used 20 ounces of it in my life.

Mr. CELLER. I do not use it either.

Mr. W. T. FITZGERALD. And I never used it in my practice. The profession abhors it. I know many splendid physicians who differ with you.

Mr. OLIVER of New York. Will the gentleman yield?

Mr. CELLER. I yield to my colleague.

Mr. OLIVER of New York. Does not the gentleman know that the only man the Lord did not drown in the Deluge was Noah, who drank wine?

Mr. CELLER. That may be the reason he was saved.

I come now to the great State of Virginia, and I call attention to what occurred there many years ago, referring to no

less a personage than Thomas Jefferson. There was before the Assembly of Virginia a petition of one Captain Miller, and Jefferson stated as follows:

I have his petition at heart [the petition of Captain Miller], because I have great esteem for the petitioner as an honest and useful man. He is about to settle in our country and to establish a brewery, in which art I think him as skillful a man as has ever come to America.

I wish to see this beverage become common instead of the whisky which kills one-third of our citizens and ruins their families. He is staying with me until he can fix himself, and I should be thankful for information from time to time of the progress of his petition.

And I may say to the gentleman from Virginia, my esteemed friend, Judge Moore, that he might go back and read something of what Jefferson said in the interest of temperance and here in particular, in the old Assembly of Virginia, with reference to the establishment of a brewery in the interest of temperance. I only reecho Jefferson's sentiments that we have light wines and beer for the same temperance.

Let me go one step further and read to you what a very distinguished American said around about the time of the Civil War, a man for whom I have the highest regard and respect, as follows:

I will briefly answer the inquiry in regard to the prohibition amendment at issue. "Be ye temperate in all things" was a wise injunction, and would apply to intolerance as well as to drunkenness. To destroy individual liberty and moral responsibility would be to eradicate one evil by the substitution of another, which it is submitted would be more fatal than that for which it is offered as a remedy.

Local prohibition is the wooden horse in which a disguised enemy to State sovereignty as the guardian of individual liberty was introduced. Then let it be a warning that the progressive march would probably be from village to State and from State to the United States—a governmental supervision and paternity instead of the liberty the heroes of 1776 left as a legacy to their posterity.

Who do you imagine, my friends, wrote those words? A man, I said a moment ago, for whom I have the highest respect, a man for whom you have the highest esteem—no less a person than Jefferson Davis. He had that to say in favor of temperance in opposition to what was an attempt to foist on the people a prohibition amendment like we have now in the form of the eighteenth amendment.

A few days ago I received a very interesting communication from New Zealand, where they have a referendum on this very same subject of light wines and beer every third year. The letter comes to me from a gentleman of the New Zealand press. He writes, in part, under date of November 21, 1925:

We have had our fight with the prohibitionists in New Zealand and have beaten them by 36,177 votes. In obtaining this majority of 36,177 the example to be avoided of the United States of America in this respect has greatly helped us. As you will see from the accompanying matter what splendid service you and other leading American citizens rendered us in our attaining a most satisfactory position.

I and others had sent to New Zealand letters telling of the failure of prohibition.

The organization made a feature of these letters during the last three weeks of the fight. They had a determining effect but the measure of such effect is difficult to estimate. Personally I am very grateful for your excellent contribution to the fight, and I am instructed by those who have conducted the campaign to thank you very cordially for the splendid service you have rendered to the cause of continuance in this Dominion. \* \* \*

You will rejoice with us in our victory. \* \* \* I have endeavored to give you a fair résumé of our position in New Zealand on this so-called liquor question. It is interminable. You do differently in the United States of America. You put prohibition upon the statute book and make it an irrevocable law, and you say, "Yes; we have prohibition, but we do not know when it is going to begin." \* \* \* Our gratification is that we do not have it in law; but the danger is ever with us, leading every three years to a great waste of public and private money.

New Zealand did not make the same mistake as we did. There is not the law of the Medes and the Persians. Neither absolute prohibition nor permission to use wines and beer are hermetically sealed up by an eighteenth amendment. Unless there is an extension to six years, each three years the question comes before the people. That is the better and more democratic method.

Mr. TAYLOR of Colorado. Mr. Chairman—

Mr. DICKINSON of Iowa. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. DICKINSON of Iowa. Has not the gentleman from Colorado a dry speech that he could put on now? [Laughter.]

Mr. TAYLOR of Colorado. Yes; the next speech will be a dry one. I yield to the gentleman from Mississippi [Mr. COLLIER] 20 minutes.

Mr. COLLIER. Mr. Chairman, I do not suppose there was ever a truer word spoken than that which was spoken by my good friend from Colorado in answer to the question by the gentleman from Iowa if the next speech would be a dry one. [Laughter.] I am going to speak on the difference between the revenue act of 1924—the Mellon plan, the plan suggested by the Secretary of the Treasury in his famous letter to Mr. GREEN, the chairman of the committee, in 1924—and the present act of 1926, which a little over three weeks ago was signed by the President of the United States; so I can safely say that the gentleman from Colorado was safe in saying that this would be a very dry speech. [Laughter.]

A little over three weeks ago President Coolidge signed the 1926 revenue bill. This act is the most substantial reduction of Federal taxes since the armistice was signed.

The subject of taxation has always been prominent. From the remotest antiquity it has vexed legislators and harassed taxpayers. Owing to the vast sums needed to finance the war, the subject of taxation to-day is paramount in the minds of the American people.

Less than 15 years ago the expenses of the Federal Government, irrespective of postal expenditures, were, in round numbers, about \$700,000,000 annually. Of this amount nearly half was collected by indirect taxes at the customhouse, while the remainder was for the most part received from the tax on tobacco and liquor, together with an inconsiderable amount from fines, forfeitures, and penalties.

Under such a system the individual citizen rarely ever came in actual contact with the Federal tax collector, but the expenses of the war created a revolutionary change in our system of taxation.

In 1919 the total governmental expenditures were over twenty-seven times as much as they were half a decade before.

During the years 1919, 1920, and 1921 the sum of nearly \$10,000,000,000 was collected from the American people in income and excess-profit taxes alone, while billions of dollars additional were collected in direct taxes on automobiles, jewelry, candy, admissions and dues, capital stock of corporations, stamp taxes, and taxes on various other articles of merchandise.

In 1921 an effort was made to reduce these excessive tax burdens and a partial reduction was made.

In 1924 a much greater reduction was made, and in 1926 a real and substantial reduction of \$365,000,000 in Federal taxes has been given the American people.

In the 1924 act the Congress refused to accept the suggestions made by Mr. Mellon, the Secretary of the Treasury, as set forth in his famous letter to Mr. GREEN, the chairman of the Ways and Means Committee, which suggestions became generally known as the "Mellon plan," a plan which was supported by the administration and was backed by propaganda perhaps greater in its extent than ever before known in the history of American legislation.

The storm center of discussion in the Mellon plan was the demand that the maximum surtax rates be lowered from 50 to 25 per cent. The plan also provided that there should be no increase of the exemptions of the 1921 act, nor was there any suggestion from the Secretary that the obnoxious special taxes should be either repealed or reduced.

Congress refused to accept the suggestions of Mr. Mellon in the 1924 act. The maximum surtax rate was fixed at 40 per cent, some of the special taxes were repealed, while others were reduced.

In the act of 1926 the maximum surtax rate is lower than the rate suggested by Mr. Mellon in his plan of 1924.

For this reason perhaps the statement has been made by many that the act of 1926 so closely resembles the suggestions Mr. Mellon made in 1924 that it might well be called the "Mellon plan."

This statement can not be reconciled with the facts, and a careful analysis of the Mellon plan with the act of 1926 will show that there is even a greater difference between the Mellon plan and the act of 1926 than there was between the act of 1924 and the Mellon plan which was rejected by Congress.

In the first place, the act of 1926 relieves from Federal income taxation 2,300,000 persons who would have been taxed if Congress had adopted the Mellon plan of 1924, for the Mellon plan did not contemplate any increase of the exemption as provided in the 1921 act.

The act of 1926 increased the exemption of the head of a family from \$2,500 to \$3,500 and the exemption of a single person from \$1,000 to \$1,500.

The Mellon plan of 1924 provided for a normal tax of 3 per cent on the first \$4,000 of taxable income.

The act of 1926 provides for a normal tax of 1½ per cent on the first \$4,000 of taxable income, being a reduction of 50 per cent in the rate suggested by Mr. Mellon.

On the second \$4,000 of taxable income the Mellon plan of 1924 provided that the normal tax should be 6 per cent.

The act of 1926 provides that the normal tax on the second \$4,000 shall be 3 per cent, or only 50 per cent of the rate in the Mellon plan.

The Mellon plan of 1924 provided that the normal tax on all taxable incomes in excess of \$8,000 should be 6 per cent.

The act of 1926 provides that on all incomes in excess of \$8,000 the normal tax shall be only 5 per cent.

Under the Mellon plan of 1924 a married man with no dependents, having an income of \$3,000, would have paid \$5 in Federal taxes.

Under the act of 1926 this man will pay no income tax at all.

Under the Mellon plan of 1924 a married man with no dependents, having a total income of \$4,000, would have paid in Federal taxes \$45.

Under the act of 1926 this same man will pay \$5.63. On this income the taxpayer would pay eight times as much under the Mellon plan of 1924 as he pays under the act of 1926.

Under the Mellon plan of 1924 a married man with no dependents, having a total income of \$5,000, would have paid \$75.

Under the act of 1926 this same man will pay only \$16.88, or considerably less than one-fourth of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$6,000 would have paid \$120.

Under the act of 1926 this same man will pay only \$28.13, or considerably less than one-fourth of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$7,000 would have paid \$180.

Under the act of 1926 this same man will pay only \$39.38, or less than one-fourth of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$8,000 would have paid in Federal income taxes \$240.

Under the act of 1926 this same man will pay only \$56.25. Under this bracket the \$8,000 man would have paid over four times as much under the Mellon plan of 1924 as he will pay under the act of 1926.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$9,000 would have paid \$300.

Under the act of 1926 this same man will pay only \$78.75, about one-fourth of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with a total income of \$10,000 would have paid \$360 to the Federal Government.

Under the act of 1926 this same man will pay \$101.25, considerably less than one-third of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$11,000 would have paid in income taxes \$420.

Under the act of 1926 this same man will pay only \$131.25, or less than one-third of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$12,000 would have paid the Federal Government an income tax of \$500.

Under the act of 1926 this same man will pay the Federal Government an income tax of only \$168.75, or about one-third of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$15,000 would have paid a Federal tax of \$750.

Under the act of 1926 this same man will pay only \$311.25, or less than one-half of what he would have paid under the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$50,000 would have paid a tax of \$6,680.

Under the act of 1926 this same man will pay \$4,878.75, or over \$1,800 less than the Mellon plan of 1924.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$100,000 would have paid in Federal income taxes \$19,840.

Under the act of 1926 this same man will pay \$16,058.95, or nearly \$4,000 less than the Mellon plan of 1924.



Under the Mellon plan of 1924 the income tax of a married man with no dependents having a total income of \$10,000 was reduced only 30.76 per cent.

Under the act of 1926 this same man had his tax reduced over 80 per cent.

Under the Mellon plan of 1924 the married man with no dependents having a total income of \$4,000 would have received a reduction of 25 per cent.

Under the act of 1926 this same man received a reduction of over 90 per cent, or about one-eighth of what he would have paid under the Mellon plan.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$4,000 would have received a reduction in his tax of \$15.

Under the act of 1926 this same man receives a reduction in his tax of \$54.37.

Under the Mellon plan of 1924 a married man with a total income of \$10,000 would have received a reduction in his tax of \$160.

Under the act of 1926 this same man receives a reduction of \$418.75.

Under the Mellon plan of 1924 a married man with no dependents with a total income of \$15,000 would have received a reduction in his tax of \$310.

Under the act of 1926 this same man receives a reduction of \$748.75.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$20,000 would have received a reduction in his income tax of \$460.

Under the act of 1926 this same man will receive a reduction of \$1,101.25.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$30,000 would have received a reduction in his tax of \$860.

Under the act of 1926 this same man receives a reduction of \$1,741.25.

Under the Mellon plan of 1924 a married man with no dependents having a total income of \$50,000 would have received a reduction in his tax of \$1,960.

Under the act of 1926 this same man receives a reduction of \$3,764.25.

Under the Mellon plan of 1924 a married man with a total income of \$100,000 would have received a reduction in his tax of \$10,300.

Under the act of 1926 this same man receives a reduction in his tax of \$14,081.25.

The Mellon plan of 1924 reduces the income tax on a \$5,000,000 income 50 per cent and on a \$50,000 income less than 23 per cent.

The Mellon plan reduced the \$5,000,000 income tax 50 per cent and \$10,000 income tax 30.76 per cent.

The Mellon plan reduced the \$2,000,000 income tax 50 per cent and the \$6,000 income tax only 25 per cent.

The act of 1926 reduced the \$2,000,000 income tax 60 per cent and the \$6,000 income tax over 80 per cent.

The Mellon plan of 1924 reduced the tax on the big incomes by one-half and the little incomes by one-fourth.

The act of 1926 reduced the tax on the big incomes by as much as 60 per cent and on the little incomes by over 80 per cent.

And yet they tell us that the act of 1926 resembles the Mellon plan of 1924.

The Mellon plan of 1924 contemplated no reduction in the taxes on automobiles.

The act of 1926 relieved the automobile industry of nearly \$75,000,000 in Federal taxes.

The Mellon plan of 1924 made no provision for the repeal of the stamp tax on deeds of conveyances.

The act of 1926 removed all of this tax and by so doing saved the home purchasers of the United States over \$4,000,000.

The Mellon plan of 1924 made no provision for the repeal of the taxes on cameras, photographic films, jewelry, works of art, and many other articles, which taxes, notwithstanding those repealed or reduced in 1924 against the recommendations of Mr. Mellon, still amounted to over \$20,000,000.

The act of 1926 repealed these taxes.

The Mellon plan of 1924 did not provide for either the repeal or substitution of the capital-stock tax. This tax was one of the most objectionable of all the war taxes. It was a tax on capital. It meant a vexatious duplication of returns. It fell with equal force upon a corporation which had made money and one that lost money. It was not confined to the capital stock of the corporation, but was based upon the capital stock, surplus, and undivided profits. In determining the value of the corporate assets a potential value was invoked, a value

which included the good will of the corporation, which good will had to be defined by the Federal tax collectors.

The administration of this tax in determining the value of the assets of the corporation was so vague, so uncertain, and so indefinite that it invariably led to much disagreement and continually opened many avenues of contention.

The act of 1926 repealed this objectionable inheritance of the war and substituted in its stead an increase in the corporation tax of one-half of 1 per cent for the calendar year 1926 and 1 per cent thereafter.

I have in this brief analysis outlined the principal differences between the Mellon plan of 1924 and the act of 1926.

Disregarding the minor differences, there are three fundamental differentials between the Mellon plan of 1924 and the act of 1926.

The first fundamental difference relates to the exemptions.

The Mellon plan of 1924 insisted that the exemptions of the act of 1921 remain unchanged.

The act of 1926 so materially raised these exemptions that 2,300,000 persons who would have been taxed under the Mellon plan are absolutely relieved from income taxation.

The second fundamental difference between the Mellon plan of 1924 and the act of 1926 relates to the normal and surtax rates.

In the Mellon plan of 1924 incomes in excess of \$2,000,000 received reductions amounting to 50 per cent, while the small incomes received a reduction of considerably less than 25 per cent.

The act of 1926 gives an even greater percentage of reduction to the million-dollar income than was given by the Mellon plan of 1924, but at the same time the small incomes receive a percentage of reduction several times greater than has been given the million-dollar income, while over 2,000,000 taxpayers are relieved entirely from income taxation.

The third fundamental difference between the Mellon plan of 1924 and the act of 1926 relates to the repeal of the special taxes.

The Mellon plan of 1924 did not provide for the removal of these taxes, so aptly described as nuisance taxes, whereas the act of 1926 removed nearly \$100,000,000 of these vexatious, annoying, and in many instances harmful and oppressive taxes. [Applause.]

Mr. DICKINSON of Iowa. Mr. Chairman, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, Dr. Clarence True Wilson has been an honored and respected minister of the gospel for 37 years in the United States. He was born in Milton, Del. He married a Miss Maud Aiken, in Portland, Oreg. He was pastor of the Methodist Church at Seaford, Del., from 1889 to 1891. He was pastor of the Methodist Church at Seaciff, Long Island, N. Y., from 1891 to 1894. He was pastor of the Methodist Church at Pasadena, Calif., from 1895 until 1898. He was pastor of the Methodist Church at San Diego, Calif., from 1898 until 1901. He was pastor of St. Luke's Church, Newark, N. J., from 1901 to 1905. He was pastor of Grace Church, at Portland, Oreg., from 1905 until 1911. I have mentioned the above churches of which he has been the pastor, illustrative of the wide experience he has had over the United States.

He is the author of nine valuable treatises on temperance. For several years he has been the general secretary of the board of temperance of the Methodist Episcopal Church. He is known from one side of the United States to the other. These are the reasons why I am hopeful that our colleague from New York [Mr. O'CONNOR] will not leave that awful accusation in his speech standing against a man of this character. He could not get a member of the Methodist Episcopal Church, the denomination in which Doctor Wilson is well known, to believe that statement under any circumstances. The statement attributed to Doctor Wilson is undoubtedly a misquotation; it is undoubtedly an error. Newspapers misquote public men every day. I am sure Doctor Wilson did not make that statement. That is the reason I ask our colleague not to put that accusation in the RECORD against this man who has spent his lifetime in the interest of humanity, so that it will go out all over this country. I sincerely hope that the good judgment of our colleague from New York will cause him to revise his remarks and leave that accusation out.

For nearly half a century Dr. Clarence True Wilson has ministered unto God's people scattered all over the United States. He has preached to them from pulpits. He has baptized their babies. He has performed the rites of holy wedlock for their children. He has visited and consoled them when they were sick. And he has buried their dead for them. After all this, is he now to be condemned without a hearing on a mere

newspaper article and called a liar and dastard in the RECORD? I hope not.

Mr. DICKINSON of Iowa. Mr. Chairman, I yield 30 minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman, this general debate upon the legislative bill has taken in so many subjects that it occurs to me it might possibly be stretched so as to take in a subject on which I shall speak, which is the crude-rubber investigation recently conducted by the Committee on Interstate and Foreign Commerce.

No country in the world can measure up to the United States in the value and variety of its natural resources. We have within our own borders most of the raw materials which are essential to our welfare. Notwithstanding this, however, there are something like 70 commodities more or less necessary to our needs which we do not produce in whole or in part sufficient to satisfy our wants. Among the most important of these commodities are crude rubber, coffee, silk, nitrates, potash, quinine, iodine, tin, sisal, quicksilver, and other important raw materials. These we must have and at a fair price. It is one of the duties of any government—and this is certainly true of our own—to see that every appropriate and proper step is taken to insure this.

Before the war, and especially since, reports have come to us of efforts by foreign governments to control either the production or exportation of these essential raw materials. Three years ago Congress authorized the Department of Commerce to conduct a thorough investigation to ascertain the facts. The work was thoroughly done. While it was nearing completion the complaints as to the detrimental effects of these controls became more pronounced. The situation was such that our alert and efficient Secretary of Commerce, Mr. Hoover, called it to the attention of our people in a public address. Upon the convening of Congress the majority floor leader, the distinguished and able gentleman from Connecticut [Mr. TILSON], introduced and the House passed a resolution to ascertain the nature, growth, extent, and effect of these governmental controls. The resolution was referred to the Committee on Interstate and Foreign Commerce. The committee proceeded to conduct a thorough and intensive study and investigation. In this they were ably assisted by representatives from the Department of Commerce, including Secretary Hoover; Doctor Klein, Director of the Bureau of Foreign and Domestic Commerce; and a number of other trained and able assistants and specialists. A few days ago the committee submitted a preliminary report covering its findings and conclusions. This is House Report No. 555, and it is available in the House document room. The report was practically a unanimous one. Several members submitted additional individual views, but as to the findings of fact, both specific and general, the report was unanimous.

There were also available to the committee several printed reports of the Department of Commerce, containing results of investigations made by that department. These were both interesting and helpful, and they are available to the Members and to the public generally upon application.

The committee found that control of either production or exportation was being exercised by certain foreign governments. I repeat, these controls were being exercised not by private corporations in certain foreign countries but by the foreign governments themselves. For example, we found that controls of either production or exportation materially affecting prices had been instituted by direct or indirect governmental action, as follows: The Government of Great Britain, through direction of its Colonial Office to its East Indian possessions, over rubber; the government of the State of Sao Paulo, Brazil, over coffee; the Government of Chile over nitrates and iodine; the Governments of Germany and France over potash; the Government of Egypt over long-staple cotton; the Government of Japan over camphor and, at times, over silk; and the government of Yucatan, Mexico, over sisal.

The excuse for exercising such control by governmental action—something quite unusual in modern times—was invariably for stabilizing the price for the mutual benefit of producer and consumer. Under governmental control prices of the controlled commodities have advanced materially, in most instances to exorbitant levels. For example, rubber advanced to over 300 per cent of the originally announced "fair price" of 36 cents.

The committee found that all of these controls had certain common characteristics. I mention several:

(1) They are all confined to commodities where the preponderating production lies in the country mentioned. To illustrate: The British possessions, when governmental control

was established, produced 69 per cent of the world's rubber, Brazil 65 per cent of the world's coffee, and Chile 100 per cent of the world's natural nitrates.

(2) They are confined to commodities where the consumption within the country of origin and control is in small ratio to the consumption in other countries. For example, 5 per cent of the world's coffee is consumed in Brazil and 7 per cent of the world's rubber is consumed in the United Kingdom. Only a small per cent of the nitrate or iodine production is consumed in Chile, and so on.

(3) Of rubber, nitrates, iodine, sisal, coffee, raw silk, and camphor the United States consumes nearly half, and in some cases 75 per cent of the entire world's production.

(4) Generally speaking, the commodity must be such as not to be susceptible of an immediate increase in production in countries not subject to the control. To illustrate: It takes about seven or eight years to produce a rubber tree where it will actually produce rubber in considerable quantity. It takes about five or six years in the case of coffee.

The suggestion was made when the resolution was under consideration in the House and since then both on this floor and in the columns of some of our newspapers that these governmental controls were instituted as a sort of reprisal against the protective tariff policy of the United States as embodied in the Fordney-McCumber Act of 1922. The committee went into this phase of the situation. It was obligated to the House to find the facts and to report them fairly and impartially. It did so. It found that those controls were inaugurated without reference to whether our country was operating under a Republican or a Democratic tariff. It found that with the exception of crude rubber every one of these controls was inaugurated prior to September 20, 1922, when the Republican protective policy supplanted the Democratic tariff-for-revenue-only principle. For example, the Brazilian restriction of coffee had its genesis in 1906. The Mexican sisal restriction was initiated in 1915. The control of Chilean nitrates dates back to 1885. As I recall it, every one of these controls antedated the Fordney-McCumber tariff law by several years with the exception of control over crude rubber by Great Britain. The Stevenson plan of rubber restriction by Great Britain was put into effect in the fall of 1922, almost contemporaneous with the passage of the Fordney-McCumber tariff bill. But the Stevenson plan had been in process of development for many months before it was put into effect. The official committee was working upon it before the Fordney-McCumber tariff schedules were known to anyone. It is perfectly apparent, therefore, that the Stevenson plan controlling the exportation of rubber was not put into effect in retaliation for any particular tariff policy of the United States. In this connection I want to say this: Our country has not been alone in the increasing of its tariff duties. Fifty-two out of seventy foreign countries of commercial importance have made substantial upward revisions of their tariff since the close of the World War. Many of these antedated the passage of the Fordney-McCumber tariff bill.

However, the committee wanted to be doubly certain. They inquired as to our general trade relations with these countries whose governments were exercising this control of these essential commodities. With the exception of crude rubber, the four leading government-controlled commodities come from Brazil, Mexico, and Chile. Take Brazil—we take 55 per cent of her coffee. We are by far her best coffee customer. Ninety per cent of what Brazil exports to the United States comes in free of duty, while 90 per cent of what we export to Brazil is subject to duty. There is clearly no ground for complaint on the part of Brazil as to our tariff schedules. Take Mexico—we purchase 90 per cent of all the sisal she produces and at prices fixed through the Yucatan Government. Eighty-five per cent of what Mexico exports to us comes in free of duty, while 66½ per cent of what Mexico imports from us is subject to a tariff duty. It is obvious that Mexico has no just complaint against the United States as to our tariff schedules. There is no possible ground for retaliation.

We obtain our natural nitrates from Chile. We pay whatever price her Government-controlled agency determines. However, we admit 98 per cent of Chile's products free of duty, while Chile, on the other hand, levies a duty on 90 per cent of our exports to her. Therefore Chile can not complain.

With reference to Great Britain, rubber being subject to control by that Government, we find that about 69 per cent of our imports from that country come in subject to duty and that about 10 per cent of our exports to Great Britain are subject to duty. However, upon these imports from us in the year 1924 Great Britain collected in tariff duties over \$100,000,000. The



average rate on the dutiable manufactured goods, constituting about one-third of the imports, was approximately 29 per cent. It must also be borne in mind that of our total exports to that country about 65 per cent are foodstuffs or raw materials. They go in practically free of duty.

Going into the matter further, the committee found that since the war the exports from the United States to these countries had increased materially above the pre-war average and that this was likewise true of our imports from these countries. I submit the following table:

*Merchandise exports to and imports from the leading countries in the foreign trade*  
[Values in millions and tenths of millions of dollars, i. e., 00,000 omitted]

Country	Exports						Imports					
	1910-1914	1924	1925				1910-1914	1924	1925			
			Value	Per cent of total	Per cent increase over 1910-1914	Rank <sup>1</sup>			Value	Per cent of total	Per cent increase over 1910-1914	Rank
Canada.....	315.0	624.0	650.8	13.3	107	2	117.2	399.1	454.8	10.8	288	1
Mexico.....	53.1	135.1	144.7	2.9	173	10	70.5	167.1	178.8	4.2	154	8
Central America.....	37.6	64.8	72.8	1.5	94	17	17.4	37.3	42.6	1.0	145	22
Cuba.....	63.0	199.8	198.7	4.0	215	7	122.1	361.7	261.7	6.2	114	5
Colombia.....	5.8	27.8	41.4	.8	618	21	11.9	57.7	63.4	1.5	431	20
Argentina.....	47.2	117.1	148.8	3.0	215	8	32.9	75.3	80.2	1.9	144	17
Brazil.....	31.5	65.2	87.5	1.8	178	15	110.9	179.3	221.8	5.2	100	6
Chile.....	13.9	31.4	39.3	.8	183	23	22.9	98.3	89.0	2.1	289	16
Scandinavia.....	33.2	109.0	124.4	2.5	275	12	20.2	67.6	68.6	1.6	240	19
United Kingdom.....	567.6	982.9	1,031.9	21.0	82	1	278.9	366.5	412.3	9.8	48	2
Belgium.....	53.1	116.0	120.3	2.4	127	13	40.4	65.6	69.0	1.6	71	18
France.....	138.8	281.7	280.3	5.7	102	4	130.1	147.6	157.4	3.7	21	11
Netherlands.....	104.6	151.8	141.5	2.9	35	11	34.9	74.0	92.6	2.2	165	15
Germany.....	304.1	440.4	470.3	9.6	55	3	176.5	139.3	164.3	3.9	17	10
Italy.....	66.0	187.1	205.2	4.2	211	6	51.1	75.0	102.2	2.4	100	13
Spain.....	26.2	71.2	79.2	1.6	202	16	21.6	29.0	32.9	.8	52	25
British India and Ceylon.....	11.3	36.5	40.7	.8	260	22	66.3	128.6	192.6	4.6	190	7
Straits Settlements.....	2.9	7.5	11.2	.2	280	32	24.6	147.6	313.9	7.4	1,176	4
Dutch East Indies.....	3.1	14.5	19.2	.4	519	28	9.2	57.5	95.8	2.3	941	14
Philippine Islands.....	22.6	59.5	61.1	1.2	170	19	19.4	97.1	111.8	2.6	476	12
China.....	21.6	109.2	93.5	1.9	333	14	35.3	117.9	169.6	4.0	380	9
Japan.....	44.2	250.3	227.7	4.6	415	5	84.9	40.1	384.1	9.1	352	3
Australia.....	38.7	125.2	148.5	3.0	284	9	12.3	32.9	55.1	1.3	348	21
Egypt.....	1.7	5.9	7.4	.2	337	35	16.9	30.1	41.0	1.0	143	23
British South Africa.....	12.9	36.0	46.2	.9	258	20	2.5	7.7	9.2	.2	274	34

<sup>1</sup> Rank of country is determined by its order among all countries, in export and import trade, respectively.

<sup>2</sup> Decrease.

Since the war British domestic exports to the United States in terms of value have materially increased. The increase in 1925 over 1913 was 74 per cent. During the same period the increase in her exports to the rest of the world, after taking into account the effect on the figures of the segregation of the Irish Free State, was approximately 37 per cent.

This fact was also ascertained, that the average rate of duty in the United States during the year 1924 was 15 per cent. In the United Kingdom it was 10 per cent; Canada, 15 per cent; in British India, 16 per cent; and in Australia, 22 per cent. It is apparent from these facts, and the committee so found that there was nothing whatever to the claim that our protective tariff policy was in any way responsible for these governmental controls or that it furnished any excuse for any reprisals of this or any other character.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. RAYBURN. The gentleman will remember, however, that when our Government protested to the British Government in 1924 and 1925, the British press did teem with the assertion that we had no right to complain, since we had built a tariff wall against their products. That was quite common in the British press during those months.

Mr. NEWTON of Minnesota. That is true. There were protests from the British press, but there were no protests from the British Government. There was also a very decided expression of opinion from the British press, and that opinion from the British press is in effect to-day, and this governmental control of rubber is wrong and ought to be abolished.

Mr. RAYBURN. I mean to say they thought our Government had no right to complain. Is not this true about the control? And does not the same thing apply to a high tariff, that in time of peace it is almost intolerable, but in time of stress, when the supplies go down, as in the case of rubber, instead of stabilizing it at a fair price, rubber went up to \$1.20?

Mr. NEWTON of Minnesota. Yes. The moment you begin to interfere in that way with the law of supply and demand it results in a condition of overspeculation. That is one of the evils of governmental control. It is bad enough when a private monopoly exercises control, but when that control is exercised by the sovereign powers of government, then the evils are multiplied.

Mr. Chairman, I shall at this point insert extracts from several British newspapers published contemporaneously with the investigation. The comment is quite critical and the hope is expressed that the control will cease, because it is economically unsound and in addition is bound to create international friction and discord.

The Westminster Bank Limited (London) Review for February, 1926, says in part:

One may surmise, however, that what is at the back of Mr. Hoover's mind is not the specific issue of the so-called "Stevenson scheme," but a definite anxiety regarding the many problems arising out of the present system of national control of many essential raw materials. In arguing, consciously or unconsciously, that the freest possible interchange of products of every kind is calculated to produce the maximum of wealth for the world in general, Mr. Hoover is, of course, merely taking his stand beside the classical economists. Nor is the force of his contention in any way diminished by his official position in the most highly protective state in the world. Many serious students of international relations must have been led to propose numerous questions to themselves when reading Mr. Hoover's evidence. How far is the national ownership of raw materials likely to become a burning issue of the future? Will the precedent alleged to have been established by the British Government in the rubber plantation industry be followed by other states possessing a virtual monopoly of certain products? Given such a desire, what scope exists for its effective indulgence? In other words, are the world's raw materials concentrated in certain narrowly defined geographical areas and thus subject to discriminative treatment by governing bodies whose interests are not necessarily identical with those of the world as a whole? The resolution of the American House of Representatives, which at first sight appears to breathe the very quintessence of exclusive nationalism, proves on deeper examination to base its main argument on nothing less than the principles of Adam Smith. \* \* \*

We may conclude, then, that "artificial" national control of raw materials is a theoretically feasible, though not an economically desirable, proposition. \* \* \*

The Manchester Guardian Commercial in the issue of Thursday, January 21, 1926, has an editorial entitled "End rubber restriction," reading in part as follows:

But the calmer minds on both sides of the Atlantic seem to be agreed that in the long run Government measures of restriction are always

ineffective and that the most they can hope is to delay, but never to prevent, the operation of economic laws.

The following is from the Manchester Guardian of January 12, 1926:

It does not, of course, follow that we are wise in treating rubber as though we had a monopoly of the supplies and in getting a price for it which is several hundred per cent higher than would give a reasonable profit to the industry. We may not be moved by Mr. Hoover's arguments, but his conclusion may none the less be sound. And in one respect Mr. Hoover's argument is perfectly valid. He draws a distinction between commercial and state-aided monopolies. \* \* \*

\* \* \* As the permitted exports increase, the restrictive effects of the act diminish, and it may be argued that the financial benefit is not worth the odium which Government manipulation inevitably creates.

The London Economist of January 30, 1926, likewise points out the suicidal effect of such curtailment of production and export through monopoly control:

\* \* \* the reduced output of the British plantations was largely offset by increased production in the Dutch East Indies plantations. The fall to 55 per cent of capacity in the British area made, therefore, very little difference to the gross supply. In other words, we drove the industry into Dutch hands. This does not mean that restriction was entirely ineffective. In the very early stages it undoubtedly lent a fillip to the market, which seemed until then completely demoralized, but, as is always the case with artificial devices, it proved a double-edged weapon.

The rubber market is, in fact, inclined to attribute the recent fall of over 1s. 6d. (36 cents) a pound in rubber prices chiefly to the psychological effect of Mr. Hoover's propaganda, and when the huge amount of British investors' money which is at stake in rubber shares is remembered it is easy for our American friends to realize that the influences promoting the lack of cordiality, of which we have spoken, are still operating. The whole story is an instructive lesson of the ramifications of effect which arise from Government interference with the law of supply and demand.

The Malayan Tin and Rubber Journal of January 15, 1926, fearful of the effects of the Stevenson plan, comments as follows:

In point of fact we are not over eager to see such prices continue. They have disturbed the working of restriction, stimulated unduly the production in Dutch Indies, and given excuses for the rampage in America which causes wobbling at the knees among the weaker of our own countrymen.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. SHALLENBERGER. The gentleman speaks of reprisals. The gentleman does not mean to contend or to imply that these controls were directed against the people of the United States particularly? They were directed against the world.

Mr. NEWTON of Minnesota. Oh, yes.

Mr. SHALLENBERGER. They were not done to punish the rest of the world, but primarily to make money for the people they represent?

Mr. NEWTON of Minnesota. I think that was the announced object.

Mr. SHALLENBERGER. It is practically a subsidy supported by the different nations enjoying the control. Does the gentleman feel that is not just as equitable as it is for us to levy a tariff against any people?

Mr. NEWTON of Minnesota. In my judgment the two are not comparable. A protective tariff is to equalize the difference in the cost of production here and abroad. Whereas in the case of these governmental controls an agency of the government controls and restricts production and exportation in accordance with its own particular whim and desire.

Mr. SHALLENBERGER. That is as to rubber, but that would not apply to coffee. The Government of Brazil controls coffee by purchasing a certain amount of coffee and taking it off the market, whereas the rubber control, as the gentleman says, was the restriction of production and the prohibition of the right to export.

Mr. NEWTON of Minnesota. Before I take up the subject of coffee, let me say this much further on rubber. It is true we were not specifically mentioned as the sole victims of this monopoly. That can also be said as to the other monopolies. But the fact is that in practically every case we consume more of the given commodity controlled than all the rest of the world put together. It is certainly an evasive, even dishonest apology for the British rubber monopoly to say that it operates impartially upon all nations when, as a matter of fact, the United States consumes 75 per cent of the world's rubber and

Great Britain about 7 per cent—when there is 1 automobile for every 6 inhabitants in this country and only 1 for every 46 in Great Britain.

Theoretically, the control was directed against all countries. As a practical proposition, it was directed against us, and it can not be construed in any other way.

Mr. SHALLENBERGER. Is it not the purpose of a high or prohibitive tariff to protect our own people and enable our people to enjoy profits and benefits they would not otherwise enjoy; and when Great Britain is the one most affected by it, can they not charge with equal force that the tariff is levied against them as well as for us to say that the other is levied against us?

Mr. NEWTON of Minnesota. But the gentleman is talking about a high and prohibitive tariff when there is no such thing.

Mr. SHALLENBERGER. The tariff is levied for the benefit of our nationals, is it not?

Mr. NEWTON of Minnesota. Yes.

Mr. SHALLENBERGER. And this was levied for the benefit of their nationals and it was to our disadvantage, because we are the largest buyers. But what I want to get at is whether the gentleman means to imply that Great Britain or Brazil directed their efforts against the people of the United States because we happen to be the largest buyers.

Mr. NEWTON of Minnesota. I said to the gentleman I did not think there was anything in the official correspondence, documents, and acts in question as to that, but in practical effect that is what it resulted in.

Mr. BLACK of New York. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. BLACK of New York. Let me point out to the gentleman that during the operation of the restriction scheme in 1923, with the exportable allowance at 65 per cent, the price went down to 25 cents, while in 1925 the exportable allowance still being at 65 per cent, the price went up to \$1.21. Is not that pretty good proof that the restriction plan had little to do with it, but it was rather the demand and speculation?

Mr. NEWTON of Minnesota. No, no. If the gentleman will refer to the report of the committee, he will find that at the time this plan went into effect there was a great stock of crude rubber in the warehouses in London and elsewhere. In London in December, 1922, it consisted of 72,299 long tons. Finally that stock commenced to go down. It got down to the minimum, and during the period of this investigation it was down to something like 6,000 tons as against twelve times that amount when the Stevenson plan went into effect. Furthermore, during 1923 and early 1924 there was considerable laxity in enforcing the restriction measure, and large quantities of rubber were smuggled out of the restricted area. Another important factor in keeping the price down during those years was the greatly increased output of the Dutch plantations, whose production was sharply stimulated by the curtailment policy of their British competitors.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. CONNALLY of Texas. Of course, the gentleman concedes that the levying of any kind of a tariff for protective purposes is a governmental act to protect the producers of the country in which it is in force, does he not?

Mr. NEWTON of Minnesota. Certainly.

Mr. CONNALLY of Texas. What is the difference in principle between adopting a protective tariff to protect the producers of a country and the adoption of export regulations in another country to protect the producers of that country? What is the difference in principle, both of them being governmental acts?

Mr. NEWTON of Minnesota. The gentleman ought to know, as he comes from that part of the country which very early in our history stood out against an export tax. They insisted that in our Constitution there should be a prohibition against an export tax.

Mr. CONNALLY of Texas. If the gentleman wants to dodge the question he can do so. I am asking whether the gentleman sees any difference in principle, regardless of what my section stands for and what his section stands for. I assume the gentleman when he gets on the floor presumes to be able to tell us something about the question he is discussing, and I state that in all good faith. I am asking the gentleman a question to which I really want an answer.

Mr. NEWTON of Minnesota. If the gentleman will desist he will get his answer.

Mr. CONNALLY of Texas. I did desist until the gentleman began to wander off on some side issue, and I am trying to bring him back to the issue.

Mr. NEWTON of Minnesota. But, of course, if the gentleman will not wait—



Mr. CONNALLY of Texas. I will yield the gentleman all the time he wants if he will answer that question.

Mr. NEWTON of Minnesota. The gentleman is very free with "his time" and I appreciate it. I can see a great deal of difference, not only because of what I just said to the gentleman—and which he did not like to hear—but also due to this fact, that when you restrict the exportation of an essential commodity which that country has to the exclusion of others you have an entirely different condition than when you levy tariff duties upon the ordinary articles which are produced in many countries and where there is no monopoly. The export tax to succeed must be based on monopoly of a substantial portion of supply. Then this occurs to me: We enjoy no monopoly on these protected articles. They are also manufactured elsewhere. If under a tariff which is so high as to be prohibitive prices are unduly advanced, then there can be a substitution of other articles to take their places. In the case of sisal, coffee, and crude rubber there are no practical substitutes. Therefore when there is produced in a country a substantial portion of the world's supply of a commodity and its government assumes control of its production or exportation to such an extent that the element of monopoly enters into the control, then it stands very differently than that of a protective tariff.

Mr. CONNALLY of Texas. Will the gentleman yield further?

Mr. NEWTON of Minnesota. Yes.

Mr. CONNALLY of Texas. If it is wrong for Great Britain to levy restrictive measures on the exportation of rubber, why does the Federal Government increase that restriction by levying a tariff protective duty—not a protective duty but a duty on crude rubber—and make it all the more easy for Great Britain to keep it out of the United States?

Mr. NEWTON of Minnesota. What is the duty on rubber?

Mr. CONNALLY of Texas. I mean on rubber tires.

Mr. NEWTON of Minnesota. Oh, yes.

Mr. CONNALLY of Texas. Why does the gentleman draw a distinction there?

Mr. NEWTON of Minnesota. The gentleman's question was originally based upon the assumption there is a duty on crude rubber when there is no duty on crude rubber.

Mr. CONNALLY of Texas. I was in error about that. There is a duty on rubber tires. We do not consume the raw rubber, we consume the rubber tires.

Mr. NEWTON of Minnesota. I was under the impression we did consume raw rubber and a great quantity of it; in fact, about 75 per cent of what the world produces. We put a duty upon tires because of the protection necessary for the American workman in order to maintain his superior standard of living.

Mr. CHINDELOM. What tires do we import?

Mr. NEWTON of Minnesota. The gentleman from Illinois wants to know what tires we import. We import a few from France and Great Britain, if my recollection is correct.

Mr. CONNALLY of Texas. Then the gentleman has not got his tariff high enough to protect the poor laboring man he is so anxious to protect.

Mr. NEWTON of Minnesota. We are at least protecting him far better than the gentleman's party would protect him if they had things their way. [Applause.]

Mr. ARENTZ. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. ARENTZ. I should think the gentleman from Texas would be rather embarrassed—

Mr. NEWTON of Minnesota. Oh, the gentleman from Texas is never embarrassed. [Laughter and applause.]

Mr. ARENTZ. In these manufactured tires there would be found a great deal of cotton; and if they shipped tires in here in an amount such as possibly the gentleman from Texas would like to see, where would the price of Texas cotton go?

Mr. NEWTON of Minnesota. The gentleman from Texas, like a good many of his colleagues, is always thinking about the man across the sea and never about the man at home when it comes to the question of the tariff [applause], whereas on this side of the aisle we think about the domestic market first, which takes care of about 95 per cent of our products. When that is done we then consider the market across the seas.

Mr. BLACK of New York. Will the gentleman yield?

Mr. NEWTON of Minnesota. I am sorry.

Mr. BLACK of New York. Just for one question?

Mr. NEWTON of Minnesota. I am sorry I can not yield now.

Mr. BLACK of New York. It might help the gentleman out a little on this point.

Mr. NEWTON of Minnesota. I am sure the gentleman would try to, but as to this I doubt his ability. [Laughter.]

Mr. BLACK of New York. Give me a chance at it.

Mr. NEWTON of Minnesota. Later on.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. DICKINSON of Iowa. Mr. Chairman, I yield the gentleman 15 more minutes.

Mr. NEWTON of Minnesota. I want to briefly describe the Stevenson plan and the effect upon supply and price. Further details are available in the report under specific findings on crude rubber and in the tables in the appendix to the report. The Stevenson plan was the result of the deliberations of a committee appointed by the British Colonial Secretary, of which Sir James Stevenson was the chairman. The Colonial Secretary adopted the recommendations of the committee and forwarded them to the several legislative councils of the British East Indian colonies, which immediately put them into force and effect.

The average price of rubber in New York for the year 1921 was 16.30 cents per pound. In 1922 it was 17.50. During the war years, 1914 to 1918, the average was 67.41. Generally speaking, the New York market followed the base market at London. A fair average cost per pound for producing rubber is 18 cents. This is a Department of Commerce figure. The announced intention, therefore, was to increase the price so as to provide a reasonable profit to the producers. This, it was said, would require 30 cents per pound and not to exceed 36 cents. Notwithstanding two years of low prices, practically no one of these plantations, great or small, went broke. The pivotal price in the scheme is 30 cents. The permitted exports automatically rise or fall quarterly as the price fluctuates above or below the 30-cent level, provided the British Colonial Office authorizes it.

The yield of 1920 was taken as a standard. The yield is what is known in the operation of the plan as "standard production." In one locality it may be 300 pounds per acre annually, in another 350 pounds, and in still another 400 pounds. In no case does it exceed 400 pounds per acre. The plan puts into effect a limit on exportation from any plantation of a certain percentage of standard production. No matter how much rubber one of these plantations produced, it would not be permitted to export more than the quarterly percentage of the standard production except by paying a confiscatory tax on not only the excess but the entire quantity exported. As I recall it, the first percentage put into effect was that of 60 per cent of standard production. If the price went below 30 cents per pound the percentage was reduced. When it rose above 30 cents it was increased.

From October, 1922, until the period of this investigation the percentage has run from 50 per cent to 85 per cent. During the entire period of control the average restriction has been 62 per cent of standard production. Aggregate standard production was fixed at approximately 340,000 tons. The potential or capacity production at the period of the investigation was estimated to be 385,000 tons. Potential production, therefore, is at least 13 per cent more than the base or standard production.

On February 1, largely as the result of work done by our Government and this investigation by our committee, the percentage was increased to 100 per cent of standard production. However, this still leaves a restriction in effect of about 13 per cent, or, as I have observed, potential production is about 13 per cent greater than standard production. It is also true that as long as the Stevenson plan is in effect the percentage can be changed at any quarterly period.

Its effect upon world supply during the period of a little over three years by preventing exportation was the loss of about 360,000 tons, which was somewhat offset by stimulating production and nonproduction elsewhere. The net loss to the world is estimated to be at least 146,000 long tons.

How did this governmental control affect the price? The average price per pound on the New York market during the four war years was 67 cents per pound. The average yearly prices in the postwar years were: 1919, 48.70 cents; 1920, 36.3; 1921, 16.3; 1922, 17.5; 1923, 20.45; 1924, 26.2; 1925, 72.8.

The monthly average price during the year 1925 was as follows: January, 36.7 cents; February, 36; March, 41; April, 43.6; May, 58.4; June, 77.3; July, 103.2; August, 83; September, 88.9; October, 98.1; November, 109.5; December, 98.2; 1926—January, 86; February, 64.

The quarterly changes in percentages of permissible exportation during the year 1925 fluctuated as follows: January, 50; February, 55; March, 55; April, 55; May, 65; June, 65; July, 65; August, 75; September, 75; October, 75; November, 85; December, 85; 1926—January, 85; February, 100.

The peak price of the year was \$1.21. The highest monthly average was \$1.095, which was reached in November, 1925, which was three times the announced fair price of 36 cents.

I now call your attention to one of several charts which I have requested the Department of Commerce to prepare. Chart I sets forth the average monthly prices of rubber and makes certain comparisons with production costs, the "fair price," and the import value per pound. The price in cents per pound is set forth in the left and right hand sides. The years, months, and days are set forth at the bottom of the chart. The months in the earlier period are shown by the letter J for January, and so forth. The days appear only in the last four months, December to March, inclusive. The base line shown is the production cost of 18 cents. Then follows the highly fluctuating market price curve from the years 1921 to 1926. Its fluctuations show speculation. The crest of the curve is reached just as the investigation is first suggested in a letter from Mr. Secretary Hoover to Senator CAPPER. Then follows a decline. Then comes a more pronounced and steady decline when with the introduction of the Tilson resolution the investigation got under way, until from a peak of \$1.095 the price dropped to a point around 55 to 60 cents in the forepart of March. The "fair-price" line of 36 cents is also shown, so that the actual market prices can be compared with it. When this "fair price" of 36 cents per pound was announced the British rubber growers knew that it would yield them an ample profit. As in many other cases

where the laws of supply and demand are artificially interfered with, there was a tremendous mounting of prices, as shown in the chart. Why did not the price curve show greater fluctuations in the years 1923 and 1924? The answer is the large surplus supply, which was not depleted until late in 1924. London stocks alone declined as follows: End of year 1922, 72,299 long tons; 1923, 60,246; 1924, 29,488; 1925, 6,129 long tons.

Mr. DAVEY. Will the gentleman yield?

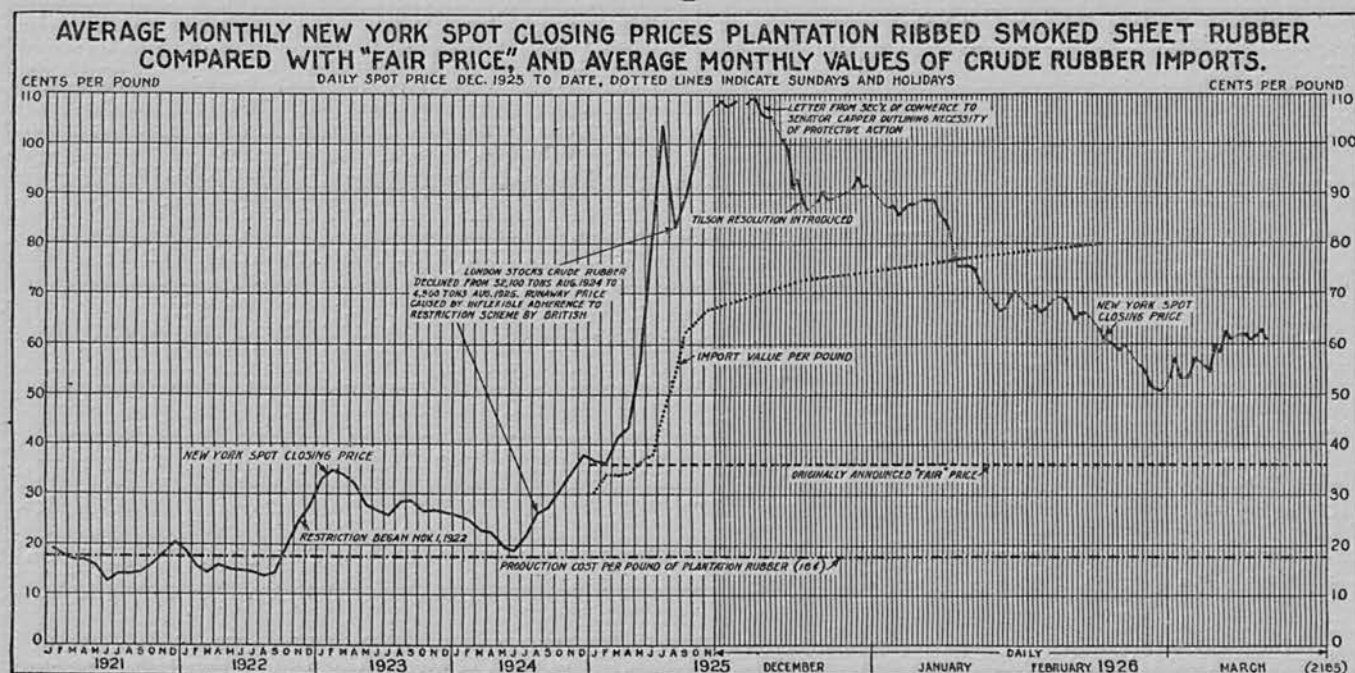
Mr. NEWTON of Minnesota. I am sorry I can not yield.

Mr. DAVEY. For what I think is a very important point. Mr. NEWTON of Minnesota. I am sorry I can not yield just now.

The remaining curve is shown by the dotted line. It shows the increase in the import value per pound. The rise is later in point of time and is steady and certain as it mounts upward. No figures were available to show the advance in this curve after February of this year. Estimates indicate that the curve has not reached its crest and will not until March or April of this year. The peak so far is 80 cents, which was reached in February, 1926.

Why the difference in these two curves—the one indicating prices and the other showing the value of our crude-rubber imports? Why are they not the same? The answer is that our large rubber manufacturers anticipate their wants by purchasing most of their requirements from four to six months in advance and possibly longer than that. For example, when an

I



order is placed in January at the then prevailing price they figure on the shipment reaching them in April, May, or June, as they may require it. Therefore import value in July reflects the market price prevailing in February, March, or April, when the sale was made.

I submit a table from the report of the committee showing the quantity of imports, average value per pound by months, total value, value at "fair price," and import cost above the "fair price." It is quite interesting. This import value curve and the table show that we are just now commencing to feel the full effect of the high prices at which our manufacturers were forced to make contracts last fall for delivery at this time. The market prices ruling at that time are of course shown by the price curve on the chart. The table is as follows:

United States imports of crude rubber, July, 1925, to February, 1926

	Quantity	Import value per pound	Total value	Value at originally announced "fair" price (36 cents)	Import cost above "fair" price
1925	Pounds	Cents	Dollars	Dollars	Dollars
July.....	72,699,696	46.4	33,701,723	26,171,891	7,529,832
August.....	74,844,042	53.2	39,834,348	26,943,855	12,890,493
September.....	59,061,732	62.1	36,686,013	21,262,224	15,423,789

United States imports of crude rubber, July, 1925, to February, 1926—Con.

	Quantity	Import value per pound	Total value	Value at originally announced "fair" price (36 cents)	Import cost above "fair" price
1925	Pounds	Cents	Dollars	Dollars	Dollars
October.....	77,617,160	64.5	50,027,338	27,942,178	22,085,160
November.....	84,571,583	66.5	56,271,963	30,445,770	25,826,193
December.....	90,336,039	72.02	65,055,868	32,520,974	32,534,894
1926	Pounds	Cents	Dollars	Dollars	Dollars
January.....	94,985,457	76.35	72,528,151	34,194,765	38,333,386
February.....	73,618,049	79.04	58,733,370	26,502,498	32,230,872

A MEMBER. Are those London prices as shown in the price curve?

Mr. NEWTON of Minnesota. No; those are the New York prices.

Mr. STEPHENS. Will the gentleman explain the difference between the import value and the price curve?

Mr. NEWTON of Minnesota. The import price is the total value of all the rubber imported during the time shown by the dotted-line curve; that is, from July, 1925, through December to February, 1926. Under our tariff laws the importer must



set forth the true value of the article or commodity imported. This is true as to rubber, although it comes in free of duty. Of course, the value is based upon the price paid. The aggregate value per month is shown in the dotted line. The top curve, on the other hand, indicates the New York spot market, which, generally speaking, is the same as the London market after allowing for differences in freight.

Mr. BLACK of New York. So, on that chart there was no spot rubber bought by the manufacturers, and the price curve does not show—

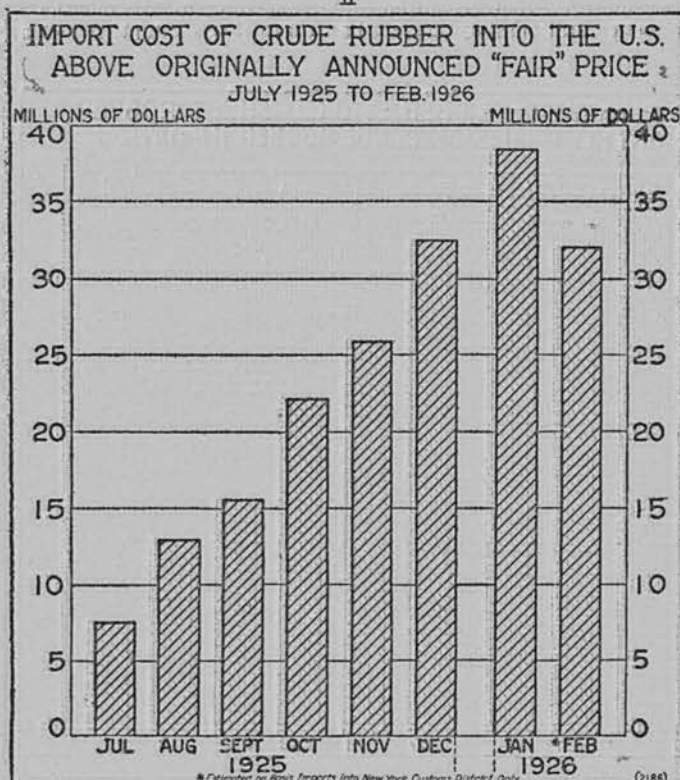
Mr. NEWTON of Minnesota. Oh, we do not know, the gentleman ignores what I said a few moments ago.

Mr. DAVEY. Will the gentleman yield?

Mr. NEWTON of Minnesota. In a moment. These spot prices up here [indicating the price curve in November and December], some of which were speculative, were not paid by all the buyers of rubber and will not be reflected in the import value until you get over in the spring because purchases are generally made three or four months ahead. Now, I yield to the gentleman from Ohio.

Mr. DAVEY. In order to correct any false impression that might be had I would like to say that the price curve indicates the spot prices paid in the New York market by those

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who have not bought ahead—in other words, these companies who buy on long-time contracts in the Far East follow the dotted curve. Every other manufacturer who buys on the spot market pays the spot market price, and that includes the small rubber companies.

Mr. NEWTON of Minnesota. Yes; I am glad the gentleman made that statement.

Mr. BURTNESS. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. BURTNESS. Is not the dotted line the average price of the imports, and in that dotted line there may be prices, of course, that were way above as well as some below?

Mr. NEWTON of Minnesota. Yes; it represents the average, but is taken from the aggregate of imports.

For example, in July the average value per pound of all rubber imports into this country was 46.4 cents, whereas the spot price in New York in July averaged 103.2, showing the very great difference between the import value and the spot value at that time. In August, 1925, the average import value was 53.2, while the average on the spot market in the same month was 83. In September the import value average had gone up to 62.1, whereas the spot market averaged 88.0. In October the average import value had risen to 64.5, whereas the spot market average was 98.1.

In November the import value had risen to 66.5, whereas it was 1.095 in the spot market. In December the import value was 72 cents as against a spot market of 98 cents. It will be noted that the import value was constantly rising, although during the time there was more or less fluctuation in the spot market. In January the import value was as high as 76 cents, and in February it went up to 79.54 cents. So that we probably have not yet reached the point where we are paying on an average the highest that we will have to pay as a result of this governmental control of rubber. In this connection permit me to say that if you will take the total tonnage of rubber shipped into this country from Great Britain in December, January, and February and figure it up at 36 cents a pound (the "fair price"), and then figure up what was actually paid for it, you will find a difference of more than \$100,000,000. Therefore, in the last three months the consumers of rubber in this country have had to pay \$100,000,000 more than the price the British themselves said was a fair price.

During the period from July 1, 1925, to February 28, 1926, the excess import cost above the fair price approximates nearly \$200,000,000. This is shown in the table referred to and also in Chart II. The peak in the aggregate cost was reached in January, 1926, while the peak in the average per pound was reached in February. February, of course, is a short month, having only 28 days. This fact would be a contributing factor in lowering the quantity of imports during that month. The primary cause, however, for a 20 to 25 per cent shrinkage in our crude-rubber imports was the exorbitant prices. As the price advanced from two and a half to three times the fair price, demand was affected. Conservation and reclamation campaigns were initiated by the Department of Commerce and cooperated in by the rubber and automotive manufacturers and consumers. This, I think I can say, was a big factor in decreasing the demand and consequently lessening the quantity of imports.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. DICKINSON of Iowa. Mr. Chairman, I yield five minutes additional.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield for a question?

Mr. NEWTON of Minnesota. Just for a brief question.

Mr. SHALLENBERGER. I wanted to ask the gentleman if he had the average price for the entire year 1925, and how it compared with the agreed fair price. The gentleman, I think, will see in the statistical reports of the Department of Commerce that the entire amount imported was 888,000,000 pounds, costing \$429,000,000, on an average price of 48.2 cents a pound, or 12 cents a pound above the agreed fair price. That is all the rubber cost the manufacturers for the year, so that on 10 pounds of rubber, the average amount that goes into a tire, the manufacturers had to pay \$1.20 extra above the agreed price for their rubber.

Mr. NEWTON of Minnesota. I think the gentleman is clearly wrong in his figures.

Mr. SHALLENBERGER. I have them right here in the report.

Mr. NEWTON of Minnesota. I have them here.

Mr. Chairman, the average price of crude rubber during 1925 was 72.8 cents per pound instead of 48.2 cents. Instead of being only 12 cents it was 36 cents above the fair price. Thus the average price throughout the year 1925 was 100 per cent over the fair price. If I am not mistaken, the gentleman's figure of 48.2 cents is the average import value per pound throughout the year 1925. Using the average of 72.8 cents, the scheme would involve an added expenditure by the American consumer above the fair price of \$325,000,000 in the year 1925. Using the figure submitted by the gentleman of 48.2 cents, the scheme would involve an added expenditure during that year of about \$110,000,000. Using the figure 72.8, it will be observed that the average during the year 1925 was four times the plantation cost of 18 cents. Using the gentleman's figure of 48.2, it was over two and one-half times the plantation cost. Gentlemen, no matter how you figure this you can come to but one conclusion, and that is that the Stevenson plan has cost the American consumer of rubber several hundreds of millions of dollars in exorbitant prices.

Now, then, in reference to retail prices and what the gentleman has said here in that connection. It is important to know how this advance has been reflected in the prices of tires. However, in doing so we must necessarily deal with wholesale prices only, since retail prices on the same tire vary between parts of the country or even within a single city or village. Tire retailers, after buying their tires from the manufacturer at wholesale prices, resell them at retail prices

which they themselves decide upon. One tire dealer may add 20 per cent for expense, overhead, and profit; another may add 33½ per cent, or even more. Since the manufacturer has no part in setting the retail price, he obviously can not be held responsible for it. He can be held responsible, however, for the wholesale prices which he himself makes.

The tire in most common use in the United States to-day is the 30 by 3½ size cord tire. In October, 1924, a common wholesale price on that tire was \$9.85; in January of 1926 it was \$13.25. It has since been reduced, but I will deal with the highest wholesale prices, those which were ruling at the time of the committee's investigation. The increase in the wholesale price amounts to \$3.40. At this point let me say that the Department of Commerce is not responsible for these figures which I shall give in reference to wholesale prices. However, the figures are reliable and I can say that they come from authoritative trade sources.

Our crude-rubber imports in October of 1924 cost, on an average, 23 cents per pound. In January of 1926 they cost 76 cents per pound. That is an increase of 53 cents per pound. I have demonstrated from the charts and the supporting statistics that import prices lag somewhat behind the stock market, but they are, perhaps, the best indication we have as to what rubber is costing the tire manufacturer. The raw rubber content of the 30 by 3½ cord tire is about 6 pounds. An increase of 53 cents per pound in the cost of that rubber would therefore seem to justify an increase in the price of the finished tire of six times 53 cents, or \$3.18. We have seen that the increase amounted to \$3.40, or only 22 cents more than what would certainly appear to be justified by the increased cost of the crude rubber alone. Since handling a crude material advanced more than three times in price involved increased financing, and so forth, the allowance of 22 cents would certainly appear not to be excessive.

Let me take up another size, say, the 33 by 6, a balloon tire which is in common use on heavier cars. The tire weighs 31 pounds, and its crude rubber content, I am told, is about 17 pounds. The wholesale price of this tire in October of 1924 was, generally speaking, about \$27.50. In January of 1926 the wholesale price had advanced to \$37.50, a difference of \$10. We have seen that the raw rubber cost the manufacturer 53 cents more per pound, or a total of \$9.01, leaving a margin of only 99 cents to be accounted for in other ways.

I have shown how the price of crude rubber has materially declined since this investigation was initiated. In the meantime tire manufacturers have reduced the prices I have just referred to by from 10 to 15 per cent. I think I can present the relationship between the wholesale price and these advances in the spot market and in the import cost per pound more vividly by showing you this additional chart, which I shall refer to as Chart III.

It shows the percentage of increases in the spot price, the average import value per pound, and the wholesale tire prices for the year 1925. The price of rubber on the market commenced to rise in January, 1925, and was gradual until April, when its rise was rapid. The import cost curve commenced to rise in late February. The advance was steady and gradual. The wholesale price of tires, based on four representative sizes, did not commence to rise until May. It was gradual. The advance did not follow either of the two other curves. One reason for this is that the cost of cotton and labor or material is a factor in fixing the cost and wholesale selling price of tires.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. I am sorry, but I do not want to impose further upon the committee.

Mr. DAVEY. Mr. Chairman, will the gentleman yield?

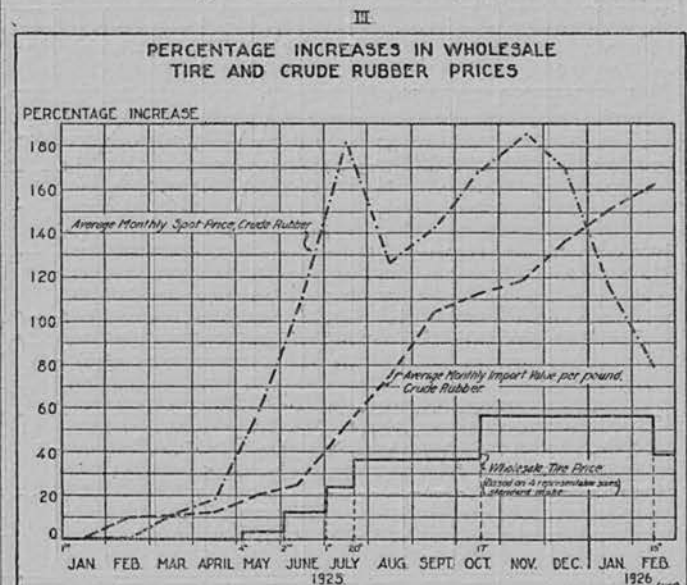
Mr. NEWTON of Minnesota. I regret I can not yield.

Mr. Chairman, I should like to discuss several more commodities that are being controlled by foreign governments. I have not the time other than to refer to the report, where potash, nitrates, sisal, and silk, and so forth, are specifically covered. I do want to spend a few minutes, however, on the subject of coffee and the control by the Brazilian Government of that commodity.

Coffee lends itself to governmental control very readily. Brazil, the country of control, produces 65 per cent of the world's supply, while it consumes but 5 per cent. One country, the United States, consumes 50 per cent of the world's production. It produces practically no coffee at all. Of our total annual consumption during the past three years 55 per cent came from Brazil. Coffee can be stored to advantage. In fact, it improves under proper storage. It is produced in but few countries. It takes about six years from the time of planting to the point where the tree or bush commences to

bear. Therefore, it would take some time to materially increase the production of coffee in quantities outside of the country of control.

There have been three government controls by Brazil. The first was in 1906, the next in 1918, and the last one was commenced in 1921 and is still in effect. As a result of this last control, the United States is being mulcted by this governmental-controlled monopoly about 10 cents per pound in excess over a reasonable or fair price. This amounts to about \$135,000,000 annually. Mark you, this is not the total bill. This is the excess over and above a fair price. In order that this may be more vividly presented to you I call your attention to Chart IV, which gives the coffee statistics during the last 25 years. The top or dotted line shows the world production in millions of bags. The broken line underneath, which follows its fluctuations yearly so closely, is the Brazilian production. The bottom curve gives the monthly average prices of Brazilian coffees on the New York market. Rio 7 is one brand. It is the bottom curve. Santos 4 is another brand, which is shown by the dotted curve. These are the two brands of Brazilian coffee that are used and sold here and elsewhere. It will be observed that at times there is little relationship between these price curves and the production curve above. That is due to artificial control by the Brazilian Government in the period I have just referred to. These years are shown in the shaded blocks or oblongs at the bottom of the chart. It will be observed that there is a pronounced advance following each governmental purchase. When the



governmental control stops the prices drop. The control of 1921 is still in effect, and, it will be observed, the price is still excessively high, notwithstanding that there is nothing unusual in the world or Brazilian supply, as shown by the two top curves.

Mr. Chairman, I have only had the time to touch upon this truly serious situation. The purpose is merely to outline briefly what the country is up against. As Mr. Secretary Hoover well said in New York recently—

There are many intermediate economic factors which affect the ebb and flow of foreign trade which call for constant consideration. I have for the past three years earnestly and repeatedly called attention to the increasing practice of foreign governments directly or indirectly to create controls of raw materials for price-fixing purposes where such dominate the production of a commodity. The maintenance of such controls is their business exclusively. But we have perhaps a right to examine the effect upon us, the friction they create, and the prospect they open if world trade generally is to be conducted upon this basis.

I believe all thinking people should be concerned over the future effect of these controls upon the world as a whole. They have many dangerous implications.

The immediate effect of these large incursions into business by foreign governments is that in nearly every one of these cases our American business men and consumers have insistently demanded the support and intervention of our Government in their protection. For years in some of these cases our people have exhausted every effort by negotiation to avoid inevitable friction. Finally our Government is plunged into business if we would not see our consumers unprotected. Emotion is common enough between individual buyers and sellers, but when



governments get into price fixing they have established emotion upon a mass-production basis.

Our people have reason to be concerned. This investigation has certainly aided materially in reducing the price of rubber from the November price of \$1.005 to the market price of about 60 cents.

The committee made certain recommendations. I do not intend to enumerate them, for they are before you, but permit me to emphasize two or three of them.

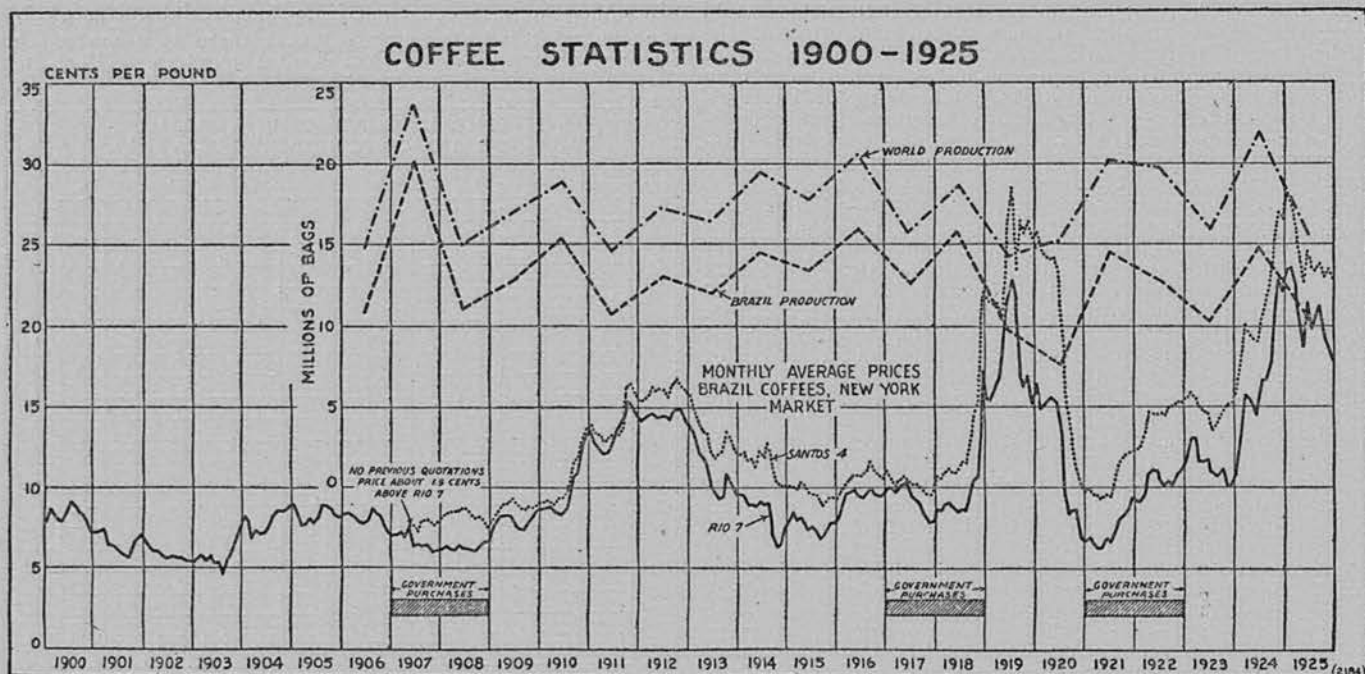
First. We should become more and more self-sufficient by producing these commodities under our own flag wherever it is possible.

Second. Where this can not be done to advantage an effort should be made in which the Government of the United States should assist to induce the production of these controlled commodities in other countries who would agree not to interrupt free trading in them at any time. I am of the opinion that arrangements of this character could be entered into with several of the Central or South American countries, Haiti, the Republic of Panama, and the Republic of the United States of Colombia. Dr. H. N. Whitford, the crude-rubber expert for the Department of Commerce in the investigation, suggested the carrying on of experiments in conjunction with foreign govern-

ments for the development of rubber plantations. Frankly, I think something along this line should be done.

Third. There can be no question that these governmental controls are contrary to the best interests of the American public. This being the case, American citizens should refuse to aid or assist these controls by extending credit to them. This is obvious. If for no other reason, self-interest should prompt such action on the part of American financial interests. The granting of loans of this character would inevitably create a just resentment on the part of the American consumer, who is footing the bill. I wish to say that in some instances requests for loans of this character have been refused. The administration has requested that they be refused. However, in at least one instance—I now refer to coffee—the securities of this governmental monopoly are being sold here in America by certain banking interests of New York City. No American financial house should float such securities, and no American investor should purchase them. Those who do are only furnishing these governmental-controlled monopolies with the means to further gouge the American public. These are plain words, but it is true. These loans ought to be turned down as a matter of patriotism and fair dealing between one American and another.

#### IV



Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. I am sorry, but I can not yield. It is difficult to reach this proposition in any practical way through legislation. A bill to prohibit such loans has been introduced in the Senate, but legislation ought not to be necessary. One thing is certain, however, and that is that the American consumer will not long tolerate the lending of money by American financial interests to these governmental-controlled monopolies so as to enable them to continue their exploitation of the American people as they have been doing in rubber, coffee, sisal, and so forth. [Applause.] If these interests encourage it or persist in it, legislation will not be withheld by the American Congress.

Mr. Chairman, there is a feeling of unrest in certain portions of our country. This is more pronounced in the great Mississippi Valley than it is elsewhere. It evidences itself in various ways. Underneath it all is a feeling that the great and powerful financial interests of New York City are not only thoughtless of the interests of the rest of the country but provincially selfish. The attitude of these financial interests during this investigation, as reflected in some of the New York papers, and especially in the financial journals, tends to confirm this impression. Their attitude throughout has been one of criticism. While in Congress a discordant note has been sounded now and then, generally speaking there has been substantial support of this investigation on both sides of the aisle. The press generally throughout the country has

been sympathetic with the exception of the papers I have referred to.

I regret to see this attitude shown. Such an attitude can only bring aid and comfort to those who are profiting by these governmental-controlled monopolies. Instead of giving these monopolists aid and comfort, they should join with the rest of their countrymen in every reasonable and proper effort to discourage and prevent the starting or continuing of these intolerable controls. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. Is there objection?

Mr. BLACK of New York. Mr. Chairman, reserving the right to object, I shall not object if the gentleman will insert in the Record why his committee on the Republican side, so anxious to protect the domestic people—and he says the Democrats are anxious to protect the foreigner—did not go after the domestic tire gougers instead of going futilely after the British?

Mr. Chairman, I shall withdraw my objection.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 15 minutes to the Commissioner from the Philippine Islands [Mr. GUZVARA].

Mr. DICKINSON of Iowa. Mr. Chairman, I yield 10 minutes also to the gentleman from the Philippine Islands.

Mr. GUEVARA. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from the Philippines? [After a pause.] The Chair hears none.

Mr. GUEVARA. Mr. Chairman and gentlemen of the committee, it is a matter of gratification to the Filipino people that their fundamental problem is receiving the most earnest attention on the part of several of the Members of this House. Not only to those who are in sympathy with the sacred aspirations of my people, but also to those who have taken the opposite stand, I wish to convey my most hearty appreciation. The Philippine problem is one of the most important that Congress has to confront, and it must be faced now or at some time in the near future. It affects not only the 12,000,000 inhabitants of the Philippines, but also the 110,000,000 of Americans.

To the American people it presents a choice between adherence to their tradition of liberty or entrance upon a path which has been the road traveled by so many of the empires of the past. Let there be no mistake about it. However eloquently one may refer to economic, sanitary, or educational improvements made by the United States in the Philippines, with the indispensable cooperation of the people of those islands; however strong one's desire may be to have the American people aid those of other lands; however tragic may be the imaginary picture drawn by the masterly hands of those who wish to prophesy, the issue has been, is, and so long as a righteous solution is not reached, will always be: Shall the American people deny to others the enjoyment of that liberty in which the American Nation "was conceived" and that principle of equality to which "dedicated" themselves from the very beginning? Do the principles of liberty and equality undergo transformations corresponding to changes in geographical location? Does their application vary with varying races or nationalities? Shall America uphold, as she has always upheld, good faith between people?

Students of history find inspiration in the gallant and patriotic stand of the thirteen Colonies during the fateful days of the American Revolution. Their right to govern themselves in their own way was the underlying and fundamental issue. In accordance with the guiding principle of their resistance to what they regarded as British oppression these immortal words were inserted in the Declaration of Independence:

"\* \* \* whenever any form of government becomes destructive of these ends (life, liberty, and the pursuit of happiness), it is the right of the people to alter or to abolish it, and to institute new government, laying its foundation on such principles and organizing its powers in such form as to them shall seem most likely to effect their safety and happiness.

Of the thirteen Colonies, none showed greater devotion to freedom than Massachusetts. Time has not changed her ideals. Her spirit remains the same. The inspiration of John and Samuel Adams, Hancock and Paul Revere, of Phillips and Garrison still guides the steps of her people. They can not deviate from the sacred traditions born of the sacrifices, tears, blood, and lives of their dearest ones. They were among the first to fight for the liberty of the other Colonies as well as their own.

In keeping with her heroic past, Massachusetts will stand, in this age when the theater of conflict between freedom and autocracy is as wide as the world, in favor of democracy. As during the Revolutionary period, she will hold fast to the doctrine that in the Philippines or anywhere else "governments derive their just powers from the consent of the governed"; that sovereignty resides in the people; that government should be one of "laws and not of men" and that "privilege to none, equality to all" shall be its motto; that public officials are not masters but public servants; that the right to criticize government officials, including the very highest, is one of the greatest safeguards of freedom; and that the extensive use of the veto power by an executive not responsible to the people he governs is subversive of the principles of democratic government. And I am convinced that when the flames of controversy shall have died away, the people of Massachusetts as well as those of the other States of the American Union, in looking back to the difficulties at present existing in the Philippines, will recognize that the Filipino people's insistence on their right to govern themselves as they see fit is the only attitude consistent with those principles of government which it has been America's proudest boast to have carried over to the Philippine Archipelago.

Upon this question of fundamental principles, I am convinced there is no disagreement. But when these principles are ap-

plied; when, in the face of the promises made in accordance with them, the Filipinos ask for the full recognition of their rights, objections arise in certain quarters. Let us examine very briefly these objections.

First of all, regarding the racial homogeneity of the Filipino people. They are not divided into tribes as this term is generally understood to mean. The names given to the so-called tribes are really indicative of geographical regions and not of differences in habits of thought or racial origin. They are a homogeneous race. Although, during the last 300 years, there has been a racial blending as the natural consequence of their social and political intercourse with the peoples of both hemispheres, yet, according to the latest census of the population of the islands, taken in 1918, out of a total population of 10,314,310, 9,936,577, or 96 per cent, belonged to the brown or Malay race. In this connection I wish to call the attention of the House to the statement of Mr. W. Cameron Forbes, ex-Governor General of the Philippine Islands, published in the Boston Evening Transcript on March 13, 1926, in which he said: "It is pleasant to find something in which we can agree with Mr. Storey. He is perfectly right in his objection to the use of the word 'tribesmen' in describing the Philippine people. The great mass of the peoples have not those characteristics which we associate with the word 'tribes'."

In any case, it is very strange that the alleged lack of racial unity among the Filipinos should be used as an argument against Philippine independence. There was a time when people liked to refer to America as the great melting pot, a haven of refuge to the oppressed, and an inspiration to all lands and peoples. From every nook and corner of the world there was an enthusiastic desire to go to the promised land discovered by Columbus, there to form a new race dowered with the capabilities and the genius of many races to serve as a monument to human freedom, equal justice, and universal brotherhood. The test was not caste or place of birth, but individual worth and the ability to contribute to the common good.

And out of this wholesome philosophy has arisen a people noted for its comprehensive sympathy, its spirit of tolerance, its catholicity of outlook, its freedom from the thrall of custom and tradition, and its many-sided versatility. Is it not one of the most curious phenomena of history that from the over 110,000,000 members of this amalgamated people doubts should arise over the fitness of a people for independence, more than 95 per cent of whom belong to the same race on the ground that they are not sufficiently homogeneous, or that unfavorable conclusions should be drawn from the fact that a considerable number of their leaders have an intermixture of blood flowing in their veins? It may be that I am mistaken, but, to me, the test of a man's eligibility to guide a nation's destiny should not be the purity of his blood or his ancestry but his devotion to the ideals of his people and his ability to carry out these ideals. [Applause.]

A great deal has been made on this floor and elsewhere of the supposed traditional enmity between the Moros and Christian Filipinos. It would be well in discussing the question if we were to bear these facts in mind. The Moros and the Christian Filipinos belong to the same race, although they profess different religions. The only time when the Christian Filipinos were allowed to deal with the Moros without outside interference was from 1913 to 1921. During that period not only was the military régime superseded by a civil administration, but schools were extended and other improvements made, more extensively than ever before, largely out of the revenues collected from the Provinces inhabited by the Christian Filipinos. While these things were being done, peace, such as its inhabitants never knew before, reigned in the island of Mindanao, and this peaceful era continued until the time came for the revival from outside quarters of the legend of the hostility between Christian and Mohammedan Filipinos simultaneously with the effort to take away from Filipino hands administrative control over the places inhabited by the Moros.

To such an extent has this Moro argument been used that the impression has been created that the Moros constitute the predominant portion of the population of the island of Mindanao, that the land they inhabit forms a distinct geographical unit, and that the overwhelming majority of them are opposed to Philippine independence or to being made a part of an independent Philippine republic. But again the figures of the Philippine census of 1918 show that there are only 443,037 Mohammedans or Moros in the entire Philippine Islands out of a total population of 10,314,310, while the island of Mindanao, in which most of the Moros live, contains a total population of 1,111,159.

Not only do the Moros represent less than one-half of the total population of the main island which they inhabit, but it



is also the case that, contrary to the fond hopes of so many of the opponents of Philippine independence, they are by no means opposed to the aspiration of the rest of the Filipino people. On this point I wish to ask unanimous consent of the House to insert in the RECORD as extension of my remarks several documents signed by Moro leaders advocating political independence for the mother land. These documents speak for themselves, and I believe are a complete refutation of the affirmation that the Moros are not in sympathy with the cause of their country. The documents referred to are as follows:

[Translation]

The undersigned Moros, located in different parts of Mindanao and Sulu and composed of Datos, Panglimas, Hadjis, Panditas, and other representative elements of our respective localities, hereby collectively express their sentiments on various fundamental questions in Moroland.

In the first place, we protest, as we hereby do, against the allegations published recently to the effect that we are enemies of the Christian Filipinos and that we would never submit ourselves to a government managed by them.

That although we Mohammedans profess another religion, we are conscious that, having been born in the Philippines, we are, and we have so considered ourselves always, brothers of the Christian Filipinos. For this reason we desire to express once more in an unequivocal manner that, whatever may be the future of our country, we will unite our fortunes with those of our brothers, the Christian Filipinos.

That the present excitements obtaining in a certain part of Mindanao are merely of secondary character, and they in no way affect the sentiments of adhesion and loyalty of the Moros to the government and to the Christian Filipinos, much less the national unity that should be maintained over and above our differences in religion, usages, and customs.

We hereby affix our signatures to this document this 16th day of December, 1923, in the city of Zamboanga.

The following signatures were copied from the original signatures of the signers of the petition, who affixed their respective thumb marks thereto:

Moro Pontucan, counselor; Moro Balaya; Moro Jani; Moro Marani; Moro Jayari; Moro Eurigue Macrohan; Moro Sallbay Bancaan; Moro Lukman; Moro Basara, counselor; Moro Awang; Hatib Jalan; Moro Balahud, counselor; Moro Asan; Maj Emeno, president, Lante; Moro Samal; Moro Melican; Moro Udin; Teminey Jalan; Moro Nana; Idang Kali; Moro Sallala; Timuag Lomoh; Maharaj Haping, of Tigtabun, Zamboanga; Moro Dalhani, of Tigtabun, Zamboanga; Moro Mahigili, of Tigtabun, Zamboanga; Moro Jawari, of Tigtabun, Zamboanga; Moro Opau, of Tigtabun, Zamboanga; Subuno Malunsing Timenay; Sulory Tampas; Datu Ngian; Moro Uhlay; Moro Tingkao, of Tigtabun, Zamboanga; Moro Nulon, of Tigtabun, Zamboanga; Moro Tan Jilani, of Tigtabun, Zamboanga; Moro Hanja, of Tigtabun, Zamboanga; Moro Tupoan, of Tigtabun, Zamboanga; Moro Tanjilani, of Tigtabun, Zamboanga; Moro Pattang, of Tigtabun, Zamboanga; Moro Jekirani, of Tigtabun, Zamboanga; Moro Ali, of Tigtabun, Zamboanga; Moro Isa, of Tigtabun, Zamboanga; Moro Ayjani, of Tigtabun, Zamboanga; Moro Kudarah, of Tigtabun, Zamboanga; Moro Jalani, of Tigtabun, Zamboanga; Moro Haljani, of Tigtabun, Zamboanga; Moro Islani, of Tigtabun, Zamboanga; Moro Oto, of Tigtabun, Zamboanga; Moro Tapang, of Tigtabun, Zamboanga; Moro Danal, of Tigtabun, Zamboanga; Moro Maduki, of Tigtabun, Zamboanga; Moro Asad, of Tigtabun, Zamboanga; Moro Buhang, of Tigtabun, Zamboanga; Moro Nuddin, of Bitanghlang, Zamboanga; Maharaja Alam Jali, of Cawa-Cawa, Zamboanga; Moro Pangholo Riaban, of Cawa-Cawa, Zamboanga; Moro Dihan, of Cawa-Cawa, Zamboanga; Moro Malaga, of Cawa-Cawa, Zamboanga; Moro Saluhan, of Cawa-Cawa, Zamboanga; Moro Hasim, of Cawa-Cawa, Zamboanga; Moro Astala, of Cawa-Cawa, Zamboanga; Moro Hadani, of Cawa-Cawa, Zamboanga; Moro Suring, of Cawa-Cawa, Zamboanga; Mohammad Sani, of Zamboanga, Zamboanga; Moro Mahari, of Cawa-Cawa, Zamboanga; Moro Jujain, of Cawa-Cawa, Zamboanga; Moro Tiamsi, of Cawa-Cawa, Zamboanga; Moro Laksamana, of Cawa-Cawa, Zamboanga; Moro Taralus, of Cawa-Cawa, Zamboanga; Moro Samphila, of Calibugan, Jolo, Sulu; Moro Enzalani, of Cawa-Cawa, Zamboanga; Hamblaji, of Cawa-Cawa, Zamboanga; Masia Daligdigian; Moro Dugdug, of Cawa-Cawa, Zamboanga; Moro Ampatu, Labangan; Datu Botito, vice president, Dinas; Data Tampipi, Malangas; Moro Calalagan; Moro Burundon,

Teniente; Moro Astadle, Conauter; Moro Andae; Moro Gilon, of Bhang, Bilang; Moro Tajagi, of Bilang, Bilang; Moro Igrani, of Bilang, Bilang; Moro No ong, of Bilang, Bilang; Moro Ayjani, of Bilang, Bilang; Moro Audang.

TARAKA, LANAO, P. I.

To the honorable QUEZON, OSMENA, KALAW, and GUINGONA.

DEAR SIRS: I have the honor to inform you that I and my followers are in favor of Filipino rule. From the beginning of the administration of the governor of Lanao, Major Santos, we have been cooperating and supporting the government, which has resulted in the prosperity of our people. We also desire that the Philippines obtain her independence.

In this connection, I wish to state that we begin to dislike the American rule, because we have learned a lesson from the conduct of Major Fletcher in Tamparan, when he married a Moro named Ito and brought her to Zamboanga. For this reason we disfavor American rule for fear that Lanao will be ruined.

Very respectfully,

KABUGATAN SABUADIATUGA,  
Sa Taraka.

We, the undersigned, Hatib Agasi, Panglima Lungbus, Maharaja Hajirul, and Dato Lukman, of Denas, and other prominent Moros of Basilan, Province of Zamboanga, do hereby declare that we and our peoples are in favor of the Philippine independence.

The people of the north and those of the south are from the same race, and we are all Filipinos, and although worshipping different altars we have lived, and continue to live, as one people, united by a common history and by a common destiny.

HATIB AGASI.

DATO LUKMAN.

LALLA.

SETTO.

PANGLIMA LUNGBUS.

MAHARAJA HAJIRUL.

ARIP.

ASMAD.

[NOTE.—Hatib Agasi and Panglima Lungbus are the most prominent leaders in Basilan, in the Province of Zamboanga.]

The following islands and barrios in Basilan Island are under their control:

Islands: Sibihil, Sangbal, Asibi, Sangbal, Dakula, Pilas, Mangal, Balukkaluk, Tamuk, Lanawan, Bubuan, Tapian Tana, Saluping, and Lampinigan.

Barrios in Basilan Island: Batani, Atong, Matekang, Bulansa, Luuk Sapi, Paneyongan, Bagbagun, Pangasaan, Malusu, Tabullongan, Kabakan, Lubug, Benongbungan, and Malang.

There are approximately 8,000 people in these places.

Translated by H. Gulamu Rasul.

[Translation]

DITSAAN, LANAO, January, 1924.

HON. TEODORO KALAW.

Secretary and Chief Adviser of the

Philippine Commission of Independence, Manila, P. I.

DATU: Upon receipt of your communication, I called a meeting of all the Datos and people of this district, and in that meeting we resolved to favor the granting of independence to the Philippine Islands as a whole.

In testimony of our support for the movement of Philippine independence we herewith sign our names and place our thumb marks.

Very respectfully,

Datu Bayabao Minudar, Sultan sa Ditsaan and Municipal District President; Councilor Malako; Tagurak; Basasar; Dalundong; Councilor Datu Sakar; (Saripada) Baunto; (Pamellyan) Sangkayo; Mapando; Macadatu; Binasing; Itiga, Sultan sa Lumbayague; (Mamina-sakan) Dumiar; Makaranpak (teacher); (Shiek) Manatiga; (Kali) Ludogan; (Raja Kali) of Ditsaan; Imam Buat; Imam Dimapandang; Imam Mamarenkas; Hatib Unati; Imam Desemenong; Bakal; (Simbaan) Makaogis; Batiaga; Imam; Mulep; Mahakal; (Sankupan) Ragulab; (Kabugatan) Urogan; Paskan; Dindino, Sultan sa Buayan; Dimarunsing (Sankupan); Councilor Kumayog; Abantas, Sultan sa Dagurampyan; Councilor Dilumbanga; (Rajamoda) Barambagan; Anukar; Mapandi; Macaraya, Sultan sa Bayabao; Manaque, Sultan sa Gata; (Imam) Dumaraya; Mamay-lao, Sultan sa Perna; Dacula, Sultan Pidtaylan; Agas, Sultan sa Didagen; Badas, Sultan sa Bayabas and Councilor Badiapalo; Mowa, Sultan sa Gandigan; Mauluawan, Rajamoda sa Maguindanao; Datu Sulayman; Dimnatang, Datu Imam sa Ditsaan; Shieka Datu of Ditsaan; (Jumla) Marimpong; (Kabugatan) Pedtado; Datu Manalo; (Rajamoda) Layla of Bayabao; (Rajamoda) Urogan of Sawil; Datu Makaumbao; Datu Dimenag; Councilor Datu Darayakal; Maranda (Raja-

moda of Ditsaan); Datu Pangaga; Mamah; Sultan sa Rubong; Datu Tumarampong of Minanga; Bisaya Kabunsuan; Lugman, Sultan sa Laaya; (Kabugatan) Marangit; Vice President Tambilawan; (Amirol) Marangkun; Datu Layla; Pako; Mambaay (Aluyodan); Marjok; (Sankupan) Sampurna.

[Translation of part of letter]

RAMAIN, LANAO, January 2, 1924.

Hon. TEODORO KATAW,

Secretary and Chief Adviser of the

Philippine Commission of Independence, Manila, P. I.

DATE: This sympathy toward independence is not limited within our district only but also found in the several parts of the Province of Lanao.

In witness to our act we hereunto sign our names and place our thumb marks.

Very respectfully,

Aloaya Alonto (Sultan of Ramin), Datu Turaganan Magadan, Mama Pataraga, Lumondot Penekir, Datu Limbogan Sampurna, Rajamoda of Tibuk, Dimaronsing Anapar, Datu Manukarang Mamintal, Panambolan Sampo, Damakaling Tagoloan, Raja Alonto, Sampurna Amping, Domator Bayabao, Datu Arimaog Midog, Datu Mangingisa Agol, Datu Gampong Abor, Tukalo Ayba, Datu Simumimba, Panolendeya Sapilogoan, Datu Kamolo, Datu Saudagal Imel, Datu Asamang, Datu Mali, Datu Domangkolub, Hadje Noscailim, Udai Alagadi, Datu Dilimbagan, Ambur (municipal president of Taraka), Datu Kali Sarigedan, Abdul Gani Noor (teacher), Sultan Alaoya, Datu Pagadapen, Datu Diakat Mangeza, Jerirauo Carro, Datu Motaray, Datu Maung Naska, Datu Mala Naska, Datu Pingenagena, Datu Sivil Bongkarawan, Datu Bongkarawan Ramin, Gogo Sultan Adil, Datu Gomusong, Datu Penekir, Tuan Ampatowa, Datu Arigay, Kabisloto (Ampowan), Sultan Kaurag, Gumaboy (Barrio Lt.), Datu Babak (councilor), Datu Bongkarawan, Malamama Tukalo, Datu Kamolo, Makaluwan Panakawan, Datu Batu, Maganakan, Gurongdatu Dimaraog, Enedal Gugo, Makangen Bajalan, Bangkolo Maganbit, Limos Uto, Penda Langkag, Mabaway Magangkong, Datu Berna Alonto, Bagambaran Gorong, Datu Idel Garapid, Angad Garapil, Datu Dumaub Dalumagcob (Mama Sa Magindanao), Datu Ulata Rataban, Datu Ibra Apa (Rajamoda Apitallan), Samporna Paniro (Kasanguan), Kalala Dagdib, Podag Dayki, Dasingan Sarigidan, Somararan Toboakar, Datu Dagdel Saripada (Rajaidardaya), Datu Manaleseb Dumaob, Datu Magangkong, Sali, Modawi Peguinaguena, Makasimbao Badiaran, Amoludto Bajalau, Mayani Rara, Datumang Alaong (vice president of Ramin), Datu Tukalo, (Panonjunang) of Delabayan, Datu Panempang (councilor), Datu Lomabao, Datu Asamporna in Ramin, Datu Mala Wallama Saripada sa Bayabao, Datu Dadamara-Busuan Ramin, Datu Macaugis-Pitallan Sa Bayabao, Mawig Baroni, Sirisipi Masicampo-Pangagaadil, Maraurao Abat-Datu Sa Bayabao, Matandar-Pangaga Adil, Tumarampong Mangadadato, Lapango Macicapo, Datu Tarda Madayan, Datu Abobakar Si Umar Baklayan (Imam sa Baklayan), Asmile Akanak, Sumadar Sumua, Dimapen Umar, Dalog Sarigidan, Mamarubauba.

Translated by Menandang Piang, Bureau of Non-Christian Tribes.

[Translation]

We, the undersigned, affix herewith our thumb marks with our own initiative, willingly and voluntarily. We do not like that our land be segregated from Luzon and the Visayan Islands. We want independence. Nevertheless we must govern our land like our brothers in Luzon and in the Visayan Islands. We do not want a territorial form of government like that of Hawaiian Islands. We want independence. March 5, 1924.

Panglima Bandahala, municipal president, Lu-uk and Tandu; Sayroka, prominent man of Pata Island; Maharaja Asakil, ex-vice president of Parang; Pongotan, son of Maharaja Asakil, prominent man of Parang; Mocsan, councilor of Pata Island; Selbin, councilor of Parang; Salcan, councilor; Dansalan, prominent man of Daongdong; Ambang, prominent man of Daongdong Island; Jallul, prominent man of Pata; Panglima Jalmani, municipal president, Parang and Silangkan; Iman Sariol, councilor and spokesman of Parang; Hadji Bin Idris, ex-councilor of Bus-bus; Mass Abbu, prominent man of

Parang; Masbud, prominent man of Daongdong; Panglima Agga, president of Panamaw; Abubakar Agga, son of President Agga; Usung, councilor of Panamaw; Maharaja Jallan, councilor of Panamaw; Ulangkaya Laja, councilor of Lu-uk; Ikin, prominent man of Pansul; Sakilan, prominent man of Pansul; Karim, prominent man of Pansul; Isaran, son-in-law of President Mamma; Maddas, prominent man and planter of Parang; Nakib Usman, councilor of Panamaw district; Maharaja Pahalaau Simibag, vice president of Panamaw; Jainuddin, prominent man of Panamaw; Abmad, prominent man of Panamaw; Maharaja Absara, councilor of Lu-uk; Panglima Sabdani, chief of Tubig; Haral, prominent man of Pansul; Hatib Utong, prominent man of Pansul; Ulong, prominent man of Pansul; Hamid, prominent man of Pansul; Baitulla, prominent man of Panamaw; Panglima Unga, vice president of Gitong; Sahibad, councilor of Lu-uk; Mukarin, councilor of Lu-uk; Mamma, vice president of Pansul; Dahin, prominent man of Pansul; Saddul, son of Panglima Sabdani; Ambe, prominent man of Pansul; Sahibuddin, prominent man of Pansul; Dato Teteng, councilor of Bagsah, Parang.

[Translation]

We signed with our own hands and upon our own initiative voluntarily attached our thumb marks. We are from the islands of Siasi, Tapul, Lugus, Dapak, and Laminusa. We, the chiefs of the different islands and our followers do not want to be segregated from Luzon and the Visayan Islands. We do not want a territorial form of government. We want an independent form of government. Inasmuch as the Congress of the United States has made the sacred promise not to conquer this land for territorial aggrandizement, Mindanao and Sulu are with the people of Luzon and the Visayas. We do not like our land be segregated from Luzon and the Visayan Islands. March 7, 1924.

Panglima Jurkanaln Taup, municipal president of Siasi; Maharaja Sabid, councilor of Pandami; Maharaja Kalimoddin, councilor; Iman Undang, councilor; Dato Massal, councilor; Panglima Hidlana, councilor; Panglima Dagusan, municipal district president of Tapul and Lugus; Tongal, prominent man; Umbang, prominent man; Salip Alawie, councilor; Maharaja Jumat, councilor; Janjahari, prominent man; Panglima Mana Taup, son of Mah. Taup of Siasi; Imam Haadil, prominent man of Siasi; Habib Mura, prominent man of Jolo; Maharaja Alimadin, councilor; Panglima Nurilla, councilor; Maharaja Aminulla, councilor; Panglima Ebbuk, ex-president of Siasi; Nakib Lomoyud, ex-headman of Cabengan; Utu Basaruddin, prominent man of Jolo; Susulan, lieutenant of the Barrio; Isnain; Ismail; Ullis; Maharaja Sabipa, prominent man; Mohaamd, prominent man; Abtahi, prominent man of Jolo; Balaji, prominent man of Siasi; Aradani, councilor; Maharaja Sabdani, councilor; Panglima Matti, chief of Tubig, China, Pandani; Asaril, lieutenant of Barrios; Hassan; Ota-olla, prominent man; Urud, prominent man of Siasi; Latip, prominent man of Tapul; Sahubil, prominent man; Panglima Labbai, councilor; Panglima Jawadil, councilor; Dawila, lieutenant of Barrios; Mohammed, prominent man of Siasi; Isnain, lieutenant of Barrios.

[Translation]

I, Panglima Longbus, have the honor to forward this petition which is signed voluntarily by the prominent chiefs of Basilan with the consent of their respective followers.

We do not want Mindanao and Sulu to become a Territory of America; what we want is independence.

MARCH 20, 1924.

PANGLIMA LONGBUS,  
PANGLIMA ADAM,  
ULANGKAYA SARABI,  
HATIB PASCUAL,  
DALAMPEL

PANGLIMA MAHAKAL,  
PADUKA JALAL,  
IMAM HANAPI,  
AMINDE,

(A letter from the prominent chiefs of Sulu, particularly Panglima Bandahala, municipal district President of Look-Tando, with his 18,038 followers.)

To President QUEZON:

SIR: We chiefs agree to follow the idea of our son, Hadji Gulam, and in testimony we sign our names to a petition and took pictures with him. The petition was handed to him. All the chiefs of Jolo,



Siasi, Lugus, Tapul, and Lamnusa were visited by him and he was well received. He was accorded by the people with respect similar to that which is usually accorded to myself, Panglima Jalmani, Agga, Unga, or other high chiefs. I believe nobody can do what he has done. He came to our places when most of us were against independence and were in favor of the separation of Mindanao-Sulu and Palawan from Luzon and Visayas. He explained to us everything, which explanation has led us to change our attitude and to send the petition. We are henceforth with him.

The people under the other chiefs are as follows:

Panglima Jurkernain	28,344
Panglima Jalmani	23,069
Panglima Agga	9,217
Mamara of Pansul	19,458

These chiefs and myself were the warriors of the sultan and his minister, Hadji Butu.

We want that our son, Hadji Gulam, will go with the president to America as our representative. He is authorized to speak for us even before Congress. He can say that petitions sent by the Americans to America were fake. There have been several missions sent to America, but no Joloano has gone with them, so we desire this last mission will take our son, Hadji Gulam, along as the representative of the Mohammedan Filipinos. He can tell Congress that we belong to the same race and we are all united in the desire for Philippine independence.

Very respectfully,

Hadji Gulam has left for Zamboanga.

(Translated from original Arabic letter by Menandang Piang.)

Mr. GUEVARA. I wish to refer now to the literacy of the Filipinos. It was asserted that their present or actual literacy is 35 per cent. If the basis of computation is the total population, this figure is correct; but if it be the population 10 years of age and over, as is usually the case, then the percentage of literacy is 60. According to the Philippine census of 1918, the total population of the Philippines 10 years of age and over was 6,381,261 (vol. ii, p. 53). The total literate population was 3,138,634 (vol. ii, p. 60). These figures show that the percentage of literacy as of 1918 was about 50. Taking as a basis the increase in Philippine literacy from 1903 to 1918 and applying that rate of increase from 1918 to 1925, the present percentage of literacy is found to be 60.

Gentlemen of the committee, let me note for a moment the criticism launched against our political leaders. Time and again charges have been made that independence for the Philippines would mean the exploitation of the people by their political leaders, and that a condition even worse than that existing under Spanish rule would result. It is assumed that they are selfish politicians; that they are unreliable, unjust, unpatriotic, and treacherous. And this, without the slightest shred of evidence to substantiate them or on the supposed testimony of persons hiding behind a cloak of anonymity. Such accusations, however, should not surprise anyone familiar with the history of any people struggling to be free. The builders of this Republic were pilloried by the enemies of its freedom as "common individuals" who "could not dignify themselves by any title they might adopt, who were appealing to passion and not to the reason of the British nation." They were branded as selfish men who hoped to "derive private emolument from public calamities." In the drafting of the Declaration of Independence, that immortal charter of liberty, they were accused of "willfully or ignorantly" distorting the facts and deducing arguments from "premises that have no foundation in truth."

Mr. JONES. Will the gentleman yield?

Mr. GUEVARA. I will.

Mr. JONES. The gentleman has attended some of the elections over there or was in the Philippines when they held an election?

Mr. GUEVARA. Yes, sir.

Mr. JONES. What system of ballot did they use over there?

Mr. GUEVARA. The Australian ballot.

Mr. JONES. Was there any effort made during election day to intimidate voters, or did they permit them to vote as they pleased?

Mr. GUEVARA. They voted as they pleased. It is impossible to intimidate the electorate of the Philippine Islands. I have been a candidate for four consecutive terms and I do not remember of any case in which an elector in my district had been intimidated by anyone.

In this connection the name of Mr. Manuel L. Quezon, president of the Philippine Senate, having been especially mentioned, and in order not to encroach too much on the valuable time of this House on questions affecting personalities, I ask unanimous consent to insert in the Record a letter addressed to me by Senator Sergio Osmeña on this subject:

PHILIPPINE COMMISSION OF INDEPENDENCE,  
PHILIPPINE PRESS BUREAU,  
Washington, D. C., February 20, 1926.

MY DEAR COMMISSIONER GUEVARA: In the speech of Congressman UNDERHILL, of Massachusetts, regarding affairs in the Philippines, which appears in the CONGRESSIONAL RECORD of February 18, 1926, there are passages which, in the interest of a correct understanding of our political history, should not be allowed to pass unnoticed.

The charge is made that there existed and still exists a political oligarchy in complete control of our public affairs. For 20 years now every election held in the Philippines has been free and orderly. Almost a million voters took part in the general elections of 1925. The present Governor General, an advocate of the indefinite retention of the Philippines, has testified to the orderly character of this election as well as the other one held during his term of office. Is it possible that hundreds of thousands of voters using the secret ballot have been the victims of intimidation for 20 years? How can this theory of complete control by a few politicians be made to square with the growth of a vigorous minority party during this period?

This argument has been repeated so many times that I would not have felt obliged to write this letter if it were not for the fact that Congressman UNDERHILL has mentioned my name in connection with that of Senate President Quezon and General Aguinaldo. That President Quezon, being at the head of the Filipino participation in the government of the islands, should be made the target of criticism by those who are opposed to Filipino aspirations is to be expected. Nevertheless, I regret extremely that, in alluding to the difference of opinion which arose in 1922 between Senate President Quezon and myself, he referred to President Quezon in the language he did. Whatever may have been the merits of our respective viewpoints then, the controversy, in my belief, was the result of convictions honestly held, and the privilege of deciding such questions of public policy rests solely with the constitutional representatives of the people. Once those decisions have been made, they should be accepted and followed with loyalty.

Congressman UNDERHILL is pleased to indulge in speculation regarding candidates for president of the future Philippine republic. While, of course, I am flattered by his inclusion of my name, I may say without hesitation that I do not aspire to such an exalted position. And I can not agree with the prediction of the certainty of an appeal from the ballot to the bullet in our future elections. The Filipinos were already a law-abiding people when the Pilgrim Fathers landed on the shores of New England. For over 20 years, in all our elections, local as well as general, peace and order have been maintained, and the results have been accepted with good grace by the defeated parties. The period of almost complete Philippine autonomy (1913-1921) was not an exception. Neither was that of the short-lived Philippine Republic in 1899. If we are to judge the future not by impressionistic sketches but by an unbiased examination of facts as they have been and as they are, then there is not the slightest cause for alarm over the possibility of disorders arising out of elections in an independent Philippine republic.

With the other points covered in Congressman UNDERHILL's speech I shall not now concern myself. They are sufficiently answered by your own speeches as well as those of others who are in sympathy with our aspirations.

Very truly yours,

SERGIO OSMEÑA.

HON. PEDRO GUEVARA,  
Resident Commissioner from the Philippine Islands,  
148 House Office Building, Washington, D. C.

Turning now to some of the larger aspects of the Philippine problem, whatever may be our views regarding immediate independence, I believe we are of one mind in our opinion of the present political status of the Philippines. It is unsatisfactory to both Americans and Filipinos. It can not and should not be further prolonged. Laws passed by the Philippine Legislature are subject to a practically unlimited veto of an appointed executive. Whatever may be the causes of the extensive use of the veto power in recent years, the fact that this power has been exercised in so many instances shows a lack of proper coordination between branches of the Government which are expected to work together. No Filipino political party can present to the electorate a platform whose promises it can, with any degree of confidence, pledge itself to fulfill.

Under such conditions, outside capital, needed in our economic development, hesitates at the threshold of opportunity; and the Filipino people who otherwise would welcome its entrance view its very approach with misgiving. We have raw materials and natural resources in abundance; you have financial resources almost limitless in extent. Yet, when advance in industry and development should be proceeding with giant strides, we find its step timid and halting.

And, how resolve this deadlock? From the time when we first came beneath your flag, your Presidents, each in turn,

have held before us the promise of ultimate freedom. Step by step, we have been led toward the promised land; each change which has been made in the government of the Philippines from the original military régime to the date of the Jones Act has granted to her people a greater measure of control of their own affairs, of advance toward real self-government and complete independence. Is this the time for the United States to sound a retreat? Is this the time to halt progress and substitute reaction? Shall America now tell us that she will turn back the pages of her record? Shall this be the message of Americans to a people who are not only imbued by nature with love of liberty, but who have been guided and encouraged in the pursuit of liberty by the ideals, yes! by the very hand of the United States itself? God forbid! Gentlemen of the House, it can not be! The Philippine problem must be solved in conformity with the traditional policy of the United States in the Philippines and in harmony with the best interests of all parties concerned. It is the only way to achieve practical results. [Applause.]

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. GUEVARA. I will.

Mr. MORTON D. HULL. The gentleman gave some figures in reference to illiteracy among the Philippine population.

Mr. GUEVARA. Yes, sir.

Mr. MORTON D. HULL. By whom were they compiled?

Mr. GUEVARA. They were compiled by the officials of the government at the time when the census was made.

Mr. MORTON D. HULL. Is that a census emanating from the Government at Washington?

Mr. GUEVARA. No; the government of the Philippine Islands.

Mr. TAYLOR of Colorado. I yield one minute to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, yesterday we had a somewhat extended discussion on the Great Lakes to the ocean waterway. Instead of asking more time to-day in which to continue the discussion, I ask unanimous consent to extend my remarks by inserting in the Record a brief by Mr. C. P. Craig and ex-Governor W. L. Harding, in reality the conclusion of a brief which I inserted March 19.

The CHAIRMAN. The Chair suggests the gentleman had better prefer that request in the House.

Mr. KVALE. I will state to the Chair I was granted a little time to discuss a subject, and I asked unanimous consent to extend my remarks by inserting this brief and the extension discusses it, and it seems to me that my request is in order.

The CHAIRMAN. It seems to the Chair that request should be preferred in the House.

Mr. TAYLOR of Colorado. I yield five minutes to the Commissioner from Porto Rico [Mr. DAVILA].

The CHAIRMAN. The Delegate from Porto Rico [Mr. DAVILA] is recognized for five minutes.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. This is a proposition that is going to come up from time to time. I wanted to ask the Chair as to a ruling made the other day by the Speaker, where a proposal was made to extend remarks bearing on the subject at issue at the time, whether unanimous consent could be given in Committee of the Whole. It seems to me that the gentleman from Minnesota [Mr. KVALE] has the right in Committee of the Whole, under the Speaker's recent ruling, to get permission to extend his remarks, as he has been yielded time in which to speak.

The CHAIRMAN. If the gentleman will permit, the gentleman from Porto Rico will proceed, and we can take up that matter later.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The gentleman from Porto Rico is recognized. Does he yield to the gentleman from Wisconsin?

Mr. DAVILA. Yes.

Mr. DICKINSON of Iowa. I will yield to the gentleman from Wisconsin one minute.

Mr. COOPER of Wisconsin. Day before yesterday, or within two or three days, the gentleman from New York [Mr. DEMPSEY] asked permission to extend his remarks by inserting a brief, and not only that, but by inserting a letter written by a shipping firm in New York on the subject of the St. Lawrence and Great Lakes Canal. He did it by unanimous consent. That was in Committee of the Whole.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman permit a question?

Mr. COOPER of Wisconsin. Yes.

Mr. WAINWRIGHT. Was not the brief that the gentleman from New York [Mr. DEMPSEY] put in his own brief?

Mr. COOPER of Wisconsin. It makes no difference whatever. But in addition he inserted a letter.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. The gentleman from Porto Rico is recognized for five minutes.

Mr. DICKINSON of Iowa. I yield to the gentleman from Porto Rico an additional five minutes.

The CHAIRMAN. Then the gentleman from Porto Rico is recognized for 10 minutes.

Mr. DAVILA. Mr. Chairman and gentlemen, the press of the country published the following cable dispatch from San Juan, P. R., dated March 12, 1926:

A handbill was circulated on the streets to-day calling upon Porto Ricans to cease paying taxes as a means of passive resistance to the "Yankee-dominated government." It also advised Porto Rican officeholders to resign and call a constitutional convention for the purpose of organizing a republic. "The Yankees believe themselves the superior of all races. The Yankee must go," said the handbill.

It is unnecessary to say that this terrifying and sensational news produced great alarm in the United States and probably all over the world. There was but one defect to mar an otherwise perfect piece of work. The author called upon the officeholders to resign! Had he known the species as well as Jefferson, he would have understood that "few die and none resign." The press agent who did not hesitate to use the cable for the transmission of this anonymous report has rendered an invaluable service to the Nation. Thanks to his diligence it is known by the world that we Porto Ricans are starting a revolution by refusing to pay taxes and advising the officeholders of our country to resign their positions, call a convention, and organize a republic. The unknown author of this handbill, amazed at the publicity given to his sensational words, is undoubtedly preparing another statement of similar character with the hope that it will be transmitted by cable to the press of the world. He has accomplished his purpose by playing an unfortunate joke on the Porto Rican people and by impressing the press agent with the seriousness of the situation.

When I read this news in the Washington papers I sent a cablegram to the president of the senate, Hon. Antonio R. Barceló, asking information in detail as to the person or persons responsible for the publication and circulation of the handbill and their names. He replies as follows:

Handbill unsigned. We have been able to find a copy in the hands of a public officer to whom it was addressed. We have always noticed that the representative of the Associated Press here is prone to transmit ridiculous and unimportant news like this that reflect on the people of Porto Rico and omits the transmission of real information which will be of interest and which give credit to Porto Rico and the Nation.

Later I received another dispatch from Mr. Barceló in which he says that the anonymous and surreptitious sheet has found a responsible indorser in the president of the Nationalist group, Mr. Federico Acosta Velarde. But this does not change the nature of the statement which was anonymous in its origin. Mr. Acosta Velarde is not the author of the handbill. He has expressed the approval of the same to show that there is at least a man in Porto Rico who does not hesitate to accept publicly the responsibility of the statement. I admire his sincerity more than his judgment and discretion. He is a young and able lawyer who belongs to a distinguished family and who honestly believes in the ideal of independence. He does not deem it wise to join us in our efforts to pursue the main objective of human activities which is happiness. He forgets that independence and liberty are not synonymous terms and that there is more freedom in Canada, Australia, and Ireland than in many so-called independent countries including some of our republics in the Western Hemisphere. He does not measure our responsibilities. To quote the language of Froude, the great English historian, we measure responsibilities, not by the thing done, but by the opportunities which people have had of knowing better or worse.

But the local organizations of my country, including the Unionist, Republican, and Labor Parties, are not responsible for the anonymous statement contained in the handbill and the attitude of Mr. Acosta expressing his approval of the same. However, although they regret and condemn the circulation of this sheet of paper, this matter seems too trivial to them to deserve any serious consideration. In my country nobody pays any attention to the irresponsible statement of an anonymous writer. But it is different with the representative of the Associated Press in Porto Rico. He is a patriot, and perhaps a prospective hero, and will not pass unnoticed any act suggestive of rebellion, believing it his duty to warn the Nation of the dangers and perils of the situation. I approve



and indorse his patriotic, unbiased, and impartial attitude. It is for this reason that, unlike my fellow citizens of Porto Rico, I am going to give this matter most serious consideration, availing myself of this opportunity to express in a few words the attitude of our people.

We are not asking for independence. We have not lost our faith in the United States of America; and it is our honest opinion that the association of Porto Rico with this country would not only secure freedom to our people but also that happiness which is the main objective of human activities in the struggle of life. Our paramount purpose is to make our people happy, and any solution which will mean the realization of this idea will be favored by us.

But it is only fair that the Representative of Porto Rico should state once more on the floor of this House that my country will not be happy and satisfied with anything suggesting inferiority in the solution of our permanent status. We come to you on a basis of equality, always ready to share the national responsibilities and to do our duty in the supreme hour of sacrifice, but claiming the same privileges, rights, and liberties that are enjoyed by American citizens in continental United States. We are asking for nothing more. We will be satisfied with nothing else. Equality, not inferiority; that is our position; that is our creed.

Of course, if the granting of statehood is an impossibility, as has been held by prominent American statesmen, and if the right to complete home rule with the election of the executive is denied to the island of Porto Rico, then we would be justified in asking for the absolute independence of our country. But it is our belief and hope that the island of Porto Rico can secure her happiness under the guidance of the American institutions. We have entire confidence in the American people, and your sense of justice and our faith in the Almighty God incline us to believe that Congress will not unduly delay the recognition of our right to enjoy complete home rule with the executive elected by the people. What we need is a sincere and frank understanding, mutual confidence, and mutual respect. Most of our evils and frictions in life are due to misunderstandings. Have faith in the Porto Ricans, believe them, trust them. They are good and lovable people. They are true to this country. It was proved beyond any doubt during the crisis of the World War. But if you want to apply once more the acid test to the loyalty of the people of Porto Rico, wait till the arrival of a national crisis (God grant it will never come) and pronounce your request of us in only one word: Sacrifice. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DAVILA. Yes.

Mr. GARRETT of Tennessee. The gentleman desires that the people of Porto Rico be given the right to select the governor?

Mr. DAVILA. Yes. We want complete home rule with the election of the governor.

The CHAIRMAN. The time of the gentleman from Porto Rico has expired.

Mr. DAVILA. May I have two minutes more?

Mr. TAYLOR of Colorado. I yield two minutes to the gentleman.

The CHAIRMAN. The gentleman from Porto Rico is recognized for two minutes more.

Mr. DAVILA. I have introduced a bill in the House providing for the election of the executive in the year 1932. It is the same bill that unanimously passed the Senate last year and which was favorably reported by the Committee on Insular Affairs. There is no reason in the world to delay the passage of this bill, and I hope that the Committee on Insular Affairs will understand the advisability of enacting this legislation at this time. [Applause.]

The CHAIRMAN. The time of the gentleman from Porto Rico has again expired.

Before the last speaker rose to address the committee a request was made by the gentleman from Minnesota [Mr. KVALE] for an extension of remarks. The Chair suggested that that extension should be requested in the House. On March 18, 1926, the Speaker [Mr. LONGWORTH] made a formal ruling on that subject, as follows:

The Chair further thinks that the request to extend remarks should be made in the House and not in Committee of the Whole House on the state of the Union. The Chair thinks it is a violation of the spirit of the rule to ask for an extension in Committee of the Whole of anything except remarks actually made, and the extension in those circumstances should be brief. The Chair will request all gentlemen who occupy the chair during the consideration of bills in Committee of the Whole not to recognize gentlemen to ask general leave for extension of remarks. The Chair thinks that should be

done in the House. The Chair thinks that if that practice be followed it will possibly obviate such difficulties as have occurred recently.

The Chair suggests that the gentleman from Minnesota [Mr. KVALE] defer his request until we get into the House.

Mr. COOPER of Wisconsin. If the Chair will permit, that statement may have been made on the 18th, and, of course, the Chair has correctly read the ruling by the Speaker; but I do not understand it is within the authority of the Speaker to make a ruling of that kind which will bind the House outside of the rules of the House. On Monday, two days later—last Monday—the gentleman from New York [Mr. DEMPSEY] secured by unanimous consent the right to extend his remarks by inserting a letter written by a shipping firm in New York. The House gave him that right, as there was no objection to it.

Mr. GARRETT of Tennessee. Mr. Chairman, may I suggest this: I think the Chairman will find that the Speaker subsequently modified his statement to the extent that he said that such requests should be preferred when the committee was debating under the five-minute rule. I think the Chair will find that to be true.

Mr. COOPER of Wisconsin. Will the gentleman permit a question right there?

Mr. GARRETT of Tennessee. I tried to recognize and did recognize the Speaker's ruling. I was glad to conform to it, and I immediately made a request to extend my remarks.

Mr. COOPER of Wisconsin. The rules prescribe what can and what can not be done in debate in the House. Under the five-minute rule is it the gentleman's idea that the Speaker can in any way by a ruling himself, alone and without authority given to him by the House in express terms, declare what can or can not be done by the House in Committee of the Whole?

Mr. GARRETT of Tennessee. No; I do not think so.

Mr. COOPER of Wisconsin. Nor do I.

Mr. GARRETT of Tennessee. The RECORD is in the control of the House.

The CHAIRMAN. If the gentleman from Tennessee will yield for a moment I will read that part of the Speaker's remarks to which he refers. On the same page of the RECORD he says:

Of course, in general debate, the Chair thinks it is quite proper to ask for a general extension of remarks actually delivered, because such remarks may apply to anything under the sun.

Mr. RANKIN. Will the gentleman from Tennessee yield?

Mr. GARRETT of Tennessee. If I have the floor I will yield; yes.

Mr. RANKIN. Well, Mr. Chairman, a parliamentary inquiry. I would like to be heard on this proposition.

The CHAIRMAN. The Chair has decided, and so far as the Chair is concerned he is not inclined to change his decision.

Mr. GARRETT of Tennessee. Mr. Chairman, I ask unanimous consent that the gentleman from Mississippi may proceed for three minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the gentleman from Mississippi may proceed for three minutes. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I want to call the Chair's attention to the fact that this case is not covered by the decision the Chair has just read. The decision the Chair read refers to a case in which a Member asks recognition to extend his remarks in the RECORD. Now, the gentleman from Minnesota [Mr. KVALE] did not ask any such recognition, but he was yielded time by the gentleman from Colorado [Mr. TAYLOR] and the Chair was compelled to recognize him under the rules. Then he asked that he might extend his remarks, the speech he was then making; and I think if the Chair will pursue the colloquy with the Speaker at the time this decision was made, he will find I think that later on the Speaker held that where a Member was making a speech and asked unanimous consent of the Committee of the Whole to extend those remarks by inserting material, either of his own or of anyone else, that under those conditions it would be in order to make the request in Committee of the Whole.

Mr. KVALE. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. KVALE. Surely it can make no difference whether a Member has 30 minutes or 1 minute granted to him.

Mr. RANKIN. Certainly not. If he had an hour, he could read his speech, or whatever material he desired to insert in connection with it.

Mr. JONES. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. JONES. I would like to suggest that the later remarks which the Chairman read stated specifically that permission should be granted if it were under general debate, and I understand that is what we are operating under now.

Mr. RANKIN. Certainly. If I understood correctly what the Speaker said, it was that when a Member is speaking in general debate, or, under the five-minute rule, is recognized for that purpose and asks unanimous consent to extend his remarks in the RECORD, it would be in order in the Committee of the Whole. But if a Member arises and asks recognition merely for the purpose of extending his remarks only, he would have to do that in the House. This was my understanding of the ruling at the time it was made by the Speaker.

The CHAIRMAN. It seems to the present occupant of the chair that the ruling of the Speaker laid down in the decision read is a good, sound rule and the Chair will follow it.

Mr. DICKINSON of Iowa. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. BRAND].

#### THE FARM PROBLEM

Mr. BRAND of Ohio. Now that the House is ahead of schedule, and the machine is coasting with the clutch out, we are given an opportunity to unbosom ourselves on matters close to our hearts, and under the circumstances I want to talk to you about the farm problem, which, in my opinion, is the most important public question to-day.

First I want to say that I think the Committee on Agriculture should speed up their hearings, appoint a subcommittee to draft their best thought on the question, and submit a bill to the House. [Applause.]

I am in favor of farm legislation. If that means I am a radical I want to be in that class. As a matter of fact, I think those who are using every ounce of their brains to figure out a means of relieving agriculture are the conservatives, and I believe that any man who is satisfied with just saying he is opposed to this or opposed to that and refuses to offer any constructive help is radical at this time.

This farm question has wrapped up within itself the elements of danger to the prosperity and tranquillity of our country.

We are going to determine right here in this House whether or not we are to drive agriculturists into the condition of serfs in this country or whether they are to be lifted up on a level with the rest of the people, whom we have already helped by legislation.

I want to say in the beginning that I do not see any hope for agriculture except through the influence of the tariff. [Applause.] We must separate the farmers of the United States from competition of the world by a tariff wall surrounding the country. That wall must work on all the products of agriculture, even though they be surplus crops. The farmer of the United States can not compete with the world with the cost of production that faces him.

First I want to address myself to those who have a question in their minds as to the real condition of the farmer. There are those who believe the farmer is all right.

Some five years ago I remember a memorable conversation with Secretary Henry C. Wallace, of the Department of Agriculture, in which he depicted the terrible losses in agriculture that year (1921) and contemplated in his talk the future of the business.

He said in effect that our surplus production made us competitors on surplus products with the low-cost land, low-wage, and low-tax countries of the world. He pointed out that South America was the most effective competition, with its fertile land exceeding the acreage of the United States and its doors open to the cheap labor of southern Europe.

He was content with the farm situation as to milk and butter and eggs, wool and sugar, because we were producing less than our people were consuming, and the amount we purchased abroad lifted the price by the application of the tariff, but he was despondent because he could see no way of making the tariff work on the surplus products such as corn and wheat and hogs, rye, oats, and barley, and on them we must meet the disastrous competition of the world.

I remember distinctly now he said that day, cooperative marketing can not solve this problem alone because it has no way of making the price better than the world price, because they will not be able to control either the production or sale of the big agricultural products of the country.

The tariff alone can relieve, provided it can be made effective. Out of this attitude of mind came the first attempt to make the tariff apply on surplus products. In 1924 the Department of Agriculture under Secretary Wallace recommended the McNary-Haugen bill for the relief of agriculture, and we remember its career. The South, satisfied with the price of cotton, desiring low prices on the corn, wheat, and

pork they purchase, voted solidly against the measure. The administration, fearful of its impracticability, withheld its approval, and the measure died. Yet 17 votes changed in the House would have carried the bill.

I have never been one of those who regretted my vote for this measure. Had it become a law, conditions have been favorable since for its application, and it would have developed by this time its weak and strong features, and this Congress would have been correcting the weak places by amendment.

I know the seriousness of the situation, and I expect the relief to come by amending the plan as experience directs. We will never give relief if we are afraid to start. I am not one of those who want farm relief, but stand on the bank fearful of the plunge.

I have never forgotten the mother's permission given the girl when she said, "Mother, may I go to swim?" "Yes, my darling daughter; hang your clothes on a hickory limb, but don't go near the water." [Laughter.]

The loss in our beginning might be something, but it can be nothing compared to a bankrupt agriculture, one-third of our people unable to make ends meet. Is that what we are facing? I remember Secretary Wallace saying there is no relief in sight for 15 years. Five years have passed. What is the situation now?

Secretary Hoover's Department of Commerce has just made a census of agriculture by counties and States of the entire country. Every county in my congressional district shows a loss of from 30 to 50 per cent in farm assets. My State, Ohio, shows a loss of right at a billion dollars to agriculture in the last five years, and the United States around \$20,000,000,000 loss. Secretary Wallace's vision was prophetic and his despondency was warranted. Think of one class of our people losing as much as the national debt during the past five years, and twice as much as all the nations of Europe owe us, upon which they ask 62 years of time to pay.

But you say that was deflation from war prices. Granted. But no other line of business has lost. Railroad bonds and stocks were worth \$12,000,000,000 in 1920, and now are worth on the market between \$18,000,000,000 and \$20,000,000,000. Industrial stocks have advanced since 1920 until Robert Louis Stevenson's Treasure Island is a dream realized by thousands of men in the United States. This year's income tax returns show more than 100 new names whose incomes exceed \$1,000,000 a year. The average man in the city during the past five years has amassed a competence, putting billions of dollars away in savings accounts, investing in homes, in the industries in which they are occupied, and in the comforts and luxuries of life. And the farmer, with the coal-oil lamp pointing the way, has been going back, his surplus exhausted, and he does not know which way to turn, unless to the city, for a new start. The farmer can not now exchange his holdings for other investments without losing about one-half by the transaction, such is the one-sided deflation.

Agriculture is not alone in crying out against this deflation. Last week many branches of industry met in New York and listened to a report on the condition of the farmer, industry's customer. This National Industrial Commission, supported by manufacturing, transportation, mining, and public-utility interests, says:

The actual earnings of the average farmer in 1924 are \$720, as against average earnings of \$1,572 in transportation, \$2,140 in clerical lines, and \$1,650 by Government employees.

Production costs on the farm, according to the National Industrial Commission, have increased in 25 years 300 per cent, while prices for products stand at 120 per cent. Finally they say, "This situation, unless checked, must eventually adversely affect the national business structure."

Also organized labor is alarmed, believing that the farmer can not continue to buy the products of high-priced labor, and has openly advocated relief for agriculture.

Personally I have had the opportunity to see the farmer and his family try to make ends meet in the last four years. I have seen the family rising at 4 in the morning, every member of the family going to work, every member from that time on until schooltime contributing toward making a living on the farm, and I have seen the children come back after school in the evening and each one go immediately to his task just as though he had no other thought in the world, and those tasks lasted until about 8 o'clock at night. Then, with all this hard work, winter and summer, on the stock farms, I have seen a continued inability to make ends meet on the part of the head of the family—this at a time when everybody else in the United States was working fewer hours than they ever had worked before and making more money on an average than a living



costs, because the average person has been adding to investments and comforts and even enjoying luxuries.

Now, as a summary of the question, is the farm prosperous?

I find that the Secretary of Agriculture in 1921 was despondent as to the future of agriculture in the United States. Next you find the Secretary of Commerce in 1925 making a census of the situation, and he finds there has been an actual loss in farm assets in the past five years amounting to around \$20,000,000,000, which is half as much money as is invested in all the manufacturing plants in the United States and one-third of all the money that is invested in agriculture in the United States.

Again, we have found that industry—the manufacturers, transportation, mining, and public utilities—is alarmed at the situation, because this condition, if it continues, will involve the business structure of the country, and finally you find organized labor alarmed because its customer, the farmer, has his buying power reduced to the limit.

This is the situation, and our problem is to find the remedy.

Our greatest trouble is that we have had no safe and sane agricultural policy in the United States. In industry we have a real policy from a Government standpoint. We are out over the world with Government agents finding ways to sell the products of our factories in all the markets of the world, and we are devising means by which we can produce in this country at a price to meet world-wide competition, even though we pay the highest wages in the world. Industry has increased its exports in the last five years about 40 per cent.

In agriculture the only policy we have is to produce as much as possible before we have any profitable market for the product. The Department of Agriculture has some 4,500 men out over the United States increasing the production of things for which we have no profitable market.

If the Department of Commerce had 4,500 men out over the United States increasing the production of the factories without first securing a market for the products, what would happen to the factories? Any business man will tell you that the factories would soon be bankrupt and the banks with which they do business would likewise go to the wall in a year's time. These 4,500 men of the Agricultural Department may well be instructed to help in the matter of cooperative marketing for the benefit of both the producer and consumer.

It seems to me there is an agricultural policy that we can develop.

These 4,500 men in the Agricultural Department are men of training and are equal to a big job. What they should be doing, it seems to me, is to develop the production of the agricultural products which we are now buying abroad. Take for example, sugar; we are buying \$400,000,000 worth of sugar every year and shipping it into this country, and we can produce every pound of it here. We are also importing something like \$200,000,000 worth of wool and woolen goods instead of producing that wool in this country.

To be sure, we are up against a real obstruction in the production of these articles here. The Democratic Party, in season and out, continues to threaten to take the tariff off of these articles, so that both capital and labor are timid about proceeding with the production of these articles equal to the needs of this country. Back in the time of Secretary James Wilson, in the Taft Cabinet, he organized capital up to the amount of \$80,000,000 for the production of sugar in this country, and then the Democrats took the tariff off of sugar and these projects were immediately abandoned.

The Democratic Party is again threatening to interfere with tariff schedules, and this is a menace to the solution of the agricultural problem. What we need is a continuing Republican policy as to tariff [applause], if we are to adjust our production of agricultural products in a sensible way, and if we should be able to produce the sugar and wool which we use in this country, we would produce a smaller amount of wheat, a smaller amount of corn, and a smaller amount of hogs, because the land would be otherwise occupied. The fact of the matter is that we buy abroad as much sugar and wool as we have surplus of corn and hogs and wheat.

This is a real solution, but it will take years to accomplish.

The Department of Commerce has learned to produce sugar, granulated, out of corn, and we must relieve corn sugar immediately from any discrimination against its use. [Applause.] This is a vital thing for us to do now. The Department of Commerce is working upon a plan to make sugar out of artichokes which will, if successful, solve the labor problem in producing sugar. We are on the way if we will but proceed, but it will take time.

This generation of farmers will have passed before we can, by increased population in this country, and by producing the

things we now buy abroad, adjust production to consumption in this country, thereby making the tariff effective on all agricultural products.

In the meantime I want agriculture to have its chance, and I do not hesitate to say that I would strike out to make the tariff effective at once by legislation no more artificial than we have applied to other lines of business in this country. I would add a bounty immediately upon surplus agricultural products equal to the tariff.

That does not mean that I would not go along on whatever bill is brought out by the Agricultural Committee of the House, but simply means that the above is the simplest, most direct plan, in my judgment.

It will do what we aim to do. For example, if you can get 42 cents paid to you by the customhouse at New York on every bushel of wheat you export, the price of wheat in the country will be immediately whatever the Liverpool price is plus the 42 cents of bounty. That makes the 42-cent tariff rate effective.

The duty on hogs and their products—on corn, barley, oats, and rye—can be applied in the same way as a bounty, making the tariff work backwards. Under this plan the Government will not be in business. There can be no charge of price fixing, and the present channels of trade in these commodities will not be interfered with.

But where will we get the money with which to pay the bounty? I am in favor of collecting it upon the production of the article as it goes into commerce. A farmer, then, in order to get 42 cents extra for all his wheat, would have to pay say 5 or 6 cents a bushel when he sold it, which would pay the bounty on the amount exported. I believe the farmers are all smart enough to be perfectly willing to make that kind of a trade. It would add to the farmer's income on wheat alone \$300,000,000 and on the other surplus products a corresponding amount each year.

But some hold up their hands in holy horror and say there are difficulties in the way. Of course there are, and always will be, to every proposed legislative act. That is the reason the world is so interesting to live in. The Almighty has made us so that we can not exactly foresee results. What does happen if anything can be met when it happens?

England has not hesitated to give bounties when she saw her interest that way. She gave a bounty once upon manufactured articles, and she now gives a bounty to shipping, and as a result she is mistress of the seas. Nothing happened to her when she exhibited nerve to proceed, except that she accomplished her purpose.

The first thing that should happen if this plan were adopted would be to increase the duties on many of the surplus agricultural products. Wheat has already been raised by Executive order about 50 per cent, and butter has been raised 50 per cent.

The other duties do not now reflect the difference in cost of production between the United States and foreign countries like the Argentine.

The other thing that would happen, I am sure, would be a lifting up of agriculture to a level with other activities in this country and a continuation of the wonderful prosperity of our country.

The consumers of the country may want to know what effect favorable agricultural legislation will have on the prices of things they buy. I do not want to offer any false hopes, but I do want to say that in my opinion the increase of prices of farm commodities to the extent of the tariff may not affect the retail price of farm products at all. We know that farm products by the time they reach the retailer are selling for something like three times what the farmer gets for those products; for example, I am well acquainted with the price of bread and the price of wheat over a period of years.

Wheat sells for from three to four times the farm price when converted into bread, and at the same time I have seen the price of wheat change in the past four years from a dollar a bushel to \$1.80, and go up and down through all that broad variation without any change whatever in the price of bread, and I believe the students of other farming commodities will agree with me in saying that the amount of the tariff added to the price of farm commodities will probably not affect the retail price. [Applause.]

Mr. DICKINSON of Iowa. 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. HAWLEY, Chairman of the Committee of the Whole House on the state of the Union, reported that the committee having had under consideration the bill H. R. 10425, the legislative appropriation bill, had come to no resolution thereon.

## GREAT LAKES TO THE ATLANTIC DEEP WATERWAY

Mr. KVALE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting a brief on the Great Lakes-St. Lawrence Waterway by C. P. Craig and W. L. Harding.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to extend his remarks in the Record by inserting a brief on the Great Lakes-St. Lawrence waterway. Is there objection?

There was no objection.

Mr. KVALE. Mr. Speaker, under leave granted to extend my remarks, I am inserting the following brief:

## FOREIGN MARKETS FOR CERTAIN IMPORTANT FARM PRODUCTS

The New York opposition contends that the foreign trade of the United States indicates a marked shift away from Europe and toward South America, and that for this reason a canal from the Great Lakes to the Atlantic by what they term "the shortest route" to South America is desirable.

They say there is a "steady retrograde movement" in the buying power of Europe, and that Europe can not buy at good prices or in large quantities; that the larger part of her purchases to-day are for reconstruction and machinery, implying that Europe is ceasing to factor as a purchaser of our agricultural supplies. They state that as trade with Europe has decreased trade with South America has increased, and specifically omit the Orient, Central America, West Indies, and Mexico from this calculation. This leaves the comparison drawn between Europe and South America.

Now, as to the facts revealed by a study of the statistics of the United States Department of Agriculture Yearbook of 1924 and the statistical abstract of the United States Department of Commerce, 1924:

In the Department of Commerce statistical abstract for 1924, page 439, the volume in dollars of our exports to Europe by yearly averages for five-year periods is set forth. For the first time in our history Europe averaged more than \$1,000,000,000 a year purchases made in the United States during the five years 1901-1905.

During the period immediately preceding the war, 1911-1915, the yearly averages of purchases amounted to \$1,517,404,000. Omitting the war period of 1915 and 1920, we find that the average annual purchase from the United States on the part of Europe for the years 1920-1924 averaged, per year, \$2,464,730,000. The itemized figures for 1924 are \$2,445,300,000. This would scarcely indicate that Europe has ceased buying and in large quantities.

By way of comparison it may be well to observe that South America in the pre-war period, 1911-1915, averaged annual purchases in the United States amounting to \$122,243,000, and that these purchases have increased since the war to an average annual value of \$270,742,000.

But dollars are deceptive. America does not export dollars. We export tons of merchandise and the mid-western area of the United States contributory to the Great Lakes is peculiarly agricultural in its production and in the nature of its exports.

The localized character of our corn, wheat, barley, and rye production and the fact that the Central West is a source of the greatest portion of our meat products, affords us an opportunity to determine with some degree of accuracy to what extent Europe and South America are the purchasers of those products which make up a large part of the tonnage of the Middle West.

The year 1924 may be shown as indicating to what extent our trade in mid-western products has shifted from Europe to South America. In that year, according to the Agricultural Yearbook for 1924, there was exported from the United States to foreign countries—

Short tons of—	
Wheat	7,740,000
Corn	588,000
Rye	495,000
Lard	597,000
Hams	190,000
Bacon	212,000

Of these commodities, amounting to 9,730,000 short tons, South America received 85,512 tons, or eight-tenths of 1 per cent, consisting of—

Tons of flour	77,400
Tons of lard	8,112

Of this same tonnage Europe took 6,803,000, consisting of—

Short tons of—	
Wheat	5,642,000
Corn	277,000
Lard	450,000
Hams	160,000
Bacon	180,000
Rye	88,000

Total tons—6,803,000

In other words, out of the total world trade in the products here named Europe purchased 70.7 per cent and South America eight-tenths of 1 per cent.

The relative importance of the two as an outlet of the agricultural products of the Middle West may be expressed in this manner: Where

we send 1 ton of agricultural products to South America we send 80 tons to Europe, and it may further be observed that there is no indication of immediate cessation of such movement.

During the eighties, when wheat production figured so largely in our agriculture, we were exporting 30 per cent of our crop almost entirely to Europe. Immediately preceding the war we were exporting 20 per cent. Our exports for 1924 were 28.8 per cent of our total production.

Not only have we maintained our ratio of export to total production, but we have actually increased the number of bushels exported. During recent years there has been an increase over the number of bushels exported in the earlier days of wheat movement.

The following table shows the export volume of the commodities mentioned herein:

## Exports from the United States

## WHEAT

	Bushels	Europe	South America
Year ending June 30—		Per cent	Per cent
1922	222,000,000	89.6	0.9
1923	156,000,000	93.6	1.8
1924	258,000,000	72.9	1.0
1925	252,000,000	95.8	

## BARLEY

		Per cent	Per cent
Year ending June 30—			
1922	18,000,000		
1923	11,000,000		
1925	23,000,000	94.7	

## CORN

		Per cent	Per cent
Year ending June 30—			
1922	176,000,000	55.1	
1923	94,000,000	41.6	
1924	21,000,000	47.1	
1925	8,000,000	50.0	

## LARD

	Pounds	Europe	South America
Year ending June 30—		Per cent	Per cent
1922	812,000,000	80.1	1.1
1923	952,000,000	79.3	1.5
1924	1,014,000,000	88.9	1.6
1925	793,000,000	77.5	1.8

Flax: No export. We import. Flax from Argentina, 16,000,000 bushels in 1924

## HAMS

	Pounds	Europe	South America
Year ending June 30—		Per cent	Per cent
1922	271,000,000	89.9	
1923	319,000,000	86.3	
1924	281,000,000	87.5	
1925		93.1	

## BACON

		Per cent	Per cent
Year ending June 30—			
1922	350,000,000	81.6	
1923	408,000,000	87.8	
1924	423,000,000	84.7	
1925	No data.		

## RYE

	Bushels	Europe	South America
Year ending June 30—		Per cent	Per cent
1922	29,600,000		
1923	51,400,000		
1924	17,700,000		
1925	56,000,000	14.4	

Per cent wheat exported:	
1922	25.6
1923	19.9
1924	28.8
1925	36.0

Hams: South America included in "other countries" with a total of 3.5 (maximum) per cent in 1924.

Bacon: South America included, total "other countries" 4.6 per cent (maximum) in 1924.

Rye: Less than 2,000 barrels flour exported to Brazil in 1922 and 1923. No other rye exports to South America.



## MEMORIALS OF FLORIDA LEGISLATURE TO CONGRESS

Mr. GREEN of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting House Memorial No. 5 and House Memorial No. 3, two memorials of the Florida Legislature to the Congress.

The SPEAKER. The gentleman from Florida asks unanimous consent to extend his remarks in the Record by inserting two memorials of the Florida Legislature. Is there objection? There was no objection.

Mr. GREEN of Florida. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

House memorial 3, to the Congress of the United States, requesting the Congress of the United States to repeal or modify certain portions of the national income tax law which tend to retard business progress.

Whereas it is one of the provisions of the national income tax law passed by the Congress of the United States that the difference in value of lands as of March 1, 1913, and the value of same on the date of a sale of same subsequent to said time, shall be considered as taxable income and shall be subject to surtaxes when the gain in value is beyond the figures stated in said act; and

Whereas the reasonable, ordinary, and natural gain in the value of lands owned in the United States, and particularly in the State of Florida, is in fact a gain in capital assets and not an income within the true intent and meaning of the national income tax amendment; and

Whereas the repeal and modification of the foregoing and many other burdensome features contained in the national income tax law as now constituted would be for the wholesome benefit of the United States and particularly for the benefit of the State of Florida, and would promote business and thereby increase the revenues needed by the Federal Government by increasing the volume of taxable source rather than casting too heavy a burden on existing sources: Now therefore:

Be it resolved by the Legislature of the State of Florida, That our Senators and Representatives in the Congress of the United States are urged and petitioned by the people of the State of Florida through their legislative body to do all in their power to secure the repeal or substantial modification of that provision of the national income tax law which lays heavy taxes and surtaxes upon the natural, reasonable, and ordinary increase in the value of lands over that prevailing on March 1, 1913; and that they be, and are hereby, requested and urged to do all in their power to secure a repeal or modification downward of the heavy surtaxes now being laid and collected upon incomes of citizens of the United States in general and of the State of Florida in particular: And be it further

Resolved, That the secretary of state be directed to supply each of our Senators and Representatives in the Congress of the United States with a certified copy of this memorial, under the great seal of the State of Florida.

STATE OF FLORIDA,  
OFFICE OF SECRETARY OF STATE.

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of House Memorial No. 3, as passed by the Legislature of the State of Florida (regular session, 1925), as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 20th day of March, A. D. 1926.  
[SEAL.] H. CLAY CRAWFORD,  
Secretary of State.

House Memorial 5 to the Congress of the United States asking for an appropriation to improve and deepen the Suwannee River from the Gulf to Branford, Fla.

Whereas the Suwannee River is one of the important rivers in the State of Florida and with a reasonable appropriation could be made suitable for navigation at all seasons of the year; and

Whereas the improvement and deepening of this river would mean the speedy development of a rich agricultural section of the State: Therefore be it

Resolved by the Legislature of the State of Florida, That our Senators and Representatives in Congress use every honorable means to secure an appropriation sufficient to improve the Suwannee River and to remove shoals, to the extent that said river shall be a permanent waterway for commerce at all times from the Gulf to the town of Branford, Fla.

Resolved further, That a copy of this memorial be furnished to each of Florida's Senators and Representatives in Congress.

Approved by the governor, May 8, 1925.

STATE OF FLORIDA,  
OFFICE OF SECRETARY OF STATE.

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of house memorial No. 5 as passed by the Legislature of the State of Florida (regular session, 1925), as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this the 20th day of March, A. D. 1926.

[SEAL.]

H. CLAY CRAWFORD,  
Secretary of State.

## LETTER FROM DOCTOR KLEIN AND REPLY TO SAME

Mr. SHALLENBERGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by publishing a letter from Doctor Klein, of the Department of Commerce, and my letter in reply, which he asked me to put in the Record to explain a typographical error in the report.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to extend his remarks in the Record by printing a letter from Doctor Klein and his reply thereto. Is there objection?

There was no objection.

Mr. SHALLENBERGER. Mr. Speaker, under leave to extend my remarks, I submit herewith the following letters:

DEPARTMENT OF COMMERCE,  
BUREAU OF FOREIGN AND DOMESTIC COMMERCE,  
Washington, March 18, 1926.

HON. ASHTON C. SHALLENBERGER,  
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I note from your "Extension of remarks" on rubber and coffee prices in the CONGRESSIONAL RECORD of March 15 that you quote Secretary Hoover as stating that "You will realize that during 1925 we have imported about \$860,000,000 worth of rubber."

This quotation is taken from a sentence on page 15 of Trade Information Bulletin No. 385, "Foreign combinations to control prices of raw materials." The first clause of this sentence reads as follows: "You will realize that during 1925 we have imported about \$860,000,000 worth or 870,000,000 pounds of rubber." In the hearings themselves you will find on page 15 the statement "You will realize that during 1925 we have imported about 860,000,000 or 870,000,000 pounds of rubber." This is, of course, the correct expression. In preparing Secretary Hoover's statement for publication in Trade Information Bulletin No. 385 there occurred the wholly unjustified typographical error.

In view of this explanation I am sure that you will be glad to make public the original and correct statement by Secretary Hoover.

Sincerely yours,

JULIUS KLEIN, Director.

WASHINGTON, D. C., March 22, 1926.

DR. JULIUS KLEIN,

Director Bureau of Foreign and Domestic Commerce,  
Washington, D. C.

MY DEAR SIR: I acknowledge your letter directing my attention to the typographical error on page 15 of Trade Information Bulletin No. 385, and in which you correct the published statement that we imported \$860,000,000 worth of rubber in 1925. I am very glad to have the explanation which conforms to the statistical abstract contained in your December report of foreign and domestic commerce for the year 1925.

Your letter confirms my own statement that the cost of rubber imported in 1925 was only \$429,000,000 for 880,000,000 pounds of rubber, or an average price of 48 cents per pound.

Yours very sincerely,

ASHTON C. SHALLENBERGER,  
Fifth Nebraska District.

## DEATH OF THE PRESIDENT'S FATHER

The SPEAKER. The Chair lays before the House a letter from the President.

The Clerk read as follows:

THE WHITE HOUSE,  
Washington, March 23, 1926.

MY DEAR MR. SPEAKER: The resolutions adopted by the House of Representatives have touched me deeply, and I am most grateful for the kindly expression of condolence and for the tribute to my father. The ready sympathy so generously expressed has meant much to me.

Very truly yours,

CALVIN COOLIDGE.

HON. NICHOLAS LONGWORTH,  
Speaker House of Representatives, Washington, D. C.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. UPSHAW, indefinitely, on account of illness.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3103. An act authorizing the construction of a bridge across the Colorado River near Blythe, Calif.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 8917) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, 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. WADSWORTH, Mr. JONES of Washington, Mr. LENROOT, Mr. HARRIS, and Mr. BAYARD as the conferees on the part of the Senate.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 8771) to extend the time for commencing and completing the construction of a bridge across Detroit River, within or near the city limits of Detroit, Mich., 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. JONES of Washington, Mr. COUZENS, Mr. BINGHAM, Mr. FLETCHER, and Mr. SHEPPARD as the conferees on the part of the Senate.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 9599) granting the consent of Congress to the city of Louisville, Ky., to construct a bridge across the Ohio River at or near said city, 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. JONES of Washington, Mr. COUZENS, Mr. BINGHAM, Mr. SHEPPARD, and Mr. FLETCHER as the conferees on the part of the Senate.

#### ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that the committee had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 7979. An act granting to the Yosemite Valley Railroad Co. the right of way through certain public lands for the relocation of part of its existing railroad.

S. 3377. An act to amend section 5219 of the Revised Statutes of the United States.

#### ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. CAMPBELL, 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 bill:

H. R. 7979. An act granting to the Yosemite Valley Railroad Co. the right of way through certain public lands for the relocation of part of its existing railroad.

#### ADJOURNMENT

Mr. DICKINSON of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.) the House adjourned until to-morrow, Thursday, March 25, 1926, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for March 25, 1926, as reported to the floor leader by clerks of the several committees:

##### COMMITTEE ON AGRICULTURE

(10 a. m. and 8 p. m.)

Agriculture relief legislation.

##### COMMITTEE ON DISTRICT OF COLUMBIA

(10.30 a. m.)

To establish a woman's bureau in the Metropolitan police department of the District of Columbia (H. R. 7848).

To regulate the practice of chiropractic; to create a board of chiropractic examiners of the District of Columbia; and to punish persons violating the provisions thereof (H. R. 9055).

##### COMMITTEE ON FLOOD CONTROL

(10 a. m.)

Omnibus flood control bill.

##### COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

To supplement the naturalization laws, to provide for the deportation of certain aliens (H. R. 344).

To provide for the deportation of certain aliens (H. R. 3774).

##### COMMITTEE ON THE JUDICIARY

(10 a. m.)

To amend the Judicial Code by adding a new section to be numbered 274D (H. R. 5365).

To authorize the appointment of stenographers in the courts of the United States and to fix their duties and compensation (H. R. 5564).

##### COMMITTEE ON LABOR

(10 a. m.)

To divest goods, wares, and merchandise manufactured, produced, or mined by convicts or prisoners of their interstate character in certain cases (H. R. 8653).

##### COMMITTEE ON MERCHANT MARINE AND FISHERIES

(10.30 a. m.)

To amend and supplement the merchant marine act of 1920 and the shipping act of 1916 (H. R. 8052 and H. R. 5369).

To provide for the operation and disposition of merchant vessels of the United States Shipping Board Emergency Fleet Corporation (H. R. 5395).

##### COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

To authorize the construction of necessary additional buildings at certain naval hospitals (H. R. 3959).

##### COMMITTEE ON PATENTS

(10 a. m.)

To protect trade-marks used in commerce, to authorize the registration of such trade-marks (H. R. 6248).

##### COMMITTEE ON POST OFFICES AND POST ROADS

(10 a. m.)

To amend section 8 of an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein (H. R. 42).

To amend the act of July 5, 1884, relating to the registration of official mail matter of the executive departments (H. R. 8904).

##### COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To amend paragraph (d) of section 14 of the Federal reserve act, as amended to provide for the stabilization of the price level for commodities in general (H. R. 7695).

##### COMMITTEE ON MILITARY AFFAIRS

(10 a. m.)

Releasing and granting to the city of Chicago any and all reversionary rights of the United States in and to the streets, alleys, and public grounds in Fort Dearborn addition to Chicago.

#### EXECUTIVE COMMUNICATIONS, ETC.

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

408. A letter from the Secretary of the Navy, transmitting a proposed draft of a bill "To regulate the distribution and promotion of commissioned officers of the line of the Navy, and for other purposes"; to the Committee on Naval Affairs.

409. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on preliminary examination of Michigan City Harbor, Ind. (H. Doc. No. 279); to the Committee on Rivers and Harbors and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MORROW: Committee on the Public Lands. H. R. 4007. A bill to amend an act approved June 20, 1910, entitled "An act to enable the people of New Mexico to form a constitution and State government and be admitted into the Union on an equal footing with the original States; and to enable the people of Arizona to form a constitution and State government and be admitted into the Union on an equal footing with the original States" with amendment (Rept. No. 632). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on the Public Lands. H. R. 9306. A bill amending section 5 of the act approved June 9, 1916 (39th Stat. L. p. 218), so as to authorize the sale of timber on class three of the Oregon & California Railroad and Coos Bay wagon-road grant lands; without amendment (Rept. No. 633). Referred to the Committee of the Whole House on the state of the Union.



Mr. MORROW: Committee on the Public Lands. S. 2020. A bill to authorize the use by the city of Tucson, Ariz., of certain public lands for a municipal aviation field, and for other purposes; without amendment (Rept. No. 634). Referred to the Committee of the Whole House on the state of the Union.

Mr. BARKLEY: Committee on Interstate and Foreign Commerce. H. R. 9494. A bill granting the consent of Congress to the highway department of the State of Tennessee to construct a bridge across the Cumberland River on the Gainesboro-Red Bolling Springs road, in Jackson County, Tenn.; with amendment (Rept. No. 637). Referred to the House Calendar.

Mr. BARKLEY: Committee on Interstate and Foreign Commerce. H. R. 9503. A bill granting permission to the State highway commission of the State of Tennessee to construct a bridge across the Tennessee River at Savannah, Hardin County, Tenn., on the Savannah-Selmer road; with amendment (Rept. No. 638). Referred to the House Calendar.

Mr. BARKLEY: Committee on Interstate and Foreign Commerce. H. R. 9505. A bill granting the consent of Congress to the highway department of the State of Tennessee to construct a bridge across the Tennessee River on the Waverly-Camden road between Humphreys and Benton Counties, Tenn.; with amendment (Rept. No. 639). Referred to the House Calendar.

Mr. BARKLEY: Committee on Interstate and Foreign Commerce. H. R. 9506. A bill granting the consent of Congress to the highway department of the State of Tennessee to construct a bridge across the Tennessee River on the Linden-Lexington road in Perry and Decatur Counties, Tenn.; with amendment (Rept. No. 640). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 9461. A bill to extend the time for the construction of a bridge across the Rio Grande between Eagle Pass, Tex., and Piedras Negras, Mexico; with amendment (Rept. No. 642). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 10002. A bill granting the consent of Congress to H. J. Stannert, Harry Weis, and George W. Rockwell to construct, maintain, and operate a bridge across the Susquehanna River from a point in the city of Sunbury, Northumberland County, to a point in the township of Monroe, in Snyder County, in the State of Pennsylvania; with amendment (Rept. No. 643). Referred to the House Calendar.

Mr. NEWTON of Minnesota: Committee on Interstate and Foreign Commerce. H. R. 10121. A bill extending the time for the completion of the bridge across the Mississippi River in Ramsey County, Minn., by the city of St. Paul; with amendment (Rept. No. 644). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 10244. A bill to extend the time for the construction of a bridge across the Fox River in the State of Illinois, on State road No. 18, connecting the villages of Yorkville and Bristol, in said county; with amendment (Rept. No. 645). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 10246. A bill to authorize the commissioners of McKean County, Pa., or their successors in office, to construct a bridge across the Allegheny River at a certain location where a highway known as State highway route No. 211 crosses said river at a location within the limits of the borough of Eldred or not distant more than one-half mile north of said borough of Eldred, McKean County, Pa.; with amendment (Rept. No. 646). Referred to the House Calendar.

Mr. FISH: Committee on Foreign Affairs. H. R. 9094. A bill authorizing the erection of a monument in France to commemorate the valiant services of certain American Infantry regiments attached to the French Army; with amendment (Rept. No. 647). Referred to the Committee of the Whole House on the state of the Union.

Mr. WASON: Joint Select Committee on Disposition of Useless Executive Papers. A report on useless papers in Department of Commerce (Rept. No. 648). Ordered to be printed.

Mr. WASON: Joint Select Committee on Disposition of Useless Executive Papers. A report on useless papers in Department of Labor (Rept. No. 649). Ordered to be printed.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 10661. A bill to amend the immigration act of 1924; without amendment (Rept. No. 650). Referred to the House Calendar.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MORROW: Committee on the Public Lands. H. R. 9371. A bill for the relief of Merritt W. Blair, of Abbott,

Harding County, N. Mex., or his transferees; without amendment (Rept. No. 635). Referred to the Committee of the Whole House.

Mr. HOOPER: Committee on the Public Lands. H. R. 4414. A bill for the relief of Archie Eggleston, an Indian of the former Isabella Reservation, Mich.; without amendment (Rept. No. 639). Referred to the Committee of the Whole House.

Mr. THOMAS: Committee on the Public Lands. H. R. 8937. A bill permitting the sale of lot 9, 10.63 acres, in section 31, township 2 south, range 17 west, in Bay County, Fla., to P. C. Black; without amendment (Rept. No. 641). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7624) for the relief of the Georgia, Florida & Alabama Railway Co.; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 8842) granting a pension to John P. Gray; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BACHMANN: A bill (H. R. 10657) to extend the time for the construction of a bridge over the Ohio River near Steubenville, Ohio; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND: A bill (H. R. 10658) providing for the conveyance to the Comte de Grasse Chapter, Daughters of the American Revolution, of site of old graveyard and church in Nelson district, county of York, State of Virginia; to the Committee on Naval Affairs.

By Mr. EVANS: A bill (H. R. 10659) to improve and extend the winter range and winter feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land, and for other purposes; to the Committee on the Public Lands.

By Mr. DICKSTEIN: A bill (H. R. 10660) to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 10661) to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 10662) authorizing an appropriation for the construction of a roadway and walk leading to and around the Chalmette Monument, Chalmette, La.; to the Committee on Military Affairs.

By Mr. COYLE: A bill (H. R. 10663) to abolish the naval hospital fund; to the Committee on Naval Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 10664) authorizing the conversion of the United States Veterans' Hospital No. 94, at American Lake, Wash., from a neuropsychopathic hospital into a general medical and surgical hospital, and authorizing an appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. LINEBERGER: A bill (H. R. 10665) to provide for one additional district judge for the southern district of California; to the Committee on the Judiciary.

By Mr. FISH: Concurrent resolution (H. Con. Res. 17) establishing official trade relations with the Russian Government; to the Committee on Foreign Affairs.

By Mr. MOORE of Virginia: Resolution (H. Res. 184) amending certain rules; to the Committee on Rules.

By Mr. WOLVERTON: Resolution (H. Res. 185) providing additional compensation for certain employees; to the Committee on Accounts.

By Mr. SHALLENBERGER: Resolution (H. Res. 186) to print the proceedings in the House of Representatives in memory of the late William Jennings Bryan as a document; to the Committee on Printing.

By Mr. HAMMER: Resolution (H. Res. 187) to investigate the conduct and activities of the officials of the District of Columbia; 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. ADKINS: A bill (H. R. 10666) granting an increase of pension to Rebecca A. Swisher; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 10667) granting an increase of pension to Almedia Spencer; to the Committee on Invalid Pensions.

By Mr. BRAND of Ohio: A bill (H. R. 10668) granting a pension to Nancy M. Larkins; to the Committee on Invalid Pensions.

By Mr. CARSS: A bill (H. R. 10669) providing for the examination and survey of Duluth-Superior Harbor, Minn. and Wis.; to the Committee on Rivers and Harbors.

By Mr. CHINDBLOM: A bill (H. R. 10670) granting an increase of pension to Eliza V. Baker; to the Committee on Invalid Pensions.

By Mr. COYLE: A bill (H. R. 10671) granting a pension to Howard L. Rader; to the Committee on Invalid Pensions.

By Mr. CURRY: A bill (H. R. 10672) granting a pension to Charles Pirce; to the Committee on Pensions.

By Mr. FREE: A bill (H. R. 10673) granting an increase of pension to Alley Hudson; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 10674) to compensate Rose M. Heavren, of Ivoryton, Conn., for services as nurse of Army Nurse Corps; to the Committee on Claims.

By Mr. HAWLEY: A bill (H. R. 10675) granting an increase of pension to Virginia Applegate; to the Committee on Invalid Pensions.

By Mr. HERSEY: A bill (H. R. 10676) granting an increase of pension to Fred S. Page; to the Committee on Pensions.

By Mr. KIRK: A bill (H. R. 10677) granting an increase of pension to Curt T. Spicer; to the Committee on Pensions.

By Mr. KURTZ: A bill (H. R. 10678) granting a pension to Anna Hamilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10679) granting an increase of pension to Emily J. Alley; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 10680) granting an increase of pension to Emily M. Fesperman; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 10681) granting an increase of pension to Josephine A. Allison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10682) granting an increase of pension to Mary E. Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10683) granting an increase of pension to Eliza M. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10684) granting an increase of pension to Mary V. Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10685) granting an increase of pension to Clara J. Dwyer; to the Committee on Invalid Pensions.

By Mr. PERLMAN (by request): A bill (H. R. 10686) for the relief of William H. Egan; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 10687) for the relief of Leslie W. Arthur; to the Committee on War Claims.

Also, a bill (H. R. 10688) granting an increase of pension to Reuben B. Hyder; to the Committee on Pensions.

By Mr. SPROUL of Kansas: A bill (H. R. 10689) granting a pension to Guy E. Metcalf; to the Committee on Pensions.

By Mr. SWARTZ: A bill (H. R. 10690) granting an increase of pension to Henrietta Briggs; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 10691) granting an increase of pension to Anna Walker; to the Committee on Invalid Pensions.

By Mr. UPDIKE: A bill (H. R. 10692) granting a pension to Benjamin Harrison Sellers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10693) granting a pension to Alice Love; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 10694) granting an increase of pension to Frank P. Quest; to the Committee on Pensions.

By Mr. WOOD: A bill (H. R. 10695) granting a pension to Adeline Hopkins; 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:

1434. By Mr. ANDREW: Petition of Henry A. Hitchcock Camp No. 129, Sons of Veterans of Haverhill, Mass., favoring the adoption of the Elliott pension bill (H. R. 4023), proposing to grant pensions and increases of pensions to certain Civil War veterans and their widows; to the Committee on Pensions.

1435. By Mr. BARBOUR: Resolution of Webster Parent-Teachers' Association, of Fresno, Calif., approving the extension of the Sheppard-Towner Act; to the Committee on Interstate and Foreign Commerce.

1436. By Mr. BURTON: Papers to accompany House bill 10560, granting an increase of pension to Sabina Hill, and House bill 10561, granting an increase of pension to Anna Evans; to the Committee on Invalid Pensions.

1437. By Mr. CARSS: Petition of Slovene National Benefit Society of Chisholm, Minn., opposing legislation providing for registration of aliens residing in the United States; to the Committee on Immigration and Naturalization.

1438. By Mr. CHINDBLOM: Petition by Cairola Gigliotti, Esq., of Chicago, in behalf of the Fiume National League, for modification of the immigration laws; to the Committee on Immigration and Naturalization.

1439. Also, petition of 85 citizens of Illinois, urging passage of the Perlman-Wadsworth bills (H. R. 7089 and S. 2245), forwarded by Morris A. Gold, Esq., legal adviser to the Citizenship Alliances; to the Committee on Immigration and Naturalization.

1440. By Mr. CULLEN: Petition of citizens of Brooklyn, N. Y., appealing for aid in pressing the senatorial investigation of Marcus Garvey case; to the Committee on the Judiciary.

1441. By Mr. GALLIVAN: Petition of Michael H. Crowley, superintendent of police, Boston, Mass., recommending favorable consideration of Senate bills 992 and 1833, providing for the establishment of a national police bureau; to the Committee on the Judiciary.

1442. By Mr. GRAHAM: Petition of Philadelphia (Pa.) Board of Trade, approving House bill 2, the McFadden-Pepper banking bill; to the Committee on Banking and Currency.

1443. By Mr. HILL of Maryland: Petition of council of administration of the department of Maryland, Veterans of Foreign Wars, favoring passage of House bill 9513 and Senate bill 3284, placing chaplains upon an equal status with doctors and dentists; to the Committee on Military Affairs.

1444. By Mr. KERR: Petition of the Kinston Chamber of Commerce, of Kinston, N. C., in respect to further Federal activities in the promotion of rural health and sanitation; to the Committee on Appropriations.

1445. By Mr. KVALE: Petition of Minnesota Federation of Architectural and Engineering Societies, urging waterway transportation; to the Committee on Rivers and Harbors.

1446. Also, petition of Mrs. Elizabeth Haugen and Mrs. Ole Haugen, urging passage of the appropriation bill calling for \$1,000,000 for deporting our 250,000 aliens in this country that are now awaiting deportation; to the Committee on Appropriations.

1447. Also, petition of Mrs. Elizabeth Haugen and Mr. Ole Haugen, urging passage of the Means education bill; to the Committee on Education.

1448. By Mr. LAMPERT: Resolution from American Federation of Musicians, Local No. 46, Oshkosh, Wis., favoring modification of the national prohibition act; to the Committee on the Judiciary.

1449. By Mr. MANLOVE: Petition of 90 residents of Joplin, Jasper County, Mo., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

1450. By Mr. O'CONNELL of New York: Petition of Crompton-Richmond Co. (Inc.), of New York City, favoring the passage of House bill 8119, to improve the administration of the bankruptcy law; to the Committee on the Judiciary.

1451. Also, petition of the Religious Liberty Association of Takoma Park, Washington, D. C., opposing the Langford compulsory Sunday observance bill, also House bills 10311, 10123, and 7822; to the Committee on the District of Columbia.

1452. Also, petition of Hecker-Jones-Jewell Milling Co., of New York, opposing the proposed equalization fee to be assessed against flour millers; to the Committee on Agriculture.

1453. By Mr. STRONG of Kansas: Petition of Kearney Relief Corps No. 67, of Washington, Kans., favoring passage of legislation providing adequate pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

1454. By Mr. SWARTZ: Petition from citizens of Lebanon, Pa., in regard to Sunday blue laws; to the Committee on the District of Columbia.

1455. By Mr. SWING: Petition of certain residents of San Bernardino, Calif., protesting against the passage of House bill 7179, for the compulsory observance of Sunday; to the Committee on the District of Columbia.

1456. By Mr. TILSON: Petition of Kenneth Fleming and others, Independence, Kans., urging passage of Senate bill 3300 and House bill 8132; to the Committee on Pensions.