4602. By Mr. WELCH of California: Petition submitted by the United States Employees' Association of California, containing 110 signatures, favoring the passage of the Welch bill (H. R. 6518), to reclassify and increase the salaries of Federal employees; to the Committee on the Civil Service.

4603. By Mr. ZIHLMAN: Petition of Mrs. Leulah Rice and numerous other citizens of Takoma Park, Md., protesting against House bill 78 or any similar measure; to the Committee on the District of Columbia.

SENATE

TUESDAY, *February 28, 1928*

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Most holy and merciful God, the strength of the weak, the rest of the weary, the comfort of the sorrowful, the savior of the sinful, and the refuge of Thy children in every time of need, save us from all pride and self-will, from weakness of judgment, from indecision and infirmity of purpose, from the sluggishness of indolence, from despondency in failure, and from a feeble sense of our duty, that leaning only upon Thee we may here find joy in Thy service, and at the last the fruition of all our labors, where mortal and immortal merge and human dies divine. Through Jesus Christ our Lord. Amen.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 49. An act to amend the Code of Law for the District of Columbia in relation to descent and distribution;

H. R. 6685. An act to regulate the employment of minors within the District of Columbia;

H. R. 6856. An act relating to the payment or delivery by banks or other persons or institutions in the District of Columbia of deposits of moneys and property held in the names of two or more persons, and for other purposes;

H. R. 8298. An act authorizing acquisition of a site for the farmers' produce market, and for other purposes;

H. R. 10147. An act to provide a complete code of insurance law for the District of Columbia (excepting marine insurance as now provided for by the act of March 4, 1922, and fraternal and benevolent insurance associations or orders as provided for by the act of March 3, 1901), and for other purposes;

H. R. 10298. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near New Orleans, La.;

H. R. 10715. An act to authorize Col. Charles A. Lindbergh, United States Army Air Corps Reserve, to accept decorations and gifts from foreign governments;

H. R. 10869. An act amending section 764 of subchapter 12, fraternal beneficial associations, of the Code of Law for the District of Columbia; and

H. R. 11197. An act to authorize the Secretary of War to grant rights of way to the Vicksburg Bridge & Terminal Co. upon, over, and across the Vicksburg National Military Park at Vicksburg, Warren County, Miss.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 25) providing for the enrollment of House bill 10635, the Treasury and Post Office Departments appropriation bill for the fiscal year 1929, with certain amendments, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Bruce	Ferris	Hale
Barkley	Capper	Fess	Harris
Bayard	Caraway	Fletcher	Harrison
Bingham	Copeland	Frazier	Hayden
Black	Couzens	George	Heflin
Blaine	Curtis	Gerry	Howell
Blease	Cutting	Gillett	Johnson
Borah	Dale	Glass	Jones
Bratton	Deneen	Gooding	Kendrick
Brookhart	Dill	Gould	Keyes
Broussard	Edge	Greene	King
La Follette	Norris	Schall	Tydings
McKellar	Nye	Sheppard	Tyson
McLean	Oddie	Shipstead	Walsh, Mont.
McMaster	Overman	Shortridge	Warren
McNary	Phipps	Simmons	Waterman
Mayfield	Pittman	Smoot	Watson
Metcalf	Ransdell	Steck	Willis
Moses	Reed, Pa.	Steiwer	
Neely	Robinson, Ind.	Stephens	
Norbeck	Sackett	Thomas	

Mr. FLETCHER. I desire to announce that my colleague the junior Senator from Florida [Mr. TRAMMELL] is unavoidably absent. I will let this announcement stand for the day.

Mr. GERRY. I was requested to announce that the junior Senator from New Jersey [Mr. EDWARDS] is detained from the Senate by illness in his family. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-one Senators having answered to their names, a quorum is present.

HOUSE JOURNAL, FOURTEENTH LEGISLATURE OF HAWAII

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting a copy of the House Journal of the Fourteenth Legislature, Territory of Hawaii, regular session of 1927, which was referred to the Committee on Territories and Insular Possessions.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram from the Texas Federated Agricultural Association, signed by R. M. Kleberg, of Corpus Christi; S. Gough, of Amarillo; Roger Gillis, of Del Rio; and Ed Henry, of San Antonio, resolutions committee, all in the State of Texas, requesting that an impartial investigation be made of conditions relative to immigration from Mexico before consideration or passage of the so-called Box bill, affecting immigration into the United States from the Republic of Mexico, which was referred to the Committee on Immigration.

The VICE PRESIDENT also laid before the Senate a telegram in the nature of a petition from the Connecticut State Federation of Women's Clubs, signed by Emily Louise Plumley, president, Stamford, Conn., praying for the passage of the so-called McSweeney bill, being the bill (H. R. 6091) to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, etc., which was referred to the Committee on Agriculture and Forestry.

Mr. WARREN presented a resolution adopted by the Business Men's Club, of Saratoga, Wyo., remonstrating against the passage of legislation changing the public land laws or extending the present limits of forest reserve and game preserve areas, which was referred to the Committee on Public Lands and Surveys.

Mr. FRAZIER presented the petition of R. M. Crihton and 52 other citizens of Verona, N. Dak., praying for the passage of the so-called Brookhart bill, S. 1667, relative to the distribution of motion pictures in the various motion-picture zones of the country, which was referred to the Committee on Interstate Commerce.

Mr. BLAINE presented a memorial of 390 citizens of the State of Wisconsin, remonstrating against the passage of the so-called Brookhart bill (S. 1667) relative to the distribution of motion pictures in the various motion-picture zones of the country, which was referred to the Committee on Interstate Commerce.

Mr. DENEEN presented a memorial of sundry citizens of the State of Illinois, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. COPELAND presented a resolution adopted by the Nassau County Organization, representing 30 American Legion posts, Department of New York, protesting against the use of second-hand, dilapidated coffins that have been exposed to the elements of five years for the reburial of bodies of veterans in the cemetery at Bony, France, which was referred to the Committee on Military Affairs.

He also presented resolutions adopted by the Woman's Foreign Missionary Society of the Methodist Episcopal Church, favoring the revision of treaties between the United States and China so as to afford more equitable and favorable treatment to China, which were referred to the Committee on Foreign Relations.

Mr. REED of Pennsylvania presented a petition of the Philadelphia (Pa.) Board of Trade praying for the passage of the bill (S. 810) to reduce passport fees, and for other purposes, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Philadelphia (Pa.) Board of Trade praying for the passage of the bill (H. R. 8557) to provide for the establishment and operation of foreign trade zones in ports of entry of the United States, etc., which was referred to the Committee on Commerce.

Mr. BINGHAM presented a letter in the nature of a memorial from the Connecticut Beekeepers' Association, remonstrating against the passage of legislation permitting the use of corn sugar in certain classes of foods without being so labeled, which was referred to the Committee on Manufactures.

He also presented a resolution adopted by the New London County (Conn.) Dental Association, praying for the passage of House bill 5766, the so-called Parker bill, to provide for the coordination of the public h alth activities of the Government, which was referred to the Committee on Finance.

He also presented letters in the nature of petitions from the American Legion auxiliaries of Stonington, Fairfield County and of Portland, all in the State of Connecticut, praying for adoption of the proposed naval building program, which were referred to the Committee on Naval Affairs.

He also presented a resolution adopted by the Seymour Grange, of Seymour, Conn., protesting against adoption of the proposed naval building program, which was referred to the Committee on Naval Affairs.

He also presented telegrams in the nature of petitions from the New Haven Chapter, Norwich Chapter, No. 110, Nathan Hale Chapter, No. 58, of Hartford, and Elpis Chapter, No. 117, of New Britain, all of the Order of Ahepa, in the State of Connecticut, praying for adoption of the pending debt settlement between the United States and Greece, which were referred to the Committee on Foreign Relations.

INTERSTATE COMMERCE COMMISSIONER JOHN J. ESCH

Mr. SACKETT. Mr. President, I ask unanimous consent to have printed in the RECORD in the regular order of proceedings and referred to the Committee on Interstate Commerce a letter from Mr. Alba B. Johnson to Senator CARTER GLASS and the reply of Senator GLASS thereto.

There being no objection, the letters were referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

RAILWAY BUSINESS ASSOCIATION,
Philadelphia, February 21, 1928.

Hon. CARTER GLASS,
Senate, Washington, D. C.

MY DEAR SENATOR: The courtesy and deference shown to Interstate Commerce Commissioner Esch in his examination by the Senate committee creates an atmosphere inviting impartial discussion of the issues by those not directly interested in the Lake Cargo Coal case.

Colloquy at the hearing has focused attention upon the question whether Mr. Esch believes the commission to have the power, and should exercise it, to make rate adjustments designed to take business from one region and give it to another. As presented, this general question is complicated with collateral matters. One is the frequent obligation to correct inequity in rate relations, though such adjustment always tends and is intended to shift business. Another is the Hoch-Smith resolution, which was cited in the lake coal decision as requiring rate concessions to a depressed industry whenever within the zone of reasonableness the commission lawfully has discretion. For the purpose, however, of the point which I desire to call to your attention, imagine if you can that the commission in some rate case has deliberately and statedly asserted and exercised the power, clearly beyond the sphere of making rates reasonable, to transfer prosperity from one group of producers to another. Suppose, further, that a Senator dissents from such assertion of power. What course should he pursue?

Should he advise against the renomination and oppose the confirmation of the commissioners who voted as complained of when the term of each expires? Before adopting that procedure the Senator might well reflect upon the mischief threatened by such use of political pressure upon a semijudicial body. In this coal case some remonstrants against the decision have earnestly protested against such pressure, to which they accuse two commissioners of yielding in a change of vote between 1925 and 1927. By their indignation they fully recognize the impropriety and danger of efforts to subjugate the commission. To defeat the reappointment of an individual commissioner as punishment would merely perpetuate the practice which they deplore.

Should the Senator perhaps restrict his opposition to renominees who have changed their votes? If so, why wait until each culprit's term expires? If Mr. Esch, who changed his vote, and whose term expired in 1927, is unfit to be a commissioner, is Mr. Aitchison, who did likewise, qualified to retain office until the end of 1928?

If Messrs. Esch and Aitchison, against whom no evidence of having been politically influenced can in the nature of things be adduced and whose integrity nobody has heretofore or now assailed, were wrong on the merits in voting as they did in 1927, were not the five commissioners who concurred with them equally wrong? If he is moved to oust Mr. Esch on the ground that he voted wrong, will the Senator sit supine while all these other partners in the same guilt grind out to completion each his seven-year term?

It seems to me that this process of reasoning reduces to absurdity the resort to decapitation by senatorial rejection as warning for the future. As a servant of the whole people the Senator is bound to consider the national interest as paramount, charting for himself a route calculated to promote in the commission on one hand observance of constitutional and statutory limitations and on the other maintenance of a high standard of judgment as well as of integrity.

For the observance of constitutional and statutory limitations the commission can be held accountable through the courts. If all 10 of the commissioners who participated in the 1927 decision were beheaded, the executioners would not by such bloodshed have advanced one inch toward a permanent determination defining the power of the commission. Is it necessary for the country to lose the services of one or more experienced, capable, and reputable commissioners merely to convince the rest that their conception of powers is erroneous? Can not the courts interpret the law when in dispute? Can not Congress clarify its statutes if these are believed to have been misunderstood and misapplied?

Suppose, finally, that apart from the constitutional and legal aspects of power as exercised the Senator wishes that the commission might average higher in mental and moral attributes. Will he entertain for a moment the hope of promoting that object by refusing his confirmation vote to a statesman who in Congress and in the commission has served nearly 30 years and whom his leading interrogator at the hearing salutes as a "high-grade man"? Need the Senator hope to aid Presidents in winning the acceptance of more high-grade men, to say nothing of higher-grade men, by letting it be seen that they are expected to substitute the desire of litigants for their own judgment on pain of dismissal and may look forward to imputations upon their integrity following each decision between competitors?

The Railway Business Association, national organization of concerns manufacturing or dealing in railway equipment, material, and supplies, whose roll, herewith attached, includes members in all the States, has never discussed a freight rate or a rate level. It has no opinion upon the lake cargo controversy. It never recommends to the President candidates for the commission. Its platform, however, contains a plank urging the retention of incumbent commissioners during good health and good conduct, and urging Senators to refrain from disclosing to nominees under examination opinions by which they desire them to be governed. These things we say because, in our judgment, such a course is essential to the upbuilding and preservation of the commission as a tribunal to whose findings the public will accord the same respect as to those of the courts. We believe that no element in the country can gain so much as in the long run it will lose through breaking down the commission.

We do not say whether Mr. Esch should be confirmed or not. It is the prerogative and the duty of Senators to ascertain whether he has displayed intelligence, industry, and fidelity. We urge you, however, to leave to the courts the question whether he has participated in action contrary to the Constitution or the statutes, and to adopt measures other than rejection of a nominee for improving the quality of judgment exercised by commissioners. It is my purpose to recommend to the Railway Business Association a resolution favoring longer terms, higher salaries, and reduction of burden for interstate commerce commissioners.

With high respect,

Yours truly,

ALBA B. JOHNSON, *President.*

FEBRUARY 25, 1928.

MY DEAR SIR: I am this moment in receipt of yours of February 21 relating to the hearings before the Interstate Commerce Committee of the Senate in the case of Mr. Esch, nominated for continued membership on the Interstate Commerce Commission. I am not a member of the Interstate Commerce Committee and can not assume to conjecture what considerations may influence the action of the committee in the Esch case, nor will I pretend to speak for any other Senator. For myself I may say that the considerations so kindly presented by you, for the guidance of the committee and the Senate, have not been entirely overlooked.

You will pardon me if I venture to say that, in my conception of the case, your argument in behalf of the Interstate Commerce Commission and of the confirmation of Mr. Esch as a member thereof is specious rather than substantive or convincing. I take leave to believe confidently that the opposition to the confirmation of Mr. Esch is so far from being an exhibition of political influence as that it is distinctively a vehement protest against the exercise of political influence in matters relating to the functioning of the Interstate Commerce Commission.

A bit of background may clarify my meaning. For approximately 15 years the commission, from time to time, made decisions in adjustment of rate differentials between the competitive bituminous coal fields

of Pennsylvania and States adjacent without eliciting a single suggestion or a murmur from the Representatives or Senators in Congress from the adversely affected territory. This was because these Senators and Representatives in Congress assumed, as a matter of course, that the decision in each case related itself alone to the rate structure within the terms of the transportation act.

However, and of special significance, two years ago when the commission finally halted at the demands of the Pittsburgh operators for a still greater rate differential and refused to grant the petition, the political influence which now so alarms you was instantly invoked and applied. A Senator from your State of Pennsylvania bitterly antagonized the nomination of Mr. Woodlock as a member of the commission upon the avowed ground that Mr. Woodlock had participated in the decision adversely affecting the Pittsburgh coal fields. There was no breath of objection to Mr. Woodlock on the score of character or preeminent ability. He had been selected by the President because of his peculiar fitness in a realm of activity in which the commission was thought to be deficient. For weeks Mr. Woodlock's nomination was held up by your Pennsylvania Senator and opposition to his confirmation abandoned only for the avowed reason that to the opposing Senator had been practically delegated the right to name the next appointee on the commission and to name him from the State of Pennsylvania!

Soon after this occurrence the term of Commissioner Cox, of New Jersey, expired. Notwithstanding he had given satisfactory service and acquired a useful experience, Mr. Cox, having voted against the high Pittsburgh differential, was denied reappointment, and in accordance with the previously avowed understanding a gentleman long and intimately identified with the Pittsburgh coal interests was nominated to take his place on the commission. I do not recall having received at that time any word of remonstrance from you against the interjection of political influence in matters of this kind. Nevertheless the Senate, without your insistent aid, overwhelmingly repudiated this attempt to pack the Interstate Commerce Commission in behalf of a greater rate differential for the Pittsburgh coal fields, and the President found himself constrained to make a selection for the commission outside the territory affected. However it may seem to you, to some Senators it appears important to remember these circumstances.

As far as I am concerned, my association with Mr. Esch in the House of Representatives and my general knowledge of his character and nature would preclude me from supposing that he could be corruptly influenced or induced consciously to yield to extraneous influences. There are others, not so well acquainted with Mr. Esch, who feel inclined by all the attendant facts to think that the bitter opposition to Woodlock, in the first instance, and the tragic fate of Cox in the second place, were not forgotten history when two commissioners with terms nearing expiration reversed themselves and again yielded to the prayer of the Pittsburgh coal operators for an increased advantage over their competitors in other States. It is not to asperse the character of a public official to imagine a touch of timidity as an unconscious influence upon his mental processes, and I resent the suggestion from you or from any source that a Senator who has this conception of the case is actuated by political motives. As I have already said, just the reverse is true; he is indignantly resisting the political influences which were interjected without any admonitory outcry from you.

You ask if there is any more reason why Commissioner Aitchison, who likewise shifted his position, should be permitted to remain on the commission for the balance of his term than that Mr. Esch should be confirmed for another term. I should say there is not; but the name of Mr. Aitchison is not now before the Senate for confirmation. He could be removed only by impeachment, and you should be aware of the fact that the Senate has no constitutional right to initiate such a proceeding. When and if Mr. Aitchison's name shall come to the Senate for its approval, I should say that exactly the same objection might then reasonably be made to his confirmation as to that of Mr. Esch now. In neither case would the objection necessarily take the form of aspersing the nominee's character.

I very earnestly trust that I am not quite as simple as you would seem to imply when reminding me that the Interstate Commerce Commission is empowered to make rate adjustments which always tend to shift business.

I happen to know that; but I flatly deny your other postulate to the effect that such adjustments are "intended to shift" business in contemplation of the statute. I think the shifting of business is incident to rate adjustment and not the primary purpose of it. The Interstate Commerce Commission was empowered by Congress to adjust transportation rates solely with a view to the reasonableness and justness of such rates to the public, inseparably related to their compensatory nature as far as the railroads are concerned. The commission has no right, nor can Congress delegate to it any power, to adjust transportation rates with the deliberate design of "shifting business" from a competing industry or commercial enterprise in one section of the country to that of another section. The possession or exercise of any such power would make the commission the sole arbiter of industrial and business success or failure in the United States. The power in question, as recently exercised by the commission, is the power to enrich or to ruin. I do not think the Congress itself has any constitutional right to exercise such power, and until recently it was never conceived that it had intended to delegate any such right to the Interstate Commerce Commission.

With me this is the whole question; politics has not the remotest thing to do with it. I might much more readily ascribe to you political considerations in view of your utter silence when such tactics were employed to promote the industrial interests of Pennsylvania in contrast with your intemperate remonstrance now when there is resistance to their vicious effects. And as to your remarkable suggestion that Senators are proposing to coerce Interstate Commerce Commissioners "to substitute the desire of litigants for their own judgment," I say again that this is exactly what is not true. This is exactly what some Senators are protesting against, and precisely what you failed to condemn at the proper time. You were perfectly indifferent when it was proposed to "substitute the desire" of Pittsburgh coal litigants for the judgment of the commission. You were silent when it was even proposed to substitute a former attorney of the Pittsburgh coal interests for a member of the Interstate Commerce Commission who refused to yield to their demands, but now you are alert to the point of offensiveness when some Senators protest against the evil effects of the thing you once so lightly regarded, and when they also protest against the exercise of a power in behalf of your Pennsylvania coal interests which the Interstate Commerce Commission does not lawfully possess.

In your zeal you go so far beyond the confines of propriety as to tell me I have no right as a Senator to interrogate a nominee to the commission, upon whose fitness I am required by the Constitution to pass judgment lest he might assume that I do not agree with his interpretation of the law. In short, the nominee, in his immediate service, may have usurped and exercised a dangerous power, whether in a sinister way or from lack of mental perception makes no difference; nevertheless, it is your contention that a Senator, constitutionally required to determine for himself the fitness of this nominee, is not permitted to ask why the latter assumed to appropriate and exercise such a destructive power! Perhaps you know, as you clearly assume to know, more than I about the duties of a United States Senator and his sense of propriety; but since I may not always have the privilege of drawing you into conference I shall try to rely somewhat upon my own judgment in these important matters.

At the risk of briefly extending a letter now altogether too long, I venture to say that I have little patience with the contention that the so-called Hoch-Smith resolution had anything to do with the decision of the Interstate Commerce Commission in the Lake Cargo case. Inherently the resolution requires that the proposed general survey of the rate structure, as well as any action taken as a result of such survey, should be "according to the law." Repeatedly in the text of the resolution this is accentuated, and Mr. Esch and former Commissioner Hall testified that the reference was to the transportation act itself. Hence, it is idle to contend that the Hoch-Smith resolution either added to or subtracted from any provision of the interstate commerce act. The whole purpose of the Hoch-Smith resolution was revealed in the brief discussion of it in Congress, when its proponents insistently declared that the intention was to counsel the Interstate Commerce Commission to reduce transportation rates on agricultural products. The adversaries of the resolution just as insistently proclaimed that it was a futile gesture; that it conferred no authority which the commission did not already possess; that it was another of the multitude of schemes to deceive the farmers.

No Member of the Senate or House, whether favoring or opposing the resolution, ever dreamed that it might be taken as an excuse or used as a shelter for the exercise by the Interstate Commerce Commission of the power, by a manipulation of the transportation rates, to destroy a competitive industry in one section of the country in order that the industry might flourish in another section. It was never imagined by anybody that Congress was delegating to the commission power to transfer misery and squalor, however produced or to whatever extent prevailing, from one field of operation to another. Exercise of the power was never attempted by the commission until the lake cargo decision, when the evil influence which you now belatedly deplore was set in motion at your doorstep without eliciting from you a single word of expostulation.

Your suggestion that dissidents have recourse to the courts for correction of injustices and for curbing unwarranted exercise of authority is true, of course. Already appeal has been taken, and injured litigants may derive satisfaction from the reflection that the decision of the courts will not be reached under the terrifying influence of powerful interests which have not hesitated to threaten and to attempt an abasement of an inferior forum. Meanwhile your suggestion does not comprehend the full available remedy against the peril to the industry and commerce of the country in the arbitrary exercise by the Interstate Commerce Commission of a power it does not lawfully possess.

The Senate, in a proper exercise of its indubitable constitutional function, may say whether nominees to the commission who have, in its judgment, yielded to pressure to have flagrantly arrogated authority not contemplated by law, should be confirmed in the exercise of such power.

The Congress itself, if it agrees that the statute has been misinterpreted or the limits of the law exceeded, may properly so amend the act as to make plainer its intent, so that the commission may not hereafter find shelter for its abuse of power in any dubious provision of the law.

Very likely, despite your advice to the contrary, these remedies may immediately be invoked, since the favored beneficiaries of the commission's unprecedented decision are making gusty boasts that the sum of their triumph in Washington is a million dollars per week in the pockets of the Pittsburgh coal operators, taken, of course, under the color of law, from the pockets of their competitors in other States. The compensatory nature of the rate to the carriers, as the other millions of dollars to be picked from the pockets of users of bituminous coal, seem as far from the minds of these rejoicing Pittsburgh coal operators as from the thought of the Interstate Commerce Commission.

Very truly yours,

CARTER GLASS.

Mr. ALBA B. JOHNSON,
Packard Building, Philadelphia, Pa.

REPORTS OF COMMITTEES

Mr. EDGE, from the Committee on Banking and Currency, to which was referred the bill (H. R. 6491) to amend section 8 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended, reported it without amendment and submitted a report (No. 439) thereon.

Mr. WALSH of Montana, from the Committee on the Judiciary, to which was referred the bill (S. 759) to give the Supreme Court of the United States authority to make and publish rules in common-law actions, submitted an adverse report (No. 440) thereon.

Mr. SHIPSTEAD, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 59) authorizing the President to ascertain, adjust, and pay certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920, as per a certain contract authorized by the President, reported it without amendment and submitted a report (No. 441) thereon.

COL. CHARLES A. LINDBERGH

Mr. REED of Pennsyvania. Mr. President, there is now lying upon the clerk's desk House bill 10715, which has just been passed by the House, to authorize the acceptance by Colonel Lindbergh of the various gifts and medals which have been conferred upon him in the course of his successful flights. He is an officer in the Officers' Reserve Corps of the Army of the United States and, therefore, under the Constitution can not properly accept the gifts and medals without consent of Congress. In view of the high distinction of his service and in view of the fact that these gifts are coming to him every day, by almost every mail and express delivery, it seems to me to be suitable that the Congress should take swift action upon the request that consent be given for the acceptance of the gifts. Therefore, I ask unanimous consent for the present consideration, without reference to a committee, of House bill 10715.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania?

Mr. CURTIS. Mr. President, I hope the request will not be made. I am just as anxious as anyone to have the measure passed, but if we start waiving the rule requiring the reference of bills to a committee we shall have to extend the privilege every time a Senator asks it. I do hope that the Senator will withdraw his request. He can make a poll of the committee in 15 or 20 minutes and then report the bill in the regular order. I wish he would take the regular course.

Mr. REED of Pennsylvania. Of course, if there is any objection I withdraw the request.

The VICE PRESIDENT. The bill will be read twice by title and referred to the Committee on Military Affairs.

The bill (H. R. 10715) to authorize Col. Charles A. Lindbergh, United States Army Air Corps Reserve, to accept decorations and gifts from foreign governments was read twice by its title and referred to the Committee on Military Affairs.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. COPELAND:

A bill (S. 3408) for the relief of the owners of cargo shipped on board the U. S. schooner barge *Catskill* in September, October, and November, 1920; to the Committee on Claims.

By Mr. JONES:

A bill (S. 3409) for the relief of M. C. Cooper (with accompanying papers); to the Committee on Claims.

By Mr. GILLETT:

A bill (S. 3410) for the relief of Mary E. O'Connor; to the Committee on Claims.

A bill (S. 3411) granting a pension to Mary H. J. Abbott; to the Committee on Pensions.

By Mr. DENEEN:

A bill (S. 3412) granting a pension to Lowell T. Newlon; to the Committee on Pensions.

A bill (S. 3413) authorizing the appointment of Lewis W. Glossinger as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. GLASS:

A bill (S. 3414) to repeal the joint resolution entitled "Joint resolution directing the Interstate Commerce Commission to take action relative to adjustments in the rate structure of common carriers subject to the interstate commerce act, and the fixing of rates and charges," approved January 30, 1925; to the Committee on Interstate Commerce.

By Mr. McNARY:

A joint resolution (S. J. Res. 102) authorizing the erection of a memorial building to commemorate the winning of the Oregon country for the United States; to the Committee on the Library.

HOUSE BILLS AND CONCURRENT RESOLUTION REFERRED

The following bills and a concurrent resolution were severally read twice by their titles and referred as indicated below:

H. R. 49. An act to amend the Code of Law for the District of Columbia in relation to descent and distribution;

H. R. 6685. An act to regulate the employment of minors within the District of Columbia;

H. R. 6856. An act relating to the payment or delivery by banks or other persons or institutions in the District of Columbia of deposits of moneys and property held in the names of two or more persons, and for other purposes;

H. R. 8298. An act authorizing acquisition of a site for the farmers' produce market, and for other purposes;

H. R. 10147. An act to provide a complete code of insurance law for the District of Columbia (excepting marine insurance as now provided for by the act of March 4, 1922, and fraternal and benevolent insurance associations or orders as provided by the act of March 3, 1901), and for other purposes; and

H. R. 10869. An act amending section 764 of subchapter 12, fraternal beneficial associations, of the Code of Law for the District of Columbia; to the Committee on the District of Columbia.

H. R. 11197. An act to authorize the Secretary of War to grant rights of way to the Vicksburg Bridge & Terminal Co., upon, over, and across the Vicksburg National Military Park at Vicksburg, Warren County, Miss.; to the Committee on Military Affairs.

H. R. 10298. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near New Orleans, La.; to the Committee on Commerce.

The concurrent resolution (H. Con. Res. 25) was referred to the Committee on Appropriations, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H. R. 10635, entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes," to make the following changes in the engrossed bill:

On page 20, line 13, after the word "act," where it occurs the first time, insert the words: ", as amended."

On page 20, line 24, after the word "act," insert the following: "and for carrying out the applicable provisions of the act approved March 3, 1927 (Stat. L. v. 44, p. 1381)."

On page 20, line 25, after the word "officers," insert the word "attorneys."

On page 21, line 1, after the word "supervisors," insert the following: "gaugers, storekeepers, storekeeper-gaugers."

On page 22, line 9, after the syllable "tions," insert the word "prescribed."

On page 22, line 14, strike out the word "bonds" and insert the word "bonded."

AMENDMENT OF THE INTERSTATE COMMERCE ACT

Mr. METCALF submitted an amendment intended to be proposed by him to the bill (S. 656) to amend section 15a of the interstate commerce act, as amended, which was ordered to lie on the table and to be printed.

MUSCLE SHOALS

Mr. HARRISON submitted a modified amendment intended to be proposed by him to the joint resolution (S. J. Res. 46)

providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, and for other purposes, which was ordered to lie on the table and to be printed.

NOMINATION OF WILLIAM R. GREEN FOR THE COURT OF CLAIMS

Mr. BLEASE submitted the following resolution (S. Res. 160), which was referred to the Committee on the Judiciary:

Whereas His Excellency the President of the United States has nominated WILLIAM R. GREEN to the position of judge of the Court of Claims; and

Whereas said nomination is now up for consideration before the Judiciary Committee of the Senate; and

Whereas it is rumored that the said appointment was not made upon a question of ability but possibly of relieving an embarrassing situation by placing this party upon said bench and thereby causing a vacancy in another position: Be it

Resolved, That the Judiciary Committee be requested to inquire especially as to the ability as a lawyer of the nominee, when he last practiced law, where he last practiced law, what cases he has in the last several years been connected with in courts in which a display of any special legal ability was required and if he is a citizen of the District of Columbia and that they further inquire into the fact as to whether or not his son now holds a position at a salary of around $10,000 a year in the department to which he is to be appointed judge or an associate department and that they report their findings to the Senate upon these matters along with their recommendation as to confirmation.

PRINTING OF SOIL SURVEY OF PINELLAS COUNTY, FLA.

Mr. FLETCHER (for Mr. TRAMMELL) submitted the following resolution (S. Res. 161), which was referred to the Committee on Printing:

Resolved, That there be printed 2,000 copies of the soil survey of Pinellas County, Fla., for the use of the document room of the United States Senate, after such revision as may be deemed necessary by the Bureau of Soils of the Department of Agriculture.

TRAVEL EXPENSES OF SENATORIAL CLERKS

Mr. NYE submitted the following resolution (S. Res. 162), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate is authorized and directed to reimburse from the contingent fund of the Senate one clerk or one assistant clerk to each Senator, or to one clerk or assistant clerk to each committee of the Senate, such amounts as may be necessarily paid by said clerk or assistant clerk for transportation, Pullman charges, and meals en route from Washington, D. C., to the place of residence in the State of the Senator by whom employed at the time such trip is made, and return therefrom; said reimbursement being hereby expressly limited to one round trip for each regular, extra, or special session of Congress or of the Senate to and from said place of residence, for not to exceed one said clerk or assistant clerk, by the most direct route of travel, on vouchers to be certified by their respective Senators that such travel has been performed, and approved by the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate.

HERBERT HOOVER

Mr. OVERMAN. Mr. President, last Tuesday morning an article appeared in a leading paper of my State in regard to Mr. Hoover's transactions in Europe which was said to be libelous in character. That was followed up with an article last Sunday morning, which I ask to have printed in the RECORD, together with what purports to be a photostatic copy of the decision of the court rendered in London in the case referred to in the article.

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

[From the Greensboro Daily News, Sunday, February 26, 1928]

HOOVER FORCES DENY HE WAS DEFENDANT IN SUIT

WASHINGTON, February 25.—There is an impression on Capitol Hill, as well as among politicians, that more is to be heard concerning the article published in a weekly paper here, Politics, in which Secretary Hoover was represented as a defendant in a losing litigation in London 20 or more years ago, involving coal-mining properties in China. This bureau caused a reprint of portions of the article, and it was immediately resented by friends of Secretary Hoover, who declared last night that the article in question, among other things, was libelous, that Mr. Hoover had not been a defendant in the case at all, but a witness whose testimony had resulted in the restoration of the mining property to the rightful owners, the Chinese and German associates.

The suit had been a four-cornered affair, with two British firms, a Chinese firm, and Belgium group concerned, and Belgians having been interested the Hoover people have long been armed with a letter from the Belgian ambassador, declaring the course of Mr. Hoover to have been above criticism, and this letter was brought out and made ready for service shortly after copies of the Daily News came here yesterday afternoon containing extracts from Politics, which publication the Hoover forces have characterized as irresponsible.

It likewise appears, following the arrival of the Daily News in Washington, that a hurried conference of Hoover leaders was called, Secretary Work, field marshal of the Hoover forces, having been among those called into council. At the conclusion of this conference a Daily News representative was requested to make correction, or denial of the story that Secretary Hoover had been involved in the Chinese suit in an unpleasant way, and to give publicity to the letter of the Belgian ambassador, all requests that this bureau gladly complied with. A representative of the paper also accepted an invitation to visit the Department of Commerce to-day and look over a photostat copy of the London court records, which, it was explained, would make it all very plain that nothing had happened in the London courts to reflect disagreeably upon Mr. Hoover, that the record and court decision would disclose that Mr. Hoover had only appeared in court as a witness, not a defendant in the one-time celebrated, international case.

The Daily News representative did visit the Commerce Department, when gentlemen sitting next door to Secretary Hoover showed the reporter a brief prepared by attorneys for the Secretary of Commerce in which the case was explained in detail, and the assertion made by the law firm that Mr. Hoover had been guilty of no impropriety in his business dealings in China and London, and all reports to the contrary were characterized as "wanton defamation." Apparently this brief, along with the Belgian ambassador's letter, have long been in hand, ready for just such an emergency as appeared last night. There was a reiteration to-day of the statement of last night that Mr. Hoover had only appeared as a witness in the case in question, but no photostat or certified copies of the decision in the case were produced.

At the office of Politics, however, those in charge were somewhat more communicative when it came to records in the case. It was asserted that the article quoted by the Daily News was nothing more nor less than a digest of the decision of the court in the Chinese case, and that Mr. Hoover had, in point of fact, been mentioned as a defendant, not once but several times, and what purported to be a photostat copy of the London Times was produced, in which mention was made of the Chinese coal case. The decision of his lordship, Justice Joyce, chancery division, high court of justice, was published in the London Times of March 2, 1905. The Times called it a suit brought by His Excellency Chang Yen Moa against Bewick, Moreing & Co., H. C. Hoover, and others.

The court dealt rather severely with the defendants, and the point is, was Mr. Hoover among the defendants or was he present merely in the capacity of a witness? Friends of Mr. Hoover declare with great emphasis that he never at any time appeared as defendant or plaintiff, but merely as witness on the side of righteousness and justice. Critics of the Commerce Secretary declare with equal emphasis that the London Times's report of the court proceedings will be borne out by the opinion of court itself, and they hint broadly this court opinion—the full text thereof—will shortly be published, with a view to permitting the public to render judgment in the light of the court's decision. They aver that this decision will afford a complete answer to the question of whether Mr. Hoover was present as defendant or witness in this Chinese case.

By way of supplementing the London Times court report, and in contrast to the letter of the Belgian ambassador, the anti-Hoover camp to-night presented what they termed excerpts from the opinion of the London court. They thus quote the court: "Incidentally it appears by a letter of Mr. Hoover of March 22, 1901, that he actually took possession of some of the title deeds of the property by main force. Under the circumstances I am of the opinion that to allow the defendant company, while they insist on retaining the benefits of the transfer to escape from the obligations of the memorandum upon any such pretext that Hoover or De Wanbers were not authorized to agree to its terms, or that it was impossible for the defendant company to perform some of their terms without altering the constitution, would be contrary to one of the plainest principles of equity. It would be to sanction such a flagrant breach of faith as, in my opinion, could not be tolerated by the law of any country."

It is suspected that this is just the beginning of attacks to be directed against Mr. Hoover personally. If accusations of this kind are found to have little foundation in fact, they will redound, of course, to the advantage of Mr. Hoover in the preconvention campaign. Just now the politically inclined are awaiting the publication of the opinion of the London court in the Chinese case to determine, first, whether Mr. Hoover was numbered among the defendants, and, second, whether the court found fault with Mr. Hoover's conduct.

[From the London Times, Thursday, March 2, 1905]

High Court of Justice—Chancery Division

(Before Mr. Justice Joyce)

CHANG-YEN-MAO *v.* MOREING AND OTHERS

Judgment was given in this case this morning. It was an action by the plaintiff, his excellency Chang-Yen-Mao, to have it declared that a certain memorandum of conditions relating to the transfer of mining

property in China to a company called the Chinese Engineering & Mining Co. (Ltd.) was binding upon the defendants, and, in the event of its not being held to be so binding, for a declaration that the transfer of the property was obtained by fraud and ought to be set aside.

Mr. Levett, K. C., Mr. Gill, K. C., Mr. Younger, K. C., and Mr. G. Lawrence appeared for the plaintiff; Mr. Hughes, K. C., Mr. Rufus Isaacs, K. C., and Mr. G. F. Hart for the defendants, C. A. Moreing and Bewick Moreing & Co.; and Mr. Haldane, K. C., Mr. W. F. Hamilton, K. C., and Mr. Vernon for the defendant company.

The hearing occupied the time of the court for 13 days and will be found reported in the Times of January 19, 20, 25, 26, and 28, and February 1, 2, 4, 8, 9, 11, and 13.

Mr. Justice Joyce said: "This is an action by his excellency Chang and the Chinese Mining & Engineering Co. of Tientsin, whom I will call the Chinese company, asking for a declaration that a certain document called the memorandum of February 19, 1901, is binding on the defendants, and an order for the carrying into effect of the provisions of such memorandum. Alternatively, and in the event of such memorandum being held not to be so binding, for either a declaration that a certain other document called the transfer of February 19, 1901, was obtained by the fraudulent representations and fraud of the defendants or their agents and ought to be set aside, and an order that the same may be set aside accordingly, or a declaration that the defendants are not entitled to retain the benefits of the said transfer, except on the condition of making good to the plaintiffs the obligations imposed by, and performing the provisions contained in the said memorandum and such order consequent on such declaration as may be necessary for giving effect thereto.

"Then there is a general claim for damages. The transfer is a document which was drafted in English by Mr. White Cooper, a solicitor in Shanghai, who was brought over to Tien-tsin for the purpose. It is in the form of an indenture, expressed to be made between the Chinese company, his excellency Chang, as the director general of all the mines in the Provinces of Chi-li and Jehol, and director general of the Chinese company, and Gustav Detring, a director of the same company, of the first part, Mr. Hoover, as agent of Moreing, of the second part, and the defendant company, of the third part. It contains recitals of, among other things, a certain agreement of July 30, 1900, which I shall have to refer to again hereafter, and purports to be a conveyance in pursuance of that agreement of the mines and property of the Chinese company to the defendant company. No consideration was expressed, but it contains an undertaking by the defendant company to assume the liabilities of the Chinese company and indemnify such last-mentioned company therefrom. As to the nature, extent, and enormous value of the property comprised in this transfer I may refer, without reading it, to the speech of the chairman of the company at the extraordinary general meeting of that company held on July 16, 1901. A Chinese translation of this document, the principal party to which was his excellency Chang, who can not speak English and must be ignorant of our statute law in reference to joint-stock companies and English law generally, was made; and both the Chinese version and the English version were executed by the parties thereto other than the defendant company, being sealed with the official seal of his excellency as director general of the mines in the Province, and so representing the Chinese Government, and with the official seal of the Chinese company. The place of execution was Tien-tsin, in the Empire of China, where all the property which the transfer purported to comprise was situated. I do not know whether this document of itself operated as a conveyance of immovable property in China secundum legem domicilii. I have some reason to suspect that it did not; and I observe that the third clause, according to the English version, provides that 'the Chinese company and his excellency and Detring hereby agree with the defendant company to sign all other documents, and do all other acts that may respectively be required for completing the transfer to the Chinese company of all the properties hereby agreed to be transferred.' I have not been informed, however, what is the law of China with reference to any of the matters in question in this action. None of the parties has offered any evidence or made any allegation on the subject, though I have from time to time suggested that it might be required to be considered, and have rather invited argument upon it.

"The transfer was the outcome of protracted discussion and negotiations for the formation of the Chinese company into what I may call an Anglo-Chinese company to be formed in England, the principal objects in view being the better protection of the property of the company in the disturbed state of the country caused by the Boxer riots, and also the introduction of foreign capital for the development and more advantageous working of the mines. The parties between whom such negotiations took place were the defendant Moreing and his firm on the one side and on the other His Excellency Chang and the Chinese company by their director general, his excellency, who was also director general or governor of the mines of the Province under the Emperor. His excellency was from time to time assisted in the matter by Mr. Detring, a foreigner who had been long resident in China and had held some considerable office in the Chinese customs. Various stipulations had from the first been made by his excellency in reference to the constitution and administration of the proposed company into which the Chinese company was to be transformed. In particular it had been contemplated all along and definitely agreed that the capital of the new company should be £1,000,000 in £1 shares, and that of these £375,000 should go, quite properly, to the shareholders of the Chinese company as the price or part of the price of the property, subject to encumbrances that were to be taken over. There were to be two boards of directors, one in China and one in London. The management of the property in China was to be in the China board, and his excellency was to be director general as before in general charge of affairs. The defendant company was registered on December 21, 1900, by the Moreings, or a certain oriental syndicate which Mr. Moreing has associated with himself in the business, and to whom he in some way turned over the formation of the company, and, I suppose, its promotion and management. According to the memorandum of association, the first object, and I may say the principal object of the company, was to carry into effect, with such modifications, if any, as may be agreed upon, the agreement mentioned in clause 3 of the articles of association; and clause 3 of the articles of association provides that the company shall forthwith enter into an agreement in the terms of the draft, which for the purpose of identification has been initialled by two of the subscribers to the memorandum of association, and the board shall carry the same into effect, subject to any modification, and so on. Now, it is a somewhat curious circumstance that this draft has not been, and could not be, produced at the trial.

"I am not at all sure what it was, if indeed it ever existed. I omitted to say that at an early period of the negotiations, which I mentioned before—namely, in the month of August, 1900—the agreement I have mentioned of July 30, 1900, was executed. It purported to be a grant of an assignment in terms by Detring, as agent and attorney of the Chinese company, to Hoover, who was the agent of the defendant Moreing, upon trust, of all the property of the Chinese company, and it was thereby in effect provided, among other things, that Hoover should hold the property as trustee for the contemplated new company when formed. Now, His Excellency Chang, being urged by the defendants and the oriental syndicate, through their agents in China, including Mr. White Cooper, the solicitor from Shanghai, and also being advised by Detring, to transfer the property of the Chinese company to this defendant company, personally objected, and, as it has turned out very wisely, declined positively to execute the transfer when submitted to him because it did not contain any statement of the arrangements for which he had stipulated with respect to, among other things, the constitution and management of the new company into which the Chinese company was to be transformed. The document did not appear to him adequately to protect his Government or the Chinese shareholders or himself; and in this he was perfectly right. In particular, as I observe, it did not even provide for the 375,000 shares being given or paid to the shareholders of the Chinese company for the purchase of that company's property. Between his excellency and the agents of the defendants, including Mr. White Cooper, which agents also represented the oriental syndicate, as I consider, and its creature, the defendant company, there were long and heated discussions extending over four days. Hoover, as he himself admits, went so far as to use various threats to his excellency. Ultimately his excellency was induced with difficulty to accede to a proposal of Mr. White Cooper's, that the terms, on account of the absence of which from the transfer he declined to execute, should be embodied in another document, being the memorandum I have already spoken of, to be executed previously to and at the same time with the transfer. Under this arrangement his excellency was assured by the representatives of the other parties to the transaction that the memorandum would be, as it was expressed to be, the ruling document and be acted upon, or, in other words, would be binding and be carried into effect. It was upon the faith of and in reliance on these assurances that his excellency was induced to affix his seal to the two versions of the transfer.

"The memorandum in two versions, Chinese and English, was executed at the same time in the same manner by Hoover, the agent of the defendant Moreing, De Wouters, who I think, may be taken to have represented the oriental syndicate and the defendant company and every one interested through them, and it was also executed by his excellency and Detring. In truth the execution and terms of the memorandum appear to me to have formed not only a material but an essential part of the consideration for the transfer—if it was a transfer—of the property therein comprised. Mr. White Cooper, a member of the firm of English solicitors at Shanghai, who acted for the oriental syndicate and the defendant company, and prepared the draft of the transfer, as also the memorandum, attested the execution. After the present dispute had arisen, Detring, on behalf of the plaintiff or of his excellency, on July 25, 1902, made a representation of their complaints to Mr. White Cooper's firm at Shanghai, they being the solicitors to the defendant company; and these solicitors, replying on August 11, 1902, say, among other things: 'It was in order to maintain the rights of yourselves'—that is, Detring and his excellency—'and the Chinese shareholders that the agreement'—that is, the memorandum of February, 1901—'was made. This agreement was dated and signed on the same day as the transfer and recognized by Mr. Hoover and De Wouters

and ourselves as a binding agreement and a condition precedent'—that is not, perhaps, a very accurate expression—'for the transfer of the old company's property. The terms of this agreement'—that is, the memorandum—'should consequently be loyally carried out. Further, we note the position you and his excellency have taken up and will send a copy of your letter to the London board'—that is, the board of the defendant company—'by the next mail, leaving it to them to act as they think fit, and pointing out the serious consequences to the welfare of the company of their refusal to comply with your requirements.' Hoover, as appears by his evidence, is really of the same opinion; and De Wouters says that he executed the memorandum simply because it contained nothing but what had been agreed to before, which is true. Indeed, it has not been seriously disputed before me, and at all events I find as a fact, that the terms of this memorandum formed the basis and foundation of the whole arrangement, and were well understood by all parties to be an essential condition, whether as a collateral agreement or otherwise, of any transfer being made by the plaintiffs or either of them to the defendant company. I also find as a fact that the terms of this memorandum have not been observed or performed.

"As alleged by the statement of claim, not denied by the defense of the defendant company, and as proved by the evidence, the defendant company and its directors have declined to recognize the memorandum as having any force or effect or to abide by the provisions thereof, and they did this down to the time of the trial, although they had somehow managed to get possession of the property and were claiming it under the transfer. Incidentally, it appears by a letter of Mr. Hoover of March 22, 1901, that he actually took possession of some of the title deeds of the property by main force. Under the circumstances I am of opinion that to allow the defendant company, while they insist on retaining the benefits of the transfer to escape from the obligations of the memorandum upon any such pretext as that Hoover or De Wouters were not authorized to agree to its terms or that it was impossible for the defendant company to perform some of these terms without altering its constitution, would be contrary to one of the plainest principles of equity. It would be to sanction such a flagrant breach of faith as, in my opinion, could not be tolerated by the law of any country. In this court a purchaser of real estate, even though he may have obtained possession and an actual conveyance may have been made to him, will not be allowed to keep the property without discharging the consideration for the same. If authority be wanted for the existence of so natural and obvious an equity, I need only refer to Lord Eldon's judgments in the leading case of Mackreth *v.* Symons (15 Ves. 329). Both at law and in equity a person who claims under a deed, though he may not have executed it, must give effect to all its provisions; and for the purpose of applying this principle to the present case I am entitled, I think, if necessary under the circumstances, to consider the transfer and memorandum as practically one instrument. Nevertheless, the defendant company, not being able or not choosing to agree with his excellency and the Chinese shareholders as to the meaning and effect of the memorandum, or finding it inconvenient to fulfill its obligations, took up the position that, as they expressed it, vis à vis the defendant company the memorandum was of no binding effect; that the agents who obtained and executed the so-called transfer had no authority to enter into the memorandum, and so on; in short, the defendant company, the defendant Moreing being then a director, and, as he now says, overborne by his colleagues, repudiated the memorandum and set the plaintiffs at defiance; and thereupon the present action was instituted. In due course defenses were delivered, one by the Moreings and the other by the company.

"I do not consider it necessary to discuss these in detail. Suffice it to say that both, as I read them, dispute the memorandum, insisting upon every objection, whether well founded in fact or not, that could be raised to it, some of these objections, to my mind, being under the circumstances not very creditable. Ultimately his excellency and Mr. Detring, as I can not help suspecting somewhat to the disappointment of the defendants, came over to this country for this trial and gave their evidence before me. At length, after the evidence and cross-examination of his excellency were completed, and Mr. Detring, the other witness on the part of the plaintiffs, had been examined in chief and cross-examined on behalf of the Moreings, and in the midst of his cross-examination by the leading counsel of the defendant company, a remark of mine elicited the statement, then for the first time made, that the defendant company did not dispute the memorandum. Indeed, in my opinion, after the evidence that had been given, they could not have done so with the slightest prospect of success, or, indeed, as I think, honestly. But they began to suggest questions as to the construction or effect of the document and technical difficulties in the way of the plaintiffs' obtaining the relief which they claim in the action. Later on it appeared that the counsel for the Moreings also were not able, or, as they possibly would say, did not care, to dispute the memorandum. In other words, the memorandum is now (I may almost say admittedly) binding, as, indeed, it always was. This memorandum, however, does not, in my opinion, either with or without the transfer, constitute a contract of such a nature as this court could decree specific performance of. I can not directly order that it should be carried into effect, and I think there would be great difficulties in the way of the plaintiffs' maintaining an action for damages upon it against any of the defendants. But I hold and declare that the memorandum dated February 19, 1901, is binding as against the defendants, and that the defendant company was not, and is not, entitled to take or retain possession or control of the property comprised in the transfer or the benefits thereof without complying with and performing the provisions and obligations contained in the memorandum. In other words, I am of the opinion that, unless within a reasonable time the provisions and obligations of the memorandum be complied with and performed, this court ought to do what it can to restore to the plaintiffs the mines and property the subject of the transfer, and, probably by injunction if necessary, to prevent the defendant company, its agents and servants, from retaining possession. The plaintiffs, therefore, succeed upon the principal issue in the action, and, in my opinion, are entitled to their costs. I now proceed to consider the plaintiffs' claim to damages.

"The defendant company has all along claimed, and still claims, to have acquired all the property of the Chinese company by virtue of the transfer of February 19, 1901, expressed to be made in pursuance of the agreement of July 30, 1900. Nevertheless, by an agreement dated May 2, 1901, nearly three months afterwards, and expressed to be made between the oriental syndicate of the one part and the defendant company of the other, the whole of whose nominal capital was £1,000,000 in £1 shares, the syndicate affect to sell to the company the benefit of the aforesaid agreement of July 30, 1900, for a purchase consideration of 999,993 of these 1,000,000 shares to be allotted as fully paid up to the syndicate or their nominees, and the sum of £2,000 and odd in cash, being the amount of the fees paid by the syndicate on the registration of the defendant company. This agreement of May 2, 1901, was sealed at a meeting of the board of the defendant company held on the 25th of the same month of May. At that meeting 50,000 of these shares are allotted as fully paid up to the defendant Moreing and 150,000 as fully paid up to the oriental syndicate, and it was resolved that the board agree to allot to the nominees of the Chinese company 375,000 shares. These, of course, were for the shareholders of the Chinese company, and then (this is the extraordinary part of it) to the nominees of the oriental syndicate 424,993 shares—that is, all the rest of the capital, deducting the seven shares required for the signatories of the memorandum of association. I think these 424,000 and odd shares are not in the minutes, if I recollect rightly, expressed to be fully paid up, but as I understand they have been always so treated and dealt with. Now, the plaintiffs, very naturally, complain of this transaction. Suppose it be granted that the 50,000, and even the 150,000 (making together 200,000 shares) were to go for promotion profits—if, indeed, that were allowable—why were 424,993 fully paid-up shares of the company to go among the nominees of the syndicate for no consideration that I have been able to discover? In short, it appears to me upon the facts that transpired in the course of this trial, that there are at least plausible grounds for contending that the defendant company has been defrauded of nearly 425,000 shares, to the injury and loss of the Chinese shareholders, who were justly entitled to the 375,000 shares. These shares, as I understand, are not of a merely nominal value, but are being or have been sold at a price above par; for the plaintiffs say, and it seems to me with reason, that the value of the 375,000 shares coming to the shareholders of the Chinese company for the purchase of their property, undoubtedly of great value, is substantially—it may be to the extent of one-half—reduced by the issue, for no consideration whatever, of these fully paid-up shares to the promoters or their nominees.

"The defendants have endeavored to excuse the promoters by saying that of these shares 250,000 had been given as a bonus or additional consideration to persons who subscribed £500,000 to the company upon the security of debentures, which debentures were issued without the consent or knowledge, so far as I can make out, of the Chinese shareholders. The plaintiffs reply that it was not necessary to issue nearly so large an amount of debentures, and that of the money so raised, £200,000, or thereabouts, has never been expended, but is still to the credit of the defendant company with their bankers, and also that the money, if required, could have been obtained without sacrificing the shares. No offer of the debentures was made to the public, but the promoters, as I understand, distributed the shares and allotted the debentures among themselves and their friends, who I suppose still hold the debentures and the 424,993 fully paid-up shares, for which nothing has in fact been paid. Now, certainly, the proceedings of the board of directors of the defendant company, in the month of May, 1902, are of a remarkable nature, though I do not pretend to have given a complete statement of all the facts. They have not yet been fully investigated. At all events, it seems to me I can not set the matter right in this action, which was not framed and is not properly constituted for the purpose. The only materiality in this action of the apparently unauthorized issue of fully paid-up shares is that it is put forward as a ground for a claim to damages made against the defendant Moreing in respect of the consequent diminution in value of the 375,000 shares going to the shareholders of the Chinese com-

pany. But this claim, as it appears to me, if it could be dealt with in this action, must be founded upon a breach of the terms of the memorandum, which was no doubt executed by Hoover as agent for the defendant Moreing. I do not, however, find in the memorandum any contract by the defendant Moreing that no shares shall be issued as fully paid up, nor indeed do I see anything to prevent fully paid-up shares being issued by the defendant company bona fide for a proper purpose and a proper consideration. Nor do I see how the Moreings are directly responsible to the plaintiffs for the improper issue of fully paid-up shares to the oriental syndicate or its nominees (if such issue was improper); in other words, I do not think I am able to make the defendant Moreing, or his firm, responsible in this action for any loss sustained by the plaintiffs through the misfeasance of the directors of the defendant company or of the oriental syndicate as promoters of the defendant company. But my judgment in this action must be expressed to be without prejudice to any action or other proceedings that may be taken by or on behalf of the defendant company, or against any of the defendants by anyone in reference to the promotion or formation of the defendant company, or the issue of any shares or debentures thereof or any of the transactions of the same company or its directors.

"Counsel for the plaintiffs, in opening the case, asked me to make certain amendments, which I allowed; these appear in the amended statement of claim as printed. Subsequently—in fact, upon the thirteenth day of the trial—after all the evidence had been taken and in the midst of the summing up of the case for the defendants Moreings, by their counsel, the plaintiffs for the second time asked to amend by alleging that Mr. Detring (I suppose as agent of the plaintiff Chang) was induced by the fraudulent representations contained in a letter of November 9, 1900, from the defendant Moreing to Mr. Detring to agree to make certain alterations; in truth, really to agree to reexecute with alterations the document I have mentioned more than once of July 30, 1900. What happened with respect to these alterations is a long story, but not, I think, directly material in this action, though it may be most material upon some future occasion. As at present advised I do not think that these alterations, made at the time and under the circumstances when they were made without the concurrence of the defendant company, can be of any validity, nor am I satisfied at present that the plaintiffs have sustained any damage thereby. No one has contended before me that these alterations are binding upon anyone. It was also proposed to allege by the same amendment that his excellency was induced to execute the transfer of February 19, 1901, by fraudulent representations contained in a letter of February 9, 1901, from Hoover, who is not a defendant but was an agent of the Moreings, to Mr. Detring. Having regard to the concluding words of paragraph 17 of the amended statement of claim, I am not quite sure that this claim for damages was intended to be made unless the memorandum were held by me and not to be binding. But how have the plaintiffs sustained damage as a necessary or natural consequence of the execution by his excellency of the transfer, if the memorandum be binding and be enforced, as I hold it must be? Upon the whole I think that I ought not to allow these proposed amendments; but my judgment will be without prejudice to any future action or other proceeding that may be taken by the plaintiffs, or either of them, upon the ground of any alleged misrepresentations (fraudulent or other) in either of these two letters. There remains only one other claim for damages, which is a claim by His Excellency Chang against the defendant company for damages on the ground of his excellency's having been, as it has been expressed, deprived of a valuable appointment, which means, I suppose (if it means anything), on the ground of his not getting an appointment, in pursuance of the memorandum, of director general in China of the defendant company with the same powers and emoluments as he enjoyed in the Chinese company before February 19, 1901.

"But I do not understand that his excellency is not still director general of the Chinese company. The claim, if it can be supported, is for damages in respect of a breach of a particular clause in the memorandum. Besides other difficulties, to give these damages would, as it seems to me, be inconsistent with the other relief which I am granting in this action. I am assuming that as a consequence of my judgment the terms of the memorandum will be performed or complied with in their entirety; otherwise, if I am right, the defendant company will not be allowed to retain the property. Certain accounts may have to be taken, and the defendant company may be entitled to reimburse their expenditure, or part of it, so far as not provided by means of moneys received from the mines. I shall reserve any question of damages that may arise in respect of any default or delay in the performance of the obligations and provisions of the memorandum until it be seen what is the result of my present judgment. The defendant company must pay the costs of the plaintiff. The defendants Moreing, who were necessary parties to this action as against the company, having regard to their course of conduct and the attitude which they have maintained until a late period of the trial, and to the fact that in my opinion the costs have been seriously increased by their conduct in these proceedings and otherwise, must bear their own costs. I think perhaps I ought to add one other observation, which is that, in the investigation taken before me of the transactions in question, it has not been shown to me that His Excellency Chang has been guilty of any breach of faith or of any impropriety at all, which is more than I can say for some of the other parties concerned."

FEDERAL INTERMEDIATE CREDIT BANK INVESTIGATION

Mr. BLEASE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Charleston (S. C.) News and Courier relating to a resolution which I introduced day before yesterday calling for an investigation of the administration of the affairs of the Federal intermediate credit bank in Columbia.

The VICE PRESIDENT. Without objection, it is so ordered. The editorial is as follows:

SHOULD BE PRESSED

The resolution introduced in the United States Senate by Senator BLEASE for the appointment of a subcommittee to investigate the administration of the affairs of the Federal intermediate credit bank in Columbia deserve approbation and the interest of the whole country demands its adoption.

It is far from certain that the whole story of the transactions of 1925 and 1926 in Beaufort have been or will be told in the courts. It has come to light that in Beaufort a State bank has failed, an association of farmers has gone into bankruptcy, and that a tremendous sum of money was borrowed from the intermediate credit bank 130 miles away in Columbia.

It has been said that the dealings of the intermediate credit bank with the group of planters in Beaufort were on a larger scale by far than they have been with farmers' associations in general.

One would like to know whether the Federal banks of this nature in other parts of the United States have had immense transactions with a single farm association?

The crash in Beaufort came with a suddenness for which the public was wholly unprepared and disregarding all considerations of where the fault lay the fact remains that agricultural operations have been left in Beaufort in a sadly demoralized and precarious state. The News and Courier does not suggest that the credit bank in Columbia has deviated in the least degree from legal prescriptions; that is a subject of which it knows nothing, but the bank was organized to assist the farmers and it can not be disputed now that the Beaufort district would be in a condition far better had the intermediate credit bank act not been passed by Congress.

The proposed investigation should inquire whether or not the intermediate credit banks are serving the end for which they were established and if they are not the Congress should abolish them.

The history of events in Beaufort the last two years furnish abundant reason to make the investigation suggested by Senator BLEASE advisable. These banks are an experiment, an experiment entered upon by Congress, and it is the business of Congress to watch it.

The investigation should be pressed.

MOTOR TOURISTS IN SOUTH CAROLINA

Mr. BLEASE. Mr. President, I ask unanimous consent to have printed in the RECORD an article taken from the Charleston (S. C.) News and Courier relative to motor tourists in South Carolina and the South.

The VICE PRESIDENT. Without objection, it is so ordered. The article is as follows:

MOTOR TOURISTS FLOODING

(Editorial correspondence)

AIKEN, February 25.—This city, named for a Charlestonian, seat of the United States District Court in Western Carolina, far famed for its winter colony of wealthy eastern people, is in United States Highway No. 1. This route enters South Carolina near Cheraw and proceeds through Camden and Columbia. For several years it has been rated the most popular route between the Eastern and Middle Atlantic States, and the Florida resorts.

Through Aiken, on to Augusta, thence southward, in the late fall and early winter, pours a flood of motor tourists; in the late winter and early spring the movement is in both directions. Motor licenses from "all over" are on streets and highways. Local hotels and boarding houses are doing a turn-away business. The town is full and overflowing.

Towns on this highway have been catering to this motor tourist business. They issue maps and they issue instructions. Their folders tell of the attractions of the towns and of their facilities for visitors. They limn a pretty poster. They are broadcast in Eastern and Middle Atlantic States and they are broadcast in Georgia and Florida towns. In short, towns on United States Highway No. 1 are, and have been, investing generously in direct advertising, and they have built up a system of practical cooperation.

Another winter the Coastal Highway, conceded to be the most direct, the most attractive, and the most convenient route between the New

England States and the Keys of Florida will be the only all-paved route. Over it will begin to flow a great stream where until now there has been little more than a dribble. In course of time the practical advantages of using this all-winter, all-season highway will become known throughout the land; meanwhile, towns on the route need to coordinate their activities in directing attention to the way.

If towns on the Coastal Highway and hotels on the Coastal Highway scatter their folders independently, they will lose the greater part of their effort. If they would achieve maximum results they must concentrate and labor together in a common cause. Towns on United States Highway No. 1 furnish excellent maps and charts about themselves; Charleston, Savannah, Walterboro, Florence, and other towns on the Coastal Highway are not shown on any of these maps, except in pointing out laterals from the main No. 1 highway.

Towns on the No. 1 highway are not called upon to advertise towns on the Coastal Highway, a competitive route. If towns on the Coastal Highway wish to spread information about themselves, they will have to do as towns on the No. 1 highway are doing—broadcast folders through cooperation. Proper effort will hasten the growing volume of traffic over the all-paved route. The Coastal Highway will advertise itself through its advantages and its attractions, but towns which hope to benefit from a motor-tourist traffic need to accelerate the fame of their incomparable route.

Added to the picturesqueness of many stretches on the Coastal Highway, added to the high excellence of the pavements, are scores of Colonial and Revolutionary relics. In the Charleston zone, the Middleton Place and Magnolia Gardens furnish an attraction of rare value. Summerville in the early spring is a fairy bower, the whole village radiating loveliness. These features are important, but there are scores of other things of interest to highway travelers who are not in a hurry.

T. P. L.

ADDRESS OF SENATOR FESS, OF OHIO

Mr. CAPPER. Mr. President, I present an address delivered by the junior Senator from Ohio [Mr. FESS] at the anniversary of the birth of George Washington, celebrated at Washington, D. C., on February 22, under the auspices of the District of Columbia Commissioners and the District of Columbia Federation for Patriotic Observances. Senator FESS was the author of the resolution creating the George Washington Bicentennial Commission, vice chairman of the commission, and chairman of the commission's executive committee. He spoke of the plans and hopes of the commission in the address to which I have referred. I ask, on behalf of the commission, that his address be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The address is as follows:

Mr. Chairman, General Pershing, distinguished citizens, ladies, and gentlemen, the George Washington Bicentennial Commission has an ambition to make the two hundredth anniversary of the Father of his Country one of the most notable occasions in the history of America. One year ago to-day the President of the United States, in accordance with a resolution of Congress adopted two years before, delivered an address to the American people which was heard by the people of two continents upon the significance of the character of this leader, and also the significance of the coming celebration in 1932.

For the past three years the commission has been seeking and receiving suggestions from various sections of the country as to the proper character, or the most fitting celebration to be held. The commission hopes that we may have the cooperation of all the States, through State commissions yet to be appointed, in many of the States commissions having already been appointed.

A representative of the commission, a distinguished scholar, formerly of Harvard, has been in various parts of the country and also in England. He has visited every locality connected with the Washington family in the mother country, and with probably one exception, has an unbroken link of lineage running back 16 generations. He has linked up the American Library Association in an effort to stimulate popular interest among the people of the country, including the schools of the country, by the supplying of lists of readers, or a list of books, graduated to the various grades of school, so that there may be a more effective effort on the part of our youthful population to read more generally the life and character of this great man.

And there has been an effort also, in the appointment of advisory committees, representing the leadership of all activities in the Nation, in the work of promoting public opinion, including the various patriotic societies, here represented, and those elsewhere, and also including the various clubs—service clubs, patriotic clubs, and clubs of various character, in the hope that there may be a general federated effort, so that by 1932 the entire country may be studying in a sympathetic way this great leader. It is the ambition of the commission, that beginning with next year, a year from to-day, there will be set in motion a series of celebrations reaching the climax in 1932—having one each in 1929, 1930, 1931, and 1932. It is hoped that those places where Washington was distinguished, like, for example, Valley Forge, Trenton, and other places where great events took place in the Revolutionary War, will have special programs of celebration.

The commission has an ambition to make something permanent when the day is over. It, therefore, has recommended and asked Congress to authorize a definitive publication of the complete works of Washington, never yet undertaken. The Sparks edition is long ago out of print, and never was complete. The Ford edition, which was an improvement on the Sparks edition, omitted the general orders of Washington. There are many manuscript letters, state papers, utterances, and also general orders of Washington, that never have reached print, although they are in manuscript.

Congress is asked to authorize a complete publication for the first time of all the utterances of significance of our first President, in an edition of about 22 volumes; and then, in addition, the historian is asked to edit a series of Washington books, to be known as the "Washington series," covering the various activities of this great leader—Washington, the statesman; Washington, the soldier; Washington, the business man; etc., covering about 15 volumes.

This will probably cost $300,000, a very small sum as a contribution to the work that never yet has been undertaken, and that this Government ought speedily to undertake and complete.

Then, it is the hope of the commission that there will be some permanent physical memorial, in addition to those already established. Just what form that will take I am not in a position now to suggest, as the commission has not been a unit upon what the recommendation will be.

I am thinking at this moment of the reasons for these undertakings—whether it is justified that the Government assume such a stupendous undertaking in the interest of this leader. I think it is entirely justified, on the basis of the utterances announced by the distinguished chairman to-day, where we are attempting to give emphasis to the American ideals that were so splendidly embodied in this great character.

We know him familiarly as the great soldier of his day. Nothing more need be said about that. We know him as the exemplar, as a citizen held out to the world as an example. This example is the common heritage not only of America but of all the world. We know him as a most successful business man of his time, possessing in his own right over 60,000 acres of land; owning along one river a frontage of over 4 miles, to say nothing about his rich possessions here in and about what now is the Capital City.

We know him as a powerful and dominating personality. We know him as a leader among men, especially in the line of statesmanship, his greatest influence and most important service; and, if it were proper and time would permit, which it does not, it would be delightful to mention his service in making possible the development of the great empire west of the Alleghenies, to whom we owe more than to any other man or group of men.

It would indicate his tremendous power in leadership as he presided over an aggregation of 56 men that are rightfully known to be one of the most distinguished aggregations of leaders that were ever assembled in one place in the history of the world.

But the thing that I want to impress upon you in the brief time allotted to me is an item in his life that has a world significance that is not properly appreciated. All past history in the efforts of government is a struggle between authority in the interest of law and order, on the one hand, and liberty, in the interest of the largest development of the individual, on the other. The major portion of the history of civilization, so far as government is concerned, is detailing the struggle between the efforts on the part of the government for order and the efforts on the part of the individuals to maintain unhindered liberty in the interest of strong development.

The two things have always been in conflict and people sometimes assert they are contradictory; that you can not maintain authority and at the same time enjoy liberty; that if you do exercise liberty, it is in that degree a denial of authority; and therefore, if liberty is of value, government can not interfere with it.

Then, on the other hand, there are those who believe that the greatest contribution to modern civilization is government—the exercise of power, of authority.

Ladies and gentlemen, the history of the world shows that whenever there was exercised too much authority and there was enjoyed too little liberty, the result was despotism; and whenever there was enjoyed too much liberty at the expense of authority, it was anarchy. When too much liberty was given to the free cities of Greece, Greece went down in anarchy. When too much authority was exercised by Rome, Rome went down in despotism. The struggle in history has been to reconcile the two so as to exercise needed authority in government, and yet not deny the essential liberty in the citizen or in the part of the nation.

That has been the progress of the race in the approach to the form of government that we now enjoy. It failed in the Old World. An effort was made to solve it in the Teutonic nations with some degree of success, and also in the Anglo-Saxon system of modern government as we saw it in the mother country.

But never until the American Republic was established were we on the high road to a complete solution. After 100 years of training

ground in every Colony of the 13 where we were attempting to employ self-government, in which liberty was recognized as well as authority, we came into the efforts of the federation of all the 13 Colonies under our Constitution.

Here, ladies and gentlemen, sitting in one room, the 56 leaders of the world announcing a theory of government, there was shown the sharp demarcation between those who emphasized authority and those who emphasized liberty.

And at a moment of crisis after three weeks of contention a delegate arose and made a motion to adjourn the convention. That was the only occasion where Washington spoke, from May 25 until September 17, the duration of that famous Constitutional Convention. Upon the motion to adjourn this Godlike figure presiding over that convention arose and said, "If we should take a position now that we can not indorse, what will be our attitude when we return home to make a report? Let the standard be lifted so high that all the good can repair to it. This is not the work of man—the hand of God is in this thing." And he asked the mover to withdraw the motion to adjourn, which was done. [Applause.] And the convention went on.

And I wonder what would have been the outcome had that convention adjourned at that time? The convention proceeded. It gave us the Federal Constitution. That Federal Constitution was designed to carry into effect the principles of the Declaration of Independence. As the Declaration of Independence is the finest expression of liberty in government, and as Thomas Jefferson, its author, was the greatest exponent of liberty in government in history, so the Constitution is the finest expression of authority in government, and Alexander Hamilton, its defender, was the greatest exponent of authority in government in the history of the world. [Applause.] While the Constitution proper is Hamiltonian, the bill of rights appended to it is Jeffersonian.

Both of these leaders, advocates of the respective views, needed the mollifying influence of the leader above them. For, had Hamilton had his view, so that there would have been authority without liberty, it would have been an approach to despotism; and had Jefferson had his view, so that there would have been liberty without authority, it would have been an approach to anarchy. Either extreme would have been dangerous. Both principles are essential, but each must be modified by the other.

And here is where America and the world owe their greatest debt to George Washington. Presiding in that convention, listening to the presentation of the arguments, able to judge as an expositor instead of as a mere advocate, he could see both sides and detect the danger of each as well as recognize the value of each. Therefore, through that masterful personality these conflicting leaders were held together until they had worked out the great problem.

Please do not misunderstand me. Jefferson was not in the Constitutional Convention; he was in France. But he was in communication with the representatives who believed in his theory, such as James Madison and others.

Then later when, by unanimous consent, George Washington was called to be the first President to inaugurate in government the principles under the Constitution, seeing the value of both of the schools, he took into his Cabinet Alexander Hamilton, the representative of power, and Thomas Jefferson, the representative of liberty [applause], and inaugurated into the new Government both of these principles. For, while the two were seemingly irreconcilable, Washington held that there is no liberty without authority; as there can be no authority without liberty. [Applause]. The two are essential.

There, ladies and gentlemen, is the great contribution of General Washington to the history of the world. That was in 1789 that he inaugurated these principles. We have had conflicts—one conflict that even swept the Nation into the strife of Civil War, over the dispute between the two theories. But wisely, under the leadership of Lincoln, a leader in character and scope of comprehension not unlike the first great leader, we came out of the Civil War without the loss of liberty and without the breakdown of authority. [Applause.]

And to-day, nearly 200 years after the birth of this great leader, behold the product of his leadership. One hundred and twenty million people—the happiest, the best cared for, the greatest in the general share of the comforts of the world, in the history of all the world. And never before has the American system been stronger than it is in 1928. [Applause.]

And during these years all over the world there has been a gravitation away from the monarchical forms toward the democratic forms. Look the world over—South America, Europe, even Asia, gravitating year by year toward accepting the form of government inaugurated by General Washington here in America.

The World War caused some setback, and I regret to say that in some of the countries of Europe, probably in six if not eight, there is a retrogression toward what we call a dictatorship. That is not American. That can not be done in America. [Applause.] Here in America we never will lose sight of the importance of necessary authority in the interest of order, but we never will sacrifice essential liberty on the altar of despotism—never. [Applause.]

And after the World War, here is America coming through the fires of that crisis under the leadership of the great general who honors us to-day with his presence, doubtlessly stronger than ever before. And I here and now declare that it is pertinent and altogether appropriate that this country should set the plan of a proper recognition, not only as a figure in America but as a figure in the government of the world, of the exemplar of the foregoing principles, familiarly known as "First in war, first in peace, and first in the hearts of his countrymen."

It is a fine thing, in the mad rush of business and commercial progress as we see it to-day, to lay aside for a little while the industrial activity, so all absorbing in modern life, and think upon these things which we owe to George Washington, our first great President. [Applause.]

PUEBLO INDIAN LANDS

The VICE PRESIDENT. Morning business is closed. Pursuant to the order of Friday last, the Chair lays before the Senate the amendment of the House of Representatives to the bill (S. 700) authorizing the Secretary of the Interior to execute an agreement with the Middle Rio Grande conservancy district providing for conservation, irrigation, drainage, and flood control for the Pueblo Indian lands in the Rio Grande Valley, N. Mex., and for other purposes. The question is on agreeing to the amendment reported by the Committee on Indian Affairs to the House amendment.

PROGRESS OF TRANSOCEANIC AIR NAVIGATION

Mr. BINGHAM. Mr. President, I desire to make some observations in connection with the successful flight which has just been completed by the Navy's rigid dirigible *Los Angeles* between Panama and New York.

Quite a number of Senators have stated to me their belief that we ought not to have rigid dirigibles. I agree with them so far as the Army is concerned, but the great flight made by the *Los Angeles*, bringing the Panama Canal within 38 hours of New York, comes to us as an apt reminder of the importance of airships in naval and commercial aeronautics, particularly as regards transoceanic flights. Never before has the distance between the site of that great work of American engineering and the metropolis on the Atlantic coast been spanned in less than thrice the time consumed by the *Los Angeles*. No vehicle of regular commercial transport has ever covered that route on a scheduled time of less than a week, as against a day and a half for this great airship of characteristically commercial design.

It will be remembered, Mr. President, that we secured the *Los Angeles* from Germany after the war with the stipulation that we were not to use her for military purposes. She is fitted out as a commercial airship, although operated by the Navy. She is used for experimental and training purposes. She is the only rigid dirigible in America to-day.

In our sincere admiration for the great achievements of Colonel Lindbergh and of those other bold and skillful pilots of airplanes who have made flights of great daring and difficulty, we should not forget that the airplane does not stand alone as an instrument of aerial navigation in commerce and war. The airplane has its own field; it does its appointed work; it is of vast importance; but in regular operation, either for civil transportation or upon military errands, it is subject to certain limitations which make it essentially a vehicle of comparatively short range. Never yet has any man made a nonstop journey in a heavier-than-air craft over a distance exceeding 4,000 miles, and for economy and assured success in regular employment it is necessary that the distance to be covered in a single flight be not above 1,000 or 1,200 miles, and far preferable, especially in commercial service, that it should not exceed 300 or 400. For services over land and over stretches of water of moderate extent, and for military and naval operations not requiring voyages of enormous length, the airplane daily proves itself ideally suited. When oceans must be spanned with regularity, or when aircraft must be turned to naval employments requiring the constant surveillance over long periods of suspect areas far from friendly bases, the airplane is no longer capable of doing the work alone. Under those conditions it finds its necessary complement in the rigid airship.

Between the airplane, dependent for its lift upon the rapid forward motion of its wings through the air, and the airship, securing static buoyancy from the gas which fills its hull, there need be no rivalry. They are natural adjuncts. Improvements in either type do not lessen, but rather reinforce, the usefulness of the other. Only when they are used in conjunction, with each filling the gap left by the other, with the airplane in intensive service over routes interrupted by stopping places at reasonable intervals and with the airship accomplishing the long, unbroken voyages over ocean and desert, can we secure the full commercial benefits of aerial navigation. Only if lighter-than-air craft and those heavier than air be employed jointly and in harmony can we feel that aircraft are making their full potential contribution to our national defense.

The validity of these conclusions is receiving general recognition among the other great nations of the world. They are committing themselves, with but few exceptions, neither to airplane nor to airship, but to a nicely proportioned combination of both. Great Britain is actively engaged in the execution of a great rigid-airship program. So, too, under somewhat different conditions, is Germany. The Italian Government is enthusiastically proceeding with the design and construction of new and improved ships of the moderate-sized semirigid type upon which that country has specialized and which are adapted to its peculiar geographical position and needs. In Japan and elsewhere the airship for commerce and the airship for military employment are the subject of constant study either through the medium of native designs and construction or of the purchase from abroad of craft representing an advanced stage of the art of airship design.

The experience of Great Britain is one which we may observe with special interest, for in many respects it has resembled our own. It is natural that we should share an interest in a type of aerial vehicle peculiarly suited for use over those broad seas which are the carriers of our trade. The point of view of our commerce is an intercontinental or transoceanic one, and we, like the British and the people of other countries having a great overseas trade, should feel ourselves obligated to take advantage of every progressive step in facility of intercontinental communication and transport.

The serious development of British rigid airships, leaving aside one or two early and abortive experiences, began in 1915, when observation of the usefulness of the Zeppelin ships attached to the German naval service moved the British Government also to undertake a naval airship program. Fourteen ships of varying size and type were constructed and operated during the war and immediately thereafter, with varying degrees of success, but with no serious mishap. The preliminary experiments made in England between 1917 and 1920 paralleled in a general way the experience which we ourselves acquired in the construction and early operations of the *Shenandoah* some years later.

In 1920, under the spur of the Government's economy policy, Great Britain abandoned airship development entirely. The existing program was annihilated and the existing airships were laid up in dead storage in their sheds. Plans for laboratory research were ruthlessly suspended. Great Britain had turned its back upon the airship in such a manner as to give every indication that the renunciation was intended to be permanent. Never has there been any serious suggestion from any quarter in this country of so utter an abandonment of that type of aircraft.

Time, and perhaps the observation of continuing American airship operation, convinced them that a mistake had been made. Notwithstanding what must have appeared as a very strong argument in favor of abandoning airship development furnished by the Nation's sorrow over the joint American and British tragedy of the *R–38* or *ZR–2*, in the collapse of which 16 American and 28 British lives were lost, in 1923 the airship activity was resumed and two successive British Governments, with different air ministers, have pressed it vigorously forward. There are being built at a cost not exactly known, but certainly of several million dollars, two airships, each of 5,000,000 cubic feet capacity, each nearly twice as large as the *Los Angeles*. They are now nearing completion. We have been assured that one of them will make its first trial flights within the next four or five months and that it is expected shortly thereafter to go into regularly scheduled service on long routes. The ships are fitted with elaborate accommodations for the comfort of the passengers, with staterooms, promenade decks, and stately and spacious dining saloons, and it is anticipated that they will be able to reach India from England in less than five days in normal operation, or to cross the Atlantic in 60 hours, carrying a hundred passengers. The confidence with which their future commercial utility is viewed has been evidenced by the British Government and by a great part of the press and public which has given attention to such matters. They stand on the threshold of commercial employment because of the far-sighted and courageous action which the British Government took in reversing itself and resuming researches upon airships and embarking anew upon their actual construction four years ago. In the building and operation of large airships we should start, even if we delayed not another day, handicapped to the extent of those years of operating experience represented by our delay in initiating the new construction program.

The Germans, the pioneers of the airship world, who have had greater opportunity to observe the merits and the defects of rigid lighter-than-air craft than have any other people in the world, have been relatively no less active. Delayed for a number of years in inaugurating their postwar program of construction by the regulations made under the treaty of Versailles, they no sooner secured remission of those restrictions than they set to work with new zeal in the Zeppelin factory. Although the airplane has been by no means neglected in that country, airplanes under German management crossing and recrossing central Europe on regular air lines each day, they have not committed the error of supposing that the airplane could replace the airship. Great popular enthusiasm attended the launching of a project for a new Zeppelin ship of 4,000,000 cubic feet displacement, half again as large as the *Los Angeles*, and the ship is now nearing completion, and will go forth for its first flights during the coming spring or summer.

The new German ship, like those under construction in England, is evidence of a confidence on the part of those who know airships best through longest experience that they need no longer be regarded with doubt. Regular commercial operations are evidently considered by the Zeppelin organization to be just around the corner, and plans for an airship service between Spain and Buenos Aires, and possibly other South American points, are reported to be already well advanced.

It is significant, and it would be ominous for us if we were to continue our inaction in the field of rigid airship construction, that the greatest optimism is felt in those countries in which there has been the largest amount of past experiment with such ships and from which, therefore, the most reliable judgment might be expected. There are three countries in which rigid airship development has been the subject of intensive effort at some time in the past. Of the three, Germany has been most persistent and has built the largest number of ships, and German enthusiasm for the future of the airship is not open to doubt. Great Britain ranks second in extent of past activity in that field, and the British Government is now sparing no effort to make up for the time lost when operations were interrupted. We alone among the countries of the earth with past experience in rigid airship design and operations are not at present actively engaged upon any new construction. Already we have lost some two or three years in the race to complete airships large enough for regular transoceanic operation, but our delays need not be further extended.

On the basis of two unhappy experiences—the collapse of the British *R–38* with a number of American officers and men on board and the loss of the *Shenandoah*—we as a people have fallen into a serious misapprehension. There has grown up a widespread belief that the history of airships has been a long tale of failure, and that total wreck has been their ordinary fate.

Nothing could be further from the facts. Of the 138 rigid airships built in Germany by the Zeppelin firm and its rivals in the field during 25 years and operated by German personnel, not one ever failed structurally during a flight. I do not include the *Dixmude*, taken over by France after the war, which disappeared in flight in December, 1923, its fate still a mystery. Of 14 ships built and operated in England during and after the war, only one, the *R–38*, met that fate. It is tragic that there should ever have been even one or two collapses with great loss of life, but engineering science is not upon a basis of such absolute certainty that there can be complete assurance against such mishaps in the development of new applications. Structural failures have occurred repeatedly in ocean ships and occur occasionally even to-day. They have been not unknown even in great bridges, but failures are fortunately rare, and as the art of the engineer continues to advance with increasing experience they become progressively less likely. The lessons learned in the breaking of the *R–38* and the *Shenandoah* have in themselves pointed the way to a large measure of insurance against a repetition of those catastrophes.

With structural failure recognized as the extreme rarity that it is, it becomes a matter of great interest to us in the determination of our own policy toward airships to survey the record of what they have done and of the perils to which they have been subject.

Mr. President, I regret that these facts which I am presenting do not command the attention of more of the Members of this body who are interested in the public defense and in our overseas commerce. The very fact that we show so little interest in the subject is due to a misapprehension of what has been done, and points, it seems to me, to the necessity of our studying the case in order that we may not make in the future mistakes similar to those made in the past, and in order that we may not go on blindly without providing in this country for an industry to construct rigid airships and for more training in the navigation of rigid airships.

Of 117 airships built by the Zeppelin Co. in Germany and 21 produced by the Schutte-Hanz group, 45 were dismantled as obsolete while still in operating condition or were surrendered after the armistice or destroyed at that time. One, the *Los Angeles*, is still in active, continuous operation. Of the remain-

ing 92, more than half were destroyed by allied gunfire or by bombing of their hangars, or had to be landed in neutral or allied territory where the crews were taken prisoners or interned. Several ships, especially among the early ones, were either burnt in their hangars as a result of the use of hydrogen or damaged in handling on the ground because of unsatisfactory handling methods, now much improved, or inexperienced crews, hastily recruited and trained under war conditions. Of the 138 ships there were but two, not counting those shot down by allied airplanes or by fire from the ground—and excluding the *Dixmude*—which met with mishap in the air, wrecking the ship and causing extensive loss of life, and of those two mishaps one occurred in 1913, the other in 1915. The approximately 50 Zeppelin airships turned over to the German naval service since the last of those fatal accidents made approximately 2,200 flights of varying length, about half of them on missions explicitly military, without misfortune in the air other than that due to enemy action. As far back as 1911 the Zeppelin Co. was building ships for commercial service, and 1,588 trips were made between Berlin and Baden-Baden and other German cities before the war without any mishap involving loss of life or injury to passengers. Immediately after the war service was resumed with two small ships, operating, for want of satisfactory commercial liaison at that time with countries outside of Germany, on the comparatively short route between Berlin and Friedrichshafen, in southern Germany, the site of the Zeppelin factory. Service with the first of these airships was continued without any untoward event from August to December, 1919, making 103 flights in 98 days, when its abandonment was ordered by the allied governments and the two ships were turned over to allied powers.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER (Mr. SHORTRIDGE in the chair). Does the Senator from Connecticut yield to the Senator from North Carolina?

Mr. BINGHAM. I yield.

Mr. SIMMONS. I have been greatly interested in the remarks of the Senator upon this very important question; but I have formed the opinion, from reading the newspapers, that we are having an exceptionally large casualty list as the result of accidents to airplanes, both those of the Army and Navy and those engaged in civilian activities.

I desire to ask the Senator, who seems to have given a great deal of thought and study to the situation with respect to the use of these craft, both in this country and abroad, how the casualties resulting in this country from the operations of the Army and the Navy and from the use of these craft in commerce compare with those in European countries.

Mr. BINGHAM. The Senator's question, I take it, deals with airplanes rather than with airships?

Mr. SIMMONS. We will take it as dealing with both. I prefer a comprehensive answer.

Mr. BINGHAM. We have no rigid airships in the Army or Navy or in commerce in this country except the *Los Angeles*. That is the only rigid airship in the Western Hemisphere.

Mr. SIMMONS. Then, if it be true that that is the only one we have in this country, I will confine my question to those of the other type.

Mr. BINGHAM. We have had but two rigid dirigibles. The other one was the *Shenandoah*. The *Los Angeles*, the Senator realizes from the morning papers, has just completed a marvelous flight from New York to Panama in a day and a half. She has engaged in a great many flights which have never gotten into the papers, because her flights are considered so safe that very little notice is taken of them. They have no news value. The *Los Angeles* has made one or two trips to Bermuda and back, and one to Porto Rico and back.

What I am endeavoring to point out in the remarks I am making this morning, I will say to the Senator, is the relative safety of the airship in flights over the ocean. In flights across the Atlantic between this country and Europe the airship is the only one of all the flying machines that has succeeded in flying directly from the continent of Europe to the continent of North America. All attempts by airplane have failed.

In flying in the other direction, the direction in which Colonel Lindbergh flew, rather more than half of the attempts to fly in airplanes of a land type have failed and the passengers and crews have been lost. Of those made in the seaplane type only a few have been successful, but no lives have been lost. Only one attempt has been made by rigid airship, and that was successful.

What I am trying to emphasize is that although the American public and a certain number of our colleagues here take the position that the airship is very unsafe—they remember vividly what happened to the *Shenandoah*—and they believe that we ought not to build rigid airships, as a matter of fact they are mistaken, because the airship is far safer for transoceanic travel than the airplane.

To answer the Senator's other question, with regard to airplanes, I will say to the Senator that in Europe no attempt is made to fly the mails overnight, as is done in this country every night, when thousands of miles are flown. On the airplane route from Chicago to San Francisco—which, as the Senator knows, is flown every night—it is necessary to fly all night long. There is nothing like that in Europe; and yet even over that route the accidents have been about one fatal accident for every 1,000,000 miles flown. There is practically no safer transportation than the operation of airplanes over land, over improved airways. The great British company, the Imperial Airways, which is a commercial concern, has issued figures to show that it has recently completed something like 900,000 miles flown without the loss of a life. Most of those trips are very short. In other words, the records in this country and in Europe compare favorably.

So far as the Army and Navy are concerned, military flying must always be dangerous.

Mr. SIMMONS. The figures given by the Senator of these great mileages in this country and Europe refer to mail service, do they not?

Mr. BINGHAM. Commercial service, yes, sir; mail, passenger, and express service. Of course, there are more lines in Europe than there are in America, but we do more flying in this country, because our distances are greater than they are in Europe; and we do immeasurably more flying at night, which is, of course, by far the most dangerous type of flying.

Mr. SIMMONS. Now, take all lines of service, not only mail and commercial but those conducted by the Army and the Navy and those conducted for pleasure and other purposes in this country. How do our casualties compare with those of Europe in the case of planes engaged in like operation; and if the disadvantage is on our side, if accidents are more frequent here, what is the reason?

Mr. BINGHAM. The only way we can compare those two things is by taking different types of flying—that is to say, the training for military aviators, the actual practice of military tactics, and the normal work of the military and naval aviators.

The latest figures which I have seen show that our records are considerably better than those of any European country in the training of aviators. The new training plane which we have developed and put into general use in our air schools within the past three years has had a very remarkable record. There has not been a single cadet killed in learning to fly in the preliminary flying school at Brooks Field, Tex., where the Army has its preliminary flying school, since we adopted this new type of training plane, which we believe is the best and safest in the world. No other nation has a record approaching that.

With respect to pursuit planes, which are used in the highest form of fighting in the air, we have better pursuit planes, we believe and the experts believe, than any other country. They are extremely difficult to operate. It is necessary in military aviation to have highly efficient planes that are not as safe as those used in commercial aviation. We must sacrifice safety to speed, maneuverability, and special use in war. It will always be inevitable that there will be a certain number of accidents in the air, just as there are on the ocean, where we lose a certain number of lives in the Navy, and in the merchant marine every year. But comparing accidents in military and naval aviation in this country, about which the Senator has asked, with those in other countries, such as Japan and England, France and Italy, our record is as good as theirs, if not better. This has been particularly true within the last two or three years, since we put into effect the legislation which the Senator will remember we passed in the early part of 1926, which placed our military flying under specialists in the departments, and created the office of Assistant Secretary of War for Aeronautics and the office of Assistant Secretary of the Navy for Aeronautics. We secured for those posts highly trained specialists, one of them a former war pilot, the other a great aeronautical engineer, one of the greatest in this country. Under their leadership we have ceased to make the mistakes which we were making some three or four and more years ago. Does that answer the Senator's question?

Mr. SIMMONS. Yes; and I want to say that I am very much gratified at what the Senator has said upon this subject. I know there is a feeling in this country—I have heard it expressed frequently; I have participated in it myself, as the result of reading the newspapers—that we were having entirely too many accidents, and that that must be due to some carelessness in the manufacture of the machines or in the management and direction of our Air Services. I am glad—and it is a matter of congratulation both to the public and to individuals

who are interested in this subject—to have this information assuring us that we are operating these machines with as little loss and just as successfully in this country as is the case anywhere in the world, the information coming from a Senator who I know has given probably more study to this question than any other man in this body, probably than any other man in public life. I receive the information from him as authoritative, and I am exceedingly gratified to hear that it is a mistake to suppose that we are having in this country an unusual and an unnecessary number of accidents as compared with those that are taking place in other countries in the use of these craft.

I suppose that while we are having a great many accidents in this country, it is probably due to the fact that flying is still in its infancy, comparatively speaking, and we have not yet quite perfected the machinery which is used in the operation of aircraft, something we might have expected to require many years, as has been the case with the automobile. But that we are making progress in America, that we are keeping up with the balance of the world, that we are having no greater proportion of accidents in this country than are happening in other countries is a matter of information which I think should be gratifying to the country, the information coming from the sourse from which it emanates.

Mr. BINGHAM. I thank the Senator. On the other hand, I am endeavoring this morning to point out the fact that we are not keeping up with the rest of the world in rigid dirigibles and in airship construction and operation. We have conceived the erroneous idea that money spent for rigid dirigibles is thrown away. We have gone ahead wonderfully with the airplanes, as has just been said, but in rigid dirigibles we have not. Let us see what has been done recently with rigids.

A study of British airships shows no conspicuously dark spot, save the loss of the *ZR-2*. Of the 14 ships built, a majority continued their careers for considerable lengths of time and were either wrecked in handling, again due to inadequate and unsatisfactory early methods, or dismantled as obsolete in order to make room in their sheds for later types. The round-trip voyage of the *R-34* to our shores in 1919 was one of the most notable of British airship exploits. It still stands on the record as the only round trip across the North Atlantic ever made by any aircraft, and the only other aerial crossing of that ocean in a westerly direction has been made by another airship, our own *Los Angeles*.

While there has been no absolutely clinching evidence in the form of a regular and long-continued transoceanic operation of airships, the past history of the art indicates steady progress toward that goal. During a quarter of a century of airship operation the performance of the ships has been improving. The safety and reliability of their operation have been increasing. The governments and corporations of European countries are giving evidence that they consider it practicable now to build with regular commercial operation in view, and airships capable of maintaining a regular schedule of transoceanic voyages certainly possess enormous potentialities for the uses of our own naval service.

We need not, in fact, turn exclusively to European experience to find practical evidence of the general safety and utility of rigid airships. We have had the *Los Angeles* before our own eyes, her latest exploit typical of the uniform success with which her operations have been carried on. That ship was delivered to us three and a half years ago in a nonstop flight 5,000 miles in length, exceeding by 25 per cent the longest trip that has even now been made by any airplane. Since that time it has made approximately 100 separate flights, totaling about 1,500 hours in the air, and in addition has remained moored in the open at its mast, entirely subject to the elements, for a total of about 650 hours.

Mr. President, one of our naval officers has invented and constructed a mooring mast very much shorter, more economical to build, and more efficient than the great mooring masts that were formerly built. By this mast the ship may be moored close to the ground instead of requiring to be navigated all night long by a man at the helm in order to equalize every gust of air. It is placed on a truck revolving around the low mast on tracks, which makes it possible for it to be more easily handled and moored, at a great saving of expense over anything known before.

Furthermore, as I have said, cruises to Porto Rico and to Bermuda have been planned and executed, together with several cross-country voyages to points in this country, the longest taking the ship to Pensacola. Improvements are constantly being made in the apparatus for handling the ship on the ground and in the technique of using it, which make it feasible to become more largely independent of weather conditions in planning regular operation. Already there have been notable instances of strict adherence to schedule where that was absolutely necessary. Eclipses of the sun do not wait upon the plans of men, and the *Los Angeles* was used successfully for photographing the total eclipse of January, 1925, leaving Lakehurst at the time originally scheduled in spite of weather conditions on the whole unfavorable. Flights made in connection with Navy Day observances have also had to conform strictly to schedule and have done so. The flights of the *Los Angeles* have become so much a matter of course and so little one of news interest that few Members of this body or of the general public realize how frequently the ship is going forth from its hangar in pursuance of plans definitely laid down in advance and carrying them through successfully.

It is an anomalous situation that we should be looking with so much doubt and apparent disfavor upon airships while other governments are vigorously prosecuting activities in that field, for we have logical reason to rate lighter-than-air craft more highly than the people of any other nation. To us they are not only an important instrument of intercontinental commerce, in which we should desire a share, but also a valuable tool of the national defense. In that particular they have a greater significance for us than for any other nation. Our naval problem and interest is upon the high seas, where we have very few bases of operation available for either surface vessels or aircraft. A state which is particularly interested in the defense of its coast and in protecting the movements of its commerce within comparatively narrow waters, or which has many bases strategically located over the ocean, may well depend exclusively upon airplanes for aerial scouting and patrol. We can not afford to do so. Vital though the airplane, operating both from ships and from fixed bases on shore, is in our naval organization, we can not neglect a type of aircraft which makes it possible to maintain constant surveillance far beyond airplane range. The airship is a self-sustaining scouting vehicle, capable of including whole oceans within the scope of its operation from a fixed base, and as such it has a peculiar application to our problem.

Nor is that the only reason why we should consider the airship with special favor. Among the wealth of natural resources with which we are so beneficently blessed there is included an enormous amount of helium, the only noninflammable gas light enough and otherwise suited for airship inflation. So far as is now known, a vastly preponderant part of the world's supply of this gas available for extraction by processes now known and commercially practicable underlies the soil of the United States. For commercial operation of airships helium does not appear as a necessity. Although an added safeguard of no small importance, it can be dispensed with in favor of hydrogen without excessive hazard if great care is exercised in handling the airship. German and British plans are in fact proceeding upon that line. For naval purposes, however, the difference between the use of hydrogen and that of helium is the difference between the extreme and a moderate vulnerability. The hydrogen-filled airship can be brought down in flames, as was demonstrated during the war, by a single burst of incendiary bullets from an aircraft or ground machine gun. The helium ship, on the other hand, could have its gas cells riddled with hundreds of bullet holes of that caliber and still remain in the air for many hours before the loss of gas would force descent. Nothing less than the separate perforation of several of the gas cells by projectiles of large diameter or the occurrence within the structure of the ship of a shell or bomb explosion of such violence as to wreck the framework would be fatal when helium is used.

That helium will be available for use on all ships built for the American Navy and, indeed for commercial purposes, too, supposing that the commercial operators desire it, may be taken as axiomatic. There is already in sight, its location well known and available as rapidly as wells are drilled to extract it, an amount of helium estimated to be sufficient for the normal operation for the greater part of a century of three ships of the largest size so far considered. By more rapid drilling of wells the output could be increased to a rate of flow sufficient to take care for a more limited period of 5 or 10 or 25 large airships instead of 3, and there are other helium resources not accounted for in that total. Already helium is being regularly secured on contract from a privately operated field, in addition to that which comes from the work done under the direction of the Bureau of Mines. Shortage of helium need give no concern for the next generation unless the use of airships increases even more rapidly than the greatest optimists would at present be prepared to prophesy. Furthermore, the gas supply can be increased by the drilling of new wells even more rapidly than new ships could be built in which to use it. Even if the construction of two new rigid airships were to be inaugurated tomorrow and pressed forward with all possible vigor, the production of helium could easily be made to more than keep pace

with the demands thus occasioned. Our special advantage in planning for the naval uses of airships in our possession of this priceless resource should never be overlooked.

The potential importance of airships as naval scouts can hardly be overestimated. Airships can now be constructed which will have a speed approaching closely 100 miles an hour and will be able to maintain that speed for 48 hours or more, while capable of traveling over 10,000 miles at more moderate rates. The new ships projected would quite normally make a run from New York to Panama in 32 hours without dependence upon favoring winds. With a cruising speed well over twice that of any surface vessel, the area which they could keep under effective observation would be correspondingly increased. Scouting is a prime function of naval operations, and anything which adds to its effectiveness must be eagerly sought after.

The airship can be of great service, too, in steady patrol of wide areas of sea bordering critical points in our overseas possessions. The flight of the *Los Angeles* gains a special significance from the prospective value in the event of war of such patrol flying by lighter-than-air craft around the Canal Zone. The canal and other outlying possessions would benefit also by the use of airships as transports and message carriers for delivering important plans, supplies, or personnel from the United States at three times the speed possible with surface transport. Given airships for the purpose, high-ranking officers holding responsible posts in the canal defense could return to Washington for councils of war and be back at their posts of duty again within a total elapsed time of three and a half days, and direct liaison in the form of personal conference could be established with equal promptness between personnel stationed in Hawaii and those in the Pacific coast area. A craft offering so alluring a picture of varied naval and commercial utility simply can not be neglected.

Even if the naval employment of airships, important as it is, were to be put aside entirely for the moment, there would still be ample reason for us to encourage airship construction and to take those steps which may be necessary to promote the creation of an airship industry. The commercial use of the airship deserves encouragement for its own sake. We should not be left in arrears in the upbuilding of an aerial merchant marine. The success of American endeavors to get under way with commercial operation on international routes is for the present absolutely dependent upon the placing of governmental contracts to aid in the starting of an industry and the development of new designs. Commercial business may be expected to follow upon the construction and successful demonstration of new ships such as those authorized in the Navy's five-year aircraft program bill adopted by the Sixty-ninth Congress, but not yet started because of lack of authorization to make actual expenditures of money under any of the bases which have been found in any degree mutually acceptable to the Navy Department and to any available contractor. It is not to be expected, however, that private investors will lead the way and carry the entire risk in developing such ships as these, so enlarged in dimensions as to constitute a wholly new class. They have not done so in Great Britain, and it is hardly possible to expect that they could be persuaded to do so here. The field of rigid-airship construction is one in which it is impossible to proceed by short steps or upon a small scale. To manifest its particular advantage over the airplane in its own field of operation the airship must have both high speed and the ability to make overocean flights of great length. The two things are compatible only in ships of relatively vast size, and the pioneer work in the design and construction of such ships might very properly command extensive governmental support even if there were no ultimate prospect except the commercial one. The ease and rapidity with which we shall take a share in the conduct of transoceanic air commerce depends primarily upon our action at this juncture. It is more than a year and a half since the bill authorizing the construction of two airships, each of 6,000,000 cubic feet capacity, became law. It is substantially a year since the appropriation was made to start work upon one of those ships, and as yet no piece of material has been cut, no shop has been set aside for the construction, no contract has been signed. The most available contractor, who submitted a design that won first award in a competition conducted by the Navy Department during the spring of 1927, has declared himself willing either to build a single airship upon a modified cost-plus basis, so written as to furnish exceptional safeguard to the interest of the Government, or to take a contract for the building of the two ships authorized in 1926 at a flat price for the two of $8,000,000. On such a two-ship contract provision would be made that lessons learned in the course of construction of the first ship would be incorporated in the design of the second, the actual fabrication of which would not be started until two years or more after the contract was signed and until after the first unit was very well advanced toward completion. Either of these two alternatives, however, would require slight modifications in existing law, and under present conditions the Navy Department is helpless to proceed upon either plan.

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

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Ohio?

Mr. BINGHAM. I yield.

Mr. FESS. I am anxious to know just why the tardiness. It seems to be wholly indefensible. Where is the trouble?

Mr. BINGHAM. I shall be glad to tell the Senator. We originally provided an authorization for the construction of two great rigid airships at a cost for the two of not to exceed $8,000,000. When we came to make the proper appropriation, the Congress declined to do more than appropriate a small amount of money for the beginning of one ship and declined to do anything to contract for the building of a second ship, with the result that, since one ship could not possibly be built under the limit set by the provision in the appropriation bill, nothing has been done. If we are to build only one ship, it will take a larger authorization and an appropriation eventually of, or perhaps even more than, $5,500,000.

The Senator will realize that in order to construct one ship a very large shop must be constructed of a type not used for anything else. That shop, however, could be used for the second airship equally well since that is not to be begun until the first is practically completed and that would make the cost of the second one very much less; so the company is perfectly willing to contract to build two ships for the sum originally set, but can not possibly build one ship for the price set by the provision in the appropriation bill to which I have referred. Consequently the Congress, by the provision it has made for the construction of only one ship, has denied the country the right to have even one rigid airship built in this country.

Mr. FESS. Really, then, the fault lies with Congress?

Mr. BINGHAM. Yes, with Congress; and also with the Bureau of the Budget, which recommends the appropriation of over a million dollars to proceed with the building of one ship. We are again faced with the fact that we can not get the ship built here. Nobody will take the money, because no one will contract to build in America the one ship under the limitation proposed.

Mr. FESS. If the Senator will permit just a comment upon the difficulty of getting anything done that must have any authorization and management on the part of Congress, I would remind him that we are having the same situation in the radio matter. There we have a commission which is within 15 days of expiring, which never has had any authority of any sort to proceed, and yet we are holding it responsible. I use that as an illustration of what seems almost indefensible in the way we proceed from the Government standpoint.

Mr. BINGHAM. I hope the Senator will join with me in an effort to secure an appropriation this year to authorize the contracting for at least the beginnings of two airships, in order that we may proceed with this program, which other countries are doing and which is so greatly needed and upon which we are doing nothing.

Mr. FESS. The Senator will have my sympathetic support in that matter, and I hope we shall have the sympathetic support of the Senator in the matter of the situation at Akron to which he refers, where really something ought to be done.

Mr. BINGHAM. I shall be glad to do what I can. The development of the rigid airship art for several years to come, and the creation of an American rigid airship industry rest at present in the hands of Congress, dependent upon our taking the action necessary to enable the Navy Department to proceed in accordance with the will expressed by the Sixty-ninth Congress in the two separate actions of authorization and appropriation, both in its first and its second sessions.

I hope most sincerely that this Nation will have the courage to face the facts. Our glorious history has been based largely on courage and foresight. Had the motto of the Pilgrim fathers been "safety first" they would never have taken passage in the *Mayflower* and landed at Plymouth Rock. Had our western pioneers decided to avoid danger and any possible loss of life, there would have been no Oregon Trail and no great Northwest. Had the Wright brothers decided to take no risk, there would have been no first successful flight in a heavier-than-air machine.

The risk involved in the undertaking of building two rigid dirigibles, as planned by the Navy Department, and originally approved by the Congress, is no greater than that involved in a hundred enterprises that have made America famous and made us able to hold up our heads in pride, as we do as citizens

of this great Republic. We should do all in our power to promote the rapid development of this great aid to transoceanic flight, and the necessary industry, both for the sake of the national defense and for the future of American transoceanic air navigation.

FILLING OF VACANCY ON JOINT TAX COMMISSION

Mr. SIMMONS. Mr. President, there is a vacancy in the Joint Committee on Internal Revenue Taxation of the two Houses of Congress. That commission is composed of five members from the Finance Committee of the Senate and five members from the Ways and Means Committee of the House of Representatives. It is bipartisan, two Democrats and three Republicans represent the Senate on the commission. The vacancy is in the Democratic representation by reason of the death of the late Senator Jones, of New Mexico. I ask the unanimous consent of the Senate that the senior Senator from Rhode Island [Mr. GERRY] may be appointed a member of the Joint Committee on Internal Revenue Taxation in place of the late Senator Jones.

The PRESIDING OFFICER (Mr. SHORTRIDGE in the chair). The Senate has heard the request. Is there any objection? The Chair hears none, and it is so ordered.

PUEBLO INDIAN LANDS

The Senate proceeded to consider the House amendment to the bill (S. 700) authorizing the Secretary of the Interior to execute an agreement with the Middle Rio Grande conservancy district providing for conservation, irrigation, drainage, and flood control for the Pueblo Indian lands in the Rio Grande Valley, N. Mex., and for other purposes.

Mr. BRATTON obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me? I think the matter which is coming up now for discussion is one of considerable importance. If it is agreeable to the Senator, I make the point of no quorum.

Mr. BRATTON. Very well.

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Ferris	Keyes	Sackett
Barkley	Fess	King	Schall
Bayard	Fletcher	La Follette	Sheppard
Bingham	Frazier	McKellar	Shortridge
Black	George	McMaster	Simmons
Blaine	Gerry	McNary	Smoot
Blease	Gillett	Mayfield	Steck
Borah	Glass	Metcalf	Steiwer
Bratton	Gooding	Moses	Stephens
Brookhart	Gould	Neely	Tydings
Bruce	Greene	Norbeck	Tyson
Capper	Hale	Norris	Walsh, Mont.
Caraway	Harris	Nye	Warren
Copeland	Harrison	Oddie	Waterman
Couzens	Hayden	Overman	Watson
Curtis	Heflin	Phipps	Wheeler
Cutting	Howell	Pittman	Willis
Deneen	Johnson	Ransdell	
Dill	Jones	Reed, Pa.	
Edge	Kendrick	Robinson, Ind.	

Mr. COPELAND. My colleague the junior Senator from New York [Mr. WAGNER] is absent on official business connected with a Senate investigation.

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present. The amendment of the House of Representatives to Senate bill 700 will be read.

The CHIEF CLERK. Strike out all after the enacting clause and insert:

That the Secretary of the Interior is hereby authorized to enter into an agreement with the Middle Rio Grande conservancy district, a political subdivision of the State of New Mexico, providing for conservation, irrigation, drainage, and flood control for the Pueblo Indian lands situated within the exterior boundaries of the said Middle Rio Grande conservancy district, as provided for by plans prepared for this purpose in pursuance to an act of February 14, 1927 (44 Stat. L. 1098). The construction cost of such conservation, irrigation, drainage, and flood-control work apportioned to the Indian lands shall not exceed $1,593,311, and said sum, or so much thereof as may be required to pay the Indians' share of the cost of the work herein provided for, shall be payable in not less than five installments without interest, which installments shall be paid annually as work progresses: *Provided*, That should at any time it appear to the said Secretary that construction work is not being carried out in accordance with plans approved by him, he shall withhold payment of any sums that may under the agreement be due the conservancy district until such work shall have been done in accordance with the said plans: *Provided further*, That in determining the share of the cost of the works to be apportioned to the Indian lands there shall be taken into consideration only the Indian acreage benefited which shall be definitely determined by said Secretary and such acreage shall include only lands feasibly susceptible of economic irrigation and cultivation, and materially benefited by this work, and in no event shall the average per acre cost for the area of Indian lands benefited exceed $67.50: *Provided further*, That all present water rights now appurtenant to the approximately 8,346 acres of irrigated Pueblo lands owned individually or as pueblos under the proposed plans of the district, and all water for the domestic purposes of the Indians and for their stock shall be prior and paramount to any rights of the district or of any property holder therein, which priority so defined shall be recognized and protected in the agreement between the Secretary of the Interior and the said Middle Rio Grande conservancy district, and the water rights for the newly reclaimed lands shall be recognized as equal to those of like district lands and be protected from discrimination in the division and use of water, and such water rights, old as well as new, shall not be subject to loss by nonuse or abandonment thereof so long as title to said lands shall remain in the Indians individually or as pueblos or in the United States, and such irrigated area of approximately 8,346 acres shall not be subject by the district or otherwise to any pro rata share of the cost of future operation and maintenance or betterment work performed by the district. The share of the cost paid the district on behalf of the Indian lands under the agreement herein authorized, including any sum paid to the district from the funds authorized to be appropriated by the act of February 14, 1927 (44 Stat. L. 1098), shall be reimbursed to the United States under such rules and regulations as may be prescribed by the Secretary of the Interior: *Provided*, That such reimbursement shall be made only from leases or proceeds from the newly reclaimed Pueblo lands, and there is hereby created against such newly reclaimed lands a first lien, which lien shall not be enforced during the period that the title to such lands remains in the pueblos or individual Indian ownership: *Provided further*, That said Secretary of the Interior, through the Commissioner of Indian Affairs, or his duly authorized agent, shall be recognized by said district in all matters pertaining to its operation in the same ratio that the Indian lands bear to the total area of lands within the district, and that the district books and records shall be available at all times for inspection by said representative.

The PRESIDING OFFICER. The clerk will state the amendment reported by the Senate Committee on Indian Affairs to the amendment of the House of Representatives.

The CHIEF CLERK. On page 3, line 19, of the engrossed House amendment it is proposed to strike out the words "lease or proceeds" and insert in lieu thereof the words "proceeds of leases."

Mr. BRATTON. Mr. President, I assume that there is no opposition to the amendment recommended by the Senate Committee on Indian Affairs to the House amendment to the bill. I would, therefore, suggest as a procedural matter that we agree to that amendment, and then the discussion may proceed upon the House amendment as amended by the Senate committee amendment.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Kansas?

Mr. BRATTON. I yield.

Mr. CURTIS. I wish to propose an amendment to the House text.

Mr. BRATTON. The observation I made was that the Senate Committee on Indian Affairs has recommended an amendment to the House amendment to the bill; that is, to strike out the language "leases or proceeds" and to insert in lieu thereof the words "proceeds of leases." I understand there is no objection to that amendment.

Mr. CURTIS. And the request of the Senator is that that amendment be acted upon now?

Mr. BRATTON. That it be acted upon now, and then that the debate may proceed upon the House amendment as amended.

Mr. CURTIS. Subject, of course, to the notice which I now serve that later on I shall offer another amendment.

Mr. BRATTON. Certainly, I so understand.

The PRESIDING OFFICER. Without objection, the committee amendment to the House amendment is agreed to.

Mr. BRATTON addressed the Senate. After having spoken with interruptions for over half an hour——

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). The Senator from New Mexico will suspend for a moment. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A joint resolution (S. J. Res. 46) providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, and for other purposes.

Mr. SMOOT. Mr. President, I have spoken to the Senator having in charge the unfinished business, the senior Senator from Nebraska [Mr. NORRIS], and he has agreed with me that we

might lay the unfinished business temporarily aside for the consideration of a conference report, which is a privileged question. I refer to the conference report on the alien property bill. Therefore I ask unanimous consent that the unfinished business may be temporarily laid aside and that the conference report on the alien property bill may be laid before the Senate.

Mr. BRATTON. Mr. President, I hope the Senator will not insist upon the request. We are engaged in the discussion of the measure relating to Pueblo Indian lands.

Mr. SMOOT. I have no objection to the measure, but I have given way all the week on the conference report. I had the report printed on Monday.

Mr. CURTIS. Mr. President, I inquire if the Senator from New Mexico would not agree to let us proceed with the conference report, which I understand will not take very long, and then take up again the House amendment to Senate bill 700?

Mr. BRATTON. On the statement of the Senator that the conference report will not take long and that we shall then resume consideration of House amendment to the Pueblo Indian lands bill I consent.

Mr. LA FOLLETTE. Mr. President, is that satisfactory to the Senator from Nebraska [Mr. NORRIS]?

Mr. CURTIS. I think so.

Mr. BRATTON. The thing I am most concerned in is that I should like very much to get the bill finally disposed of.

Mr. SMOOT. It is going to take quite some time to dispose of the Senator's bill, and I think we can dispose of the conference report much more quickly than the Senator can dispose of his bill.

I ask unanimous consent that the unfinished business, being Senate Joint Resolution 46, be temporarily laid aside, and that the Senate proceed to the consideration of the conference report on the alien property bill.

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

Mr. BRATTON. Before consent is given, let it be with the understanding that when the conference report has been disposed of we shall then return to the consideration of the measure which has been before the Senate.

Mr. SMOOT. If the Senator from Nebraska is agreeable I would not object at all.

Mr. BRATTON. I ask unanimous consent that at the conclusion of the consideration of the conference report the Senate shall return to the consideration of the special order, being the House amendment to Senate bill 700.

The PRESIDING OFFICER. The Chair will put the first unanimous-consent request first. Is there objection to the unanimous-consent request submitted by the senior Senator from Utah that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the conference report on the alien property bill? The Chair hears none, and it is so ordered.

The Senator from New Mexico asks unanimous consent that at the conclusion of the consideration of the alien property conference report the Senate shall return to the consideration of the House amendment to Senate bill 700, the Pueblo Indian land bill. Is there objection?

Mr. LA FOLLETTE. I have no disposition to object, and I hope that the request of the Senator from New Mexico will be granted, but it seems to me that in all fairness to the Senator from Nebraska, who has charge of the unfinished business, he should be consulted before the request is granted.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a suggestion? If the Senator from Nebraska does not care to yield, all he has to do is to call for the regular order and the Senate will then resume the consideration of the unfinished business.

The PRESIDING OFFICER. That is a correct statement of the situation. Is there objection to the unanimous-consent request submitted by the Senator from New Mexico?

Mr. LA FOLLETTE. It seems to me the Senator from Nebraska should be consulted. I suggest to the Senator from New Mexico that he ascertain from the Senator from Nebraska whether that Senator has any objection or not, and that he submit his request at the conclusion of the disposition of the conference report.

Mr. BRATTON. If the Senator from Nebraska has objection I shall withdraw the request.

Mr. LA FOLLETTE. The Senator could not withdraw it after it has been entered into, except by unanimous consent.

Mr. REED of Pennsylvania. The Senator from Nebraska could ask for the regular order, and that would have the effect of withdrawing the unanimous-consent agreement.

Mr. BRATTON. The Senator from Nebraska unquestionably has the right to bring the unfinished business before the Senate at any time.

The PRESIDING OFFICER. Is there objection to the request submitted by the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. SMOOT obtained the floor.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Utah yield to me?

Mr. SMOOT. Certainly.

Mr. BRATTON subsequently said: I ask unanimous consent that when the Senate concludes its regular morning business tomorrow morning it shall proceed to the consideration of the House amendment to Senate bill 700, commonly called the conservancy bill.

The PRESIDING OFFICER. The Chair calls the attention to the Senator from New Mexico to the fact that there has already been an agreement to proceed with the matter after action upon the pending conference report.

Mr. BRATTON. That agreement was subject to the approval of the Senator from Nebraska [Mr. NORRIS]. I understand he desires to resume his address this afternoon on the unfinished business, and I therefore ask unanimous consent as I have indicated.

The PRESIDING OFFICER. Is there objection?

Mr. NORRIS. What is the request?

Mr. BRATTON. That when the Senate concludes its routine business to-morrow it shall proceed to the consideration of the amendment to Senate bill 700, commonly called the conservancy bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

[Mr. BRATTON'S speech will be published entire after it shall have been concluded.]

SUSQUEHANNA RIVER BRIDGE

Mr. REED of Pennsylvania. I ask unanimous consent to call up a bridge bill, which is in the regular form, which can be passed without any debate, and which the interested parties are very anxious to have passed.

Mr. SMOOT. If the bill is in the usual form I have no objection.

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

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8227) authorizing the Sunbury Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Susquehanna River, at or near Bainbridge Street, in the city of Sunbury, Pa.

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

CONFERENCE REPORT—ALIEN PROPERTY AND OTHER CLAIMS

The PRESIDING OFFICER. The Chair lays before the Senate the conference report on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7201) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds.

The Chief Clerk read the conference report.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7201) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this act may be cited as the 'settlement of war claims act of 1928.'

"CLAIMS OF NATIONALS OF THE UNITED STATES AGAINST GERMANY

"SEC. 2 (a) The Secretary of State shall, from time to time, certify to the Secretary of the Treasury the awards of the Mixed Claims Commission, United States and Germany, established in pursuance of the agreement of August 10, 1922, between the United States and Germany (referred to in this act as the 'Mixed Claims Commission').

"(b) The Secretary of the Treasury is authorized and directed to pay an amount equal to the principal of each award so certified, plus the interest thereon, in accordance with the award, accruing before January 1, 1928.

"(c) The Secretary of the Treasury is authorized and directed to pay annually (as nearly as may be) simple interest, at the rate of 5 per cent per annum, upon the amounts payable under subsection (b) and remaining unpaid, beginning January 1, 1928, until paid.

"(d) The payments authorized by subsection (b) or (c) shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe, but only out of the German special deposit account created by section 4, within the limitations hereinafter prescribed, and in the order of priority provided in subsection (c) of section 4.

"(e) There shall be deducted from the amount of each payment, as reimbursement for the expenses incurred by the United States in respect thereof, an amount equal to one-half of 1 per cent thereof. The amount so deducted shall be deposited in the Treasury as miscellaneous receipts. In computing the amounts payable under subsection (c) of section 4 (establishing the priority of payments) the fact that such deduction is required to be made from the payment when computed or that such deduction has been made from prior payments, shall be disregarded.

"(f) The amounts awarded to the United States in respect of claims of the United States on its own behalf shall not be payable under this section.

"(g) No payment shall be made under this section unless application therefor is made, within two years after the date of the enactment of this act, in accordance with such regulations as the Secretary of the Treasury may prescribe. Payment shall be made only to the person on behalf of whom the award was made, except that—

"(1) If such person is deceased or is under a legal disability, payment shall be made to his legal representative, except that if the payment is not over $500 it may be made to the persons found by the Secretary of the Treasury to be entitled thereto, without the necessity of compliance with the requirements of law in respect of the administration of estates;

"(2) In the case of a partnership, association, or corporation, the existence of which has been terminated, payment shall be made, except as provided in paragraphs (3) and (4), to the persons found by the Secretary of the Treasury to be entitled thereto;

"(3) If a receiver or trustee for the person on behalf of whom the award was made has been duly appointed by a court in the United States and has not been discharged prior to the date of payment, payment shall be made to the receiver or trustee or in accordance with the order of the court; and

"(4) In the case of an assignment of an award, or an assignment (prior to the making of the award) of the claim in respect of which the award was made, by a receiver or trustee for any such person, duly appointed by a court in the United States, such payment shall be made to the assignee.

"(h) Nothing in this section shall be construed as the assumption of a liability by the United States for the payment of the awards of the Mixed Claims Commission, nor shall any payment under this section be construed as the satisfaction, in whole or in part, of any of such awards, or as extinguishing or diminishing the liability of Germany for the satisfaction in full of such awards, but shall be considered only as an advance by the United States until all the payments from Germany in satisfaction of the awards have been received. Upon any payment under this section of an amount in respect of an award, the rights in respect of the award and of the claim in respect of which the award was made shall be held to have been assigned pro tanto to the United States, to be enforced by and on behalf of the United States against Germany, in the same manner and to the same extent as such rights would be enforced on behalf of the American national.

"(i) Any person who makes application for payment under this section shall be held to have consented to all the provisions of this act.

"(j) The President is requested to enter into an agreement with the German Government by which the Mixed Claims Commission will be given jurisdiction of and authorized to decide claims of the same character as those of which the commission now has jurisdiction, notice of which is filed with the Department of State before July 1, 1928. If such agreement is entered into before January 1, 1929, awards in respect of such claims shall be certified under subsection (a) and shall be in all other respects subject to the provisions of this section.

CLAIMS OF GERMAN NATIONALS AGAINST UNITED STATES

"SEC. 3. (a) There shall be a war claims arbiter (hereinafter referred to as the "arbiter") who shall be appointed by the President, by and with the advice and consent of the Senate, without regard to any provision of law prohibiting the holding of more than one office. The arbiter, notwithstanding any other provision of law, shall receive a salary to be fixed by the President in an amount, if any, which if added to any other salary will make his total salary from the United States not in excess of $15,000 a year.

"(b) It shall be the duty of the arbiter, within the limitations hereinafter prescribed, to hear the claims of any German national (as hereinafter defined), and to determine the fair compensation to be paid by the United States, in respect of—

"(1) Any merchant vessel (including any equipment, appurtenances and property contained therein), title to which was taken by or on behalf of the United States under the authority of the joint resolution of May 12, 1917 (40 Stat. 75). Such compensation shall be the fair value, as nearly as may be determined, of such vessel to the owner immediately prior to the time exclusive possession was taken under the authority of such joint resolution, and in its condition at such time, taking into consideration the fact that such owner could not use or permit the use of such vessel, or charter or sell or otherwise dispose of such vessel for use or delivery, prior to the termination of the war, and that the war was not terminated until July 2, 1921, except that there shall be deducted from such value any consideration paid for such vessel by the United States. The findings of the board of survey appointed under the authority of such joint resolution shall be competent evidence in any proceeding before the arbiter to determine the amount of such compensation.

"(2) Any radio station (including any equipment, appurtenances, and property contained therein) which was sold to the United States by or under the direction of the Alien Property Custodian under authority of the trading with the enemy act, or any amendment thereto. Such compensation shall be the fair value, as nearly as may be determined, which such radio station would have had on July 2, 1921, if returned to the owner on such date in the same condition as on the date on which it was seized by or on behalf of the United States, or on which it was conveyed or delivered to, or seized by, the Alien Property Custodian, whichever date is earlier, except that there shall be deducted from such value any consideration paid for such radio station by the United States.

"(3) Any patent (or any right therein or claim thereto, and including an application therefor and any patent issued pursuant to any such application) which was licensed, assigned, or sold by the Alien Property Custodian to the United States. Such compensation shall be the amount, as nearly as may be determined, which would have been paid if such patent, right, claim, or application had been licensed, assigned, or sold to the United States by a citizen of the United States, except that there shall be deducted from such amount any consideration paid therefor by the United States (other than consideration which is returned to the United States under section 27 of the trading with the enemy act, as amended).

"(4) The use by or for the United States of any invention described in and covered by any patent (including an application therefor and any patent issued pursuant to any such application) which was conveyed, transferred, or assigned to, or seized by, the Alien Property Custodian, but not including any use during any period between April 6, 1917, and November 11, 1918, both dates inclusive, or on or after the date on which such patent was licensed, assigned, or sold by the Alien Property Custodian. In determining such compensation, any defense, general or special, available to a defendant in an action for infringement or in any suit in equity for relief against an alleged infringement, shall be available to the United States.

"(c) The proceedings of the arbiter under this section shall be conducted in accordance with such rules of procedure as he may prescribe. The arbiter, or any referee designated by him, is authorized to administer oaths, to hold hearings at such places within or without the United States as the arbiter deems necessary, and to contract for the reporting of such hearings. Any witness appearing for the United States before the arbiter or any such referee at any place within or without the United States may be paid the same fees and mileage as witnesses in courts of the United States. Such payments shall be made out of any funds in the German special deposit account hereinafter provided for, and may be made in advance.

"(d) The arbiter may, from time to time, and shall, upon the determination by him of the fair compensation in respect of all such vessels, radio stations, and patents, make a tentative award to each claimant of the fair compensation to be paid in respect of his claim, including simple interest, at the rate of 5 per cent per annum, on the amount of such compensation from July 2, 1921, to December 31, 1928, both dates inclusive. If a German national filing a claim in respect of

any such vessel fails to establish to the satisfaction of the arbiter that neither the German Government nor any member of the former ruling family had, at the time of the taking, any interest in such vessel, either directly or indirectly, through stock ownership or control or otherwise, then (whether or not claim has been filed by or on behalf of such Government or individual) no award shall be made to such German national unless and until the extent of such interest of the German Government and of the members of the former ruling family has been determined by the arbiter. Upon such determination the arbiter shall make a tentative award in favor of such Government or individual in such amount as the arbiter determines to be in justice and equity representative of such interest, and reduce accordingly the amount available for tentative awards to German nationals filing claims in respect of the vessel so that the aggregate of the tentative awards (including awards on behalf of the German Government and members of the former ruling family) in respect of the vessel will be within the amount of fair compensation determined under subsection (b) of this section.

"(e) The total amount to be awarded under this section shall not exceed $100,000,000, minus the sum of (1) the expenditures in carrying out the provisions of this section (including a reasonable estimate for such expenditures to be incurred prior to the expiration of the term of office of the arbiter) and (2) the aggregate consideration paid by the United States in respect of the acquisition of such vessels and radio stations, and the use, license, assignment, and sale of such patents (other than consideration which is returned to the United States under section 27 of the trading with the enemy act, as amended).

"(f) If the aggregate amount of the tentative awards exceeds the amount which may be awarded under subsection (e), the arbiter shall reduce pro rata the amount of each tentative award. The arbiter shall enter an award of the amount to be paid each claimant, and thereupon shall certify such awards to the Secretary of the Treasury.

"(g) The Secretary of the Treasury is authorized and directed to pay the amount of the awards certified under subsection (f).

"(h) The Secretary of the Treasury is authorized and directed to pay annually (as nearly as may be) simple interest, at the rate of 5 per cent per annum, upon the amount of any such award remaining unpaid, beginning January 1, 1929, until paid.

"(i) The payments in respect of awards under this section shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe, but only out of the German special deposit account created by section 4, within the limitations hereinafter prescribed, and in the order of priority provided in subsections (c) and (d) of section 4.

"(j) The Secretary of the Treasury shall not pay any amount in respect of any award made to or on behalf of the German Government or any member of the former ruling family, but the amount of any such award shall be credited upon the final payment due the United States from the German Government for the purpose of satisfying the awards of the Mixed Claims Commission.

"(k) No payment shall be made under this section unless application therefor is made, within two years after the date the award is certified, in accordance with such regulations as the Secretary of the Treasury may prescribe. Payment of any amount in respect of any award may be made, in the discretion of the Secretary of the Treasury, either in the United States or in Germany, and either in money of the United States or in lawful German money, and shall be made only to the person on behalf of whom the award was made, except that—

"(1) If such person is deceased or is under a legal disability, payment shall be made to his legal representative, except that if the payment is not over $500 it may be made to the persons found by the Secretary of the Treasury to be entitled thereto, without the necessity of compliance with the requirements of law in respect of the administration of estates;

"(2) In the case of a partnership, association, or corporation, the existence of which has been terminated, payment shall be made, except as provided in paragraphs (3) and (4), to the persons found by the Secretary of the Treasury to be entitled thereto;

"(3) If a receiver or trustee for the person on behalf of whom the award was made has been duly appointed by a court of competent jurisdiction and has not been discharged prior to the date of payment, payment shall be made to the receiver or trustee or in accordance with the order of the court; and

"(4) In the case of an assignment of an award, or of an assignment—prior to the making of the award—of the claim in respect of which such award was made, by a receiver or trustee for any such person, duly appointed by a court of competent jurisdiction, payment shall be made to the assignee.

"(l) The head of any executive department, independent establishment, or agency in the executive branch of the Government, including the Alien Property Custodian and the Comptroller General, shall, upon request of the arbiter, furnish such records, documents, papers, correspondence, and information in the possession of such department, independent establishment, or agency as may assist the arbiter, furnish them statements and assistance of the same character as is described in section 188 of the Revised Statutes, and may temporarily detail any officers or employees of such department, independent establishment, or agency to assist the arbiter, or to act as a referee, in carrying out the provisions of this section. The Attorney General shall assign such officers and employees of the Department of Justice as may be necessary to represent the United States in the proceedings under this section.

"(m) The arbiter, with the approval of the Secretary of the Treasury, is authorized to (1) appoint and fix the salaries of such officers, referees, and employees, without regard to the civil service laws and regulations or to the classification act of 1923, and (2) make such expenditures—including expenditures for the salary of the arbiter, rent, and personal services at the seat of government and elsewhere, law books, periodicals, books of reference, and printing and binding—as may be necessary for carrying out the provisions of this section and within the funds available therefor. Any officer or employee detailed or assigned under subsection (l) shall be entitled to receive—notwithstanding any provision of law to the contrary—such additional compensation as the arbiter, with the approval of the Secretary of the Treasury, may prescribe. The arbiter and officers and employees appointed, detailed, or assigned shall be entitled to receive their necessary traveling expenses and actual expenses incurred for subsistence—without regard to any limitations imposed by law—while away from the District of Columbia on business required by this section.

"(n) On the date on which the awards are certified to the Secretary of the Treasury under subsection (f) or the date on which the awards are certified to the Secretary of the Treasury under subsection (e) of section 6 (patent claims of Austrian and Hungarian nationals), whichever date is the later, the terms of office of the arbiter, and of the officers and employees appointed by the arbiter, shall expire, and the books, papers, records, correspondence, property, and equipment of the office shall be transferred to the Department of the Treasury.

"(o) No award or tentative award shall be made by the arbiter in respect of any claim if (1) such claim is filed after the expiration of four months from the date on which the arbiter takes office, or (2) any judgment or decree awarding compensation or damages in respect thereof has been rendered against the United States, and if such judgment or decree has become final (whether before or after the enactment of this act), or (3) any suit or proceeding against the United States, or any agency thereof, is commenced or is pending in respect thereof and is not dismissed upon motion of the person by or on behalf of whom it was commenced, made before the expiration of six months from the date on which the arbiter takes office and before any judgment or decree awarding compensation or damages becomes final.

"(p) There is hereby authorized to be appropriated, to be immediately available and to remain available until expended, the sum of $50,000,000, and, after the date on which the awards of the arbiter under this section are certified to the Secretary of the Treasury, such additional amounts as, when added to the amounts previously appropriated, will be equivalent to the aggregate amount of such awards plus the amounts necessary for the expenditures authorized by subsections (c) and (m) of this section (expenses of administration), except that the aggregate of such appropriations shall not exceed $100,000,000.

"(q) The provisions of this section shall constitute the exclusive method for the presentation and payment of claims arising out of any of the acts by or on behalf of the United States for which this section provides a remedy. Any person who files any claim or makes application for any payment under this section shall be held to have consented to all the provisions of this act. This subsection shall not bar the presentation of a claim under section 21 (relating to the claims of certain former German nationals in respect of the taking of the vessels *Carl Diederichsen* and *Johanne*); but no award shall be made under section 21 in respect of either of such vessels to or on behalf of any person to whom or on whose behalf an award is made under this section in respect of such vessel.

"(r) If the aggregate amount to be awarded in respect of any vessel, radio station, or patent is awarded in respect of two or more claims, such amount shall be apportioned among such claims by the arbiter as he determines to be just and equitable and as the interests of the claimants may appear.

"(s) The Secretary of the Treasury, upon the certification of any of the tentative awards made under subsection (d) of this section and the recommendation of the arbiter, may make such pro rata payments in respect of such tentative awards as he deems advisable, but the aggregate of such payments shall not exceed $25,000,000.

GERMAN SPECIAL DEPOSIT ACCOUNT

"SEC. 4. (a) There is hereby created in the Treasury a German special deposit account, into which shall be deposited all funds hereinafter specified and from which shall be disbursed all payments authorized by section 2 or 3, including the expenses of administration authorized under subsections (c) and (m) of section 3 and subsection (e) of this section.

"(b) The Secretary of the Treasury is authorized and directed to deposit in such special deposit account—

"(1) All sums invested or transferred by the Alien Property Custodian, under the provisions of section 25 of the trading with the enemy act, as amended;

"(2) The amounts appropriated under the authority of section 3 (relating to claims of German nationals); and

"(3) All money (including the proceeds of any property, rights, or benefits which may be sold or otherwise disposed of, upon such terms as he may prescribe) received, whether before or after the enactment of this act, by the United States in respect of claims of the United States agaisnt Germany on account of the awards of the Mixed Claims Commission.

"(c) The Secretary of the Treasury is authorized and directed, out of the funds in such special deposit account, subject to the provisions of subsection (d), and in the following order of priority—

"(1) To make the payments of expenses of administration authorized by subsections (c) and (m) of section 3 or subsection (e) of this section;

"(2) To make so much of each payment authorized by subsection (b) of section 2 (relating to awards of the Mixed Claims Commission), as is attributable to an award on account of death or personal injury, together with interest thereon as provided in subsection (c) of section 2;

"(3) To make each payment authorized by subsection (b) of section 2 (relating to awards of the Mixed Claims Commission), if the amount thereof is not payable under paragraph (2) of this subsection and does not exceed $100,000, and to pay interest thereon as provided in subsection (c) of section 2;

"(4) To pay the amount of $100,000 in respect of each payment authorized by subsection (b) of section 2 (relating to awards of the Mixed Claims Commission), if the amount of such authorized payment is in excess of $100,000 and is not payable in full under paragraph (2) of this subsection. No person shall be paid under this paragraph and paragraph (3) an amount in excess of $100,000 (exclusive of interest beginning January 1, 1928), irrespective of the number of awards made on behalf of such person;

"(5) To make additional payments authorized by subsection (b) of section 2 (relating to awards of the Mixed Claims Commission), in such amounts as will make the aggregate payments (authorized by such subsection) under this paragraph and paragraphs (2), (3), and (4) of this subsection equal to 80 per cent of the aggregate amount of all payments authorized by subsection (b) of section 2. Payments under this paragraph shall be prorated on the basis of the amount of the respective payments authorized by subsection (b) of section 2 and remaining unpaid. Pending the completion of the work of the Mixed Claims Commission, the Secretary of the Treasury is authorized to pay such installments of the payments authorized by this paragraph as he determines to be consistent with prompt payment under this paragraph to all persons on behalf of whom claims have been presented to the commission;

"(6) To pay amounts determined by the Secretary of the Treasury to be payable in respect of the tentative awards of the arbiter, in accordance with the provisions of subsection (s) of section 3 (relating to awards for ships, patents, and radio stations);

"(7) To pay to German nationals such amounts as will make the aggregate payments equal to 50 per cent of the amounts awarded under section 3 (on account of ships, patents, and radio stations). Payments authorized by this paragraph or paragraphs (6) may, to the extent of funds available under the provisions of subsection (d) of this section, be made whether or not the payments under paragraphs (1) to (5), inclusive, of this subsection have been completed;

"(8) To pay accrued interest upon the participating certificates evidencing the amounts invested by the Alien Property Custodian under subsection (a) of section 25 of the trading with the enemy act, as amended (relating to the investment of 20 per cent of German property temporarily withheld);

"(9) To pay the accrued interest payable under subsection (c) of section 2 (in respect of awards of the Mixed Claims Commission) and subsection (h) of section 3 (in respect of awards to German nationals);

"(10) To make such payments as are necessary (A) to repay the amounts invested by the Alien Property Custodian under subsection (a) of section 25 of the trading with the enemy act, as amended (relating to the investment of 20 per cent of German property temporarily withheld), (B) to pay amounts equal to the difference between the aggregate payments (in respect of claims of German nationals) authorized by subsections (g) and (h) of section 3 and the amounts previously paid in respect thereof, and (C) to pay amounts equal to the difference between the aggregate payments (in respect of awards of the Mixed Claims Commission) authorized by subsections (b) and (c) of section 2, and the amounts previously paid in respect thereof. If funds available are not sufficient to make the total payments authorized by this paragraph, the amount of payments made from time to time shall be apportioned among the payments authorized under clauses (A), (B), and (C) according to the aggregate amount remaining unpaid under each clause;

"(11) To make such payments as are necessary to repay the amounts invested by the Alien Property Custodian under subsection (b) of section 25 of the trading with the enemy act, as amended (relating to the investment of the unallocated interest fund); but the amount payable under this paragraph shall not exceed the aggregate amount allocated to the trusts described in subsection (c) of section 26 of such act;

"(12) To pay into the Treasury as miscellaneous receipts the amount of the awards of the Mixed Claims Commission to the United States on its own behalf on account of claims of the United States against Germany; and

"(13) To pay into the Treasury as miscellaneous receipts any funds remaining in the German special deposit account after the payments authorized by paragraphs (1) to (12) have been completed.

"(d) Fifty per cent of the amounts appropriated under the authority of section 3 (relating to claims of German nationals) shall be available for payments under paragraphs (6) and (7) of subsection (c) of this section (relating to such claims) and shall be available only for such payments until such time as the payments authorized by such paragraphs have been completed.

"(e) The Secretary of the Treasury is authorized to pay, from funds in the German special deposit account, such amounts, not in excess of $25,000 per annum, as may be necessary for the payment of the expenses in carrying out the provisions of this section and section 25 of the trading with the enemy act, as amended (relating to the investment of funds by the Alien Property Custodian), including personal services at the seat of government.

"(f) The Secretary of the Treasury is authorized to invest and reinvest, from time to time, in bonds, notes, or certificates of indebtedness of the United States any of the funds in the German special deposit account, and to deposit to the credit of such account the interest or other earnings thereon.

"(g) There shall be deducted from the amounts first payable under this section to any American national in respect of any debt the amount, if any, paid by the Alien Property Custodian in respect of such debt which was not credited by the Mixed Claims Commission in making its award.

CLAIMS OF UNITED STATES AND ITS NATIONALS AGAINST AUSTRIA AND HUNGARY

"SEC. 5. (a) The Commissioner of the Tripartite Claims Commission (hereinafter referred to as the "commissioner") selected in pursuance of the agreement of November 26, 1924, between the United States and Austria and Hungary shall, from time to time, certify to the Secretary of the Treasury the judgments and interlocutory judgments (hereinafter referred to as "awards") of the commissioner.

"(b) The Secretary of the Treasury is authorized and directed to pay (1) in the case of any such judgment, an amount equal to the principal thereof, plus the interest thereon in accordance with such judgment, and (2) in the case of any such interlocutory judgment, an amount equal to the principal thereof (converted at the rate of exchange specified in the certificate of the commissioner provided for in section 7), plus the interest thereon in accordance with such certificate.

"(c) The payments authorized by subsection (b) shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe, but only out of the special deposit account (Austrian or Hungarian, as the case may be), created by section 7, and within the limitations hereinafter prescribed.

"(d) There shall be deducted from the amount of each payment, as reimbursement for expenses incurred by the United States in respect thereof, an amount equal to one-half of 1 per

cent thereof. The amount so deducted shall be deposited in the Treasury as miscellaneous receipts.

"(e) The amounts awarded to the United States in respect of claims of the United States on its own behalf shall be payable under this section.

"(f) No payment shall be made under this section (other than payments to the United States in respect of claims of the United States on its own behalf) unless application therefor is made within two years after the date of the enactment of this act in accordance with such regulations as the Secretary of the Treasury may prescribe. Payment shall be made only to the person on behalf of whom the award was made except in the cases specified in paragraphs (1) to (4) of subsection (g) of section 2.

"(g) Any person who makes application for payment under this section shall be held to have consented to all the provisions of this act.

CLAIMS OF AUSTRIAN AND HUNGARIAN NATIONALS AGAINST THE UNITED STATES

"SEC. 6. (a) It shall be the duty of the arbiter, within the limitations hereinafter prescribed, to hear the claims of any Austrian or Hungarian national (as hereinafter defined) and to determine the compensation to be paid by the United States, in respect of—

"(1) Any patent (or any right therein or claim thereto, and including an application therefor and any patent issued pursuant to any such application) which was licensed, assigned, or sold by the Alien Property Custodian to the United States. Such compensation shall be the amount, as nearly as may be determined, which would have been paid if such patent, right, claim, or application had been licensed, assigned, or sold to the United States by a citizen of the United States, except that there shall be deducted from such amount any consideration paid therefor by the United States (other than consideration which is returned to the United States under section 27 of the trading with the enemy act, as amended).

"(2) The use by or for the United States of any invention described in and covered by any patent (including an application therefor and any patent issued pursuant to any such application) which was conveyed, transferred, or assigned to, or seized by the Alien Property Custodian, but not including any use during any period between December 7, 1917, and November 3, 1918, both dates inclusive, or on or after the date on which such patent was licensed, assigned, or sold by the Alien Property Custodian. In determining such compensation, any defense, general or special available to a defendant in an action for infringement or in any suit in equity for relief against an alleged infringement, shall be available to the United States.

"(b) The proceedings of the arbiter under this section shall be conducted in accordance with such rules of procedure as he may prescribe. The arbiter, or any referee designated by him, is authorized to administer oaths, to hold hearings at such places within or without the United States as the arbiter deems necessary, and to contract for the reporting of such hearings. Any witness appearing for the United States before the arbiter or any such referee at any place within or without the United States may be paid the same fees and mileage as witnesses in courts of the United States. Such payments may be made in advance, and may be made in the first instance out of the German special deposit account, subject to reimbursement from the special deposit account (Austrian or Hungarian as the case may be) hereinafter provided for.

"(c) The arbiter shall, upon the determination by him of the fair compensation in respect of all such patents, make a tentative award to each claimant of the fair compensation to be paid in respect of his claim, including simple interest, at the rate of 5 per cent per annum, on the amount of such compensation from July 2, 1921, to December 31, 1928, both dates inclusive.

"(d) The total amount to be awarded under this section shall not exceed $1,000,000, minus the sum of (1) the expenditures in carrying out the provisions of this section (including a reasonable estimate for such expenditures to be incurred prior to the expiration of the term of office of the arbiter) and (2) the aggregate consideration paid by the United States in respect of the use, license, assignment, and sale of such patents (other than consideration which is returned to the United States under section 27 of the trading with the enemy act, as amended).

"(e) If the aggregate amount of the tentative awards exceeds the amount which may be awarded under subsection (d), the arbiter shall reduce pro rata the amount of each tentative award. The arbiter shall enter an award of the amount to be paid each claimant, and thereupon shall certify such awards to the Secretary of the Treasury.

"(f) The Secretary of the Treasury is authorized and directed to pay the amount of the awards certified under subsection (e), together with simple interest thereon, at the rate of 5 per cent per annum, beginning January 1, 1929, until paid.

"(g) The payments authorized by subsection (f) shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe, but only out of the special deposit account (Austrian or Hungarian, as the case may be), created by section 7, and within the limitations hereinafter prescribed.

"(h) No payment shall be made under this section unless application therefor is made, within two years after the date the award is certified, in accordance with such regulations as the Secretary of the Treasury may prescribe. Payment of any amount in respect of any award may be made, in the discretion of the Secretary of the Treasury, either in the United States or in Austria or in Hungary, and either in money of the United States or in lawful Austrian or Hungarian money (as the case may be), and shall be made only to the person on behalf of whom the award was made, except in the cases specified in paragraphs (1) to (4) of subsection (k) of section 3.

"(i) The provisions of subsections (l), (m), and (o) of section 3 shall be applicable in carrying out the provisions of this section, except that the expenditures in carrying out the provisions of section 3 and this section shall be allocated (as nearly as may be) by the arbiter and paid, in accordance with such allocation, out of the German special deposit account created by section 4 or the special deposit account (Austrian or Hungarian, as the case may be) created by section 7. Such payments may be made in the first instance out of the German special deposit account, subject to reimbursement from the Austrian or the Hungarian special deposit account in appropriate cases.

"(j) There is hereby authorized to be appropriated, to remain available until expended, such amount, not in excess of $1,000,000, as may be necessary for carrying out the provisions of this section.

"(k) The provisions of this section shall constitute the exclusive method for the presentation and payment of claims arising out of any of the acts by or on behalf of the United States for which this section provides a remedy. Any person who files any claim or makes application for any payment under this section shall be held to have consented to all the provisions of this act.

"(l) If the aggregate amount to be awarded in respect of any patent is awarded in respect of two or more claims, such amount shall be apportioned among such claims by the arbiter as he determines to be just and equitable and as the interests of the claimants may appear.

AUSTRIAN AND HUNGARIAN SPECIAL DEPOSIT ACCOUNTS

"SEC. 7. (a) There are hereby created in the Treasury an Austrian special deposit account and an Hungarian special deposit account, into which, respectively, shall be deposited all funds hereinafter specified and from which, respectively, shall be disbursed all payments and expenditures authorized by section 5 or 6 or this section.

"(b) The Secretary of the Treasury is authorized and directed to deposit in the Austrian or the Hungarian special deposit account, as the case may be—

"(1) The respective amounts appropriated under the authority of section 6 (patent claims of Austrian and Hungarian nationals);

"(2) The respective sums transferred by the Alien Property Custodian, under the provisions of subsection (g) of section 25 of the trading with the enemy act, as amended (property of Austrian and Hungarian Governments);

"(3) All money (including the proceeds of any property, rights, or benefits which may be sold or otherwise disposed of, upon such terms as he may prescribe) received, whether before or after the enactment of this act, by the United States in respect of claims of the United States against Austria or Hungary, as the case may be, on account of awards of the commissioner.

"(c) The Secretary of the Treasury is authorized and directed, out of the funds in the Austrian or the Hungarian special deposit account, as the case may be, subject to the provisions of subsections (d) and (e)—

"(1) To make the payments of expenses of administration authorized by section 6 or this section;

"(2) To make the payments authorized by subsection (b) of section 5 (relating to awards of the Tripartite Claims Commission); and

"(3) To make the payments of the awards of the arbiter, together with interest thereon, as provided by section 6 (relating to claims of Austrian and Hungarian nationals).

"(d) No payment shall be made in respect of any award of the commissioner against Austria or of the arbiter on behalf of an Austrian national, nor shall any money or other property be

returned under paragraph (15), (17), (18), or (19) of subsection (b) of section 9 of the trading with the enemy act, as amended (relating to the return of money and other property by the Alien Property Custodian to Austrian nationals), prior to the date upon which the commissioner certifies to the Secretary of the Treasury—

"(1) That the amounts deposited in the Austrian special deposit account under paragraph (2) of subsection (b) of this section (in respect of property of the Austrian Government or property of a corporation all the stock of which was owned by the Austrian Government) and under paragraph (3) of subsection (b) of this section (in respect of money received by the United States in respect of claims of the United States against Austria on account of awards of the commissioner) are sufficient to make the payments authorized by subsection (b) of section 5 in respect of awards against Austria; and

"(2) In respect of interlocutory judgments entered by the commissioner, the rate of exchange at which such interlocutory judgments shall be converted into money of the United States and the rate of interest applicable to such judgments and the period during which such interest shall run. The commissioner is authorized and requested to fix such rate of exchange and interest as he may determine to be fair and equitable, and to give notice thereof, within 30 days after the enactment of this act.

"(e) No payment shall be made in respect of any award of the commissioner against Hungary or of the arbiter on behalf of an Hungarian national, nor shall any money or other property be returned under paragraph (15), (20), (21), or (22) of subsection (b) of section 9 of the trading with the enemy act, as amended by this act (relating to the return of money and other property by the Alien Property Custodian to Hungarian nationals), prior to the date upon which the commissioner certifies to the Secretary of the Treasury—

"(1) That the amounts deposited in the Hungarian special deposit account under paragraph (2) of subsection (b) of this section (in respect of property of the Hungarian Government or property of a corporation all the stock of which was owned by the Hungarian Government) and under paragraph (3) of subsection (b) of this section (in respect of money received by the United States in respect of claims of the United States against Hungary on account of awards of the commissioner), are sufficient to make the payments authorized by subsection (b) of section 5 in respect of awards against Hungary; and

"(2) In respect of interlocutory judgments entered by the commissioner, the rate of exchange at which such interlocutory judgments shall be converted into money of the United States and the rate of interest applicable to such judgments and the period during which such interest shall run. The commissioner is authorized and requested to fix such rate of exchange and interest as he may determine to be fair and equitable, and to give notice thereof, within 30 days after the enactment of this act.

"(f) Amounts available under subsection (e) of section 4 (relating to payment of expenses of administration) shall be available for the payment of expenses in carrying out the provisions of this section, including personal services at the seat of Government.

"(g) The Secretary of the Treasury is authorized to invest and reinvest, from time to time, in bonds, notes, or certificates of indebtedness of the United States, any of the funds in the Austrian or the Hungarian special deposit account, and to deposit to the credit of such account the interest or other earnings thereon.

"(h) There shall be deducted from the amounts first payable under this section to any American national in respect of any debt the amount, if any, paid by the Alien Property Custodian in respect of such debt which was not credited by the commissioner in making his award.

"(i) The payments of the awards of the commissioner to the United States on its own behalf, on account of claims of the United States against Austria or Hungary, shall be paid into the Treasury as miscellaneous receipts.

"(j) Any amount remaining in the Austrian or the Hungarian special deposit account after all the payments authorized to be made therefrom have been completed shall be disposed of as follows:

"(1) There shall first be paid into the Treasury as miscellaneous receipts the respective amount, if any, by which the appropriations made under the authority of section 6 and deposited in such special deposit account exceed the payments authorized by such section; and

"(2) The remainder shall be refunded to Austria or Hungary, as their respective interests may appear.

FINALITY OF DECISIONS

"SEC. 8. (a) Notwithstanding the provisions of section 236 of the Revised Statutes, as amended, the decisions of the Secretary of the Treasury in respect of the funds to be paid into the German, the Austrian, or the Hungarian special deposit account and of the payments therefrom shall be final and conclusive and shall not be subject to review by any other officer of the United States, except that payments made under authority of subsection (c) or (m) of section 3 or subsection (e) of section 4 or subsection (f) of section 7 (relating to expenses of administration) shall be accounted for and settled without regard to the provisions of this subsection.

"(b) The Secretary of the Treasury, in his annual report to the Congress, shall include a detailed statement of all expenditures made in carrying out the provisions of this act.

EXCESSIVE FEES PROHIBITED

"SEC. 9. (a) The arbiter, the Commissioner of the Mixed Claims Commission appointed by the United States, and the Commissioner of the Tripartite Claims Commission, respectively, are authorized (upon request as hereinafter provided) to fix reasonable fees (whether or not fixed under any contract or agreement) for services in connection with the proceedings before the arbiter and the Mixed Claims Commission and the Tripartite Claims Commission, respectively, and with the preparations therefor, and the application for payment, and the payment, of any amount under section 2, 3, 5, or 6. Each such official is authorized and requested to mail to each claimant in proceedings before him or the commission, as the case may be, notice (in English, German, or Hungarian) of the provisions of this section. No fee shall be fixed under this subsection unless written request therefor is filed with such official before the expiration of 90 days after the date of mailing of such notice. In the case of nationals of Germany, Austria, and Hungary, such notice may be mailed to, and the written request may be filed by, the duly accredited diplomatic representative of such nation.

"(b) After a fee has been fixed under subsection (a), any person accepting any consideration (whether or not under a contract or agreement entered into prior to the enactment of this act), the aggregate value of which (when added to any consideration previously received) is in excess of the amount so fixed, for services in connection with the proceedings before the arbiter or Mixed Claims Commission or Tripartite Claims Commission, or any preparations therefor, or with the application for payment, or the payment, of any amount under section 2, 3, 5, or 6, shall, upon conviction thereof, be punished by a fine of not more than four times the aggregate value of the consideration accepted by such person therefor.

"(c) Section 20 of the trading with the enemy act, as amended, is amended by inserting after the word 'attorney' wherever it appears in such section the words 'at law or in fact.'

INVESTMENT OF FUNDS BY ALIEN PROPERTY CUSTODIAN

"SEC. 10. The trading with the enemy act, as amended, is amended by adding thereto the following new section:

"'SEC. 25. (a) (1) The Alien Property Custodian is authorized and directed to invest, from time to time upon the request of the Secretary of the Treasury, out of the funds held by the Alien Property Custodian or by the Treasurer of the United States for the Alien Property Custodian, an amount not to exceed $40,000,000 in the aggregate, in one or more participating certificates issued by the Secretary of the Treasury in accordance with the provisions of this section.

"'(2) When in the case of any trust written consent under subsection (m) of section 9 has been filed, an amount equal to the portion of such trust the return of which is temporarily postponed under such subsection shall be credited against the investment made under paragraph (1) of this subsection. If the total amount so credited is in excess of the amount invested under paragraph (1) of this subsection, the excess shall be invested by the Alien Property Custodian in accordance with the provisions of this subsection, without regard to the $40,000,000 limitation in paragraph (1). If the amount invested under paragraph (1) of this subsection is in excess of the total amount so credited, such excess shall, from time to time on request of the Alien Property Custodian, be paid to him out of the funds in the German special-deposit account created by section 4 of the settlement of war claims act of 1928, and such payments shall have priority over any payments therefrom other than the payments under paragraph (1) of subsection (c) of such section (relating to expenses of administration).

"'(b) The Alien Property Custodian is authorized and directed to invest, in one or more participating certificates issued

by the Secretary of the Treasury, out of the unallocated interest fund, as defined in section 28—

"'(1) The sum of $25,000,000. If, after the allocation under section 26 has been made, the amount of the unallocated interest fund allocated to the trusts described in subsection (c) of such section is found to be in excess of $25,000,000, such excess shall be invested by the Alien Property Custodian in accordance with the provisions of this subsection. If the amount so allocated is found to be less than $25,000,000, any participating certificate or certificates that have been issued shall be corrected accordingly; and

"'(2) The balance of such unallocated interest fund remaining after the investment provided for in paragraph (1) and the payment of allocated earnings in accordance with the provisions of subsection (b) of section 26 have been made.

"'(c) If the amount of such unallocated interest fund, remaining after the investment required by paragraph (1) of subsection (b) of this section has been made, is insufficient to pay the allocated earnings in accordance with subsection (b) of section 26, then the amount necessary to make up the deficiency shall be paid out of the funds in the German special deposit account created by section 4 of the settlement of war claims act of 1928, and such payment shall have priority over any payments therefrom other than the payments under paragraph (1) of subsection (c) of such section (relating to expenses of administration) and the payments under paragraph (2) of subsection (a) of this section.

"'(d) The Alien Property Custodian is authorized and directed (after the payment of debts under section 9) to transfer to the Secretary of the Treasury, for deposit in such special deposit account, all money and the proceeds of all property, including all income, dividends, interest, annuities, and earnings accumulated in respect thereof, owned by the German Government or any member of the former ruling family. All money and other property shall be held to be owned by the German Government (1) if no claim thereto has been filed with the Alien Property Custodian prior to the expiration of one year from the date of the enactment of the settlement of war claims act of 1928, or (2) if any claim has been filed before the expiration of such period (whether before or after the enactment of such act), then if the ownership thereof under any such claim is not established by a decision of the Alien Property Custodian or by suit in court instituted, under section 9, within one year after the decision of the Alien Property Custodian, or after the date of the enactment of the settlement of war claims act of 1928, whichever date is later. The amounts so transferred under this subsection shall be credited upon the final payment due the United States from the German Government on account of the awards of the Mixed Claims Commission.

"'(e) The Secretary of the Treasury is authorized and directed to issue to the Alien Property Custodian, upon such terms and conditions and under such regulations as the Secretary of the Treasury may prescribe, one or more participating certificates, bearing interest payable annually (as nearly as may be) at the rate of 5 per cent per annum, as evidence of the investment by the Alien Property Custodian under subsection (a), and one or more noninterest-bearing, participating certificates, as evidence of the investment by the Alien Property Custodian under subsection (b). All such certificates shall evidence a participating interest, in accordance with, and subject to the priorities of, the provisions of section 4 of the settlement of war claims act of 1928, in the funds in the German special deposit account created by such section, except that—

"'(1) The United States shall assume no liability, directly or indirectly, for the payment of any such certificates, or of the interest thereon, except out of funds in such special deposit account available therefor, and all such certificates shall so state on their face; and

"'(2) Such certificates shall not be transferable, except that the Alien Property Custodian may transfer any such participating certificate evidencing the interest of a substantial number of the owners of the money invested, to a trustee duly appointed by such owners.

"'(f) Any amount of principal or interest paid to the Alien Property Custodian in accordance with the provisions of subsection (c) of section 4 of the settlement of war claims act of 1928 shall be allocated pro rata among the persons filing written consents under subsection (m) of section 9 of this act, and the amounts so allocated shall be paid to such persons. If any person to whom any amount is payable under this subsection has died (or if, in the case of a partnership, association, or other unincorporated body of individuals, or a corporation, its existence has terminated), payment shall be made to the persons determined by the Alien Property Custodian to be entitled thereto.

"'(g) The Alien Property Custodian is authorized and directed (after the payment of debts under section 9) to transfer to the Secretary of the Treasury, for deposit in the special deposit account (Austrian or Hungarian, as the case may be), created by section 7 of the settlement of war claims act of 1928, all money and the proceeds of all property, including all income, dividends, interest, annuities, and earnings accumulated in respect thereof, owned by the Austrian Government or any corporation all the stock of which was owned by or on behalf of the Austrian Government (including the property of the Imperial Royal Tobacco Monopoly, also known under the name of K. K. Oesterreichische Tabak Regie), or owned by the Hungarian Government or by any corporation all the stock of which was owned by or on behalf of the Hungarian Government.'

RETURN TO NATIONALS OF GERMANY, AUSTRIA, AND HUNGARY OF PROPERTY HELD BY ALIEN PROPERTY CUSTODIAN

"SEC. 11. Subsection (b) of section 9 of the trading with the enemy act, as amended, is amended by striking out the punctuation at the end of paragraph (11) and inserting in lieu thereof a semicolon and the word "or" and inserting after paragraph (11) the following new paragraphs:

"'(12) A partnership, association, or other unincorporated body of individuals, or a corporation, and was entirely owned at such time by subjects or citizens of nations, States, or free cities other than Austria or Hungary or Austria-Hungary and is so owned at the time of the return of its money or other property, and has filed the written consent provided for in subsection (m); or

"'(13) A partnership, association, or other unincorporated body of individuals, having its principal place of business at such time within any country other than Austria, Hungary, or Austria-Hungary, or a corporation organized or incorporated within any country other than Austria, Hungary, or Austria-Hungary, and that the written consent provided for in subsection (m) has been filed; or

"'(14) Any individual who at such time was a citizen or subject of Germany or who at the time of the return of any money or other property is a citizen or subject of Germany or is not a citizen or subject of any nation, State, or free city, and that the written consent provided for in subsection (m) has been filed; or

"'(15) The Austro-Hungarian Bank, except that the money or other property thereof shall be returned only to the liquidators thereof; or

"'(16) An individual, partnership, association, or other unincorporated body of individuals, or a corporation, and that the written consent provided for in subsection (m) has been filed, and that no suit or proceeding against the United States or any agency thereof is pending in respect of such return, and that such individual has filed a written waiver renouncing on behalf of himself, his heirs, successors, and assigns any claim based upon the fact that at the time of such return he was in fact entitled to such return under any other provision of this act; or

"'(17) A partnership, association, or other unincorporated body of individuals, or a corporation, and was entirely owned at such time by citizens of Austria and is so owned at the time of the return of its money or other property; or

"'(18) A partnership, association, or other unincorporated body of individuals, having its principal place of business at such time within Austria, or a corporation organized or incorporated within Austria; or

"'(19) An individual who at such time was a citizen of Austria or who at the time of the return of any money or other property is a citizen of Austria; or

"'(20) A partnership, association, or other unincorporated body of individuals, or a corporation, and was entirely owned at such time by citizens of Hungary and is so owned at the time of the return of its money or other property; or

"'(21) A partnership, association, or other unincorporated body of individuals, having its principal place of business at such time within Hungary, or a cooperation organized or incorporated within Hungary; or

"'(22) An individual who at such time was a citizen of Hungary or who, at the time of the return of any money or other property, is a citizen of Hungary;—'

"SEC. 12. (a) Subsection (d) of section 9 of the trading with the enemy act, as amended, is amended to read as follows:

"'(d) Whenever an individual, deceased, would have been entitled, if living, to the return of any money or other property without filing the written consent provided for in subsection (m), then his legal representative may proceed for the return of such money or other property in the same manner as such individual might proceed if living, and such money or other property may be returned to such legal representative without requiring the appointment of an administrator, or an ancillary

administrator, by a court in the United States, or to any such ancillary administrator, for distribution directly to the persons entitled thereto. Return in accordance with the provisions of this subsection may be made in any case where an application or court proceeding by any legal representative, under the provisions of this subsection before its amendment by the settlement of war claims act of 1928, is pending and undetermined at the time of the enactment of such act. All bonds or other security given under the provisions of this subsection before such amendment shall be canceled or released and all sureties thereon discharged.'

"(b) Subsection (e) of section 9 of the trading with the enemy act, as amended, is amended by striking out the period at the end thereof and inserting a semicolon and the following: 'nor shall a debt be allowed under this section unless notice of the claim has been filed, or application therefor has been made, prior to the date of the enactment of the settlement of war claims act of 1928.'

"(c) Subsection (g) of section 9 of the trading with the enemy act, as amended, is amended to read as follows:

"'(g) Whenever an individual, deceased, would have been entitled, if living, to the return of any money or other property upon filing the written consent provided for in subsection (m), then his legal representative may proceed for the return of such money or other property in the same manner as such individual might proceed if living, and such money or other property may be returned, upon filing the written consent provided for in subsection (m), to such legal representative without requiring the appointment of an administrator, or an ancillary administrator, by a court in the United States, or to any such ancillary administrator, for distribution to the persons entitled thereto. This subsection shall not be construed as extinguishing or diminishing any right which any citizen of the United States may have had under this subsection prior to its amendment by the settlement of war claims act of 1928 to receive in full his interest in the property of any individual dying before such amendment.'

"SEC. 13. Subsections (j) and (k) of section 9 of the trading with the enemy act, as amended, are amended so as to comprise three subsections, to read as follows:

"'(j) The Alien Property Custodian is authorized and directed to return to the person entitled thereto, whether or not an enemy or ally of enemy and regardless of the value, any patent, trade-mark, print, label, copyright, or right therein or claim thereto, which was conveyed, transferred, assigned, or delivered to the Alien Property Custodian, or seized by him, and which has not been sold, licensed, or otherwise disposed of under the provisions of this act, and to return any such patent, trade-mark, print, label, copyright, or right therein or claim thereto, which has been licensed, except that any patent, trade-mark, print, label, copyright, or right therein or claim thereto, which is returned by the Alien Property Custodian and which has been licensed, or in respect of which any contract has been entered into, or which is subject to any lien or encumbrance, shall be returned subject to the license, contract, lien, or encumbrance.

"'(k) Except as provided in section 27, paragraphs (12) to (22), both inclusive, of subsection (b) of this section shall apply to the proceeds received from the sale, license, or other disposition of any patent, trade-mark, print, label, copyright, or right therein or claim thereto, conveyed, transferred, assigned, or delivered to the Alien Property Custodian, or seized by him.

"'(l) This section shall apply to royalties paid to the Alien Property Custodian, in accordance with a judgment or decree in a suit brought under subsection (f) of section 10; but shall not apply to any other money paid to the Alien Property Custodian under section 10.'

"SEC. 14. Section 9 of the trading with the enemy act, as amended, is amended by adding at the end thereof the following new subsections:

"'(m) No money or other property shall be returned under paragraphs (12), (13), (14), or (16) of subsection (b) or under subsection (g) or (n) or (to the extent therein provided) under subsection (p), unless the person entitled thereto files a written consent to a postponement of the return of an amount equal to 20 per cent of the aggregate value of such money or other property (at the time, as nearly as may be, of the return), as determined by the Alien Property Custodian, and the investment of such amount in accordance with the provisions of section 25. Such amount shall be deducted from the money to be returned to such person, so far as possible, and the balance shall be deducted from the proceeds of the sale of so much of the property as may be necessary, unless such person pays the balance to the Alien Property Custodian, except that no property shall be so sold prior to the expiration of six years from the date of the enactment of the settlement of war claims act of 1928 without the consent of the person entitled thereto. The amounts so deducted shall be returned to the persons entitled thereto as provided in subsection (f) of section 25. The sale of any such property shall be made in accordance with the provisions of section 12, except that the provisions of such section relating to sales or resales to, or for the benefit of, citizens of the United States shall not be applicable. If such aggregate value of the money or other property to be returned under paragraphs (12), (13), (14), or (16) of subsection (b) or under subsection (g) is less than $2,000, then the written consent shall not be required and the money or other property shall be returned in full without the temporary retention and investment of 20 per cent thereof.

"'(n) In the case of property consisting of stock or other interest in any corporation, association, company, or trust, or bonded or other indebtedness thereof, evidenced by certificates of stock or by bonds or by other certificates of interest therein or indebtedness thereof, or consisting of dividends or interest or other accruals thereon, where the right, title, and interest in the property (but not the actual certificate or bond or other certificate of interest or indebtedness) was conveyed, transferred, assigned, delivered, or paid to the Alien Property Custodian, or seized by him, if the President determines that the owner thereof or of any interest therein has acquired such ownership by assignment, transfer, or sale of such certificate or bond or other certificate of interest or indebtedness (it being the intent of this subsection that such assignment, transfer, or sale shall not be deemed invalid hereunder by reason of such conveyance, transfer, assignment, delivery, or payment to the Alien Property Custodian or seizure by him), and that the written consent provided for in subsection (m) has been filed, then the President may make in respect of such property an order of the same character, upon the same conditions, and with the same effect, as in cases provided for in subsection (b), including the benefits of subsection (c).

"'(o) The provisions of paragraph (12), (13), (14), (17), (18), (19), (20), (21), or (22) of subsection (b), or of subsection (m) or (n) of this section, and (except to the extent therein provided) the provisions of paragraph (16) of subsection (b), shall not be construed as diminishing or extinguishing any right under any other provision of this act in force immediately prior to the enactment of the settlement of war claims act of 1928.

"'(p) The Alien Property Custodian shall transfer the money or other property in the trust of any partnership, association, or other unincorporated body of individuals, or corporation, the existence of which has terminated, to trusts in the names of the persons (including the German Government and members of the former ruling family) who have succeeded to its claim or interest; and the provisions of subsection (a) of this section relating to the collection of a debt (by order of the President or of a court) out of money or other property held by the Alien Property Custodian or the Treasurer of the United States shall be applicable to the debts of such successor and any such debt may be collected out of the money or other property in any of such trusts if not returnable under subsection (a) of this section. Subject to the above provisions as to the collection of debts, each such successor (except the German Government and members of the former ruling family) may proceed for the return of the amount so transferred to his trust, in the same manner as such partnership, association, or other unincorporated body of individuals, or corporation might proceed if still in existence. If such partnership, association, or other unincorporated body of individuals, or corporation, would have been entitled to the return of its money or other property only upon filing the written consent provided for in subsection (m), then the successor shall be entitled to the return under this subsection only upon filing such written consent.

"'(q) The return of money or other property under paragraph (15), (17), (18), (19), (20), (21), or (22) of subsection (b) (relating to the return to Austrian and Hungarian nationals) shall be subject to the limitations imposed by subsections (d) and (e) of section 7 of the settlement of war claims act of 1928.'

"SEC. 15. The trading with the enemy act, as amended, is amended by adding thereto the following new sections:

"'SEC. 26. (a) The Alien Property Custodian shall allocate among the various trusts the funds in the "unallocated interest fund" (as defined in section 28). Such allocation shall be based upon the average rate of earnings (determined by the Secretary of the Treasury) on the total amounts deposited under section 12.

"'(b) The Alien Property Custodian, when the allocation has been made, is authorized and directed to pay to each person entitled, in accordance with a final decision of a court of the United States or of the District of Columbia, or of an opinion

of the Attorney General, to the distribution of any portion of such unallocated interest fund, the amount allocated to his trust, except as provided in subsection (c) of this section.

"'(c) In the case of persons entitled, under paragraph (12), (13), (14), or (16) of subsection (b) of section 9, to such return, and in the case of persons who would be entitled to such return thereunder if all such money or property had not been returned under paragraph (9) or (10) of such subsection, and in the case of persons entitled to such return under subsection (n) of section 9, an amount equal to the aggregate amount allocated to their trusts shall be credited against the sum of $25,000,000 invested in participating certificates under paragraph (1) of subsection (b) of section 25. If the aggregate amount so allocated is in excess of $25,000,000, an amount equal to the excess shall be invested in the same manner. Upon the repayment of any of the amounts so invested, under the provisions of section 4 of the settlement of war claims act of 1928, the amount so repaid shall be distributed pro rata among such persons, notwithstanding any receipts or releases given by them.

"'(d) The unallocated interest fund shall be available for carrying out the provisions of this section, including the expenses of making the allocation.

"'SEC. 27. The Alien Property Custodian is authorized and directed to return to the United States any consideration paid to him by the United States under any license, assignment, or sale by the Alien Property Custodian to the United States of any patent (or any right therein or claim thereto, and including an application therefor and any patent issued pursuant to any such application).

"'SEC. 28. As used in this act, the term "unallocated interest fund" means the sum of (1) the earnings and profits accumulated prior to March 4, 1923, and attributable to investments and reinvestments under section 12 by the Secretary of the Treasury, plus (2) the earnings and profits accumulated on or after March 4, 1923, in respect of the earnings and profits referred to in clause (1) of this section.

"'SEC. 29. (a) Where the Alien Property Custodian has made demand or requirement for the conveyance, transfer, assignment, delivery, or payment to him of any money or other property of any enemy or ally of enemy (whether or not suit or proceeding for the enforcement thereof has been begun and whether or not any judgment or decree in respect thereof has been made or entered) and where the whole or any part of such money or other property would, if conveyed, transferred, assigned, delivered, or paid to him, be returnable under any provision of this act, the Alien Property Custodian may, in his discretion, and on such terms and conditions as he may prescribe, waive such demand or requirement, or accept in full satisfaction of such demand, requirement, judgment, or decree, a less amount than that demanded or required by him.

"'(b) The Alien Property Custodian shall not make any such waiver or compromise except with the approval of the Attorney General; nor (if any part of such money or property would be returnable only upon the filing of the written consent required by subsection (m) of section 9) unless, after compliance with the terms and conditions of such waiver or compromise, the Alien Property Custodian or the Treasurer of the United States will hold (in respect of such enemy or ally of enemy) for investment as provided in section 25, an amount equal to 20 per cent of the sum of (1) the value of the money or other property held by the Alien Property Custodian or the Treasurer of the United States at the time of such waiver or compromise, plus (2) the value of the money or other property to which the Alien Property Custodian would be entitled under such demand or requirement if the waiver or compromise had not been made.

"'(c) Where the Alien Property Custodian has made demand or requirement for the conveyance, transfer, assignment, delivery, or payment to him of any money or other property of any enemy or ally of enemy (whether or not suit or proceeding for the enforcement thereof has been begun and whether or not any judgment or decree in respect thereof has been made or entered) and where the interest or right of such enemy or ally of enemy in such money or property has not, prior to the enactment of the settlement of war claims act of 1928, vested in enjoyment, the Alien Property Custodian may, in his discretion, and on such terms and conditions as he may prescribe, waive such demand and requirement, without compliance with the requirements of subsection (b) of this section, but only with the approval of the Attorney General.

"'(d) Nothing in this section shall be construed as requiring the Alien Property Custodian to make any waiver or compromise authorized by this section, and the Alien Property Custodian may proceed in respect of any demand or requirement referred to in subsection (a) or (c) as if this section had not been enacted.

"'(e) All money or other property received by the Alien Property Custodian as a result of any action or proceeding—whether begun before or after the enactment of the settlement of war claims act of 1928, and whether or not for the enforcement of a demand or requirements as above specified—shall for the purposes of this act be considered as forming a part of the trust in respect of which such action or proceeding was brought, and shall be subject to return in the same manner and upon the same conditions as any other money or property in such trust, except as otherwise provided in subsection (b) of this section.

"'SEC. 30. Any money or other property returnable under subsection (b) or (n) of section 9 shall, at any time prior to such return, be subject to attachment in accordance with the provisions of the code of law for the District of Columbia, as amended, relating to attachments in suits at law, and to attachments for the enforcement of judgments at law and decrees in equity, but any writ of attachment or garnishment issuing in any such suit, or for the enforcement of any judgment or decree, shall be served only upon the Alien Property Custodian, who shall for the purposes of this section be considered as holding credits in favor of the person entitled to such return to the extent of the value of the money or other property so returnable. Nothing in this section shall be construed as authorizing the taking of actual possession, by any officer of any court, of any money or other property held by the Alien Property Custodian or by the Treasurer of the United States.

"'SEC. 31. As used in this act, the term "member of the former ruling family" means (1) any person who was at any time between April 6, 1917, and July 2, 1921, the German Emperor or the ruler of any constituent kingdom of the German Empire, or (2) the wife or any child of such person.'

FUGITIVES FROM JUSTICE

"SEC. 16. Section 22 of the trading with the enemy act, as amended, is amended to read as follows:

"'SEC. 22. No person shall be entitled to the return of any property or money under any provision of this act, or any amendment of this act, who is a fugitive from justice of the United States or any State or Territory thereof, or the District of Columbia.'

RETURN OF INCOME

"SEC. 17. Section 23 of the trading with the enemy act, as amended, is amended to read as follows:

"'SEC. 23. The Alien Property Custodian is directed to pay to the person entitled thereto, from and after March 4, 1923, the net income (including dividends, interest, annuities, and other earnings), accruing and collected thereafter, in respect of any money or property held in trust for such person by the Alien Property Custodian or by the Treasurer of the United States for the account of the Alien Property Custodian, under such rules and regulations as the President may prescribe.'

TAXES

"SEC. 18. Section 24 of the trading with the enemy act, as amended, is amended by inserting '(a)' after the section number and by adding at the end of such section new subsections to read as follows:

"'(b) In the case of income, war-profits, excess-profits, or estate taxes imposed by any act of Congress, the amount thereof shall, under regulations prescribed by the Commissioner of Internal Revenue with the approval of Secretary of the Treasury, be computed in the same manner (except as hereinafter in this section provided) as though the money or other property had not been seized by or paid to the Alien Property Custodian, and shall be paid, as far as practicable, in accordance with subsection (a) of this section. Pending final determination of the tax liability the Alien Property Custodian is authorized to return, in accordance with the provisions of this act, money or other property in any trust in such amounts as may be determined, under regulations prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, to be consistent with the prompt payment of the full amount of the internal-revenue taxes.

"(c) So much of the net income of a taxpayer for the taxable year 1917, or any succeeding taxable year, as represents the gain derived from the sale or exchange by the Alien Property Custodian of any property conveyed, transferred, assigned, delivered, or paid to him, or seized by him, may at the option of the taxpayer be segregated from the net income and separately taxed at the rate of 30 per cent. This subsection shall be applied and the amount of net income to be so segregated shall be determined, under regulations prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the

Treasury, as nearly as may be in the same manner as provided in section 208 of the revenue act of 1926 (relating to capital net gains), but without regard to the period for which the property was held by the Alien Property Custodian before its sale or exchange, and whether or not the taxpayer is an individual.

"(d) Any property sold or exchanged by the Alien Property Custodian (whether before or after the date of the enactment of the settlement of war claims act of 1928) shall be considered as having been compulsory or involuntarily converted, within the meaning of the income, excess-profits, and war-profits tax laws and regulations; and the provisions of such laws and regulations relating to such a conversion shall (under regulations prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury) apply in the case of the proceeds of such sale or exchange. For the purpose of determining whether the proceeds of such conversion have been expended within such time as will entitle the taxpayer to the benefits of such laws and regulations relating to such a conversion, the date of the return of the proceeds to the person entitled thereto shall be considered as the date of the conversion.

"(e) In case of any internal-revenue tax imposed in respect of property conveyed, transferred, assigned, delivered, or paid to the Alien Property Custodian, or seized by him, and imposed in respect of any period (in the taxable year 1917 or any succeeding taxable year) during which such property was held by him or by the Treasurer of the United States, no interest or civil penalty shall be assessed upon, collected from, or paid by or on behalf of, the taxpayer; nor shall any interest be credited or paid to the taxpayer in respect of any credit or refund allowed or made in respect of such tax.

"'(f) The benefits of subsections (c), (d), and (e) shall be extended to the taxpayer if claim therefor is filed before the expiration of the period of limitations properly applicable thereto, or before the expiration of six months after the date of the enactment of the settlement of war claims act of 1928, whichever date is the later. The benefits of subsection (d) shall also be extended to the taxpayer if claim therefor is filed before the expiration of six months after the return of the proceeds.'

"SEC. 19. Subsection (f) of section 10 of the trading with the enemy act, as amended, is amended by adding at the end thereof the following new paragraph:

"'In the case of any such patent, trade-mark, print, label, or copyright, conveyed, assigned, transferred, or delivered to the Alien Property Custodian or seized by him, any suit brought under this subsection, within the time limited therein, shall be considered as having been brought by the owner within the meaning of this subsection, in so far as such suit relates to royalties for the period prior to the sale by the Alien Property Custodian of such patent, trade-mark, print, label, or copyright, if brought either by the Alien Property Custodian or by the person who was the owner thereof immediately prior to the date such patent, trade-mark, print, label, or copyright was seized or otherwise acquired by the Alien Property Custodian.'

"SEC. 20. The proviso of paragraph (10) of subsection (b) of section 9 of the trading with the enemy act, as amended (relating to the return to certain insurance companies), is repealed.

SHIP CLAIMS OF FORMER GERMAN NATIONALS

"SEC. 21. (a) It shall be the duty of the arbiter to hear the claims of any partnership, association, joint-stock company, or corporation, and to determine the amount of compensation to be paid to it by the United States, in respect of the merchant vessels *Carl Diederichsen* and *Johanne* (including any equipment, appurtenances, and property contained therein), title to which was taken by or on behalf of the United States under the authority of the joint resolution of May 12, 1917, and which were subsequently sold by or on behalf of the United States. Such compensation shall be determined as provided in paragraph (1) of subsection (b) of section 3 of this act, but the aggregate compensation shall not exceed, in the case of the *Carl Diederichsen*, $166,787.78 and in the case of the *Johanne*, $174,600 (such amounts being the price for which the vessels were sold, less the cost of reconditioning). The arbiter shall not make any award under this section in respect of the claim of any partnership, association, joint-stock company, or corporation unless it appears to his satisfaction that all its members and stockholders who were, on April 6, 1917, citizens or subjects of Germany, became, by virtue of any treaty of peace or plebiscite held or further treaty concluded under such treaty of peace, citizens or subjects of any nation other than Germany, and that all its members and stockholders on the date of the enactment of this act were on such date citizens or subjects of nations other than Germany.

"(b) Upon the determination by him of such compensation the arbiter shall enter an award in favor of such person of the amount of such compensation and shall certify such award to the Secretary of the Treasury. The amount of such award, together with interest thereon, at the rate of 5 per cent per annum, from July 2, 1921, until the date of such payment, shall be paid by the Secretary of the Treasury, in accordance with such regulations as he may prescribe. There is authorized to be appropriated such amount as may be necessary to make such payment.

"(c) No payment shall be made in respect of any award under this section unless application therefor is made, within two years after the date such award is certified, in accordance with such regulations as the Secretary of the Treasury may prescribe, and payment shall be made only to the person on behalf of whom the award was made except in the cases specified in paragraphs (1) to (4) of subsection (k) of section 3. The provisions of subsections (c), (l), (m), (o), and (r) of section 3 shall be applicable in carrying out the provisions of this section.

"(d) The provisions of this section shall constitute the exclusive method for the presentation and payment of claims arising out of any of the acts by or on behalf of the United States for which this section provides a remedy. Any person who files any claim or makes application for any payment under this section shall be held to have consented to all the provisions of this act. This subsection shall not bar the presentation of a claim under section 3 (relating to the ship claims of German nationals) in respect of the taking of the vessel *Carl Diederichsen* or the vessel *Johanne;* but no award shall be made under section 3 in respect of either of such vessels to or on behalf of any person to whom or on whose behalf an award is made under this section in respect of such vessel.

DEFINITIONS

"SEC. 22. As used in this act—

"(a) The term 'person' means an individual, partnership, association, or corporation.

"(b) The term 'German national' means—

"(1) An individual who, on April 6, 1917, was a citizen or subject of Germany, or who, on the date of the enactment of this act, is a citizen or subject of Germany.

"(2) A partnership, association, or corporation, which on April 6, 1917, was organized or created under the law of Germany.

"(3) The Government of Germany.

"(c) The term 'member of the former ruling family' means (1) any person who was at any time between April 6, 1917, and July 2, 1921, the German Emperor or the ruler of any constituent kingdom of the German Empire, or (2) the wife or any child of such person.

"(d) The term 'Austrian national' means—

"(1) An individual who, on December 7, 1917, was a citizen of Austria, or who, on the date of the enactment of this act, is a citizen of Austria.

"(2) A partnership, association, or corporation which on December 7, 1917, was organized or created under the law of Austria.

"(3) The Government of Austria.

"(e) The term 'Hungarian national' means—

"(1) An individual who, on December 7, 1917, was a citizen of Hungary, or who, on the date of the enactment of this act, is a citizen of Hungary.

"(2) A partnership, association, or corporation which, on December 7, 1917, was organized or created under the law of Hungary.

"(3) The Government of Hungary.

"(f) The term 'United States' when used in a geographical sense includes the Territories and possessions of the United States and the District of Columbia.

LEGISLATIVE COUNSEL AND SPECIAL ASSISTANT TO SECRETARY OF THE TREASURY

"SEC. 23. (a) Section 1303(d) of the revenue act of 1918, as amended by section 1101 of the revenue act of 1924, is amended by adding at the end thereof a sentence to read as follows: 'Notwithstanding the foregoing provisions, the compensation of each of the two legislative counsel in office upon the date of the enactment of the settlement of war claims act of 1928 shall, after such date, be at the rate of $10,000 a year.'

"(b) The salary of the special assistant to the Secretary of the Treasury in matters of legislation, so long as the position is held by the present incumbent, shall be at the rate of $10,000 a year."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title, and agree to the same.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JOHN N. GARNER,
J. W. COLLIER,
Managers on the part of the House.

REED SMOOT,
CHARLES CURTIS,
DAVID A. REED,
PETER G. GERRY,
PAT HARRISON,
Managers on the part of the Senate.

Mr. SMOOT. Mr. President, in presenting the report of the conference on the settlement of war claims act, it may be well for me to explain briefly the action of the conference. The differences between the Senate and the House were not great and, except in one or two instances, occasioned practically no difficulties.

DECLARATION OF POLICY

The Senate struck out the declaration of policy contained in section 2 of the House bill, and the House receded.

AUSTRIA AND HUNGARY

The Senate adopted a series of amendments relating to the Austrian and Hungarian situation; and the House accepted all of them. Under the bill, consequently, all the property held by the Alien Property Custodian of Austrian or Hungarian nationals, including their proper share of the unallocated interest fund, will be returned and all claims of their nationals against the United States for patents used or purchased by the United States will be adjudicated and paid in full as soon as their government provides for the payment of the claims of American nationals.

CLAIMS OF AMERICAN NATIONALS AGAINST GERMANY

The Senate amendment contained a provision intended to relieve the situation occasioned by the failure of American claimants to file their claims within the six months' period specified in the exchange of notes at the time of signing the agreement creating the Mixed Claims Commission. This provision requests the President to enter into negotiations with the German Government with a view to extending the time so that claims otherwise within the jurisdiction of the Mixed Claims Commission can be considered by it if presented at any time prior to July 1, 1928. This provision was accepted by the House with an amendment providing for the filing of the claims with the State Department rather than their presentation to the Mixed Claims Commission, prior to July 1, 1928. Claims which have already been filed with the State Department should be presented by the State Department to the Mixed Claims Commission without imposing upon the claimants the additional burden of again filing their claims.

The Senate authorized the Secretary of the Treasury to make payments to American claimants under paragraph (5) of subsection (c) of section 4, without waiting for the Mixed Claims Commission to complete its consideration of the claims presented to it. This provision should expedite payments to American citizens considerably and was accepted by the House.

The Senate also provided that $40,000,000 of the funds in the hands of the Alien Property Custodian should be immediately available for the payment of awards of the Mixed Claims Commission, without awaiting the decisions of the Alien Property Custodian upon the claims filed with him. The House receded.

CLAIMS OF GERMAN NATIONALS AGAINST THE UNITED STATES

The Senate provided that the appointment of the arbiter, who is to adjudicate the claims against the United States for ships, patents, and the radio station, should be subject to confirmation by the Senate. This provision was accepted.

The Senate provisions for the appointment of a special counsel to represent the United States in the proceedings before the arbiter were eliminated.

The provisions of the Senate proposing to adjudicate and pay claims on account of the Tuckerton radio station were also stricken out.

The Senate provided that the awards of the arbiter should include interest to January 1, 1929, instead of to January 1, 1928, as in the House bill, so as to include an additional year's interest in the maximum limitation. This provision was accepted.

The Senate amendment provided that the findings of the Naval Board of Survey as to the values of the ships should be competent evidence in the proceedings before the arbiter. The House accepted this provision.

The Senate amendment placed upon the claimants before the arbiter the burden of proving that neither the German Government nor any member of the former ruling family had any interest, direct or indirect, in the ships; and the House receded.

The Senate also inserted a definition of the term "member of the former ruling family," to be applicable to claims before the arbiter and also to the return of property held by the Alien Property Custodian. The rulers of the constituent States of the German Empire were included in the definition, the effect of which was to prevent the payment of any compensation or the return of any alien property to them. The provisions of the House bill had limited the term to the German Emperor and his family. The conference action proposes to amend the Senate definition so that it will be applicable only to the German Emperor and the Kings of the three constituent kingdoms—Bavaria, Saxony, and Wurttemberg, the Emperor having been also the King of Prussia—and their wives and children.

The Senate inserted a separate section providing for the payment of compensation on account of two ships which were owned by German associations or corporations all the German members of which became, under the plebiscite under the Versailles treaty, citizens of Denmark, and who are, on the date that the bill becomes law, citizens of a country other than Germany. This provision was accepted by the House with an amendment making it clear that all the interests on the date that the bill becomes law are non-German, whether or not the individuals now having an interest are the same as those formerly having an interest.

RETURN OF ALIEN PROPERTY

The Senate amendment provided that all property held by the Alien Property Custodian should be considered as the property of the German Government if a claim therefor was not filed within six months or if the ownership thereof was not established under a claim duly filed. The House accepted this provision with amendments permitting claims to be filed within one year after the bill becomes law and providing that if a claim is or has been filed, the ownership must be established by a decision of the Alien Property Custodian or by a court decision in an action heretofore instituted, or instituted within one year after the decision of the Alien Property Custodian, or, in cases where the custodian has already decided the claim, then if instituted within one year from the date on which the bill becomes law. No limitation is imposed, of course, upon the time within which the Alien Property Custodian must reach his decision.

The Senate amendment enlarged paragraph (16) of subsection (b) of section 9 of the trading with the enemy act, so that any individual, partnership, association, or corporation could elect to apply for the return of property under this paragraph, without proof of citizenship or nationality, if they were willing to file the written consent to the retention of 20 per cent of the property. The House receded.

The Senate provided in its amendment to subsections (d), (g), and (p) of section 9 of the trading with the enemy act that in the case of the dissolution of the partnership, association, or corporation the successors in interest would proceed for the return in the same manner as the original owner, and that the right to the return of all or a part of the property would be dependent upon the status of the former owner, rather than the status of the successors in interest. This provision was accepted by the House.

The Senate provided that trusts of less than $2,000 could be returned to German nationals in full. The House receded.

The Senate removed the limitations in section 12 of the trading with the enemy act upon sales by the Alien Property Custodian, so that the sales would not be restricted to American citizens. This provision was accepted.

The Senate authorized the Alien Property Custodian to waive or compromise outstanding demands or actions in any case with the approval of the Attorney General, and also permitted the waiver of outstanding demands for interest not vested in enjoyment, without regard to the provisions requiring the Alien Property Custodian to hold 20 per cent of the property of German nationals. These provisions were accepted by the House.

The Senate amendment providing that all moneys recovered in suits brought by the Alien Property Custodian should be placed in the trust in respect of which the suit was brought was also accepted by the House.

The Senate amended subsection (f) of section 10 of the trading with the enemy act so as to provide that suits for reasonable royalties brought either by the original owners of the patents or by the Alien Property Custodian should be considered as having been properly brought for the purposes of this section. It will be noted that subsection (1) of section 9, added by section 13 of the bill, provides that royalties recovered by the Alien Property Custodian in suits instituted by him will be

returned under section 9 to the former German owner. The House receded.

The Senate added two provisions relative to the return of money held by the Alien Property Custodian and belonging to insurance companies. During the enactment of the Winslow Act the Senate added a proviso to paragraph (10) of subsection (b) of section 9 of the trading with the enemy act prohibiting the return under this paragraph to insurance companies unless and until the companies paid claims filed against them. The House insisted that this proviso be repealed and accordingly the Senate amendment—section 20 of the Senate bill—was adopted. The Senate also added a provision prohibiting any return to the insurance companies until suits brought against them, in which the statute of limitations was suspended and in which any number of claimants could join, had been satisfied. This provision is eliminated.

In order to afford a remedy for American creditors of persons whose property is held by the Alien Property Custodian, the Senate provided that any money or other property returnable under subsection (b) or (n) of section 9 should be subject to attachment. This provision was accepted by the House, with an amendment making clear that it was also applicable to attachments for the purpose of enforcing judgments or decrees. The Senate amendment also contained a paragraph the effect of which was to make the principles of law and equity in force in the District of Columbia applicable to suits brought against any person to whom any money or other property was returnable involving a purchase of shares in an American corporation. This paragraph was eliminated.

The Senate amendment provided that the participating certificates representing the interest of German nationals in the unallocated interest fund should bear simple interest at the rate of 5 per cent per annum, payable after all other payments under the bill had been completed. This provision was eliminated.

ATTORNEYS' FEES

The Senate bill provided for the fixing of attorneys' fees in every case in the proceedings before the Mixed Claims Commission, the Tripartite Claims Commission, or the arbiter and, in addition to the fine imposed for a violation, provided that any attorney who violates the provisions of the section should be disqualified from practice before the executive departments. This provision was accepted with an amendment providing for the fixing of attorneys' fees only in case of a request from the client within 60 days after the mailing of a notice to him, and imposing as a penalty a fine of not more than four times the amount of the aggregate consideration accepted. It was felt that the ordinary disbarment proceedings were adequate.

FEDERAL TAXATION

The House bill provided that the Federal taxes should be computed in the same manner as though the property had not been seized by the Alien Property Custodian, and should be paid wherever possible out of the funds held by the Alien Property Custodian. The Senate added five qualifications: First, that, in the case of the disposition of capital assets, the rate should not exceed 12½ per cent; second, that the provisions of the regulations and laws relating to involuntary conversion should be applicable; third, that no interest or penalties should be payable by the taxpayer and that no interest on refunds should be payable by the Government; fourth, that claims for refund could be filed within six months after the bill becomes law, notwithstanding the expiration of the ordinary statutory period, and according to the Government the corresponding right to assess within six months; and fifth, that tentative returns could be filed and tentative assessments made, and that the 20 per cent of the property withheld should be retained by the Alien Property Custodian as security for the payment of any deficiency finally determined to be due. The first provision was accepted by the House with an amendment making the maximum rate 30 per cent and also making it certain that it applies to partnerships, associations, and corporations as well as to individuals. The second and third provisions were accepted without change. The fourth provision was amended so as to permit the filing of claims for refund solely for the purpose of obtaining the benefit of the provisions just referred to. A substitute for the fifth provision was agreed to, permitting the return, prior to a final determination of tax liability, under Treasury regulations which will protect the interests of the Government. For example, a partial return could be authorized if the remainder (not including the 20 per cent) would be sufficient to meet the probable tax liability, or if a bond were given in an amount sufficient to cover the probable tax liability.

ABOLITION OF ALIEN PROPERTY CUSTODIAN'S OFFICE

The Senate bill provided that upon the expiration of 18 months the Alien Property Custodian's office should be abolished and its functions transferred to the Treasury Department. This provision is stricken out.

CONCLUSION

I believe that this bill presents one of the most important matters of legislation which have been before Congress. It is far-reaching in international policy, it involves tremendous sums of money, and it affects a vast number of persons. The basic policies of the bill are sound. I am glad, indeed, that it is soon to become law.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SHORTRIDGE. Mr. President, it may appear ungracious for me to throw in a discordant note. That it is a very important report which we now have under consideration is manifestly so, and that it has met with the unqualified—I will not say hasty—approval of the Senate conferees is a matter perhaps in doubt. It does not meet with my approval, however, which at this stage of proceedings may be of little consequence. I listened to the Senator from Utah [Mr. SMOOT] in vain to hear some comment in respect of an amendment which was put on the bill and was in the bill when it left the Senate. That amendment was found on pages 104 and 105 of the bill.

Mr. SMOOT. That amendment had reference to money held by the Alien Property Custodian and belonging to certain insurance companies?

Mr. SHORTRIDGE. Yes, sir; my amendment did have reference to certain moneys in the hands of the Alien Property Custodian belonging provisionally to certain fire insurance companies which once operated in California, in San Francisco, and which funds were seized long ago by virtue of an amendment to the trading with the enemy act and held by virtue of an amendment which I caused to be made to what was known as the Winslow bill.

The Senate will recall that it seemed proper and just and perhaps wise to amend the trading with the enemy act so as to permit the withdrawal from the custody of this country of certain property up to, I believe, $10,000, but, due to an amendment which I was happy to have adopted to that proposed amendment of the main act, three German fire-insurance companies were not permitted to avail themselves of the law concerning the withdrawal of funds.

I will trouble those who are listening to recall briefly certain tragic facts. It was on the morning of April 18, 1906, when the earth trembled and in San Francisco there was a great catastrophe. To be very plain about it, there was an earthquake. It was followed by a great and destructive fire, and what was once the beautiful city lay in ashes. The cottage and the palace, the humble church and the noble cathedral, the whole building structure of the city lay in ashes and the people were prostrated by the great catastrophe.

These German fire-insurance companies had outstanding and in full force and effect a great many policies. Such was the distress of the people, such was the pressing necessity resting on them, that, as charged, certain settlements were secured by the gross, the wicked fraud of these companies.

Gentlemen of the highest character, lawyers of eminence representing hundreds of claimants, have asked Congress to withhold money of these companies now in the hands of the Alien Property Custodian until just settlement shall be made with these companies. It is charged, Mr. President, that these settlements were secured by gross fraud, such fraud, indeed, as would cause any court of equity in the civilized world to set them aside. Contracts entered into through false words spoken or true words withholden, contracts entered into through gross misrepresentation of facts, of course will be set aside in any court of equity in any civilized country on the rolling earth.

I will not now take up the time to go into detail as to the nature or character of the fraudulent acts or representations which resulted in these settlements; but perhaps to make the matter clear I should say that under the state of facts and the law it has been necessary, and it is necessary, for these claimants to go into a court of equity and have these contracts set aside. The claimants, however, filed their claims with the Alien Property Custodian; but it was necessary, as stated—and the claimants were so advised—to bring actions in a court of equity, in the Federal court exercising equity jurisdiction, to avoid or set aside these contracts.

Now, what have I asked, and what do these claimants ask, and what was incorporated in this bill as it went from the Senate? It was this:

That these claimants might assign or combine the various claims so that one action might be brought and all contracts determined to be valid or invalid as the truth might develop.

It was a question of law and procedure in the Federal courts as to whether you may thus assign various claims to one who may become the plaintiff in the action. Therefore, the bill asked that all these claims might be combined in one action, thus and thereby saving expense and time of all parties concerned.

What else was asked? This:

Time has run. Time has the habit of running. It is ever on the wing, and therefore it was well understood by everybody that if these citizens of California should go into the court and seek to avoid these fraudulent contracts, these same German fire-insurance companies could and no doubt would interpose the statute of limitations or the equitable defense of laches; wherefore we have asked that as to the statute of limitations or the equitable defense of laches these prospective defendants might not be permitted to interpose either of those defenses.

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

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

Mr. SHORTRIDGE. Certainly.

Mr. KING. Information was brought to my attention during the consideration of the bill in the Finance Committee that most, if not all, of the claims of California citizens for relief were against German companies and some American companies bearing German names that are getting nothing whatever under this bill; in other words, that the two or three insurance companies that have funds in the hands of the Alien Property Custodian did make settlement with all of the persons who were insured by them, paying as much as 75 and 80 per cent, and in some instances more. My information was that there were some companies, however, two or three of them American companies bearing German names, and several German companies, that did not make proper or adequate settlement with their insured, but that those corporations are not beneficiaries under this bill. I should be glad to be advised if such is the fact.

Mr. SHORTRIDGE. I understand that this amendment was introduced, this legislation is sought, in behalf of claimants against three certain companies, and I will advertise them by naming them—the Hamburg-Bremen, the Aschen Munich, and the Prussian National Fire Insurance Cos. This amendment and this proposed legislation refers to and aims at those three companies.

As to other companies referred to by the Senator, there may be other frauds committed. I am not prepared to say, to admit, or to deny. But gentlemen of character—not pettifoggers, not police-court shysters, but lawyers of eminence and established reputation and of learning—have fathered this proposed legislation; and they have said, as I in a poor way have said, that the purpose of this legislation was not to do more than to have a court of equity, a United States court exercising equitable jurisdiction, pass on the merits of certain contracts which, it is alleged, were entered into through gross fraud; and to the end that the court might pass upon the contracts on their merits the Congress was asked to provide in this bill that these companies might not come into court and in effect say, "Yes; we did enter into these contracts through fraud, but the statute of limitations protects us, or the doctrine of laches protects us," and send the complainants away without any relief.

That is all that has been asked—to join in one action all these three or four or five hundred claims, and provide that the statute of limitations or the doctrine of laches might not be interposed to defeat a trial upon the merits.

Now, I will trouble the Senate for a moment longer to say this:

I do not wish to do more than merely ask the Senate in memory to picture conditions in San Francisco as of the time of entering into these contracts. Babylon in all her desolation was not to be compared to the conditions in that once great, majestic, beautiful city. I am grateful and happy to add that she has risen, and stands to-day by the Golden Gate one of the most beautiful cities in all the world. But as of the time these contracts were entered into by these people, they were in great distress. In the contemplated action the court would, of course, consider all the facts laid before it, and if it be that fraud was practiced the court would so determine. As I have said to gentlemen representing these companies, I should think they would welcome an opportunity to show that they had acted in the utmost good faith, to the end that if they are right they would be vindicated, their reputation enhanced, and commercially speaking, they would be benefited. But they have refused and fought against coming into court and laying the cards on the table.

"How was this fraud accomplished?" may still be asked. It was represented that these companies were bankrupt, that they had no funds in America subject to attachment, no funds with which to pay the adjusted claims; and gentlemen here familiar with legal procedure will remember that as of that time—and I think now—a judgment obtained against any one of those companies in America could not be enforced in a German court, as judgments obtained against nationals of Great Britain or Italy or France, for example, could have been and can now be enforced. Under the law as it then was, if you obtained a judgment here in America against one of those companies and proceeded to Germany to enforce it, you had to commence the action anew and try the case de novo. You could not file an exemplified or certified copy of the judgment and then seek execution of it, as you could in a case of a judgment lodged in an English court. Therefore the San Francisco claimants were told, in effect, this: "We have no money here to pay these adjusted losses. You accept this amount or proceed to Germany and enforce your claims there."

In a word, and for brevity, the facts as charged here—and I will not take the time to run over them—if true, I venture to express the opinion, would cause a court of equity to set aside these agreements. But it is not for me to give my opinion or ask the Senate and Congress to rely wholly upon it. The papers in the case set out the facts; the attorneys representing these claimants vouch for them and claim that they can establish them all and are willing to leave the matter, then, to a court of equity.

I was hopeful, Mr. President, that the Senate conferees might persuade the conferees of the House to retain this amendment in whole in the bill, or that the amendment might be modified somewhat along these lines: In so far as the funds now in the possession of the Alien Property Custodian are concerned, let them be released; for these companies now have funds in America. Judgments obtained against them can now be enforced in America; and, therefore, personally, I should have been quite content to have eliminated from the amendment the provision as to holding the funds longer by the custodian, and to provide as follows:

> In any action brought within 90 days after the enactment of this act by one or more persons who, prior to the date of the enactment of this act, have filed with the Alien Property Custodian one or more claims against any insurance partnership, association, or corporation for unpaid amounts for losses or damages caused directly or indirectly by the great San Francisco conflagration of April, 1906, neither the statute of limitations nor laches shall be considered as a defense; and any number of such persons may join in any such action.

That is all we have sought, and therefore I regret exceedingly that the Senate conferees, I will not say surrendered, but, to be milder in expression, yielded to the persuasion or to the threat of the House conferees.

Upon what raw meat do these House conferees feed that they have become so dominant, so aggressive, and so defiant? Is it because they call themselves the popular House? I venture to believe that we are just as popular as they are.

Mr. COPELAND. Does the Senator mean that they are as unpopular as we are?

Mr. SHORTRIDGE. I do not admit that the Senate is unpopular. Look at these galleries. The occupants of them applaud occasionally, and the people afar off approve of us.

I would like to know, however, in my own simple, far western way, why it is that when an amendment is adopted in the Senate at a late hour in the afternoon, without discussion, but, as I claim, a meritorious amendment, the House conferees would not permit any explanation before them. They knew nothing about it. They were in Egyptian darkness.

I understand a suggestion was made that I, or some one better qualified, appear before the conferees and explain this amendment. Upon its face it may not have been fully understood, but it would have been easy for me there, much easier than it has been here, to explain it. It was a very simple amendment, merely providing that various claimants might join in one action and try all these matters in one action; and, secondly, that these defendant companies, charged, I ask Senators to observe, with fraudulent conduct and with bringing about contracts through gross fraud, be not permitted to interpose the statute of limitations or the equitable doctrine of laches as a defense. That is all that was asked. Yet I am told that the House conferees, with a sort of lordly attitude, refused to permit any discussion or any argument, or to receive any information in respect of this amendment. If I do them wrong, I am at fault; and, of course, will prostrate myself in begging forgiveness.

Mr. CARAWAY. Mr. President, will the Senator permit me to ask a question?

Mr. SHORTRIDGE. Certainly.

Mr. CARAWAY. Is not information always at a very low ebb in a conference? There is not much demand for it, as far as I have been able to observe.

Mr. SHORTRIDGE. Of course, the chairman of our great committee undertakes to report what takes place there. If I do not understand it, it is not because he is not clear, but due to my inability.

Mr. CARAWAY. Do not be too modest.

Mr. SHORTRIDGE. Frankly, I rarely grasp fully what is going on in a conference or what is reported.

In all candor and seriousness, I wish to sum up what I set out to say. A great catastrophe overwhelmed a city and its people. Certain great companies that had reaped millions, perhaps, from those same people in the carrying on of business, had outstanding insurance policies. The losses were admitted, and they were adjusted in each and every of these three or four hundred cases. When it came to pay the companies represented that they were bankrupt and intended to abandon California and the United States, that they had no funds here with which to pay. The claimants, as we will term them, were forced, through dire necessity, and for the reasons assigned by these companies, to accept practically what they offered, and certain contracts of settlement were entered into.

When these claims were presented to the Alien Property Custodian the claimants were advised that it was necessary for them to go into a court of equity and have these contracts set aside. The bill, therefore, asked that they might combine in one action, and that the statute of limitations or the equitable doctrine should not be interposed as a defense, all to the end that the cases be tried upon their merits. That is all this amendment provided for.

Mr. CARAWAY. Mr. President, when I was a Member of the House that same matter was before the Committee on the Judiciary. What was ever done with the measure covering that subject?

Mr. SHORTRIDGE. If the Senator refers to this immediate case——

Mr. CARAWAY. No; it was much later than that, about 1914 or 1915, when there was before the House some legislation affecting these insurance companies which did not pay their losses in the San Francisco fire.

Mr. SHORTRIDGE. That was before these events.

Mr. CARAWAY. That had nothing to do with the matter the Senator is now discussing?

Mr. SHORTRIDGE. No. But I remind the Senator, and he will recall, for I think he was then a member of the Judiciary Committee of the Senate, when the so-called Winslow bill was passed here two or three years ago, I offered an amendment to the bill, which was adopted and became a part of the law, whereby all these funds in the hands of the Alien Property Custodian were held up, and they are still held by the custodian, and it is provided in that very law that they shall not be delivered over until this relief which I am seeking is granted, or at least until the actions shall be commenced and the matter decided. But this bill, of course, when it goes through, will impliedly, at any rate, repeal the Winslow provision.

Mr. CARAWAY. The Senator wants to be certain that this bill will not release the properties of these insurance companies until they have paid?

Mr. SHORTRIDGE. I do; I do not want them released.

Mr. CARAWAY. The Senator is protesting against it?

Mr. SHORTRIDGE. Yes.

Mr. CARAWAY. I find myself in much sympathy with the Senator's position.

Mr. SHORTRIDGE. It is only in fairness that I add that these companies doubtless would appear and claim that they had entered into just and fair settlements. Of course, the claimants, represented, as I have said, by lawyers of eminence and of established reputation for character at our bar, assert and claim ability to prove such facts as would cause the court to set aside all these contracts.

I have detained the Senate perhaps too long, but I have deemed it proper to say what I have said in order that the Senate, and perhaps others, might know exactly what was sought and why I thought and think this amendment should have remained in the bill and become a part of the law.

I hope it is not necessary for me to say that there is nothing personal in this amendment, no personal hostility to individuals; but when gentlemen I have known all my life, representing these claimants, write to me, furnish me with briefs as to the law and the facts, and earnestly urge appropriate legislation, I must pay heed to them and respect their views.

I realize that it is perfectly idle for me to hope to prevent the adoption of this report, but I take occasion to say that, even though the report shall be adopted and the bill as amended become a law, perhaps we are not without hope, perhaps not without possible relief, for I imagine that a separate and independent bill may be introduced seeking in effect the same relief. Of course, the funds will have gone out of the possession of the Government, but if the Congress shall pass a simple bill authorizing the combining of the claims into one action and provide that the defenses which I have mentioned may not be interposed, the claimants can maintain the action and perhaps ultimately recover, should the court decide in their favor.

Since certain gentlemen are listening, I wish to add that there is no question under the authorities as to the power and, in proper case, propriety of Congress enacting a law suspending the statute or the equitable defense mentioned. Of course, no man has a vested right in the statute of limitations, no man has a vested right in the equitable doctrine of laches, and it is perfectly competent for Congress or for a State legislature to provide that neither of those defenses shall be set up. That was decided many, many years ago by the Supreme Court of the United States. But if anyone wishes to pursue the matter as to the power of Congress to enact a law suspending the statute of limitations or laches as a defense to claims of this or other character, I refer him to the early case of Campbell *v.* Holt (115 U. S. 620; 29 L. Ed. 483). That decision by the Supreme Court stands. It was followed by a great many others, which need not now be cited. I conclude by again expressing regret that in conference on this bill the House conferees were the more powerful. But I am not without hope that justice will yet be done to these defrauded claimants.

Mr. KING. Mr. President, the lamentations of my friend from California find a responsive place in my heart. If the facts are as stated by him, a situation is presented which should seriously engage the attention of the Senate. I appreciate, however, that no matter how serious the infirmities are in the pending measure, its progress can not be arrested and that it will soon become law. When the bill was before the Finance Committee I offered various amendments which were accepted. On the floor of the Senate I tendered a number of further amendments, substantially all of which were agreed to. I regret to learn that the conferees have not adopted two of the amendments which the Senate accepted; and the conference report, if adopted, effectually kills such amendments.

I regret that the Senate conferees did not insist upon these two amendments, because I regard them—at least, one of them—as of very great importance. I appreciate, however, that few laws are enacted except upon the basis of compromises. The measure before us deals with a multitude of questions, complicated and difficult of solution; it is therefore not to be wondered at that any legislation dealing with these matters must be the result of concessions. Is it not difficult to announce academic propositions and to declare what principles ought to be applied, but the situation dealt with in this bill presented concrete questions and questions of policy. Governmental questions were involved, and the course to be pursued must be determined in part at least by treaties between the German Government and the allied nations and between Germany and the United States. Moreover, the nationals of the two countries entered into certain agreements with respect to their claims, and their wishes called for consideration by Congress even if they were not determinative of the questions involved. I was not satisfied with the bill which came from the House, nor was I satisfied with the measure after it passed the Senate. I believed that the Senate bill improved the House bill, but even then there were provisions in the bill that did not meet my approval. And I am not satisfied now with the measure as it comes from the committee of conference. I realize, however, that no further changes can be made. If this bill is not accepted and passed by Congress it will be disappointing not only to American claimants but also to German nationals.

It seems, therefore, that it is this bill or no legislation for the present. It would mean that American claimants would be unable to receive any part of the awards made in their favor for an indefinite period; and it would also result in postponing the hour when German nationals may have restored to them a part of their property now held by the American Alien Property Custodian. If the United States had been alert and vigilant in protecting the rights of its nationals, as well as its own rights, we would not be confronted with the complicated questions now before us relating to the claims of Americans and to the property sequestered by the Alien Property Custodian.

As I pointed out when the bill was before the Senate a few days ago, the executive department of our Government neglected to cooperate with our former allies when they were seeking reparations at the hands of Germany. The Versailles treaty afforded ample protection for American nationals as well as for claims which the United States had against Germany. We refused to ratify the Versailles treaty and refused to associate the United States with the allied nations when they were

working out plans to secure reparations and indemnities from Germany because of the wrongs done to such nations and their nationals. Germany understood when the war was over and after the Versailles treaty was ratified by her that she must make reparations to the allied and associated powers and to their nationals.

She expected, of course, that the United States was entitled under the armistice agreement, if not under the treaty, to compensation growing out of the expenses incurred in maintaining military forces in Germany following the World War. Germany knew that American nationals had claims against her and her nationals, which, under the treaty of Versailles, as well as under the treaty of Berlin, she was obligated to meet. The United States understood the terms of the two treaties just referred to, and the State Department knew that it was expected to take proper steps to protect the rights of the United States and of American citizens, and to see that they received a just share of all reparations exacted of Germany. But the State Department was inert and did not associate itself with the allied nations when they were seeking to secure reparations from Germany and to formulate and execute a plan that would protect them and their nationals.

The Dawes Commission was appointed to fix the amount which Germany was to annually pay by way of reparations, but the United States took no part in selecting the members of the commission or in presenting its claims for a share of the reparations which Germany was required to pay. The attitude of our Government is most extraordinary, and one can scarcely understand why the State Department and those in the executive department having the matter in hand should have refused to participate with the representatives of the allied nations in fixing the reparations and in demanding a fair share of the same to meet the claims of the United States and American citizens. Because of the failure of the United States to ratify the treaty of Versailles and because the party in power was bitterly hostile to the League of Nations did not justify the laissez faire policy pursued by the State Department and the abandonment of the claims of the United States and its nationals against Germany and her nationals.

When the property of German nationals was sequestered by the United States after we entered the war it was understood that it was to be held until the war was over and then returned to its owners. There was no thought that the property was to be held indefinitely, or to be applied in satisfaction of the claims of American nationals or of the United States. And it is my opinion that if our Government had vigorously sought to protect its rights and the rights of its nationals, and for that purpose had associated itself with the allied nations in determining what Germany should pay, and what proportion of all payments should be made to the United States and to American citizens, the situation in which we find ourselves would never have been brought about, and the property held by the Alien Property Custodian, or most of it, would have been returned long before this to those from whom it was taken.

The Berlin treaty did not comprehensively deal with the rights of the United States and of American nationals, nor make adequate provisions for the liquidation of their claims. It is true that Germany, both in the Versailles and in the Berlin treaties, asserted her sovereign power with respect to the property of her nationals which was in the possession of the Alien Property Custodian. No one will deny that Germany possessed the power to expropriate a part or all of the property of German citizens which was held by the American Alien Property Custodian.

Apparently our Government was willing to have Germany expropriate the use, if not the property itself, which was in the hands of the Alien Property Custodian and to hold the same until Germany made suitable provisions to settle the claims of the United States and its nationals. The treaty of Berlin was in fact an act of expropriation by Germany, and the property in the hands of the Alien Property Custodian was thus impressed with the sovereign authority of Germany. The American nationals could have insisted with propriety that this property be held until their claims were satisfied, particularly in view of the fact that their Government had adopted no suitable measures to secure reparations from Germany or to satisfy their just and valid claims.

I regret that conditions developed which indicated that American nationals would not be paid except by utilizing a portion of the property of German nationals in the possession of an official of the United States; but it is too late to complain or remonstrate. We are to accept this bill with its imperfections or perhaps get no legislation. To postpone the settlement of these questions would be not only unwise but would work serious injury to American citizens as well as to German nationals. Both groups prefer this measure to no legislation or to indefinite postponement. I accept the situation, but do so with reluctance, believing that the standards which our Government has set with respect to the sanctity of private property and its immunity from expropriation even in times of war by belligerent nations, have not been fully observed.

It must be admited, however, that we have treated Germany and her nationals far more generously than have the allied nations; and it must be conceded that Germany exercised the right of eminent domain against the property of her nationals and told the United States that such property might be held by it until Germany made suitable arrangements for the payment of American claims against her and her nationals.

One of the provisions of this bill which does not meet my approval is that which places the United States in the last priority for payment. This means that the United States will not be paid, if paid at all, for many years. If Germany should fail to meet the reparations, then the claims of some American citizens would not be paid in full, and the United States would receive no part of the amount due her under the award made by the Mixed Claims Commission. Senators will recall that the allied nations consented that the United States might receive 2¼ per cent of the annual reparations paid by Germany, to be applied upon the claims against Germany.

From time to time we hear that Germany will not continue to pay reparations for any length of time. As stated, if Germany should default, then the United States, unless some other arrangements were made, would receive nothing, notwithstanding under this bill she is placed in a category entitling her to the payment of $60,000,000 at some future time. It is to be hoped that Germany will meet the awards of the Mixed Claims Commission. In my opinion, these judgments against Germany were not harsh; indeed, as I understand the facts, Germany has been dealt with by the Mixed Claims Commission in a most liberal, generous, and sympathetic manner.

Mr. President, I referred a few moments ago to two amendments agreed upon in the Senate but not accepted by the conferees. One of them I regard as of great importance. Senators will recall that under the terms of the bill $25,000,000 of accumulated interest now in the Treasury of the United States was to be placed in the deposit fund and applied in meeting the claims of American nationals. This interest came from the property of Germans held by the Alien Property Custodian. Much of this property was converted into Government bonds, and the interest, as stated, has been derived from the investment of German funds. Under the bill this $25,000,000 is to be immediately available to pay the claims of American citizens. It is to be returned to German nationals who own the same after various priorities have been paid. It is quite certain that the owners of this large sum will not be paid unless Germany meets her reparation obligations. It seemed to me that in taking this $25,000,000 belonging to German nationals—and it belongs to them as much as does the money and property which produced it—that they were not only entitled to its return but that at some time they were entitled to simple interest upon the same. Accordingly I offered an amendment, which was agreed to in the Senate, providing that after all claimants were paid, including the United States, that the owners of the $25,000,000 should be paid simple interest out of the reparations paid by Germany to the United States. In other words, I proposed that Germany should pay her own nationals simple interest upon $25,000,000 which was taken from them and applied in settlement of claims of American citizens against Germany and her nationals.

There are some who will believe that the taking of the $25,000,000 and the holding of the same for such a long period of time is confiscation; and certainly the claim will be made to hold this sum for many years and pay no interest upon the same is confiscation. In my opinion, it is unwise and unfair to deny interest certificates to the owners of the $25,000,000. But the conferees have reported against my position and I must submit to the Senate if it shall uphold their action. I repeat, we could have relieved the United States of the imputation of confiscation by making provision for interest upon this deferred interest of $25,000,000, and it will be a mistake to accede to the proposition embodied in the conferees' report.

Another amendment agreed to in the Senate and rejected by the conferees, provided that the Alien Property Custodian should conclude his work within 18 months. I believe that the Alien Property Custodian can wind up the business connected with carrying out the provisions of this act within that period. However, my amendment provided that at the end of that time, if there were further duties to be performed, the Treasury Department should take over the work of the Alien Property Custodian and carry out the provisions of the law. Senators know the tenacity with which bureaus and Federal agencies cling to life. Federal organizations that are created for a limited period

find some excuse to continue their existence. I believe that it was wise to announce in the bill that the work of the office of the Alien Property Custodian should be performed within 18 months. Such a declaration would have been an admonition to all persons concerned, that celerity in executing the terms of the bill was imperative. It would, in my opinion, have hastened the performance of the duties and responsibilities provided in this bill. In making this statement I am not criticizing the Alien Property Custodian or any of his official staff. He is a man of integrity and I am sure will, with fidelity, perform the duties laid upon him.

Mr. President, as I have stated this bill has features which do not meet my approval. However, it is the best that can be obtained and I shall detain the Senate no longer in discussing its provisions and shall not seek to delay action upon the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10635) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes.

The message returned to the Senate, in compliance with its request, the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9481) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1929, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were subsequently signed by the Vice President:

H. R. 48. An act to erect a tablet or marker to the memory of the Federal soldiers who were killed at the battle of Perryville, and for other purposes;

H. R. 83. An act to approve Act No. 24 of the Session Laws of 1927 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within Hanapepe, in the district of Waimea, island and county of Kauai";

H. R. 482. An act to provide relief for the victims of the airplane accident at Langin Field, Moundsville, W. Va.;

H. R. 3144. An act for the relief of Augustus C. Turner;

H. R. 5925. An act for the relief of the Fidelity & Deposit Co. or Maryland;

H. R. 8281. An act to provide for the withdrawal of certain described lands in the State of Nevada for the use and benefit of the Indians of the Walker River Reservation;

H. R. 8282. An act to provide for the permanent withdrawal of certain lands bordering on and adjacent to Summit Lake, Nev., for the Paiute, Shoshone, and other Indians;

H. R. 8291. An act to amend section 1 of the act of June 25, 1910 (36 Stat. L. 855), "An act to provide for determining the heirs of deceased Indians, for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes";

H. R. 8292. An act to reserve 120 acres on the public domain for the use and benefit of the Koosharem Band of Indians residing in the vicinity of Koosharem, Utah;

H. R. 8527. An act for the relief of the International Petroleum Co. (Ltd.), of Toronto, Canada;

H. R. 9037. An act to provide for the permanent withdrawal of certain lands in Inyo County, Calif., for Indian use; and

H. R. 9994. An act to reimburse certain Indians of the Fort Belknap Reservation, Mont., for part or full value of an allotment of land to which they were individually entitled.

MUSCLE SHOALS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, Senate Joint Resolution 46.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 46) providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, and for other purposes.

Mr. NORRIS obtained the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Barkley	Dill	Kendrick	Reed, Pa.
Bayard	Edge	Keyes	Robinson, Ind.
Bingham	Fess	King	Sackett
Black	Fletcher	La Follette	Sheppard
Blaine	Frazier	McKellar	Shortridge
Blease	George	McMaster	Simmons
Borah	Gerry	McNary	Smoot
Broussard	Gillett	Mayfield	Steiwer
Bruce	Glass	Metcalf	Tydings
Capper	Gooding	Moses	Tyson
Caraway	Hale	Neely	Walsh, Mont.
Copeland	Harris	Norris	Warren
Couzens	Harrison	Nye	Waterman
Curtis	Hayden	Overman	Watson
Cutting	Heflin	Phipps	Wheeler
Deneen	Howell	Ransdell	Willis

Mr. SHEPPARD. I wish to announce that the Senator from Washington [Mr. JONES] and the Senator from Mississippi [Mr. STEPHENS] are detained by the business of the Commerce Committee.

Mr. COUZENS. I desire to announce that the Senator from Iowa [Mr. BROOKHART] is engaged in the Interstate Commerce Committee.

The PRESIDING OFFICER. Sixty-four Senators having answered to their names, a quorum is present.

Mr. HARRISON. Before the Senator from Nebraska proceeds with his speech, will he permit me to ask unanimous consent to modify my amendment, so that it may be printed and be here in the morning to be voted on?

Mr. NORRIS. I yield.

Mr. HARRISON. Mr. President, I ask to modify my amendment.

The PRESIDING OFFICER. The Senator from Mississippi may modify his amendment as he desires.

Mr. NORRIS. Mr. President, when I had the floor on Friday last, discussing the Muscle Shoals proposition, I was in the midst of an attempt to show the connection of the Cyanamid Co. and the Air Nitrates Corporation, the bidders who are striving to get Muscle Shoals through the instrumentality of the bill introduced by the Senator from Ohio [Mr. WILLIS]—and I am sorry he is not present to listen to the explanation of his own bill—and I was part way through in the evidence I was offering, connecting those companies with the various water-power companies, the so-called Fertilizer Trust and the Aluminum Co. of America of Mr. Mellon. I had reached a point, I believe, when the Senate adjourned at that time, where I was about to read the testimony of the late Senator Lodge, who for a great number of years was an honored Member of this body, whose ability was then and still is unquestioned, and whose word always went for 100 per cent.

On April 7, 1916, he made a speech in the Senate which I desire to quote. It will be found in the CONGRESSIONAL RECORD of that date on page 6471. Senator Lodge said, among other things:

> It appears from the New York Times of October 23, 1915, that the Ammo-Phos Corporation was organized under the laws of New York with a capital stock of $6,000,000 to manufacture cyanamide and to acquire shares of the Amalgamated Phosphate Co. (Inc.) under the laws of West Virginia, its incorporators being A. H. Sands, jr., private secretary of James B. Duke; Walter C. Parker, secretary and treasurer of Southern Power Co., of which James B. Duke is president; and William L. Baldwin, all of No. 200 Fifth Avenue, New York.

It will be unnecessary for me, perhaps, to say that I have already connected the Duke interests with various corporations and with the Cyanamid Co., and with the Air Nitrates Corporation in particular.

Mr. FESS. Mr. President, will the Senator permit me to state that my colleague [Mr. WILLIS] is detained from the Senate in the Commerce Committee, which is considering proposed flood control legislation.

Mr. NORRIS. I am sorry he is not present.

Mr. FESS. I have sent for him.

Mr. NORRIS. A. H. Sands, jr., the private secretary of James B. Duke, according to Senator Lodge's statement, was one of the incorporators of the Ammo-Phos Corporation and the Ammo-Phos Corporation is a part of the American Cyanmid Co., and ammo-phos, they say, they will be able to convert into fertilizer. The Duke interests are not only connected with the Fertilizer Trust but with the Water Power Trust as well and with the Aluminum Trust through connections with the Aluminum Co. of America.

Senator Lodge says:

> Its incoporators being A. H. Sands, jr., private secretary of Jame B. Duke; Walter C. Parker, secretary and treasurer of the Southern Power Co.—

Another place where they are connected up with power—

of which James B. Duke is president; and William L. Baldwin, all of No. 200 Fifth Avenue, New York.

It appears—

Says Senator Lodge—

It appears from Moody's Manual, 1915, page 2027, that the Amalgamated Phosphate Co. is a corporation under the laws of West Virginia, with capital of some $8,000,000; that it owns various phosphate beds—those are necessary for the fertilizers—and that the Virginia-Carolina Chemical Co. is largely interested in the company. The directors include several directors of the Virginia-Carolina Chemical Co.—

Which is one of the defendants in the suit of the United States to dissolve the Fertilizer Trust—

including S. T. Morgan, president of the latter company.

The Virginia-Carolina Chemical Co. is a corporation under the laws of New Jersey, with a capital stock of $68,000,000, with a bonded indebtedness of $18,000,000, its president being S. T. Morgan, who is also a director of that company. This company appears to own Charleston Mining & Manufacturing Co. This company owns over 68,000 acres of phosphate lands in South Carolina, Tennessee, and Florida. Of course, the phosphates are to be treated with the nitrates. It also owns all of the stock of the Consumers' Chemical Co., a corporation manufacturing fertilizer here in New York; it controls Southern Cotton Oil Co., which company refines and manufactures cottonseed oil and other by-products, with mills and factories at various cities of the South; and it controls various sulphur, chemical, and fertilizer companies in this country and in Germany, and has a practical monopoly throughout the South of the fertilizer and cottonseed-oil business.

That is the testimony of Senator Lodge. If that is not getting pretty close to the Fertilizer Trust with this company that is trying to get Muscle Shoals out of love for the American farmer, to give him cheap fertilizer, then I do not know what is.

Mr. CARAWAY. Mr. President, will the Senator pardon me? He is now talking about the Willis-Madden bill?

Mr. NORRIS. Yes, sir.

Mr. CARAWAY. I thought that had been turned over to an undertaker some days ago.

Mr. NORRIS. If it has been turned over to an undertaker, I am trying to fill up the grave with the real facts.

Mr. CARAWAY. I think the Senator has done that pretty well.

Mr. NORRIS. It is always necessary, especially when anything with a bad odor is put in the grave, that the grave be well filled, for the protection of people who are still on the earth.

Still reading from Senator Lodge:

The Southern Power Co. is a corporation under the laws of New Jersey, with a capital stock of $11,000,000 and a bonded indebtedness of $7,000,000, owning various electric properties in North Carolina and South Carolina, its president being J. B. Duke.

Mr. President, on page 5708 of the same volume of the CONGRESSIONAL RECORD, Senator Kenyon, whom all Senators remember well and pleasantly, spoke as follows:

Mr. Cooper, who is vice president of the $6,000,000 fertilizer company, known as the Duke Fertilizer Co., is the general manager of the American Cyanamid Co. The American Cyanamid Co., in their statement of assets, schedule "Founding and propaganda, $230,589," as a part of their assets.

That is Senator Kenyon. That connects them up on the other side. They are related both ways, to the Fertilizer Trust and the Water Power Trust.

On February 25, 1927, pages 4753, 4754, and 4755 of the CONGRESSIONAL RECORD, I find a speech made by the Senator from Illinois [Mr. DENEEN], from which I quote:

I send to the desk—

He was talking at that time upon the power bid that was reported from the so-called joint committee on Muscle Shoals, of which committee he was the chairman, as I remember—

I send to the desk a list of the subsidiary corporations which comprise the Union Carbide Co. in the United States and Canada. The Union Carbide Co. recommended that the bid of the American Cyanamid Co. should be accepted—

That bid is the bid which the bill of the Senator from Ohio, if passed, would accept.

Continuing reading, now, from the Senator from Illinois—

and stated that 50,000 of the 83,000 or 84,000 horsepower developed at Muscle Shoals should be assigned to the Union Carbide Co. by the Air Nitrates Co.

This is the corporation, with the American Cyanamid Co., that is to get Muscle Shoals if the bill of the Senator from Ohio is passed.

Now, let us see what this memorandum is that the Senator from Illinois sent to the clerk's desk: It is headed:

Memorandum

FEBRUARY 1, 1927.

The Union Carbide Co. is a corporation incorporated in 1898 in Virginia, with an authorized capital stock of $50,000,000, $39,757,854 of which is outstanding, all owned by the Union Carbide & Carbon Corporation (Inc.), November 1, 1917, in New York.

The Union Carbide Co. was incorporated for the purpose, among other things, of manufacturing, purchasing, using, and selling throughout the United States and elsewhere calcium carbide and all gas-producing materials and gas, especially acetylene gas, and all machinery, apparatus, and fixtures for any purposes relating in any manner to the production and use of calcium carbide and acetylene or other gas; also to manufacture, produce, buy and sell, or otherwise deal or traffic in any or all metallurgical, electrometallurgical, chemical, and electrochemical products and compounds, including any and all elementary substances and any and all alloys and compounds thereof; also coal, coke, gas, oil, lumber, etc. Works are located at Niagara Falls, N. Y., and Sault Ste. Marie, Mich.

The Michigan Northern Power Co., with a power house developing 40,000 horsepower of electrical energy, is controlled by the Union Carbide Co.

The Union Carbide & Carbon Corporation owns directly or indirectly substantially all the common capital stock of the following 26 companies:

Beacon Electric Corporation.
Canadian National Carbon Co. (Ltd.).
Carbide & Carbon Chemicals Corporation.
Carbide & Carbon Realty Co. (Inc.).
Clendenin Gasoline Co.
J. B. Colt Co.
Dominion Oxygen Co. (Ltd.).
Electric Furnace Products Co. (Ltd.).
Electro Metallurgical Co.
Electro Metallurgical Co. of Canada (Ltd.).
Electro Metallurgical Sales Corporation.
Haynes Stellite Co.
The Linde Air Products Co.
The Linde Air Products Co. of Texas.
Linde Air Products Co., Pacific Coast.
Michigan Northern Power Co.
National Carbon Co. (Inc.).
Oxweld Acetylene Co.
Oxweld Railroad Service Co.
The Prest-O-Lite Co. (Inc.).
The Prest-O-Lite Co. of Canada (Ltd.).
Sauda Falls Co. (Ltd.).
Union Carbide Co.
Union Carbide Sales Co.
Union Carbide Co. of Canada (Ltd.).
Union Carbide & Carbon Research Laboratories (Inc.).

We see from that, Mr. President, that the Union Carbide Co., with all these subsidiaries, is very closely allied with the Air Nitrates Co. and the American Cyanamid Co., and they are going to get the great bulk of the power at Muscle Shoals if this bid is accepted by the United States Government.

Following along the same line, I want to call the attention of the Senate to a brief quotation from the report of the Federal Trade Commission upon its investigation of the so-called Fertilizer Trust. This was sent to the Senate in the Sixty-seventh Congress, fourth session, Document No. 347. Among a good many other things, they say this:

The salient facts disclosed by the investigation are as follows—

Now we are getting to the Fertilizer Trust—

1. The seven largest companies are the American Agricultural Chemical Co., the Virginia-Carolina Chemical Co.—

That is the one I have been talking about—

the International Agricultural Corporation, F. S. Royster Guano Co., Armour Fertilizer Works, Swift & Co., and the Baugh companies.

In the former report of the commission it was found that these concerns, with their subsidiaries, produced about 58 per cent of the total output of mixed fertilizers. In 1921 these concerns produced and sold about 65 per cent of the total fertilizer used.

Mr. McKELLAR. What was the first per cent—58?

Mr. NORRIS. Fifty-eight.

In the industry the first six concerns named are usually referred to as the "big six." The American Agricultural Chemical Co. and the Virginia-Carolina Chemical Co. sell about the same tonnage, their combined output being about one-third of the total of the country.

This corporation that I have been talking about both to-day and last Friday is one of the companies included in the bill

that the Attorney General filed to dissolve the combination operating through the South—in fact, I think all of these companies were included in it—selling, in 1921, 65 per cent of all the fertilizer used in the United States, connected with the Air Nitrates Corporation, with the American Cyanamid Co., with the Ammo-Phos Co., and the companies with which the American Cyanamid Co., which is attempting now to get Muscle Shoals, has been dealing during all the time that we have been listening to the cries of the farmer for cheaper fertilizer; and you propose now, by this bill, to turn over Muscle Shoals to a member practically of the same combination that you have been condemning for years, with the idea of getting cheap fertilizer for the farmer!

If these people so loved the farmer, if they were moved by an idea to give to American agriculture a cheap fertilizer, why have they waited so long to do it? Why have they conducted themsleves in such a way that they were charged continually, even by the Department of Justice, with being a Fertilizer Trust, formed for the purpose of holding up the price of fertilizer to the American farmer?

We also had a report some time ago of the special assistant to the Attorney General on the Aluminum Co. of America, and this report was presented to the Senate by the Senator from Pennsylvania [Mr. REED.] That report of the special assistant to the Attorney General has something to say about how the Aluminum Co. of America is connected up with power and is a part of a great trust.

> In July, 1925, the Aluminum Co. of America acquired an undeveloped water power on the Saguenay River in Canada by merging with the Canadian manufacturing company.
>
> The Duke interests own the stock of the Canadian Manufacturing Development Co.
>
> The Canadian Manufacturing Development Co. owns 11.12 per cent of the stock of the Aluminum Co. of America.

That is from the Federal Trade Commission's report on the Aluminum Co. of America. The Duke interests own a large interest in the American Cyanamid Co.

Right here let me call to the attention of my esteemed friend from Ohio, who is now honoring me by his presence, the fact that the president of the American Cyanamid Co., the bidder in this case, is one of the trustees of the Duke estate. So that there is no unfriendly rivalry, perhaps, between these great corporations.

In this special report to the Senate to which I have referred—Sixty-ninth Congress, first session, Document No. 67——

Mr. FESS. Mr. President, will the Senator yield before he goes into that?

Mr. NORRIS. Yes.

Mr. FESS. I have listened to the Senator for the three days he has been very elaborately, and I think very intelligently, discussing this great problem, and I am wondering if I am under the wrong impression, namely, that the Senator is rather attacking these various organizations on the ground that they are large.

Mr. NORRIS. No; the Senator is mistaken about that. Let me tell the Senator the situation. I said last Friday, as I remember it—and I have said it at other times—that I never made a personal investigation myself into the so-called Fertilizer Trust, and I neither deny nor claim that there is such a trust. I was relying on the claims made by Senators here from time to time ever since we have had the Muscle Shoals question before us that there was such a trust, and it seemed evident to me that the farmer was paying too much for his fertilizer. To my mind, it was more important to reduce the cost of fertilizer than to go into the question of whether or not there was a trust, although I concede it is important and relevant.

I went into a discussion of those claims that had been made from time to time in order to show that if there was a fertilizer trust these bidders were pretty close to it; if there was a waterpower trust, they were pretty close to that; if there was an Aluminum Trust, that the Aluminum Trust, the Mellon interests, the Duke interests, the fertilizer interests, these big chemical companies, and the Cyanamid Co. were all at least on very friendly business terms. I think that is proven by the fact that when Mr. Duke died, Mr. Bell, who was president of the Cyanamid Co., was made one of the trustees of his estate. I am not complaining about that. I am calling attention to it on the theory that these Senators have been correct all these years. But if they were correct, we will be going deeper into this than ever before if we accept this bid.

Mr. FESS. Mr. President, if the Senator will permit, am I to understand that the Senator believes that because Mellon might be interested in one of these companies, just the mere fact that he is interested, is conclusive reason why we should not have anything to do with it, that the same applies to the Dukes, and that the same applies to the du Ponts?

Mr. NORRIS. I agree with the Senator.

Mr. FESS. If these men are successful, we ought not, just because they are successful, to say, "That shuts them out." Of course, I agree with the Senator that when it comes to the question of a trust that might take advantage of the public, the Government should have some control over them. I have thought that concentration in great units is inevitable, and I would not vote to prevent it if we can keep proper control over them.

These agencies which have achieved tremendous success in the country are just the ones to whom I would refer if I were about to enter upon a great enterprise, and the mere fact that they have been successful should not raise a prejudice in our minds against giving them any consideration. That was my idea.

Mr. NORRIS. Mr. President, I hope I have made myself plain to the Senator as to why I have entered upon this discussion. I might say that as far as my investigation has gone, I am firmly convinced of two things; that there is a Water Power Trust and that there is an Aluminum Trust; and as far as I have gone into the evidence which has been produced here, there is a strong indication at least that if there is not a Fertilizer Trust, it comes very near to it. But I went into this line of argument to show to some of the people who are in favor of the Cyanamid bid, and who think there has been a Fertilizer Trust and that the farmer has been robbed on account of the Fertilizer Trust, that they were going to have the farmer jump right out of the frying pan into the fire if they accept this bid.

Mr. FESS. It might be that I was misled by the suggestion the Senator made a moment ago when he referred to these people having no particular love for the farmer. Of course, I admit that no business is going to be run purely for the love that any group might have for anybody, but rather on a basis of profit.

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

Mr. NORRIS. I yield.

Mr. McKELLAR. If I understand the argument of the Senator it is this, that, as it is the purpose of some of us to secure for the farmers cheaper fertilizer, it would be a wholly useless and improvident thing to turn this plant down there over to those who are now engaged in manufacturing fertilizer, hoping that they will, of their own accord, learn to make cheaper fertilizer. In other words, we would be turning the plant over to these people who are now maintaining high prices, and who some maintain were alleged to be in a combination to hold prices up. We would be turning the property over to them to see if they could not find some process by which to furnish the American people cheaper fertilizer.

Mr. NORRIS. That is right.

Mr. McKELLAR. That is what I understand the attitude of the Senator to be.

Mr. NORRIS. Mr. President, there is a feeling, especially on the part of Senators from the South, that they want to keep the Alabama Power Co., for instance, from getting control of Muscle Shoals. I share in that feeling. I think Senators are right when they fear that consummation. That is not because I have anything against the Alabama Power Co. I have come in contact with them since the beginning of this investigation, and there has never been an official of the Alabama Power Co., so far as I have observed, before the committee of which I had the honor to be the chairman, where they were continually appearing, who ever undertook to do anything dishonorable or dishonest. I was not looking for anything of the kind. As far as I know they were perfect gentlemen. But the Alabama Power Co. owns the distributing system all around Muscle Shoals, and the Alabama Power Co. in turn is owned by other corporations—as I have shown here before, and I do not expect to go into again—and is a part of the Fertilizer Trust. If we turn Muscle Shoals over to them we will simply turn it over to the Water Power Trust. They will make out of it all they can. They are in the business for money, and it is perfectly honorable of them to do so. I presume I would do the same if I should get this plant. I would get everything out of it that I could, moved by financial interest entirely.

For the same reason that I do not want to turn the water power over to the Alabama Power Co., I do not want to turn the fertilizer business over to the Virginia-Carolina Co., and the others who—the evidence stands here, I think, undisputed from these reports—control the fertilizer business in most of the Southern States.

It might be we could turn it over to them, and they would be philanthropists and give the farmer the benefit, but the

natural thing to expect would be that they would make all the money they could out of it. We have been selling power to the Alabama Power Co. for quite a while, selling it, I think, very cheap, although in the way they have to bid I would not expect them to pay much more. Nobody has heard that because they got this power so cheap they had given to the consumers of power in the South a penny reduction. If they have, I have not heard of it.

Mr. McKELLAR. Mr. President, as I understand it, they buy it from the Government at one-fifth of a cent, and the maximum price at which they sell it is 12½ cents. There is somewhere between six and eight thousand per cent spread between their purchase price and their highest selling price.

Mr. FESS. I assume, Mr. President, that the Senator from Nebraska believes that in a rather new development, such as the manufacture of fertilizer, a private company like the Alabama Power Co., or any other, might not inaugurate methods for improving and cheapening the article, and if they did, they would not allow the public to have the advantage of it, while in case the Government holds this plant and operates it, both those results might be obtained.

Mr. NORRIS. I think so. I think the Senator is right in that. If we should decide to sell this power to somebody else, or that we were going to let some private enterprise run the fertilizer plant, while I conceive it to be possible, it is almost impossible, very improbable, that we could find a company that would handle the water power, or a company that would handle the fertilizer, that is not already somehow connected with one or the other or both branches of these great industries.

Mr. FESS. The Senator has always had confidence in the ability of the Government to handle matters of this sort. I have always feared that Government ownership and operation is not as effective or efficient nearly as private. We differ in our theory on that.

Mr. NORRIS. Yes.

Mr. FESS. The Senator may be right in the matter. The other view is the view I have held. I have thought that if we could find a responsible company and make a lease that would be acceptable, under conditions of recapture, we would be better off than if we should undertake to have the Government handle the plant. That is my honest opinion.

Mr. NORRIS. I do not criticize the Senator for his viewpoint. I ought to say, too, that he may be right and I may be wrong. But I want to say to the Senator that those who believe as he does have had all the chance in the world with Muscle Shoals and have failed. We appointed a joint committee, and I think they acted conscientiously. Prior to that time we had had extended hearings before the Committee on Agriculture and Forestry of the Senate. The joint committee, I think, unanimously shared the Senator's idea. Men who thought as I did were not on the committee, and were properly kept off. I am not complaining about it. I do not know but that I said in effect on the floor of the Senate that I wanted those whom the Senator believes are right to go to work to see if they could bring in something which would meet the contingencies and be good for the farmer and the people of the South, and that if they could do so, I would support it. They had their own way about it, and brought in a bill. Of course, I opposed it very desperately when it came in. It was demonstrated, I think, that it was connected up with the Water Power Trust. It never came to a vote, even, and the Cyanamid bid did not even get the favor of the joint committee. This has come in since. So we have had an opportunity to do it, but we have never been able to present a bill here for Muscle Shoals that is free either from the Fertilizer Trust or the Water Power Trust, and it can not be done.

Mr. FESS. If the Senator will permit me, I think the strongest position in his argument and which somewhat staggers me is that in a new field like electricity or the application of electric power to industry, where some new inventions might tremendously change the efficiency and economy of production, it is somewhat doubtful whether it would be wise to tie up in a long-time contract without any protection on behalf of the public in case those improvements were made. I think the Senator has a very strong position there. The question is whether we could not make the contract so that we would get the benefit of such improvements if the property were operated by private enterprise. I do not know that we could get any company to enter upon such a contract.

Mr. NORRIS. No. There is another thing that must be considered in discussing the position I have taken ever since the beginning of the consideration of the Muscle Shoals matter. I would disagree with the Senator when we come to municipal ownership of electric-light plants, and so forth, but I contend that this is not that kind of proposition. Here we have a dam at Muscle Shoals which is already owned by the Government. The taxpayers' money has been used to build it. We have an improvement there costing in round numbers about $150,000,000 of the taxpayers' money. It is ours. It belongs to the people of the United States, not to Alabama. But it is so located that the people of Alabama, Mississippi, Georgia, Kentucky, and all the Southern States are very likely to get more benefit out of it than the people of other portions of the country.

But if we had a war to-morrow the people of Nebraska and the people of Ohio would be definitely interested in the Muscle Shoals property and we would go to using it at once. We want to keep it so we can use it at any time. That being true, it is not a question of the Government entering business. That we decided, I suppose, when we first considered the question. We are in it, and it is a question of what we are going to do with our own property.

I have been trying here in my weak way to have the Government use it in such a way that the people anywhere within transmission distance would get the benefit of cheapening electricity. From my study of the electrical problem I am convinced, as firmly as I have ever been convinced of anything in my life, that the people there as well as elsewhere in the United States are paying exorbitant prices for electricity. While my own people care little about the fertilizer question as a question, I know that it is one of the most important things that confronts civilization to-day; not only the United States but the entire civilized world. It may be that we will get into no trouble, because some new thing may happen, as the Senator said a while ago; but unless it does, the world is going to be short of fertilizer.

As I have said in the Senate, we may reach the time when we will have to subsidize fertilizer on a large enough scale to give every farmer in the United States some of it more cheaply. The man who eats bread, the man who eats meat, the man who wears cotton or woolen clothes, the man who wears shoes, has an interest in the problem just as much as the man who follows the plow and tills the soil. Everybody is interested in it. It is a world question. When we come, then, to the getting of nitrogen, one of the necessary ingredients of every good fertilizer, from the atmosphere, we face a different problem. I have observed from the testimony of scientific men that we are still, perhaps, in our infancy in that field, that we have been gradually developing and improving and cheapening the process from the beginning, but we ought to cheapen it still more in order to get any material reduction to the farmer in the price of his fertilizer. I am willing to go any distance, even to the expenditure of public money, for an honest, intelligent, and scientific working out of that problem.

I am not willing, however, to say we will set nitrate plant No. 2 at work to its capacity, which we could do, to make fertilizer, and then sell it away down below cost, because that would not be of any final benefit to agriculture in America. It would benefit a few people in the vicinity of Muscle Shoals, but, much as I would like to see them prosper, they have no right to call upon the balance of the country to subsidize fertilizer in their midst when they do not subsidize it anywhere else. Therefore the question that is presented to us is, What can we do best to get cheaper fertilizer?

Mr. FESS. I agree with the Senator that the project is not just like any other upon which the Government has expended $150,000,000. The fact is that the first speech that made any impression on me when I first came to the House of Representatives was made by Oscar W. Underwood, and that was on the possibilities of Muscle Shoals. I had never heard of it before. Then we were asking for only a very small appropriation. Every year it came up and was negatively acted upon until we got into the war, and then it was used for nitrate purposes and, as I recall, only $20,000,000 was asked for; but it grew and grew until now we have it. I admit it is a new problem. I hope we may work it out.

Mr. NORRIS. That is what I want to do. The fertilizer question is the most important, but while I believe that it is the most important, the other question is exceedingly important, too. We are just at the beginning of a great electrical development. It is spreading over the country like a whirlwind, and I think it is a subject which is worthy the consideration of every man and every woman who wants to assist our civilization; something that must soon be considered, if it has not been already, as one of the necessaries of life in every home to turn the wheels and do the drudgery and toil the housewife has to do now. I think that is more important than the manufacturing part of it. From my study, which has been conscientious, because I had no idea when I started in where I was coming out, I am convinced, and I am going to demonstrate it before I

conclude my remarks on this feature of the question, that the charge for electricity in the United States is away beyond where it ought to be, particularly in the homes.

I believe I had not finished my reference to the Aluminum Co. of America. I am reading now from the report of the special assistant to the Attorney General:

> In July, 1925, the Aluminum Co. of America acquired an undeveloped water power on the Saguenay River in Canada by merging with the Canadian Manufacturing & Development Co., the only asset of which company was the capital stock of the Chute a Caron Power Co., the only property of the Chute a Caron Power Co. being the undeveloped power above referred to. As a result of this merger the present Aluminum Co. of America is, therefore, technically a new corporation which came into existence on July 29, 1925.

At another place in the report it is said, speaking of some tabulations there set forth:

> In the second tabulation, showing the stock as of current date, there is a fourth group, entitled "Canadian Manufacturing & Development Co.," consisting of the stock owned by the Duke interests, which owned the company merged with the Aluminum Co. of America.

Mr. President, I told the Senate at the beginning of my remarks the other day that before I finished I expected to explain something about the wonderful propaganda which had been carried on all over the country to secure the passage of the so-called Willis bill. There has been a propaganda on the proposition ever since it was first started. It has a great many branches and travels in a great many directions. There was a propaganda in favor of the acceptance of the Ford bid in the beginning. There was a propaganda in opposition to it. The men who are now asking for Muscle Shoals for the Cyanamid people were part and parcel of the opposition to the Ford bid. They testified, as I have read from their testimony, and I think they have told the truth. They said over and over again that they could not make fertilizer down there with Dam No. 2 unless we subsidized it by giving enough water power to make up the losses on the fertilizer. Now, they are coming here on the theory that they are going to make cheap fertilizer and are going to get a great deal more power than Henry Ford ever would have received under his bid. Henry Ford would have gotten Dam No. 2 and Dam No. 3. He was not to get Cove Creek Dam. He was not to get either of the other three dams that this company would have a special right to get if the bill passes, and about which I shall speak later. So that the power possibilities under this bid are much greater than under any other bid which has ever been made to the Senate.

I would like to call attention to the testimony of Mr. Bell and Mr. Washburn and Mr. Hammitt, when they appeared before the various committees of the Senate, and told them, and I think truthfully, that fertilizer could not be cheapened by the operation of nitrate plant No. 2 unless we subsidized the people who operated it by giving them a whole lot of power so they could make up on power the losses that they made on fertilizer. That would not help the American farmer. One of the things that I want to do and one of the things that I have tried to do in this matter, although it was many times at great risk to my political life and political future when I was doing it, was to tell the truth to the American farmer as I actually believed it to exist. It will do no good in the end to the American farmer if we do make a whole lot of fertilizer and sell it for less than it cost. Every farmer outside of the freight limits of any factory which we established would have a just right to say, "That is class legislation and you must not use my tax money to subsidize something in favor of some fellow who happens to live in a favored locality."

So the really important thing is to make fertilizer cheap without having anything handled or monopolized by a monopoly. Let it be free and open to the entire world. If the Cyanamid Co. should develop a new improvement, if they have their bid accepted according to the bill of the Senator from Ohio [Mr. WILLIS], and if they have their way about it, and develop something new, something that would cheapen fertilizer, what would happen? The first thing would be a patent. They would get a patent and they would be the only ones who could use it. Suppose the Government of the United States improves it; then the Cyanamid Co., every fertilizer company in the country and, in fact, every fertilizer company in the world, would have access to it; it would be free, as everything of that kind has been free in the past, and the general public would get the benefit of it.

Even now if we undertook by the Government to operate plant No. 2 to make fertilizer, we would be confronted with the claim of the American Cyanamid Co., "You have no right to use plant No. 2 to make fertilizer because we have the patent, which you have never contracted for or never purchased; you have the right by the paying of certain royalties to make explosives; but the right is limited to explosives; so long as our patent lives there is not anybody but us who could use it unless we give permission."

Mr. McKELLAR. Mr. President——

Mr. NORRIS. I yield to the Senator from Tennessee.

Mr. McKELLAR. What the Senator from Nebraska has just stated is the very question that is bothering me. Suppose we give this subsidy in the way of power; suppose we turn this plant over for the very small consideration that has been mentioned in the bid; suppose that shall be done; how can we reasonably expect that the persons to whom it is turned over, and whose every interest is to keep the price up, will cheapen the price of fertilizer to the farmer? That is the question that worries me.

Mr. NORRIS. Mr. President, we know human nature, and it is about the same everywhere. There are some few exceptions; there are some Godlike men; but I do not meet many of them. There are not many of them around here now. All of us are more or less selfish, and I think properly so. The men in big business want to make more money; it is proper for them to do it; I am not finding fault with them; but when they come to make a contract with me and I am a trustee for some property for some innocent people whose money has built it and has made it possible, I am not going to permit them to make profit out of the sacrifices of somebody else that will do nobody but them any good.

Mr. GEORGE. Mr. President, I want to ask the Senator from Nebraska this question: Has there ever been any proposition made in connection with Muscle Shoals that was a reasonable and bona fide fertilizer proposition?

Mr. NORRIS. I do not think so.

Mr. GEORGE. In that respect I agree with the Senator and have always agreed with him. It has been at bottom a power proposition and a power proposition only.

Mr. NORRIS. That is correct.

Mr. GEORGE. Of course, the various bids have provided for the making of a certain amount of fertilizer at cost-plus, which, as the Senator has very properly stated, means nothing in the world to the farmer. Probably in order to sell it at all they would have to sell it below cost, but that would be of no consequence to the bidder, because he would recoup all of his losses out of the cheap power which he would receive under his bid.

I agree with the Senator from Nebraska entirely, so far as I have studied the proposals—and if there are to be others presented I want to study them—that none of them have been fertilizer propositions. The fertilizer proposition has been purely an incidental thing thrown in. The whole object has been to control the power, and whatever obligation was entered into to make fertilizer was very largely incidental.

The Senator from Nebraska will recall that when first I came into this body the Underwood bill was pending, the Ford bid about that time having been withdrawn. I earnestly labored for and finally secured an amendment to the Underwood bill providing for the distribution of all the power not needed for fertilizer, but when the bill went to conference the Senator from Nebraska will likewise recall that the very life was cut out of the amendment.

Mr. NORRIS. Yes, sir.

Mr. GEORGE. And when it came back here I was unable even to vote for the measure, because it seemed to me then that the proposal was one under which and by which the surplus power or the power being produced at Muscle Shoals was really the stake.

Mr. NORRIS. I thank the Senator from Georgia.

Mr. President, I started a while ago to take up the question of propaganda, and I said that for a long time propaganda has been conducted. The American Farm Bureau Federation is a great farmers' organization. They are opposed, they say, to Government operation of this plant, although I believe quite a number of years ago they went on record in favor of it. I am not complaining about that, for they have a right to change their minds. Principally through their legislative agent, Mr. Chester H. Gray, in the city of Washington, they have been carrying on a propaganda over the United States in favor of the bid of the Cyanamid Co. and the Air Nitrates Corporation that is almost without a parallel, it seems to me. I can not myself understand how the American Farm Bureau Federation in the city of Washington can properly represent the farmers of the United States when their agent devotes practically all of his time—and certainly he must use up all the funds of that organization, if it is their funds that he is using—in carrying on a propaganda which, upon analysis, is condemned by all the scientific and disinterested men who have studied the subject and by the testimony of his own men before they

were directly interested. I can not understand how he can do it and honestly represent the farmers.

I want to call the attention of the Senate to some of the articles that have been sent out—and I presume I know only a small part of them—and to some of the misrepresentations that have gone forth upon the question of Muscle Shoals. I have here [exhibiting] an illustrated article on Muscle Shoals. It went out from the city of Washington from the office of the American Farm Bureau Federation. It is a reproduction of what can be printed from the mat, as I think it is called, which they will send free of charge to any newspaper in the United States which will agree to publish it. At the top of this article is this statement:

To the EDITOR:

Thousands of persons are interested in the question of the final disposition of Muscle Shoals. Farmers are particularly interested in getting Muscle Shoals put to work producing a supply of cheap fertilizers. We believe your readers would like to have the information given herewith. It is furnished in mat form on request free of charge, to one newspaper in each town by the Washington office of the American Farm Bureau Federation, 601–604 Munsey Building, Washington, D. C.

Merely sign your name and address and mail the inclosed postal card.

Here [exhibiting] is the inclosed postal card already stamped and it is directed to—

THE AMERICAN FARM BUREAU FEDERATION,
Washington Office, 601–604 Munsey Building, Washington, D. C.

GENTLEMEN: Please send me the plates/mats (indicate choice) for the Muscle Shoals articles shown in the proof sheet recently received from you. It is my understanding that there is no charge for these and that I will have exclusive use of them in this town, provided my request reaches you first. Address the package as follows:

Name of paper ———, town ———, State ———.

And a blank line for the signature.

These were sent out by Mr. Gray, I presume, to every newspaper, perhaps not to the big city newspapers, but to every country newspaper, at least, in the United States, and to one in every town they agreed to send free of charge this mat or plate.

Here [exhibiting] is an illustrated article. If Senators will examine the article itself they will find, I think, if they are fair about it, that while it states a great many things that are true it omits to state many other things which are equally true and which ought to be stated in order to make the matter plain.

There is deception, I think, all the way through. For instance, I do not know whether this is the one that has an article in it by Mr. Landis, but here is an article by Mr. Jardine. He does not say he is in favor of the leasing bill. It is a very shrewdly arranged affair. The reader would get the idea that the Secretary of Agriculture was in favor of the bill, but if one will read what he says he will find it is merely a general statement on the desirability of securing cheap fertilizer.

Then there is a picture of the House Member, Mr. MADDEN, who introduced the bill in the House, and a beautiful engraving—it might almost be called an engraving—of a farmer plowing with oxen, and several other illustrations of scenes on the farm. At the top of it is a very beautiful picture of Dam No. 2 at Muscle Shoals. I presume it is meant for Dam No. 2, but when I look at it closely it does not appear to me to be an accurate picture of that dam, because it has a covered top and the dam at Muscle Shoals does not have. After that had gone the rounds another one came out in the same way.

Here [exhibiting] is an article for press release for Monday papers of January 16, 1928, which, to my mind, while stating some truths, also contains much deception. When Mr. Gray was on the stand in the Agricultural Committee I asked him why he did not tell all the truth when he was giving statistics about the cyanamide proposition, and in substance he said to me, "I was working for the cyanamide bid; it was not up to me to state something in favor of some other bid, for the synthetic process, or anything of that kind." That may be his idea of representing the farmers, but it is my view that when he does that he is framing the farmers and representing one of the great corporations that wants to get its finger in the Treasury by securing cheap money with which to handle a great power proposition. He thinks it is all right as representing the farmer to tell them half the story. If he were honest with the American farmers he would have said to them, "There are other processes; here is another method that scientific men of the world claim will obtain nitrates from the air for a much less expenditure of money than by the cyanamide process. That is the testimony," he ought to have said to those farmers, "of Mr. Bell, of Mr. Hammitt, of Mr. Washburn, the officials of the American Cyanamid Co., when they were fighting Mr. Ford and telling the committees of Congress that it could not be done"; but now he is telling the farmers that this property, paid for by the farmers and the other taxpayers of the United States, should be turned over to this corporation, giving them the greatest gift of power that has ever been given anywhere at any time by any government or any corporation or any individual.

Here is the next one that went out. Here is the same thing at the top.

To the editor.

He tells them it will be sent in plate or mat form upon request, free of charge, to one newspaper in each town. All they have to do is to sign the inclosed postal card and drop it in the mails. It does not cost them a single penny.

Now let us see about this circular.

Here is an article or an interview from Mr. W. S. Landis. Let us see what this says, now:

"Under American conditions the cyanamide process is the cheapest one for fixing air nitrogen," declares Dr. W. S. Landis, former president of the American Chemical Society.

Did Mr. Gray tell these farmers or these editors that that man was an official of the Cyanamid Co.? Did he tell them, and if he had been honest with the American farmer would he not have said, "You perhaps ought to look with some suspicion upon the statements of Mr. Landis, because he is one of the officials of the American Cyanamid Co." ?—one of the vice presidents, as I remember. But he does not tell them that. He puts him forth as former president of the American Chemical Society, which is not true. Mr. Landis never was president of the American Chemical Society, so members of that great society tell me; and yet Mr. Gray sends this out to the American farmer, representing the American farmer, as the statement of this great chemist, "former president of the American Chemical Society." He tells us "what's what" about Dam No. 2, when, as a matter of fact, in the first place, he is not former president of the American Chemical Society, and in the next place he is an official of the American Cyanamid Co.

Can a man be honest with those whom he represents, who pay him to represent them, when he puts out that kind of stuff to influence their action, and try to induce them to write to you and to me and to the Members of the other House of Congress telling them what to do about Muscle Shoals? I have no objection to anything Mr. Gray wants to put forth if he will, in the first place, be fair, and in the next place tell the truth. He does not do either one. He has been practicing deception upon the American farmer, who pays him, ever since he has been carrying on this unfair, this wicked propaganda to take from the taxpayers of America this valuable property and turn it over to a corporation for their private gain. That is the representative of the American Farm Bureau Federation!

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. LA FOLLETTE. Does the Senator know who paid the expense of sending out this mat or plate matter, whether it was paid for by the American Farm Bureau Federation or some one else?

Mr. NORRIS. I have some evidence indicating that the American Farm Bureau Federation did not pay it. I have no personal knowledge about it. Mr. Gray was questioned about it and did not answer the questions. He avoided them, just as he is deceiving the farmers here, telling part of the truth, and only part.

I have here the statements of Mr. Bower. This is an article by Mr. Bower, another man who is part and parcel of this propaganda. He is classified here as a "member of President Coolidge's Muscle Shoals inquiry." Probably he was; and this article gives a picture of part of the works down at Muscle Shoals. I had his various statements analyzed by a chemist. I have in my office the analysis made by the chemist. I intended at the time to produce them here and have them published in the RECORD; but I had to stop somewhere. There is no end to this propaganda. I could keep up the recital of it for a week. I thought it would be sufficient to say that every important proposition that Mr. Bower lays down is either partially or wholly erroneous, as analyzed for me by a noted chemist.

In this particular sheet which Mr. Gray sends out is the picture of the boss himself. He is right there—"Chester H. Gray, Washington representative of the American Farm Bureau Federation." He was getting in the limelight somewhat then.

Mr. President, I have here a country newspaper in which that same article is reproduced, you will see. There is Mr. Gray shining out in all his glory, and here are other illustrations. It did not cost that paper anything to get that matter, except that the editor had to sign his name. That stuff was delivered to him. He did not have to set the type. It was all

set up. It came by express, and he simply had to shove it in the press—that is all he had to do—and fill up that space. That was published in the Oxford Standard in its issue of January 12, 1928, published at Oxford, Nebr.

I have here a little editorial in another country newspaper published in the same county, and I should like to read that to show that probably a great many of these newspapers take this matter just to fill up space. Some of them, perhaps, believe the stuff that is in it.

Some of them are conscientious about it. Some of them see the trick, and will not have anything to do with it. That was the case with the editor of the Beaver City Times-Tribune; and he had this to say in his paper about it:

The Oxford Standard fell for the free Muscle Shoals plates and printed them in the last issue of that excellent paper—

It is an excellent paper, too—

This is understood to be propaganda of the powerful Union Carbide Co., although it is sent out by the "Farm Bureau headquarters" in Washington. There is so much of this free publicity stuff that has a hidden motive that it is pretty safe to pass all of it along to the waste basket.

I ought to say, going back again to the article by Mr. Landis that was printed in this second propaganda sheet that Mr. Gray sent out, that Mr. Landis is a chemist. I think he is a great chemist. He is known among chemists as being a chemist. He is one of the chemists of the American Cyanamid Co.; and I am not finding fault with Mr. Landis. Of course, he is in favor of his own company making a whole lot of money if they can get it. He never was president of the American Chemical Society, although very likely he has been an officer or president of some other chemical societies; but the great chemical society at least in the United States, and I think in the world, is the American Chemical Society, and while it is stated that Mr. Landis was president of that society it is not true. He never was.

Mr. President, I am not going to offer all of the material I have here on this propaganda, unless later on I think it becomes necessary. I want to read a letter written from Clarkston, Mont.

Mr. OVERMAN. Mr. President, may I ask where the headquarters of this Cyanamid Co. is?

Mr. NORRIS. I have given it here in my address. I can not recall it offhand.

Mr. FLETCHER. In New Jersey.

Mr. NORRIS. They have a headquarters in Canada and one in New Jersey, too. I think their main American office, at least, is in New Jersey. I can not call the name of the town just now.

This letter is from Clarkston, Mont., and was written by a man who, I think, was the president of the Montana State Farm Bureau. This letter was not written to me. The man who wrote it had written me a letter while I was ill and away from the office, and my secretary wrote him and asked him for some additional information or some proof about the assertions he made. He had claimed in the first letter that probably the American Farm Bureau Federation was not paying the expense of this propaganda that was going on, that he knew something about. My secretary asked him, in his reply—I have all the letters here if anybody wants to see them—if he had any proof of it, and, if he did, to send it; and here is the answer. This is written December 20, 1927:

DEAR SIR: Replying to yours on the reverse side of this sheet, re any positive proof that I may have that Chester Gray was not paid by the Farm Bureau, will say that I can not say that I have any "court room" proof, but I am sure that no officer of the Farm Bureau will deny the fact. I was told by several that was the case, including Mr. Bradfute, who was president then. I told Chester Gray when I saw him six months later that we did not have any use for him, as he had come out to Montana under false colors. He did not seem to understand what I was talking about, so I simply told him we were wise to him; that he had come out to Montana making the positive statement that he was sent by the American Farm Bureau Federation to get first-hand information from us as to what action we wanted them to take on pending legislation, when, as a matter of fact, he was not sent out by the American Farm Bureau Federation at all, but by the Tennessee Development Co., with the sole purpose of selling Muscle Shoals to us. He simply turned and walked away. Did not attempt to deny a word of it.

In fact, it is a well-known fact in Farm Bureau circles.

The Farm Bureau is right on this subject, in fact, so far as their information goes. A lot of the East and South have to spend a considerable amount for fertilizers, and, of course, any suggestion of a cheaper product sounds attractive to them. Chester Gray is a glib talker, and with the so-called data he has been loaded up with he has been able to flimflam a lot of those people.

Mr. Dimmick, president of the Louisiana Farm Bureau, told me at the recent Farm Bureau meeting in Chicago that Gray came down there to their annual meeting and simply put the deal over. He said he did not know the real facts himself till afterwards, but they instructed him to work for the adoption of the Madden bill—

That is this same bill—

so his hands were tied, but he was just as much against it as any one could be, and he was sure if it was brought to his Farm Bureau in its true light their action would be just the opposite of what it was.

I am willing to give a deposition, if desired, that the above are the facts to the best of my knowledge; but I do not think you will have any difficulty in getting Mr. Settle, of the Indiana Farm Bureau, or Mr. Hearst, of the Iowa Farm Bureau, or any of the officers of the American Farm Bureau Federation, to admit the above.

You may find a tendency to not give the information even from those who might be expected to give it. They are set on putting the McNary-Haugen bill on the books. It is conceded we will have to pass it over the President's veto. If they did anything to stop the letting of Muscle Shoals to the Cyanamid people, O'Neil and his bunch—

Mr. O'Neil is a man who lives almost within sound of the roaring waters of Dam No. 2. He is a very fine gentleman, I think. He owns a very fine ranch there, and is an active member of the Farm Bureau, as I understand, and very much in favor of getting this bid through because he thinks it will build up a city in that vicinity, probably, and might enhance the value of his property.

O'Neil and his bunch might be able to control the one or two votes needed to pass it over the veto.

O'Neil repeatedly made the threat at the American Farm Bureau Federation meeting in Chicago, "No Muscle Shoals, no McNary-Haugen." But for me, while I want the McNary-Haugen bill enacted into law as bad as anyone, I am not inclined to buy it at that price. The above are all actual facts, and if it means the waiting for the McNary-Haugen bill till we can elect another President I am willing to do it rather than permit myself to be sandbagged into standing for such a crooked deal as the Muscle Shoals deal is or I believe it is.

The balance of the letter is something referring to me personally, which I will not read. That is signed by Mr. W. L. Stockton, president of the Montana American Farm Bureau Federation.

Here is a letter that Chester Gray sent, I presume, to all Senators, and I suppose that is the reason I got a copy of it. It is dated February 8, 1928, and reads:

As the time approaches when the question of disposition of Muscle Shoals must be taken up by the Senate there are certain facts that the American Farm Bureau Federation desires to present for your careful consideration.

Unquestionably the argument will be made on the floor of the Senate that the great nitrate plant which the Government built at Muscle Shoals is obsolete and can not be used for the manufacture of fertilizer.

He seems to know what the argument is. I suppose he had been told by the officers of his own company, because they testified to that once before, before the committees of Congress.

This same objection has been raised to every proposal to operate the plant that has been offered.

In order to get at the real facts we have made a careful survey of the position of the cyanamide process and have pictured the results of the study in the inclosed map. It is an important decision that you must make on this question and involves the virtual scrapping of a plant which cost $67,000,000.

I called attention, I think on Friday, to the fact that while the cost of nitrate plant No. 2 was ordinarily given as $67,000,000, that included the steam plant, which would be worth a hundred cents on the dollar even if nitrate plant No. 2 never existed as an auxiliary to Dam No. 2.

Our contention is that this plant is not obsolete and that it can render a real service to American agriculture. We believe that this contention is fully justified by the facts as presented to you on this map.

We have an offer to take over this plant and operate it in the interests of agriculture which offer is embodied in the Willis-Madden bill. It is our purpose to send you further information covering the various phases of this controversy, but the first premise to be established is that the cyanamide process is not obsolete and we believe a careful study of this may well convince you of the truth of this basic fact.

It was that map to which his attention was called when he testified before the committee, and he had to admit in his cross-

examination that he had stated but part of the facts. It does not appear there that in the last five years, but particularly within the last year, the increase of production by the synthetic process in various places in the world has by all odds outstripped anything else in the way of getting nitrogen from the atmosphere. I gave the figures, and they are in the record, but speaking from memory now, I think it is shown that there was last year under construction machinery with a capacity of 316,000 tons, and very much less than that in the cyanamide process; that back in 1913 there was only one synthetic plant in the whole world, and that manufacture by that process has been growing since the war by rapid strides; that all of the synthetic-process plants were run at practically full capacity during the past year, which is not true of the cyanamide-process plants. He does not tell anything of that kind on this map. He is not fair either to the American farmer or to Senators. This map is deceptive. It tells only a part of the truth, and the purpose of the deception is to deceive you, Senators, and get your votes for something that could not get your votes if it had to stand on its own merits.

Mr. President, this is not a one-sided proposition. There are many people who honestly believe that we ought to accept this bid. In 90 cases out of 91 it will be found that honest men, who have no selfish interest involved, who favor it, have not studied it, but have taken the word of Chester Gray on it. They feel as though they have a right to take his word, and they ought to be able to feel that way. I do not like to say harsh things about any man, but when I see a man in his position trying to deceive the American farmer as to the true facts, I believe it to be my duty to expose it, at least to the extent that is necessary to enable people to properly consider the legislation which he proposes. I am making these remarks with no other motive.

I realize that some farm papers are supporting this proposal. They, like human beings, sometimes err. The great bulk of the farm papers, in my judgment, are on to this little scheme, and are opposing it. I have in my office copies of farm papers whose combined circulations number many millions, which have editorially denounced it. They are gradually coming over.

Here is a copy of the Southern Ruralist, printed in Atlanta, Ga. It is very much in favor of this legislation. It may be perfectly conscientious, but when I turn to page 9 of that newspaper I see a whole page advertisement, bearing in large type the name "Cyanamid," which can be read clear across the Senate Chamber. That may have nothing to do with the editorial policy, of course. It may be just an incident, may have just happened, but it does happen that this great farm paper, which, as I understand, has a very large circulation through the South, happens to be on the favored list of the Cyanamid Co., and they carry an advertisement in that paper. I have read that advertisement, and I do not believe that from the standpoint of selling the article they are advertising there, the advertisement would result in the disposition of a single pound. It seems to me that it is a clever excuse, and nothing else. I may be entirely wrong about that.

I realize that this man Chester Gray sent for several editors of some southern farm papers—and I think this was one of them—and had them up here to convince them that the great Senator from Ohio who introduced this bill, and who I would like to have explain it some time before it is voted on, was right in asking the Senate to support this Cyanamid bid. Yet, while they were up here, he did not find it possible to let me see those noted editors. It may all have happened naturally. I was particularly anxious to see them. I would have spent the day with them and the evening with them if they had given me a chance. Mr. Gray did call me on the phone and say, "I have this committee here of farm editors and we would like to see you and get your ideas about Muscle Shoals." I said, "I am very anxious to see them." That was about 10 o'clock, and he wanted to come at 11 o'clock. I said, "I have an appointment at 11. Can you not come after lunch, at 1?" He said, "We have an appointment at 1. We will come at 4." I said, "All right, come at 4." I stayed in my office from 4 until 7 waiting for them to come, and did not get an opportunity to see them. They do not have to see me about it, I admit; but it seemed to me that having been chairman of the Committee on Agriculture of the Senate and having been mixed up in this matter from the beginning, if the representative of this great farm organization wanted to get light, he would at least have brought the men around to get both sides of the question.

I wrote to each one of them afterwards. I have been told—I do not say that it is true—that an article was written in the shape of a letter giving my reasons why I could not support this bill, and I supposed while they were discussing both sides of it that they would at least give it publication. This great newspaper that carries this advertisement, I am told—I only get that from information—even refused to publish my letter. I may be wrong about that.

Mr. President, I have another letter in my pocket. I am reminded of it because the Senator from Washington [Mr. JONES] just entered the Chamber, and it is a letter to him. It was written to him from Colfax, Wash., signed by J. Carl Laney, secretary-treasurer of the Washington State Farm Bureau. He said:

DEAR SENATOR JONES: The farm bureau members of the State of Washington, and we believe other farmers also, are entirely out of sympathy with the efforts of Senator NORRIS—

Then he gives some Congressmen's names—

in their efforts to sidetrack the manufacture of cheap fertilizer at Muscle Shoals.

So he goes on in the letter. Who gave this man the information that I was trying to prevent the manufacture of fertilizer, or that I was trying to sidetrack this proposition? Who gave to this representative in the State of Washington, who can not afford, of course, to come here and study the matter himself, the idea that I, in effect, was fighting the farmers of the United States? Where did he get this information? I do not know positively, I could not swear to where he got it, but there is no doubt in any Senator's mind here as to where he got it. There is no question but that he got it from this man Gray, saying to the farmers of America, "Here is this man, who has been for years the presiding officer of the Agricultural Committee of the Senate, working against the interest of the American farmer, because that is what it means."

Is that fair? Every Senator here knows that it is not only unfair but that it is untrue. I may be fooled, I may be deceived, I may be ignorant, I may be unable to comprehend a fair proposition, or to look squarely through a legislative steal or propaganda, but nobody who knows what my work has been for the last six or seven years will claim that I have done anything except my conscientious duty to help the American farmer. When this man sends out that kind of word that he must know is not true, he is falsely representing the farmers of America.

Mr. President, I am not through with this subject nor this branch of the subject, but if the Senator from Kansas [Mr. CURTIS] wants to have an executive session I am willing now to yield the floor for the day in order that he may make the motion.

ARTICLE BY MAYOR WILLIAM HALE THOMPSON

Mr. WATSON, Mr. President, I ask unanimous consent to have inserted in the RECORD an article by Mayor William Hale Thompson, of Chicago, entitled "Shall we shatter the Nation's idols in school histories?" appearing in the February Current History.

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

SHALL WE SHATTER THE NATION'S IDOLS IN SCHOOL HISTORIES?

Treason-tainted school textbooks were a big issue in the Chicago mayoral campaign last spring.

I exposed in speeches and campaign literature the vicious pro-British, un-American propaganda in the school histories which were in the Chicago public schools with the approval of Supt. William McAndrew, who had been imported from New York by the Dever administration through influences exerted by Prof. Charles E. Merriam, of the University of Chicago, and members of the English Speaking Union. I showed how in many histories Revolutionary War heroes were defamed when mentioned, and how many were treated with the silence of contempt by being omitted entirely from the school histories. I revealed that League of Nations and World Court propaganda were distributed in the public schools under McAndrew; that the Spirit of '76 and other patriotic pictures had been stripped from the school walls; that McAndrew had expressed satisfaction with this desecration in the educational magazine he edits; that McAndrew had denied the Chicago public-school children the privilege of contributing their pennies and dimes to the fund for the restoration of the historic frigate *Constitution* ("Old Ironsides"), which collection and cause had been indorsed by President Coolidge.

To my meetings in the mayoral campaign I took a copy of Arthur Meier Schlesinger's history, New Viewpoints in American History, which history was the textbook in a history course conducted by the University of Chicago for Chicago school-teachers who sought advancement through extra credits in history. I read to my audiences the following, among other passages from this infamous history, which was being taught to our school-teachers, to be taught by them in turn to the 550,000 school children of Chicago:

"When the representatives of George V rendered homage a few years ago at the tomb of the great disloyalist and rebel of a former century, George Washington, the minds of many Americans reverted with a sense

of bewilderment to the time when another King George was guiding the destinies of the British Nation. The fact is that the average American still accepts without qualification or question the partisan justifications of the struggle for independence which have come down from the actual participants in the affair on the American side.

"These accounts, colored by the emotions and misunderstandings of the times and designed to arouse the Colonists to a warlike pitch against the British Government, have formed the basis of the treatment in our school textbooks and have served to perpetuate judgments of the American Revolution which no fair-minded historian can accept to-day." (P. 160.)

I pledged the people of Chicago that if elected mayor I would stop the teaching in the public schools that George Washington was "a rebel" and "a traitor"; that I would have recognition given to the heroes of Irish, Polish, German, Holland, Italian, and other extractions who had been dropped from the histories; that I would stop the defamation of America's heroes; that I would see to it that the histories were brought back to the American viewpoint and American ideals that formerly prevailed.

This issue was accentuated and emphasized, coincident with the mayoral campaign, through the activity of a patriotic group of Chicagoans called the Citizens' Committee for the Investigation of History Textbooks. Capt. William J. Grace, who commanded a machine gun company overseas in the World War, was one of the prime movers in this organization.

Some months after I began reading the Schlesinger history to audiences and exposing other unpatriotic propaganda, publicity was given in February, 1927, in one Chicago newspaper to a report on histories by this body. This report set forth in detail the charges that I had been making against the histories in my public speeches, and concluded with a petition that the histories be barred from the public schools.

Mayor Dever also accentuated the issue. Although on April 5 the Chicago voters were to decide who should administer their affairs for the next four years, Mayor Dever forced through the city council on February 23, 1927, a list of three new school trustees for six-year terms to succeed trustees whose terms had expired. This action had in view the purpose of assuring a Dever board of education for the next four years, irrespective of who won in April for the four-year mayoral term. There were strong public protests voiced against this action, but the Dever-Brennan machine, intrenched in power and backed up by powerful newspaper support, secured council confirmation for the Dever appointees.

SELECTION OF SCHOOL BOOKS

March 9 was the date set by statute for the school board to make its annual selection of books to be used in the public schools for the ensuing year. Before that important date, as Captain Grace has testified in the McAndrew trial, the petition-report of the Grace committee was placed in the hands of Mayor Dever, Superintendent McAndrew, and Dr. Otto L. Schmidt, then president of the Chicago Historical Society and a pro-McAndrew school trustee. But, as Captain Grace testified, McAndrew, instead of presenting the report to the board of education, suppressed it. It was not before the board on March 9, when the matter of considering the books for the ensuing year came before the board, and the board on recommendation of Superintendent McAndrew again included in the list of books for the Chicago public schools the histories which I had denounced, which the citizens' committee had denounced. The citizens' committee did not get the hearing on their report which they had requested for some date in advance of the annual book-adoption action of the board.

On March 18 McAndrew, although he still was suppressing the Grace report, addressed a communication to the board in which he defended the histories complained of, and declared that the citizens' committee's report (which the board had not seen) was without merit. Here is one quotation from Superintendent McAndrew's communication to the board of March 18: "Our Chicago course in history is not at fault in any of the points alleged." The superintendent induced certain persons to sign the communication with him.

So with the history issue clear—with Mayor Dever and Supt. William McAndrew standing by the unpatriotic histories which I, members of the Grace committee, and others publicly denounced—the mayoralty election came on April 5. I was elected by a plurality of 83,000. I proceeded to carry out the pledges I had made to the people; but this was the situation: A new mayor elected by the people, but the board of education in control of trustees appointed by the defeated mayor, and Superintendent McAndrew, with term unexpired, supporting the anti-American histories.

The fight went on. On May 3 the Grace patriotic committee finally was given a hearing by the school administration committee of the board of education, the hearing they had so diligently sought for on a date before the annual adoption of textbooks on March 9. The feature of that meeting of May 3 was this statement by Dr. Otto L. Schmidt, pro-McAndrew trustee (I quote from the stenographic transcript):

"I can not get away from the idea that after all it was the great Anglo-Saxon race that were the founders of it [our country] and were connected with and were the guides and took the most active part and the largest part in the large development of this country."

On May 28 there was another meeting, this time at the Chicago Historical Society. There were present three university professors, several school-teachers, Superintendent McAndrew, Doctor Schmidt, and Captain Grace. Superintendent McAndrew called the meeting to order and summoned Doctor Schmidt to the chair. The history professors gave caustic attention to "amateur historians," referring to the patriotic and highly educated members of the Grace committee; and generally all speakers, save Captain Grace, gave approval to the histories in the schools. Captain Grace stated that it was the contention of his committee that American school children were entitled to have American history written by Americans from the American viewpoint.

The school-teachers did not say anything. With reference to them Attorney Grace, in his testimony in the McAndrew trial, made this significant comment: "A dozen of the teachers came up afterwards and said to me, 'We believe you are right; of course, you are right! But what can we do; what can we do the way things are?'" I cite all this to show that McAndrew and his chief supporter, Dr. Otto L. Schmidt, stood by the unpatriotic histories after their faults had been pointed out by me in hundreds of speeches and by the Grace committee; that both before and after election they stood by the pro-British books.

But "things" did not stay as they were. Thanks to one Dever-appointed trustee who resigned, and to two Dever-appointed trustees who changed their positions with reference to McAndrew, my policies as indorsed by the people at the mayoral election finally became, last summer, the policies of a majority of the school board. Then by majority vote Superintendent McAndrew was suspended; then started, in accordance with the statutes of Illinois, the McAndrew trial, now of international fame, before the Chicago school board. The present line-up, as indicated by various test votes since the trial started, is as follows:

For McAndrew and unpatriotic histories: Trustees Otto L. Schmidt, Walter J. Raymer, Helen Hefferan, James Mullenbach—total, 4.

Against McAndrew and against unpatriotic histories: Trustees J. Lewis Coath, Theophilus Schmidt, John A. English, Oscar Durante, James A. Hemingway, Walter Brandenburg—total, 6.

In doubt: Trustee Charles J. Vopicka—total, 1.

Sworn testimony in the McAndrew trial has corroborated all that I charged in the mayoral campaign; revealed even more than I had charged. The truth of my charges that American school histories have been falsified and denatured, through pro-British influences, to the end that our children may be denationalized and fitted for Anglo-American union, has been shown with startling clearness in textbooks submitted in evidence.

Three of them present John Hancock as a "smuggler" only, with not one word of his great public service. (Everett Barnes: Short American History, Vol. II, p. 9; McLaughlin and Van Tyne: History of the United States, 1919, pp. 140, 153.)

Samuel Adams fares little better. West calls him "the first American political boss," and Hart calls him "a shrewd, hardheaded politician" (p. 125).

Hart (151), Muzzey (162), and McLaughlin and Van Tyne (238), all teach that Alexander Hamilton is said to have once exclaimed: "The people, sir, is a great beast!"

Six proclaim this to have been a popular toast: "Thomas Jefferson: May he receive from his fellow citizens the reward of his merit—a halter." (McLaughlin and Van Tyne, p. 249.)

Hart teaches that Jefferson was looked upon by Federalists as "an atheist, a liar, and a demagogue." (School History of the United States, 1920, p. 190.)

Patrick Henry is set forth by McLaughlin and Van Tyne to our children as "a gay, unprosperous, and unknown country lawyer" (p. 141).

By Ward it is taught of Washington:

"If you had called him an 'American,' he would have thought you were using a kind of nickname. He was proud of being an Englishman." (Burke's Speech on Conciliation, p. 10.)

One has given a half page of praise to Benedict Arnold. In the same book (Everett Barnes's) it is taught that—

"The Continental Congress was a shameful scene of petty bickerings and schemings among selfish, unworthy, shortsighted, narrow-minded, office-seeking and office-trading plotters (p. 34).

"We can afford now to laugh at our forefathers," McLaughlin and Van Tyne teach (p. 262).

"The righteousness of the American Revolution is questioned in a dozen Anglicized history textbooks. Professor Muzzey, for instance, teaches that it was 'a debatable question whether the abuses of the King's ministers justified armed resistance'" (p. 115).

Professor Hart is teaching in one of his textbooks:

"To this day it is not easy to see why the colonists felt so dissatisfied. They professed, and doubtless felt, the warmest attachment to the King, whom God and Parliament had provided for them." (New American History, 1916, p. 120.)

Professor Ward's text teaches:

"As long as there lurks in the back of the American consciousness a suspicion of English tyranny in 1775, so long will misunderstanding prevent the English-speaking nations from working in accord to develop Anglo-Saxon freedom." (Preface.)

The Anglicized school histories, submitted in evidence in the McAndrew trial, bristle with fulsome laudation of British democracy, British ideals, British institutions, and British achievements, those of America being made to appear as poor imitations. Children in the schools are taught in these texts that "our country's history has been hitherto distorted through unthinking adherence to traditional prejudices" (Guitteau: Our United States, 1919, preface), but is now to be "set right" through "newer tendencies in historical writing" (Muzzey, editorial preface); through "scientific exactness of higher historical scholarship" and "emotions of new-found gratitude to England." (Ward, introduction.)

PERNICIOUS TEACHINGS

False and pernicious teachings run through the Anglicized textbooks from beginning to end, such as follow in West's History of the American People:

"Most of the settlers were servants, and a rather worthless lot" (p. 67).

"They were a bad lot, with the vices of an irresponsible, untrained, hopeless class * * * cheats and drunkards from this class * * * led to crime or suicide" (p. 72).

"Democracy * * * the meanest and worst form of government" (p. 80).

"Many of them paid themselves indirectly for their devotion to public service by what would to-day be called graft" (p. 132).

"Pettiness and ignorance on the part of the colonists" (p. 141).

"Wolfe had only 700 Americans, whom he described as 'the dirtiest, most contemptible, cowardly dogs * * * such rascals are an encumbrance to an army'" (p. 182).

"Washington declared that he would have been wholly helpless for a long time had he not had under his command a small troop of English soldiers" (p. 183).

Those who took part in the stamp act protests, the Boston Tea Party, the Boston Massacre, and the capture of the *Gaspee* are referred to as "mobs." (West, 201, 206; Muzzey, 97; McLaughlin and Van Tyne, 146.)

The American Revolution, according to West (p. 178), was a calamity which "split the English-speaking race." The only hope Professor West has for America he states thus: "Now, after a century and a half, the two great divisions of the English-speaking race are coming together once more in sympathetic friendship, again to double their influence" (p. 243).

Among all the "Anglo-American professors of history" Dr. David S. Muzzey appears to rank first as scandal monger and mudslinger. His textbook, American History (1925), is used in more Chicago high schools than all other history texts combined. On page 170 he says:

"George Washington was reviled [by the press] in language fit to characterize a Nero. 'Tyrant,' 'dictator,' and 'despot' were some of the epithets hurled at him. He was called the 'step-father of his country,' while some one or other is said to have said that 'the day was hailed with joy by the Republican press when this imposter should be hurled from his throne.'"

Under the pretense of "promoting more friendly relations" and "mutual understanding" with Great Britain, our school children are now taught not the consecrated maxim, "Taxation without representation is tyranny," but, quite to the contrary, that "in England's taxation of the Colonies there was no injustice or oppression" (A. C. McLaughlin: History of the American Nation, p. 152), and that the real reason independence was sought was that after England had at great cost crushed out autocracy in the Western Hemisphere, the colonists no longer needed the protection of the mother country, and were unwilling to pay their fair share of the costs incurred.

Faneuil Hall, "the cradle of liberty," is of no consequency in these new histories, nor is the mutiny act, the stamp act, or the Boston Massacre.

The martyrdom of Nathan Hale, whose only regret on the British scaffold was that he had but one life to lose for his country, is in all of them ignored. In most of them there is no mention of Joseph Warren, Ethan Allen, Anthony Wayne, Paul Revere, Molly Pitcher, Betsy Ross, General Herkimer, General Schuyler, Von Steuben, De Kalb, Kosciuszko, Pulaski, John Stark, or Commodore Barry. Such important battles as Bunker Hill, Bennington, Oriskany, and Kings Mountain are omitted. The decisive victories of Ticonderoga, Saratoga, New Orleans, and the capture of the *Serapis* are belittled. The inspiring slogans, "We have met the enemy and they are ours." "Don't give up the ship," and "I've not yet begun to fight," are omitted or discredited.

PRO-BRITISH ORGANIZATIONS

The Carnegie Foundation, Rhodes Scholarship Fund, English-speaking Union, Interdependence Day Association, and other pro-British and pacifist propaganda organizations have been shown to have direct connection with these alterations, their own officials having written several of the Anglicized textbooks. The flood of evidence in the McAndrew trial, to which no answer has been offered because it is unanswerable, overwhelmingly proves that organized foreign influences pervade the colleges and public schools of our country, and have caused these authors to rewrite American school history from the British standpoint.

Pending the ousting of McAndrew and the restoration of real American histories to the public schools, I wrote the board of education on November 22 to notify history teachers to give oral instruction with reference to the lives and achievements of the many heroes of many nationalities now denied their proper places in the school histories. Among these "lost heroes" which I urged the teachers should bring back into the light are the following:

"Casimir Pulaski and Tadeusz Andrzeja Bonawentura Kosciuszko, Polish noblemen who made magnificent records in the American Revolution, the former giving up his life in the cause of freedom, but their deeds have been wiped out of Anglicized school history.

"Baron von Steuben and Johann De Kalb, Germans, who played glorious parts in the Revolution, the former being George Washington's chief drill master, bringing to the recruits the training and experience of the army of Frederick the Great. De Kalb, serving with the French troops, was mortally wounded at Camden.

"Gen. Richard Montgomery, in chief command of the Northern Army, and these other Irishmen:

"Gen. Henry Knox, who was the head of Washington's artillery; Commodore John Barry, brilliant sea fighter, first American commodore and Washington's first head of the United States Navy; Gen. Daniel Morgan, leader of Washington's infantry; Gen. Stephen Moylan, commander of his cavalry; Gen. Edward Hand, his adjutant general; Gen. Joseph Reed, his secretary; John Sullivan, Anthony Wayne, John Stark, and William Irvine, whom Washington made generals—all of these fare sadly at the hands of English-sympathizing histories now in the public schools. For instance, Historian Hart gives sole credit for the attack on Quebec to Benedict Arnold, with no mention at all of General Montgomery, who commanded and who lost his life there.

"Dutch heroes and pioneers, including Gen. Philip Schuyler, who played leading parts in Revolutionary days in Pennsylvania and New York; Swedish heroes and founders who played similar rôles in New Jersey and Delaware, and French heroes of Carolina.

"Nathan Hale, born in America and educated at Yale, who, just before being hanged by the British, said that he regretted he had but one life to give to his country. Also Gen. Abner Clark, George F. Harding's heroic ancestor, should be put back in the histories."

In this letter of November 22 to the board of education I called attention to another matter, as follows:

"I am informed that the University of Chicago man, Howard C. Hill, who has been teaching the unpatriotic Schlesinger history to the Chicago school-teachers, is the same Hill who now appears as the sole adviser of the committee which has put in the junior high schools the course of study in history and other 'social studies.' If, in fact, he is the same man, I recommend that he be eliminated from the Chicago public-school situation at once. While I am mayor I do not propose to have the school children taught that George Washington was a rebel and a traitor."

Unable to answer the charges in the McAndrews trial, the unpatriotic pack, perniciously busy in Chicago as elsewhere, resorted to falsehood. They broadcasted the story that I intended to burn up books in the library. Sounding this false alarm of fire, they tried to divert attention to the lake front to see a library fire. Beaten and silenced in the forum of reason, they resorted to lies and ridicule, featuring and headlining "the library fire" and "Bill Thompson's private war with the King of England." In the two letters I wrote to the Chicago Library Board last fall, the only letters I have written to this body since my election last April as mayor, I said:

"Please understand that I am not officially concerned in what books are on the library shelves, and I rejoice in the fact that we live in a day of free speech and free press, but it becomes an official matter and one of public concern when public officials, like our librarians and library trustees, suggest the reading of particular books; put them in reading courses and use their official positions and the influence and edifices of the public library system to circulate and impress certain of the teachings of such books."

TRUTH ABOUT LIBRARY ISSUE

In addition to reiterating the foregoing statement in my second letter of November 4 to the library board, I wrote also in that second letter:

"It is not to the texts of library books that I take exception but to the teaching of certain texts.

"A library is 'a depository of human thought.' It might, too, be termed a reservoir of human thought contributed by men and women, great and near great, of many climes through the centuries of civilization.

"No man in America to-day has fought harder, and at such sacrifice, as I have fought for the free speech and free press guaranteed by our Constitution. It is far from my mind and my ideals to censor the hundreds of thousands of books on the library shelves, and you know it, but I do step in when, under official sanction, propaganda pipe lines are led out of that reservoir of knowledge to poison the minds of American citizens."

What I objected to and protested against in the library case were certain booklets in a "reading course" prepared by the American Library Association and circulated with the official sanction and approval of our own public library, particularly one written by Herbert Adams Gibbons, of Princeton. Frederick Bausman, distinguished author and former justice of the Supreme Court of the State of Washington, found this pamphlet in the Seattle Library early in 1927, and its contents so shocked him that he wrote for the American Mercury a magazine article protesting against this and similar propaganda. This article was generally commended by patriotic citizens throughout America. Judge Bausman was one of the many distinguished witnesses who took the stand in the case against McAndrew and gave support to my charges of anti-American propaganda in schools and library-teaching courses in Chicago and in the country generally. Among such witnesses were Charles Edward Russell, Charles Grant Miller, and Frederick F. Schrader.

As I said in my letter of November 4 to the library board, I was amazed to find that this Gibbons anti-American booklet was still part of the Chicago Library official reading course—evidence to my mind that, even though the Canadian president no longer was at the head of the American Library Association, pro-British, anti-American propaganda continued to percolate through the libraries of Chicago and other cities. I pointed out other pro-British booklets in this American library reading course that were being circulated through the Chicago Library and the libraries of nearly all cities in America, and, incidentally, I pointed out that the Chicago Public Library trustees were violating the law by selling these booklets. So much for the Chicago Library case. So much for the details of the exposures in the McAndrew histories case.

Those who can not answer and have not answered in the forum of reason of the Chicago School Board trial have been seeking to ridicule and discredit my efforts to drive out anti-American propaganda from public-teaching courses in Chicago, in accordance with the pledge I made to the people, in accordance with the mandate from the people which came in the Chicago mayoral election at which 1,000,000 men and women cast ballots. The campaign of misrepresentation, ridicule, and abuse which has been waged against me, in America as well as abroad, should be a matter of serious concern to all who hold sacred the ideals and institutions of our Government. Why this opposition? Why this rage against an executive of a great American city who is but doing his plain duty? Do foreign powers plot to do by propaganda, circulated through innocent or unscrupulous agents in this country, what they have been unable to do by armed force? Have some persons the motive and hope of stupendous rewards through the cancellation of foreign war debts? Is an inferior Navy the goal sought? Is love for England greater with some than love for America? What is there for Americans to ridicule in the slogan "America first"? Is a man to be laughed at because he defends the name and fame of George Washington? Are we nearing a day (which some of the disloyal historians desire) to laugh at the founders of our Nation?

ATTITUDE OF FOREIGN ELEMENTS

Some critics scoff and say, "What's the school board fight all about?" They know, but they do not want to admit they know. The people of Chicago know and understand. The Poles have held a great mass meeting, at which they indignantly protested against the dropping of the names of Kosciuszko and Pulaski from the school histories. Citizens of German and Irish extraction in mass meetings in Chicago and elsewhere have protested against the wrongs done heroes of those nationalities. Chicago citizens of Dutch descent have met and passed resolutions tendering me support and protesting because there has been eliminated from the school histories credit due to Holland in the cause of democracy and freedom and credit due to Dutch pioneers in America.

Chicago citizens of Italian extraction have passed resolutions protesting against the teaching that "the spirit and institutions of our country are English"; declaring that the proposed English-speaking Union would "crowd to the background American citizens of other nationality origins"; pointing out that, because of the suspicion in Central and South America that we are tying up with England, our country has lost much of the friendship and confidence the Latin people of those countries formerly entertained for us. Other nationality groups have passed, or are now preparing to pass, similar resolutions. The Italians and others in their resolutions enthusiastically concur in the statement I made in my first letter last fall to the library board:

"In truth our national greatness was achieved, not by one but by many nationalities, and the present surpassing position of our country is due to the fact that here in America we have brought to the national surface the best in ideas and ideals of all nationalities, and the mingling of many strains has produced the highest type of civilization and the highest level of attainments in the world's history."

The Chicago case is not isolated. School books here are used in other cities. Some cities have thrown out propaganda-distorted books; most of them have not. The histories that the big cities use go to the small cities and to the crossroad schoolhouses of the country districts. So this matter of treason-tainted histories is not a Chicago local situation; it goes to the whole Nation. The reading courses of the American Library Association are circulated in libraries generally throughout America. What Judge Bausman found in the Seattle Public Library, I found in the Chicago Public Library. What we here in Chicago have found in our perverted school histories, people of other cities have found or are finding in their histories. This is not the case of Thompson against McAndrew. It is the case of patriotic Americans everywhere against those who defame our national heroes and make assaults on our national institutions.

The Christian church rests upon the divinity of Christ. To attack that is to assail the spiritual life of the Christian church. American patriotism rests upon the nobility of George Washington, father and founder of the Nation, and the righteousness of the cause of freedom and independence that he led. Take that away and the patriotic structure falls, leaving but the shell of commercialism. The nobility of heroes, with belief in their cause and their ideals, is to the Nation, what divinity is to religion. Freedom is in peril if the people turn from the ideals of the founders, because out of those ideals came the Nation. Patriotism lives by the light of her heroes. Nations have their shrines of patriotism, as churches have their altars of divinity. The patriotic must guard the one, as the devout protect the other. Drop the heroes from the country's histories, and you take the stars out of the firmament of patriotism.

"THE LAW OF ELIGIBILITY"

Mr. HEFLIN. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Gilbert O. Nations, appearing in the Protestant for January, 1928, entitled "The law of eligibility." The article has reference to the eligibility of a Roman Catholic for the office of President of the United States.

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

A few lawyers are being drawn into the press discussion of the right of a Roman Catholic to be President of the United States. But it appears difficult for American lawyers, however learned and skillful in constitutional questions, to appreciate all the legal aspects of the problem.

They point very properly to the third clause in Article VI of the Constitution of the United States and to the first amendment to that great document. The former prohibits any religious test as a qualification to public office. It reads as follows:

"The Senators and Representatives before mentioned, and all the members of the several State legislatures, and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution; but no religious test shall ever be required as a qualification to any office or public trust under the United States."

The first amendment is one of the 10 articles designed further to protect the rights of the people which were appended to the Constitution virtually as a condition of its ratification by the requisite number of States. That amendment prohibits Congress from interference with freedom of religion or of expression. It reads:

"Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech or of the press, or the right of the people peaceably to assemble and to petition the Government for a redress of grievances."

Prima facie those provisions appear to remove any valid legal objection to a Roman Catholic for the Presidency. If such objection rests on religious grounds alone, it must obviously be disallowed under the foregoing clauses of the Constitution. No careful lawyer can dissent from that view.

But religion is not the basis of the objection. It is precisely at this point that most legal discussions fail to grasp the real issue and the true attitude of the opposition. The legal status—not the religious status—of Roman Catholics differs essentially from that of most other people. It is the legal status alone which provokes objection to their presidential eligibility.

It is that basis on which the question must be determined. Roman Catholicism is a political system as well as a religious one. Indeed, it is primarily civil and political. This assertion rests not on prejudice or passion. It is firmly buttressed in the law of the Papacy, which is paramount to all other law in its binding force on all Roman Catholics.

"Let facts be submitted to a candid world." Let the highest legal authorities of the Papacy be considered. Only thus can the root and kernel of the issue be discerned. Sedulously kept in the difficult Latin to hide its provisions from the modern world, the public and private

canon law is less familiar to the learned bar than other judicial systems.

The statutes at large of the Papacy exist in scores of ponderous tomes hoary with age. They contain more than a thousand years of papal legislation. For want of codification in centuries, this material had become so voluminous and so ill arranged as to be difficult of administration and enforcement.

This condition caused Pope Pius X, on March 19, 1904, to issue an order, technically called a Motu Proprio, that those statutes in most constant use be compiled into a code for the convenience of the hierarchy and clergy. For 13 years eminent canonists, called to Rome for that purpose, were busy, under direction of the papal Secretary of State, in executing the order of the Pontifical throne. The work was finished about 10 years ago.

In an official brief known as Providentissima, Pope Benedict XV gave the force of law to the compilation. It was published by the Vatican under the name of Codex Juris Canonici—Code of Canon Law. In a 10-volume commentary on this code, Dr. P. Charles Augustine, a Roman priest, has translated the brief Providentissima into English with the approval of Archbishop Glennon of St. Louis, as evidenced by his imprimatur. The following excerpts from the brief attest the universal binding force of the code:

"Therefore, having invoked the aid of divine grace, and relying upon the authority of the Blessed Apostles Peter and Paul, and of our own accord and with certain knowledge, and in the fullness of the Apostolic power with which we are invested, by this our constitution, which we wish to be valid for all time, we promulgate, decree, and order that the present code, just as it is compiled, shall have from this time forth the power of law for the universal church, and we confide it to your custody and vigilance."

The brief is addressed to the hierarchy occupying thousands of thrones in all parts of the world. The very name of hierarchy, from the Greek, means the governing priesthood. It is the hierarchy to whose custody and vigilance the Sovereign Pontiff confided the code for enforcement under sanctions indicated in a later clause of the brief thus:

"For no one, therefore, is it lawful willingly to contradict or rashly to disobey in any way this our constitution, ordination, limitation, suppression, or derogation. If any should dare to do so let him know that he will incur the wrath of Almighty God and of the blessed Apostles Peter and Paul."

The specified sanctions include the wrath of Almighty God and of Peter and Paul. Assuming to be the successors of Peter, the Popes are accustomed, by an easy metonymy, to mention the authority of Peter when they mean their own. The context discloses that obvious meaning here. The sanctions of God are spiritual, but those of Peter and of the Pope as his alleged successor are physical and corporal and may even be capital. The scope of the latter appears in Elements of Ecclesiastical Law, by Dr. Sebastian B. Smith, published in three volumes with imprimatur of Cardinal McCloskey, of New York. On page 90 of volume 1 this appears:

"Has the church power to inflict the penalty of death? Cardinal Tarquini thus answers: 1. Inferior ecclesiastics are forbidden, though only by ecclesiastical law, to exercise this power directly. 2. It is certain that the Pope and the ecumenical councils have this power at least mediately; that is, they can, if the necessity of the church demands, require a Catholic ruler to impose this penalty."

Doctor Smith's work was published 40 years ago in New York. While civil government has all but abandoned the infliction of capital punishment, the canon law still retains it as an unquestioned prerogative of the Papacy. Under that prerogative in papal hands, millions of exalted Christian saints have given up their lives.

But all this would be less germane to the question in hand if the canon law were limited in its operation to religion. But it treats virtually the whole field of human rights. It invades basic prerogatives of civil authority. It flatly contradicts American constitutional and statutory law. Its boundless scope has, through many centuries and in every land where the hierarchy is strong enough to enforce it, engendered hostile conflict with the law of the State. Among the infinite number of points in which it contradicts American law, space will permit the mention of but few.

1. The Papacy claims and enjoys the status of a sovereign power and member of the family of nations. It maintains a secretary of state, and its Sovereign Pontiff occupies a throne, wears a crown, enacts laws, makes treaties with civil powers, and has diplomatic relations with 34 countries.

2. Canon law condemns popular sovereignty and government by the people. On page 123 of his Great Encyclical Letters, Pope Leo XIII stated the papal law on that question in these words:

"The sovereignty of the people, however, and this without any deference to God, is held to reside in the multitude; which is doubtless a doctrine exceedingly well calculated to flatter and inflame many passions, but which lacks all reasonable proof, and all power of insuring public safety and preserving order."

3. It rejects the American doctrine of separating church and state. Forty years ago Leo XIII made a concise statement of canon law on that subject. It appears at page 148 of his Great Encyclical Letters thus:

"Hence follows the fatal theory of the need of separation between church and state. But the absurdity of such a position is manifest."

4. It denies the elementary doctrine of all other legal systems, including our own, that title to real and personal property emanates from the state or is dependent in any way on civil authority. A brief and somewhat incomplete statement of the papal doctrine appears in Canon 1495 of the code. It is translated by Woywod, a Roman priest, in his work on The New Code of Canon Law, published with imprimatur of Cardinal Farley of New York, in these words:

"The Catholic Church and the Apostolic See have by their very nature the right, freely and independently of the civil power, to acquire, retain, and administer temporal goods for the prosecution of their proper purposes."

Consequently it denies the right of the state to tax or expropriate any ecclesiastical properties of any character.

5. It prohibits children from attending our public schools. Enforcement of that prohibition in this country keeps more than 2,000,000 of children out of our schools and forces them into its own schools of the character on which Latin America has so long depended, with the result of illiteracy nearly universal. Canon 1374 of the code says in Woywod's translation:

"Catholic children shall not attend non-Catholic indifferent schools that are mixed; that is to say, schools open to Catholics and non-Catholics alike."

6. The canon law condemns, and papal courts sitting in our cities set aside and disallow, marriages that are perfectly valid under American law. Woywod translates Canon 1094 of the code in these words:

"Those marriages only are valid which are contracted either before the pastor or the ordinary of the place, or a priest delegated by either, and at least two witnesses, in conformity, however, with the rules laid down in the following canons, and save for the exceptions mentioned below in canons 1098 and 1099."

The foregoing contradictions between canon law and that of the United States and the States have no relation to any questions of religion as such. They pertain to fundamental issues of sovereignty and governmental authority. They are entirely without the scope of our constitutional provisions touching religion.

The questions involved are civil and basic. The canonical doctrines are directed against the very foundations of American constitutional law. No clause in our National Constitution shields them or mitigates their pernicious force and effect. They bind every Roman Catholic in the world, whether he is aware of it or not. When necessity arises they will be rigidly enforced as they have been for more than a thousand years. It would be a tragic calamity to place any one subject to them in the Presidency of the United States.

EXECUTIVE SESSION

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

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 5 minutes p. m.) adjourned until to-morrow, Wednesday, February 29, 1928, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 28, 1928

UNITED STATES MARSHAL

Cooper Hudspeth, of Arkansas, to be United States marshal, western district of Arkansas, vice Andrew J. Russell, resigned.

POSTMASTERS

ALABAMA

Ora B. Wann to be postmaster at Madison, Ala., in place of O. B. Wann. Incumbent's commission expires March 1, 1928.

Charles L. Jackson to be postmaster at Ashford, Ala., in place of A. B. Alford. Incumbent's commission expired January 9, 1927.

ARKANSAS

Warren P. Downing to be postmaster at Weiner, Ark., in place of W. P. Downing. Incumbent's commission expires March 1, 1928.

William E. Hill to be postmaster at Norphlet, Ark., in place of W. E. Hill. Incumbent's commission expires March 1, 1928.

Ralph F. Loche to be postmaster at Lockesburg, Ark., in place of R. F. Locke. Incumbent's commission expires March 1, 1928.

Julius L. Stephenson to be postmaster at Everton, Ark., in place of J. L. Stephenson. Incumbent's commission expires March 1, 1928.

Charles N. Ruffin to be postmaster at De Witt, Ark., in place of C. N. Ruffin. Incumbent's commission expires March 1, 1928.

CALIFORNIA

Jennie E. Kirk to be postmaster at Waterford, Calif., in place of J. E. Kirk. Incumbent's commission expired January 9, 1928.

Walter M. Brown to be postmaster at Turlock, Calif., in place of W. M. Brown. Incumbent's commission expired February 1, 1928.

Cassius C. Olmsted to be postmaster at San Rafael, Calif., in place of C. C. Olmsted. Incumbent's commission expired March 3, 1927.

Lew E. Wickes to be postmaster at Castella, Calif., in place of L. E. Wicks. Incumbent's commission expires March 3, 1928.

Peter Garrick to be postmaster at Camino, Calif., in place of Peter Garrick. Incumbent's commission expires March 3, 1928.

COLORADO

John R. Munro to be postmaster at Rifle, Colo., in place of J. R. Munro. Incumbent's commission expires March 1, 1928.

Edward F. Baldwin to be postmaster at Nucla, Colo., in place of E. F. Baldwin. Incumbent's commission expired February 26, 1928.

Paul C. Boyles to be postmaster at Gunnison, Colo., in place of P. C. Boyles. Incumbent's commission expires March 1, 1928.

Ben H. Glaze to be postmaster at Fowler, Colo., in place of B. H. Glaze. Incumbent's commission expires March 1, 1928.

John C. Straub to be postmaster at Flagler, Colo., in place of J. C. Straub. Incumbent's commission expired February 26, 1928.

Alice A. Blazer to be postmaster at Elizabeth, Colo., in place of A. A. Blazer. Incumbent's commission expires March 1, 1928.

Bessie Salabar to be postmaster at Bayfield, Colo., in place of Bessie Salabar. Incumbent's commission expires March 1, 1928.

CONNECTICUT

Sidney M. Cowles to be postmaster at Kensington, Conn., in place of S. M. Cowles. Incumbent's Commission expires March 1, 1928.

Harry K. Taylor to be postmaster at Hartford, Conn., in place of H. K. Taylor. Incumbent's commission expires March 1, 1928.

Marshall Emmons to be postmaster at East Haddam, Conn., in place of Marshall Emmons. Incumbent's commission expires March 1, 1928.

DELAWARE

George W. Mitchell to be postmaster at Ocean View, Del., in place of G. W. Mitchell. Incumbent's commission expires March 1, 1928.

FLORIDA

Mary Conway to be postmaster at Green Cove Springs, Fla., in place of Mary Conway. Incumbent's commission expires March 1, 1928.

IDAHO

Clarence P. Smith to be postmaster at Eden, Idaho, in place of C. P. Smith. Incumbent's commission expires March 1, 1928.

William W. McNair to be postmaster at Middleton, Idaho, in place of W. W. McNair. Incumbent's commission expired February 29, 1928.

Hannah H. Bills to be postmaster at Kimberly, Idaho, in place of H. H. Bills. Incumbent's commission expires March 1, 1928.

John E. McBurney to be postmaster at Harrison, Idaho, in place of J. E. McBurney. Incumbent's commission expires March 1, 1928.

ILLINOIS

Bryce E. Currens to be postmaster at Adair, Ill., in place of B. E. Currens. Incumbent's commission expired January 7, 1928.

INDIANA

William I. Ellison to be postmaster at Winona Lake, Ind., in place of W. I. Ellison. Incumbent's commission expires February 29, 1928.

Roy Sargent to be postmaster at Syracuse, Ind., in place of L. T. Heerman, resigned.

LaFayette H. Ribble to be postmaster at Fairmount, Ind., in place of L. H. Ribble. Incumbent's commission expires February 29, 1928.

Joseph W. Morrow to be postmaster at Charleston, Ind., in place of J. W. Morrow. Incumbent's commission expires February 29, 1928.

Jesse Dowen to be postmaster at Carbon, Ind., in place of Jesse Dowen. Incumbent's commission expires February 29, 1928.

IOWA

Joseph D. Schaben to be postmaster at Earling, Iowa., in place of J. D. Schaben. Incumbent's commission expired December 19, 1927.

Lewis H. Roberts to be postmaster at Clinton, Iowa, in place of L. H. Roberts. Incumbent's commission expires March 1, 1928.

KANSAS

Andrew M. Ludvickson to be postmaster at Severy, Kans., in place of A. M. Ludvickson. Incumbent's commission expired February 26, 1928.

Anna M. Bryan to be postmaster at Mullinville, Kans., in place of A. M. Bryan. Incumbent's commission expires March 1, 1928.

Nora J. Casteel to be postmaster at Montezuma, Kans., in place of N. J. Casteel. Incumbent's commission expires March 1, 1928.

George J. Frank to be postmaster at Manhattan, Kans., in place of G. J. Frank. Incumbent's commission expires March 1, 1928.

Forrest L. Powers to be postmaster at Le Roy, Kans., in place of F. L. Powers. Incumbent's commission expired February 26, 1928.

Joseph V. Barbo to be postmaster at Lenora, Kans., in place of J. V. Barbo. Incumbent's commission expires March 1, 1928.

Harry Morris to be postmaster at Garnett, Kans., in place of Harry Morris. Incumbent's commission expired February 26, 1928.

KENTUCKY

Charlie H. Throckmorton to be postmaster at Mount Olivet, Ky., in place of C. H. Throckmorton. Incumbent's commission expires February 29, 1928.

Egbert E. Jones to be postmaster at Milton, Ky., in place of E. E. Jones. Incumbent's commission expires February 29, 1928.

Harvey H. Pherigo to be postmaster at Clay City, Ky., in place of H. H. Pherigo. Incumbent's commission expires March 1, 1928.

Mattie R. Tichenor to be postmaster at Centertown, Ky., in place of M. R. Tichenor. Incumbent's commission expires February 29, 1928.

MAINE

Parker B. Stinson to be postmaster at Wiscasset, Me., in place of P. B. Stinson. Incumbent's commission expires March 1, 1928.

George E. Sands to be postmaster at Wilton, Me., in place of G. E. Sands. Incumbent's commission expired February 26, 1928.

Hiram W. Ricker, jr., to be postmaster at South Poland, Me., in place of H. W. Ricker, jr. Incumbent's commission expires March 1, 1928.

Harry S. Bates to be postmaster at Phillips, Me., in place of H. S. Bates. Incumbent's commission expired February 26, 1928.

Winfield L. Ames to be postmaster at North Haven, Me., in place of W. L. Ames. Incumbent's commission expires March 1, 1928.

Thomas E. Wilson to be postmaster at Kittery, Me., in place of T. E. Wilson. Incumbent's commission expires March 1, 1928.

Hugh Hayward to be postmaster at Ashland, Me., in place of Hugh Hayward. Incumbent's commission expired February 26, 1928.

MARYLAND

Harry E. Pyle to be postmaster at Aberdeen Proving Ground, Md., in place of H. E. Pyle. Incumbent's commission expires March 1, 1928.

MASSACHUSETTS

Fred C. Small to be postmaster at Buzzards Bay, Mass., in place of F. C. Small. Incumbent's commission expires March 1, 1928.

MICHIGAN

Wilda P. Hartingh to be postmaster at Pinconning, Mich., in place of W. P. Hartingh. Incumbent's commission expires March 3, 1928.

Patrick O'Brien to be postmaster at Iron River, Mich., in place of Patrick O'Brien. Incumbent's commission expired February 9, 1928.

Melvin A. Bates to be postmaster at Grayling, Mich., in place of M. A. Bates. Incumbent's commission expires March 3, 1928.

MINNESOTA

Alfred Gronner to be postmaster at Underwood, Minn., in place of Alfred Gronner. Incumbent's commission expires March 1, 1928.

Selma O. Hoff to be postmaster at St. Hilaire, Minn., in place of S. O. Hoff. Incumbent's commission expires March 1, 1928.

Francis S. Pollard to be postmaster at Morgan, Minn., in place of F. S. Pollard. Incumbent's commission expires March 1, 1928.

Louis W. Galour to be postmaster at Iona, Minn., in place of L. W. Galour. Incumbent's commission expires March 3, 1928.

Edith B. Triplett to be postmaster at Floodwood, Minn., in place of E. B. Triplett. Incumbent's commission expired December 21, 1926.

Eva Cole to be postmaster at Delavan, Minn., in place of Eva Cole. Incumbent's commission expired February 26, 1928.

Frederic E. Hamlin to be postmaster at Chaska, Minn., in place of F. E. Hamlin. Incumbent's commission expires March 1, 1928.

Paul B. Sanderson to be postmaster at Baudette, Minn., in place of P. B. Sanderson. Incumbent's commission expires March 3, 1928.

NEW YORK

John T. Gallagher to be postmaster at Witherbee, N. Y., in place of J. T. Gallagher. Incumbent's commission expired January 8, 1928.

Margaret T. Sweeney to be postmaster at East Islip, N. Y., in place of E. J. Sweeney, deceased.

Ralph C. Reakes to be postmaster at Truxton, N. Y. Office became presidential July 1, 1927.

Elmer Ketcham to be postmaster at Schoharie, N. Y., in place of Elmer Ketcham. Incumbent's commission expires February 29, 1928.

Fred L. Seager to be postmaster at Randolph, N. Y., in place of F. L. Seager. Incumbent's commission expires February 29, 1928.

Ruth W. J. Mott to be postmaster at Oswego, N. Y., in place of R. W. J. Mott. Incumbent's commission expires February 29, 1928.

Wallace Thurston to be postmaster at Floral Park, N. Y., in place of Wallace Thurston. Incumbent's commission expires February 29, 1928.

John E. Duryea to be postmaster at Farmingdale, N. Y., in place of J. E. Duryea. Incumbent's commission expires February 29, 1928.

Elmer C. Wyman to be postmaster at Dover Plains, N. Y., in place of E. C. Wyman. Incumbent's commission expires March 1, 1928.

John G. McNicoll to be postmaster at Cedarhurst, N. Y., in place of J. G. McNicoll. Incumbent's commission expires February 29, 1928.

NORTH DAKOTA

William H. Lenneville to be postmaster at Dickinson, N. Dak., in place of W. H. Lenneville. Incumbent's commission expired February 26, 1928.

Worthy Wing to be postmaster at Edmore, N. Dak., in place of O. S. Wing, removed.

Charles L. Erickson to be postmaster at Lankin, N. Dak., in place of S. N. Rinde, resigned.

OHIO

Ben F. Robuck to be postmaster at West Union, Ohio, in place of B. F. Robuck. Incumbent's commission expired February 26, 1928.

Charles O. Eastman to be postmaster at Wauseon, Ohio, in place of C. O. Eastman. Incumbent's commission expired January 7, 1928.

Iris L. Bloir to be postmaster at Sherwood, Ohio, in place of I. L. Bloir. Incumbent's commission expired February 26, 1928.

George B. Fulton to be postmaster at North Baltimore, Ohio, in place of G. B. Fulton. Incumbent's commission expired February 26, 1928.

La Bert Davie to be postmaster at New Lexington, Ohio, in place of La Bert Davie. Incumbent's commission expires March 1, 1928.

Clem Couden to be postmaster at Morrow, Ohio, in place of Clem Couden. Incumbent's commission expires March 1, 1928.

William H. Snodgrass to be postmaster at Marysville, Ohio, in place of W. H. Snodgrass. Incumbent's commission expires March 1, 1928.

Ida H. Cline to be postmaster at Kings Mills, Ohio, in place of I. H. Cline. Incumbent's commission expired February 26, 1928.

Wade W. McKee to be postmaster at Dennison, Ohio, in place of F. G. Pittenger. Incumbent's commission expired December 19, 1927.

Andrew L. Brunson to be postmaster at Degraff, Ohio, in place of A. L. Brunson. Incumbent's commission expires March 1, 1928.

Charles R. Ames to be postmaster at Bryan, Ohio, in place of C. R. Ames. Incumbent's commission expired January 7, 1928.

Charles E. Kniesly to be postmaster at Bradford, Ohio, in place of C. E. Kniesly. Incumbent's commission expires March 1, 1928.

Edward M. Barber to be postmaster at Ashley, Ohio, in place of E. M. Barber. Incumbent's commission expires March 1, 1928.

Arthur L. Vanosdall to be postmaster at Ashland, Ohio, in place of A. L. Vanosdall. Incumbent's commission expires March 1, 1928.

OKLAHOMA

Charles C. Chapell to be postmaster at Okmulgee, Okla., in place of C. C. Chapell. Incumbent's commission expires February 29, 1928.

Nellie V. Dolen to be postmaster at Okemah, Okla., in place of C. O. White, resigned.

OREGON

William I. Smith to be postmaster at Redmond, Oreg., in place of W. I. Smith. Incumbent's commission expires February 29, 1928.

Elmer F. Merritt to be postmaster at Merrill, Oreg., in place of E. F. Merritt. Incumbent's commission expires March 3, 1928.

William A. Morand to be postmaster at Boring, Oreg., in place of W. A. Morand. Incumbent's commission expires March 3, 1928.

PENNSYLVANIA

Thomas J. Kennedy to be postmaster at Renfrew, Pa., in place of T. J. Kennedy. Incumbent's commission expires March 1, 1928.

Christian Jansen to be postmaster at Essington, Pa., in place of J. C. McConnell, removed.

Michael A. Grubb to be postmaster at Liverpool, Pa., in place of M. A. Grubb. Incumbent's commission expires February 29, 1928.

John T. Painter to be postmaster at Greensburg, Pa., in place of J. T. Painter. Incumbent's commission expires February 29, 1928.

Edgar M. Chelgren to be postmaster at Grampian, Pa., in place of E. M. Chelgren. Incumbent's commission expires February 29, 1928.

Charles G. Fullerton to be postmaster at Freeport, Pa., in place of C. G. Fullerton. Incumbent's commission expires February 29, 1928.

Thomas Collins to be postmaster at Commodore, Pa., in place of Thomas Collins. Incumbent's commission expires March 1, 1928.

William A. Leroy to be postmaster at Canonsburg, Pa., in place of W. A. Leroy. Incumbent's commission expires March 1, 1928.

SOUTH CAROLINA

Malcolm J. Stanley to be postmaster at Hampton, S. C., in place of M. J. Stanley. Incumbent's commission expired February 26, 1928.

TENNESSEE

Ben M. Roberson to be postmaster at Loudon, Tenn., in place of B. M. Roberson. Incumbent's commission expires February 29, 1928.

William F. Osteen to be postmaster at Chapel Hill, Tenn., in place of L. B. Sweeney. Incumbent's commission expired December 19, 1927.

TEXAS

Silas J. White to be postmaster at Rising Star, Tex., in place of S. J. White. Incumbent's commission expires March 1, 1928.

Theodor Reichert to be postmaster at Nordheim, Tex., in place of Theodor Reichert. Incumbent's commission expires March 1, 1928.

Gustav A. Wulfman to be postmaster at Farwell, Tex., in place of G. A. Wulfman. Incumbent's commission expires March 1, 1928.

Charles H. Bugbee to be postmaster at Clarendon, Tex., in place of Homer Glascoe. Incumbent's commission expired December 19, 1927.

UTAH

Ivor Clove to be postmaster at Enterprise, Utah. Office became presidential July 1, 1927.

VIRGINIA

Robert L. Olinger to be postmaster at Blacksburg, Va., in place of R. L. Olinger. Incumbent's commission expires February 29, 1928.

WASHINGTON

Nellie Tyner to be postmaster at Dishman, Wash., in place of Nellie Tyner. Incumbent's commission expires February 29, 1928.

WEST VIRGINIA

James T. Akers to be postmaster at Bluefield, W. Va., in place of J. T. Akers. Incumbent's commission expires February 29, 1928.

Josephine B. Marks to be postmaster at Walton, W. Va. Office became presidential July 1, 1927.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 28, 1928

APPOINTMENT, BY TRANSFER, IN THE ARMY

COAST ARTILLERY CORPS

To be second lieutenant

Marvin John McKinney.

APPOINTMENT, BY PROMOTION, IN THE ARMY

To be major

Delphin Etienne Thebaud.

To be captains

William Neely Todd, jr.
Thomas Reed Taber.
Harry William Lins.

To be first lieutenants

Ulysses John Lincoln Peoples, jr.
Richard Briggs Evans.
Everett Clement Meriwether.

MEDICAL CORPS

To be colonel

John Leslie Shepard.

MEDICAL ADMINISTRATIVE CORPS

To be captains

Berban Huffine.
Richard Homer McElwain.
William Mortimer Barton.

POSTMASTERS

CALIFORNIA

John H. Hoeppel, Arcadia.
George P. Morse, Chico.
Alfred T. Taylor, Westwood.

FLORIDA

Frank B. Marshburn, Bronson.
Sherwood Hodson, Homestead.
John H. Anderson, Inglis.

NEW JERSEY

Elmira L. Phillips, Andover.
John G. Stoughton, Bergenfield.
William E. Allen, Blairstown.
John B. W. Berry, Clementon.
Z. Charles Challice, Fair Lawn.
Harold Pittis, Lakehurst.
Andrew Bauer, Little Ferry.
Thomas Post, Midland Park.
Margarethe Grund, New Milford.
Arthur F. Jahn, Ridgefield.

NEW MEXICO

Jose B. Martinez, Taos.

NEW YORK

Harrison D. Fuller, Antwerp.
Frederick J. Manchester, Clark Mills.
Benjamin R. Erwin, East Rochester.
Henry J. Frey, Ebenezer.
Thomas J. Courtney, Garden City.
Elizabeth T. Witherel, Lily Dale.

NORTH CAROLINA

John K. Brock, Trenton.

PENNSYLVANIA

Daniel J. Turner, Clarksville.
Cleo W. Callaway, Shawnee on Delaware.
Frances H. Diven, West Bridgewater.

RHODE ISLAND

Thomas D. Goldrick, Pascoag.

WISCONSIN

Walter C. Anderson, Rosholt.

HOUSE OF REPRESENTATIVES

TUESDAY, *February 28, 1928*

The House met at 12 o'clock noon, and was called to order by the Speaker.

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

O Lord, our lives are just a breath of Thy infinite nature; hence, may we not look with disdain or hold in contempt any human creature. We thank Thee that we are Thy rational children. Humbly and earnestly we ask for discerning minds that our knowledge of principles, of methods, and of men may be wise. Thy supreme favor is on those who have hearts and minds of unselfish devotion to service. Give us courage to generously recognize another's worth, to guard another's interest, and to surrender to another's just claims. Blessed spirit of God, help us always to discern between the value and the curse of wealth, between the beauty and the disease of luxury. Be the bow of promise in every threatening cloud, the balance of all discord, and the compensation for all loss. Through Jesus Christ our Lord. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had ordered that the House of Representatives be respectfully requested to return to the Senate the conference report on the bill (H. R. 9481) entitled "An act making appropriations for the Executive Office, sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1929, and for other purposes," together with all accompanying papers.

The message also announced that the Senate had passed with amendments the bill (H. R. 10286) entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1929, and for other purposes," in which the concurrence of the House was requested.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 121. An act authorizing the Cairo Association of Commerce, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Cairo, Ill.; and

H. R. 5679. An act authorizing the Nebraska-Iowa Bridge Corporation, a Delaware corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Missouri River between Washington County, Nebr., and Harrison County, Iowa.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2280. An act to authorize the coinage of Longfellow medals;

S. 2449. An act to authorize the construction of a bridge across the Mississippi River at or near the city of Baton Rouge, in the parish of East Baton Rouge, and a point opposite thereto in the parish of West Baton Rouge, State of Louisiana;

S. 2569. An act providing for horticultural experiment and demonstration work in the semiarid or dry-land regions of the United States; and

S. J. Res. 98. Joint resolution authorizing the selection of sites and the erection of monuments to John Bunyan and William Harvey in Washington, D. C.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7201) entitled "An act to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the

ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds."

SENATE JOINT RESOLUTIONS AND BILLS REFERRED

Joint resolutions and bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred to the appropriate committees, as follows:

S. J. Res. 30. Joint resolution to provide for the expenses of participation by the United States in the Second Pan American Conference on Highways at Rio de Janeiro; and

S. J. Res. 31. Joint resolution to provide that the United States extend to the Permanent International Association of Road Congresses an invitation to hold the sixth session of the association in the United States, and for the expenses thereof; to the Committee on Foreign Affairs.

S. 205. An act to authorize the Secretary of the Treasury to pay the claim of Mary Clerkin; to the Committee on Ways and Means.

S. 802. An act for the relief of Frank Hanley; to the Committee on Naval Affairs.

S. 1103. An act permitting the withdrawal of water from White River, Ark.; to the Committee on Interstate and Foreign Commerce.

S. 1705. An act authorizing the Court of Claims to render judgment in favor of the administrator of or collector for the estate of Peter P. Pitchlynn, deceased, instead of the heirs of Peter P. Pitchlynn, and for other purposes; to the Committee on Indian Affairs.

S. 2227. An act for the relief of F. L. Campbell; to the Committee on Claims.

S. 2279. An act authorizing the Secretary of the Interior to purchase certain lands in the city of Bismarck, Burleigh County, N. Dak., for Indian school purposes; to the Committee on Indian Affairs.

S. 2280. An act to authorize the coinage of Longfellow medals; to the Committee on Coinage, Weights, and Measures.

S. 2335. An act for the relief of the National Surety Co.; to the Committee on Claims.

S. 2549. An act providing for payment to the German Government of $461.59 in behalf of the heirs or representatives of the German nationals, John Adolf, Hermann Pegel, Franz Lipfert, Albert Wittenburg, Karl Behr, and Hans Dechantsreiter; to the Committee on Foreign Affairs.

S. 2569. An act providing for horticultural experiment and demonstration work in the semiarid or dry-land regions of the United States; to the Committee on Agriculture.

S. 2644. An act to carry out the findings of the Court of Claims in the case of the P. L. Andrews Corporation; to the Committee on War Claims.

S. 2707. An act to provide for the classification of all unallotted land of the Klamath Indian Reservation and to reserve for forest-production purposes all land primarily adapted to the production of crops of timber; to the Committee on Indian Affairs.

S. 3062. An act for the relief of Anna Faceina; and

S. 3066. An act for the relief of Herman Shulof; to the Committee on Claims.

THE CONGRESSIONAL RECORD

Mr. CASEY. Mr. Speaker, I rise to make a unanimous-consent request that certain language printed in the CONGRESSIONAL RECORD during my remarks on the District of Columbia appropriation bill the other day, which was inserted without my knowledge or consent—by whom I do not know—be stricken from the RECORD.

I have in my hand the reporter's copy of my speech, just referred to. After the House adjourned on Friday, February 24, I took it to my office and corrected the reporter's copy of the speech I had made during the session of the Committee of the Whole. I then handed the copy to the messenger, as we all do, to take it to the Government Printing Office to be printed in the CONGRESSIONAL RECORD as part of the proceedings of that day. Judge of my surprise and amazement when I read the CONGRESSIONAL RECORD the next morning and discovered that somebody had inserted language into my remarks that did me a great injustice and put me in a rather embarrassing position in the eyes of the Members of the House, because the language inserted as it referred to me is absolutely untrue; and furthermore, Mr. Speaker, whoever is responsible for this is guilty of a violation of the rules of the House of Representatives.

Mr. MADDEN. What was the language?

Mr. CASEY. The language is as follows—I am reading from the reporter's notes:

Mr. SIMMONS. Will the gentleman yield?

Mr. CASEY. Yes.

Mr. SIMMONS. I would like to call the gentleman's attention to the fact that this paragraph was in the bill when the subcommittee reported to the full committee, and it was printed in italics in the report that the subcommittee presented to the main committee. The gentleman made no objection either in the subcommittee or the full committee to the language being in the bill; the bill was reported unanimously by the full committee, it was thoroughly discussed in the subcommittee and the full committee, and to the fact that at first the gentleman from Pennsylvania [Mr. WELSH] objected to this being done unless we would take care of and not cause any hardship to the children now in the District schools.

The gentleman was present at the meeting and stated he did not want to cause any hardship for the children then in the schools. No one on the committee desires to cause any hardship, and we drafted the amendment to meet the wishes of the gentleman and his colleague from Pennsylvania [Mr. WELSH].

The question propounded by the gentleman from Nebraska [Mr. SIMMONS], with the language inserted without my knowledge or consent, and in violation of the rules of the House, reads as follows:

Mr. SIMMONS. I would like to call the gentleman's attention to the fact that this paragraph was in the bill when the subcommittee reported to the full committee, and it was printed in italics in the report that the subcommittee presented to the main committee. The gentleman made no objection either in the subcommittee or the full committee to the language being in the bill, the bill was reported unanimously by the full committee.

The language which I have just read to the House was added to my remarks, and it was necessary to paste a piece of paper with that language written onto it to the original copy of the reporter's notes. The statement that the bill was reported to the full committee by unanimous consent is untrue and does me a great injustice, because the hearings will show that in the committee I was opposed to the proposition of closing the doors of the public schools to all children not dwelling in the District of Columbia. I opposed it on the floor of the House, which can be verified by the previous day's proceedings, and I was opposed to it when it was under discussion under the five-minute rule. The insertion of this language or any language into my remarks without my consent is a violation of the rules of the House. Mr. Speaker, I therefore ask unanimous consent that the language indicated by me be stricken from the CONGRESSIONAL RECORD.

Mr. CRAMTON. Reserving the right to object, Mr. Speaker, I know nothing about the matter except from the statement that the gentleman from Pennsylvania has just made. The statement seems to involve a colloquy with the gentleman from Nebraska [Mr. SIMMONS]. Has the gentleman discussed it with the gentleman from Nebraska? I ask the gentleman from Pennsylvania whether this matter has been discussed by him with the gentleman from Nebraska [Mr. SIMMONS]?

Mr. CASEY. It has not, because I do not know whether or not Mr. SIMMONS has inserted this matter into my remarks.

Mr. CRAMTON. The action the gentleman is taking, as I get it from what the gentleman has read, seems to lead to some question of the course of the gentleman from Nebraska, and I do not feel, in the absence of the gentleman from Nebraska and without conversation with him, that the gentleman from Pennsylvania ought to make that request, and I should be obliged to object. If the gentleman will take it up when the gentleman from Nebraska is here, I shall have no objection.

Mr. CASEY. I would like to ask what has the gentleman from Nebraska got to do with my remarks; why should I go to see him about it? This is a violation of the rules of the House.

Mr. CRAMTON. I understand, Mr. Speaker, if I caught it correctly from the reading by the gentleman, that the language the gentleman objects to now is not language that appears in the RECORD as coming from the gentleman from Pennsylvania, but appears in the RECORD as coming from the gentleman from Nebraska [Mr. SIMMONS].

Mr. CASEY. That is correct.

Mr. CRAMTON. As the gentleman wants to strike out something that is in the RECORD as coming from the gentleman from Nebraska [Mr. SIMMONS], I should have to object unless the gentleman from Nebraska were present to look after the matter himself.

Mr. CASEY. Mr. Speaker, I do not know whether this language which I am complaining about was inserted in my speech

by the gentleman from Nebraska, nor do I know by whom it was inserted, whether it was inserted down in the Government Printing Office, or where. I have no right to assume that the gentleman from Nebraska did insert this language in the RECORD in violation of the rules of the House.

Mr. CRAMTON. But the inference would remain that it was improperly inserted by the gentleman from Nebraska [Mr. SIMMONS], and this action I would have to object to if taken in the absence of the gentleman from Nebraska [Mr. SIMMONS].

Mr. GARRETT of Tennessee. Will the gentleman from Pennsylvania yield?

Mr. CASEY. Yes.

Mr. GARRETT of Tennessee. I understand the situation is this: While the gentleman from Pennsylvania was addressing the Committee of the Whole he yielded, in response to a request of the gentleman from Nebraska, for a question; that question was asked and answered and the remarks went to the gentleman from Pennsylvania for revision. They were revised and handed to the messenger from the Printing Office, and somewhere between the office of the gentleman from Pennsylvania and the Printing Office there was inserted other matter in the question of the gentleman from Nebraska which left the answer of the gentleman from Pennsylvania confused and placed him in an improper light as to the question before the House. Words appeared in the RECORD which were not uttered on the floor of the House and were not in the manuscript at the time the gentleman from Pennsylvania revised the manuscript, so that he had no opportunity to make his answer properly responsive to the question.

Mr. CRAMTON. If the gentleman will yield, my only suggestion is that since the gentleman from Nebraska [Mr. SIMMONS] is referred to in the matter, that the gentleman defer his request until a little later, when the gentleman from Nebraska is here.

Mr. GARNER of Texas. Suppose the gentleman from Nebraska [Mr. SIMMONS] admitted that he inserted this himself. The House would undoubtedly authorize it to be stricken from the RECORD.

Mr. CRAMTON. Let us wait and let the gentleman from Nebraska speak for himself. There is the day before us, when it can come up later, just as well as now.

Mr. CASEY. I have no desire to press this matter if that is the wish of the House, but the gentleman from Nebraska is in the Speaker's lobby at the present time, or he was there two minutes ago.

Mr. LINTHICUM. Mr. Speaker, I make the point of order of no quorum until the gentleman from Nebraska can come in.

The SPEAKER. Does the gentleman from Maryland make a point of order of no quorum?

Mr. LINTHICUM. I do.

Mr. MADDEN. We have sent for Mr. SIMMONS to come in.

Mr. CASEY. At the suggestion of the gentleman from Michigan I will temporarily withdraw my unanimous-consent request and make it later on.

The SPEAKER. The gentleman from Pennsylvania temporarily withdraws his request.

Mr. LINTHICUM. And I withdraw my point of order.

CONFERENCE REPORT—TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. MADDEN. Mr. Speaker, I call up the conference report on H. R. 10635, making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes, and I want to say in that connection, Mr. Speaker, that there was only one amendment offered to the bill by the Senate. The Senate receded from that amendment in conference and the bill which is now before the House is exactly the same as it was when it left the House.

The SPEAKER. The gentleman from Illinois calls up a conference report, which the Clerk will report.

The Clerk read the conference report and statement.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10635) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

MARTIN B. MADDEN,
M. H. THATCHER,
JOSEPH W. BYRNS,
Managers on the part of the House.
F. E. WARREN,
REED SMOOT,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 10635) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and embodied in the accompanying conference report as to each of such amendments, namely:

On Nos. 1 and 2, relating to labor-saving devices for the Post Office Department: Appropriates $700,000 as proposed by the House, instead of $736,000 as proposed by the Senate, and strikes out the authority, inserted by the Senate, for the purchase and repair of automatic postage-service machines.

MARTIN B. MADDEN,
M. H. THATCHER,
JOSEPH W. BYRNS,
Managers on the part of the House.

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

The conference report was agreed to.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. MADDEN. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 25) and ask for its immediate consideration.

The SPEAKER. The gentleman from Illinois offers a concurrent resolution, which the Clerk will report.

The Clerk read as follows:

HOUSE CONCURRENT RESOLUTION 25

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H. R. 10635, "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes," to make the following changes in the engrossed bill:

On page 20, line 13, after the word "act," where it occurs the first time, insert the words ", as amended."

On page 20, line 24, after the word "act," insert the following: "and for carrying out the applicable provisions of the act approved March 3, 1927 (Stat. L. v. 44, p. 1381)."

On page 20, line 25, after the word "officers," insert the word "attorneys."

On page 21, line 1, after the word "supervisors," insert the following: "gaugers, storekeepers, storekeeper-gaugers."

On page 22, line 9, after the syllable "tions," insert the word "prescribed."

On page 22, line 14, strike out the word "bonds" and insert the word "bonded."

Mr. MADDEN. Mr. Speaker, I want to make a brief statement in explanation of this resolution, so it will be thoroughly understood and may be a part of the history showing the reason we are proposing the adoption of the concurrent resolution.

The concurrent resolution which has just been read makes five textual changes in the paragraph for the Bureau of Prohibition and the enforcement of the narcotic acts. None of the amendments adds or subtracts from the existing law affecting the service. Two of the amendments are to correct errors which have crept in in the printing of the bill at some stage of its passage.

The other three amendments are to clarify the text of the paragraph so as to make it conform to the requirements of the accounting laws. These three amendments result from the establishment of the prohibition enforcement as a separate bureau. They were deemed unimportant at the time the bill was framed in the House, and they may not be important now, but it is deemed advisable to have them made so that there may not be any criticism of the technical features of the language. In my judgment they are not absolutely essential, but for the

purpose of clarification and to prevent technical interpretations they are desirable.

Mr. GARNER of Texas. What is the enlargement of the law with reference to officers and attorneys? Does it enlarge the opportunity of fixing salaries in that respect?

Mr. MADDEN. Attorneys are provided for in the law and are specified, but they are not specified in the appropriations, and it was to clarify the whole situation that we wanted to make the statement clear.

Mr. GARNER of Texas. Is this entirely agreeable——

Mr. MADDEN. Yes; it is absolutely agreeable. It does not make any change except textual changes.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of the resolution. Is there objection?

There was no objection.

The resolution was agreed to.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON. Mr. Speaker, I call up the conference report on the bill (H. R. 9136) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1929, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9136) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1929, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 23, 27, 28, 30, 31, 33, 34, 35, 36, 38, 39, and 52.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 7, 8, 9, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 25, 26, 37, 42, 43, 44, 45, 47, 48, 49, and 50, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "; second, to reimbursing the United States for the cost of the San Carlos irrigation project; third, to payment of operation and maintenance charges, and the making of repairs and improvements on said project: *Provided further*, That reimbursements to the United States from power revenues shall not reduce the annual payments from landowners on account of the principal sum constituting the cost of construction of the power plant or the project works until such sum shall have been paid in full: *Provided further*, That the Federal Power Commission is hereby directed, within sixty days after the approval of this act, to report to Congress what compensation, if any, in addition to that already provided for, should be paid to the Apache Indians of the San Carlos Reservation by reason of the generation of hydroelectric power at the Coolidge Dam, in the manner provided in section 10 (e) of the Federal water power act and section 5 of regulation 14 of the Federal Power Commission"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: Restore the matter stricken out, and on page 35 of the bill, in lines 2 and 3, strike out the following: "not exceeding five years"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "Claremore Hospital, Oklahoma, $50,000, on condition that the city of Claremore donate to the United States not less than 5 acres of land for such hospital and agree to deliver without charge medicinal water; in all, $155,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$165,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum of "$330,000" proposed in such amendment, insert "$305,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided*, That not to exceed $50,000 from the power revenues shall be available during the fiscal year 1929 for the operation of the commercial system; in all, $1,104,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: ": *Provided further*, That not to exceed $20,000 from the power revenues shall be available during the fiscal year 1929 for the operation and maintenance of the commercial system"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$12,644,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 6, 12, 46, and 51.

LOUIS C. CRAMTON,
FRANK MURPHY,
EDWARD T. TAYLOR,
Managers on the part of the House.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 9136) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1929, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and embodied in the accompanying conference report as to each of such amendments, namely:

BUREAU OF INDIAN AFFAIRS

On No. 1: Makes the appropriation for the purchase of certain property for the Jicarilla Indian Reservation, N. Mex., immediately available.

On No. 2: Makes a verbal correction in the text of the appropriation for supervision of mining operations on leased Indian lands.

On No. 3, relating to the San Carlos irrigation project: Restores the language, stricken out by the Senate, requiring certain net revenues from the sale of electrical power to be used toward reimbursing the United States for the cost of the irrigation project, and inserts the proviso, proposed by the Senate, requiring the Federal Power Commission to report to Congress what compensation, if any, should be paid to the Apache Indians of the San Carlos Indian Reservation by reason of the generation of hydroelectric power at the Coolidge Dam, modified so as to require that such report shall be made in "60" days instead of "30" days, as proposed in the Senate amendment.

On No. 4: Restores the House language relating to the Flathead irrigation project modified so as to strike out the time limit of five years on the discretionary power of the Secretary of the Interior to extend the time for payment of operation and maintenance charges now due and unpaid.

On No. 5: Makes the appropriation for a school building in or near Burns, Oreg., immediately available, as proposed by the Senate.

On Nos. 7 and 8: Appropriates $10,000, as proposed by the Senate, for additional land for the Sequoyah Orphan Training School.

On Nos. 9 and 10: Appropriates $50,000 for an Indian hospital at Claremore, Okla., upon land to be donated by the city, modified so as to require the delivery by the city without charge of medicinal water.

On No. 11: Makes a verbal correction in the text of the bill.

On No. 13: Makes the appropriation for expenses of the tribal council of the Tongue River Indians, Montana, immediately available, as proposed by the Senate.

On Nos. 14, 15, 16, and 17 relative to the use of Indian tribal funds: Appropriates $164,000, as proposed by the Senate, instead of $185,000, as proposed by the House, for the Klamath Indians; and makes immediately available, as proposed by the Senate, the sum of $7,000 for a hydroelectric plant for the Shoshone Indians of Wyoming.

On No. 18: Makes immediately available, as proposed by the Senate, the appropriation for a road between Cooley and White River on the Fort Apache Indian Reservation, Ariz.

On No. 19: Appropriates $20,000, as proposed by the Senate, for maintenance of that portion of the Gallup-Shiprock Highway within the Navajo Indian Reservation, N. Mex., to be reimbursed as required by the act of June 7, 1924.

On Nos. 20 and 21 relative to per capita payments to the Menominee Indians of Wisconsin: Provides for a per capita payment of $200, as proposed by the Senate, instead of $100, as proposed by the House, and makes the appropriation immediately available, as proposed by the Senate.

BUREAU OF PENSIONS

On No. 22: Appropriates $1,165,000 for salaries as proposed by the Senate, instead of $1,150,000 as proposed by the House.

BUREAU OF RECLAMATION

On Nos. 23 to 41, inclusive: Appropriates $23,000 for office expenses in the District of Columbia as proposed by the House, instead of $27,000 as proposed by the Senate; appropriates $165,000 for personal services in the office of the chief engineer, instead of $160,000 as proposed by the House and $170,000 as proposed by the Senate; appropriates $30,000 for miscellaneous expenses in the office of the chief engineer as proposed by the Senate, instead of $25,000 as proposed by the House; appropriates $13,000 for miscellaneous expenses in field legal offices as proposed by the Senate, instead of $10,000 as proposed by the House; appropriates $30,000 as proposed by the Senate for construction of protective works at Picacho and unnamed washes on the Yuma project; on the Yuma, Minidoka, North Platte, Riverton, and Shoshone projects appropriations are made for operation of commercial systems out of power revenues as proposed by the House, instead of by direct appropriations, as proposed by the Senate, except that in the case of the Minidoka and Shoshone projects appropriations from power revenues are made in the respective amounts of $50,000 and $20,000, instead of the respective amounts of $46,000 and $15,000 proposed by the House; and appropriates $27,000 as proposed by the House, instead of $32,000 as proposed by the Senate for operation and maintenance of the Milk River project in Montana.

GEOLOGICAL SURVEY

On Nos. 42, 43, 44, and 45: Appropriates $247,000 as proposed by the Senate, instead of $209,000 as proposed by the House for gauging streams; and appropriates $180,000 as proposed by the Senate, instead of $160,000 as proposed by the House for examination and classification of lands.

NATIONAL PARK SERVICE

On No. 47: Makes a correction in the text of the bill to insert an amount erroneously omitted from the House bill in connection with the Yosemite National Park.

On Nos. 48 and 49, relating to the Carlsbad Cave National Monument, New Mexico: Changes a reference in the text to "superintendent" to the correct designation of "custodian" and inserts the language proposed by the Senate relative to the purchase and installation of a power unit for lighting the cave.

TERRITORIAL GOVERNMENT

On No. 50: Makes a textual correction in the appropriation for legislative expenses for the Territory of Alaska.

FREEDMEN'S HOSPITAL

On No. 52: Makes a portion of the expenses of Freedmen's Hospital payable by the government of the District of Columbia as proposed in the House bill.

The committee of conference have not agreed to the following Senate amendments:

On No. 6: Relative to a readjustment of the boundaries of the old Fort Apache Military Reservation, Ariz., now occupied by the Theodore Roosevelt Indian School.

On No. 12: Appropriating $15,000 for relief of distress among the needy Indians of the Turtle Mountain Band, North Dakota.

On No. 46: Relative to the letting of concessions in the Rainier National Park.

On No. 51: Appropriating $390,000 for Howard University.

LOUIS C. CRAMTON,
FRANK MURPHY,
EDWARD T. TAYLOR,
Managers on the part of the House.

Mr. CRAMTON. Mr. Speaker, the amount of the bill as it passed the House was $272,078,039; as it passed the Senate, $272,865,039, or an increase of $787,000. The House recessions amount to $183,000 and the Senate recessions amount to $199,000.

The bill as agreed upon, without the Howard University and Turtle Mountain items, which must be acted upon, is $272,261,039.

If the House approves the action which the committee expects to offer with reference to Howard University and Turtle Mountain, the total will be $272,656,039, which is $509,800 under the Budget.

Unless there is some question as to items in the report, I will not take the time of the House further at this time with reference to the report.

Mr. Speaker, I move the previous question on the adoption of the report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Provided, That the Secretary of the Interior is hereby authorized and directed to change and relocate the boundaries of the old Fort Apache Military Reservation, Ariz., now occupied by the Theodore Roosevelt Indian School, by transferring such areas to the Fort Apache Indian Reservation as he may deem advisable by reason of the use and/or occupancy of a part thereof by Apache Indians and to transfer an approximately equal area of lands of the Fort Apache Indian Reservation to the Theodore Roosevelt Indian School reservation, such exchanges of land to be made in accordance with surveys based upon the Salt River base and meridian, the expenses of such surveys to be paid from appropriations for the surveys of Indian lands.

Mr. CRAMTON. Mr. Speaker, I offer a motion, which I send to the desk.

The SPEAKER. The gentleman from Michigan offers a motion, which the Clerk will report.

The Clerk read as follows:

Amendment No. 6: Mr. CRAMTON moves to recede and concur in the Senate amendment.

Mr. CRAMTON. Mr. Speaker, this is an adjustment of boundaries as between a former military reservation in the Apache Indian Reservation, this former military reservation now being used for school purposes. This adjustment of boundaries is a matter I am familiar with. It takes a few acres off one side, where it is occupied by Indians and they desire to keep it, and it adds a few acres on the other side, where the school desires to use it.

The motion to recede and concur was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

For relief of distress among the needy Indians of Turtle Mountain Band of North Dakota, $15,000.

The SPEAKER. The gentleman from Michigan offers a motion, which the Clerk will report.

The Clerk read as follows:

Mr. CRAMTON moves to recede and concur in the Senate amendment with an amendment striking out all of the amendment and inserting in lieu thereof the following:

"For the construction and improvement of roads on the Turtle Mountain Indian Reservation, N. Dak., $5,000."

Mr. CRAMTON. Mr. Speaker, with reference to this amendment, the Senate proposition was an appropriation of $15,000 for these Indians, mostly patent-fee Indians, to be used as a gratuity or as a ration proposition.

The House conferees are very strongly opposed to the old ration system and to gratuities of that kind and especially as to fee-patent Indians. So the House conferees propose a smaller appropriation for the construction of needed roads on the reservation, the purpose being to furnish labor for these Indians. If they are in need they can get the money by working for it.

In this connection I want to ask permission to extend my remarks in order to put in a letter from the superintendent of the agency, and I want to read this paragraph, which is very illuminating as to the different policies that may be followed. The superintendent of the agency says:

The policy under which we are working is a gratuitous ration to the sick, aged, and crippled, but no ration to any family where able-bodied persons are capable of performing three days' work at the agency. There has been some opposition to this policy by a few disgruntled Indians who claim that the rations in our warehouse were sent for free

distribution and that I have no right to require that they work for them. One Indian who had requested a policeman to intercede for him to the end that he might be given a ration, was told, by the policeman that he could have a ration if he would work for it. His reply was, "If I've got to work for Hyde, I might as well work for myself." This he proceeded to do, and has supported himself and family by hauling wood to white farmers.

The letters in full are as follows:

DEPARTMENT OF THE INTERIOR,
UNITED STATES INDIAN FIELD SERVICE,
Devils Lake, N. Dak., February 20, 1921.

COMMISSIONER OF INDIAN AFFAIRS,
Washington, D. C.

DEAR MR. COMMISSIONER: Your telegram of the 18th reached me just as I was starting for Devils Lake to attend a term of Federal court. This letter is, therefore, being sent from Devils Lake.

On Saturday, 18th, I mailed your office copies of correspondence that has passed between Mr. John Clark, chairman of the board of county commissioners of Rolette County and myself, relative to the advantages to be derived from an appropriation for the establishment and maintenance of roads on the reservation.

There is but one "all weather" road on the reservation. This is a State highway, and for a distance of 6 miles forms the south boundary of the two townships comprising the reservation. Two other roads, but slightly graded and poorly improved, run from the south line to the north line of the reservation. The balance of the roads on the two townships are unimproved and are impassable for automobile traffic much of the time.

There is ample opportunity for improving these roads, and it is my belief that such a measure would be of direct benefit to the Indians living on the reservation as it would enable them to haul their wood and hay more readily. As only Indians would be employed in the construction of new roads the labor would furnish them with sufficient funds to make gratuities unnecessary.

Practically all of the Indians, wards, indigent patent in fee, and unenrolled have homes. It is true that many of them are living on the allotments of their relatives, but in any event they have houses that they look upon as their own. None of them are so situated, but what they could secure garden space and, with very little effort, pasturage for a cow or two. All of them, with the exception of the non-enrolled Indians have received 160 acres of land. Most of the non-enrolled Indians have married with enrolled Indians, and thereby shared to some extent in the allotment of land. The indigent patent in fee Indians to-day are without land, because they found it was more convenient to secure a patent in fee to their allotments and live for a time without effort on the proceeds derived from the sale of their patents in fee.

This class of people would not be contended with an additional 40 acres if it were given to them and would maintain that 40 acres was not sufficient and clamor for 80 or 160. Such an additional allotment would be unfair to the present wards who have continued to hold their land.

The conditions on the reservation are greatly improved. The old and sick are being given rations and the young and able-bodied are given an opportunity of earning rations. The ration roll for the present year has been reduced 70 per cent over last year. I have a standing offer of a ration for three days' work at the agency. This ration consists of 20 pounds of flour, 5 pounds of fat salt pork, 2½ pounds of beans, hominy, rice, or other cereal, 2 pounds of sugar, and a half pound of tea. In addition to this, a noon-day meal is given on each of the three days the Indian is required to work. This ration is equivalent to the purchasing power of $3 in cash.

The $500 allotted for the purchase and resale of wood has been entirely expended. Approximately 150 cords of green, poplar poles were purchased and these have been hauled to the agency yard. A power saw is belted to our pump engine and Indians desirous of working for a ration are engaged in sawing this wood into stove lengths and piling it to dry.

The matter of relieving distress has had my personal attention this year as well as last and no appeal for relief has been disregarded. All rationers are being visited by the policemen in the district once every two weeks and the officers are personally questioned by myself relative to the needy families within their respective districts. In addition to this, I personally visit many of the homes during my trips about the reservation. The policy under which we are working is a gratuitous ration to the sick, aged, and crippled, but no ration to any family where able-bodied persons are capable of performing three days' work at the agency. There has been some opposition to this policy by a few disgruntled Indians who claim that the rations in our warehouse were sent for free distribution and that I have no right to require that they work for them. One Indian who had requested a policeman to intercede for him to the end that he might be given a ration was told by the policeman that he could have a ration if he would work for it. His reply was, "If I've got to work for Hyde, I might as well work for myself." This he proceeded to do and has supported himself and family by hauling wood to white farmers.

The distressful situation among these Indians has been bred from too many gratuities, both from the county and the agency. Summer and fall wages were not conserved because it was known that the agency or county would come to the relief of distress. Rolette County has reduced the amount expended for rations 33⅓ per cent this year. The gospel of work is not overly popular with a few of the Indians, but it is the only method by which they can be reinvested with a semblance of pride and initiative. It is for this reason that I suggest an appropriation for the betterment of roads that will enable us to offer work at a fair remuneration to those who are able and willing rather than throw another obstacle in their way by giving them additional land as a reward for their previous mistakes.

Very respectfully yours,

JAMES H. HYDE, *Superintendent.*

THORNE, N. DAK., *February 13, 1928.*

MR. JAMES H. HYDE,
Superintendent, Belcourt, N. Dak.

DEAR SIR: I am writing you with reference to the road problem within the reservation. I have been wondering for a long time if it would not be possible to get your department to take up the matter and see if you could not get a yearly allowance to be spent for road-improvement purposes within the reservation.

The two townships comprising the reservation have a total assessed valuation of only $183,229 (1927 valuation, which is much the same as prior years). The levy for road-improvement purposes is 5½ mills, which is as much as we can levy under the present State law. This, as you will readily see, gives us a yearly amount of less than $1,000 for the two townships, if all the taxes levied are collected, which they are not. This is only about one-fourth as much as is raised by most of the other townships in the county for road-improvement purposes. This is due to the fact that a considerable amount of the land within the reservation is trust patent land and not taxable.

You are familiar with the topography of these two townships and I think you will agree with me when I say that it requires much more money to build and maintain roads through them than through any other portion of this county, due to rocks and stumps and the hilly nature of the land. In order to have any roads at all through the reservation we have been spending each year several times the amount of money that these two townships are really entitled to, based upon their assessed valuation. This money, of course, has to be raised in and really belongs to other parts of the county. The taxpayers are commencing to complain that we are using part of their money where it should not be used and we can not blame them for so complaining, for road conditions are not of the best anywhere and the money should be spent where it is raised. But, as I have said before, in order to keep the roads through the reservation in any passable condition whatsoever we will have to have more money from some source. During the greater part of last summer the only way that most of the roads through the reservation could be traveled at all was on horseback.

If a yearly Federal appropriation of about $5,000 for each of these two townships could be had for road-improvement purposes it would be a wonderful thing. It would not only help to improve the roads, but would provide work for many of the Indians at times when other work is not plentiful and would so help to educate them away from the idea of always looking for gratuities.

Through my work as county commissioner I have been in close touch with the road problems of the reservation for the past seven years, and the thought of trying to get some help from the Federal Government for road improvement there has often come to me, and believing it worthy of serious consideration I am suggesting it to you.

Yours very truly,

JOHN CLARK,
Chairman Board of County Commissioners of Rolette County.

DEPARTMENT OF THE INTERIOR,
UNITED STATES INDIAN FIELD SERVICE,
Belcourt, N. Dak., February 18, 1928.

MR. J. CLARK,
County Commissioner, Thorne, N. Dak.

DEAR MR. CLARK: Your letter of the 13th relative to the road problem on the reservation has been received and carefully read. I concur with your conclusions and will submit the proposal to the Indian Office with a recommendation that an appropriation be sought from Congress for the express purpose of improving the roads on these two townships.

I appreciate your predicament in applying funds derived from the taxpayers in other townships for the betterment of road conditions on the reservation, and realize that the amount derived from taxes on the reservation proper would be wholly insufficient even to maintain the present roads without doing any new work.

Such a fund, if made available, would be doubly beneficial, for not only would it improve the road conditions and increase the value of the property of these Indians, but the work involved would furnish labor to a large number of Indians who are now unemployed.

This seems a very propitious time to lay this matter before Congress, for several interests are endeavoring to secure the passage of a bill to provide gratuities for fee-patent Indians on this reservation. People who are conversant with the Indian problem are adverse to such a bill as they feel that a gratuity appropriation would establish a precedent that would be of immeasurable damage to the Indian and create a perpetual problem that would never be concluded as long as a person could establish a degree of Indian blood.

If, therefore, Congress would appropriate a sum of money that could be expended among these Indians in return for labor, such action would materially relieve the conditions of unemployment and at the same time do so without creating a precedent whereby fee-patent Indians would be virtually rerecognized as wards of the Government. In addition to this much-desired result, the property of both wards and fee-patent Indians would be increased in value by the improved roads.

A copy of your letter, together with a copy of this letter, is being sent the Commissioner of Indian Affairs, with a request that the subject matter thereof be given consideration.

Very truly yours,

JAMES H. HYDE, *Superintendent.*

The motion of Mr. CRAMTON was then agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment 46, page 94, in line 20, insert the following: "*Provided,* That the proviso to section 2 of the act approved February 26, 1919, establishing the Grand Canyon National Park, shall not apply to the Rainier National Park, State of Washington."

Mr. CRAMTON. I move to recede and concur with the following amendment.

The Clerk read as follows:

Strike out the Senate amendment and insert in lieu thereof the following:

"That section 3 of the act of August 25, 1916 (39 Stat. 535), entitled 'An act to establish a National Park Service, and for other purposes,' be, and the same is hereby, amended by adding the following thereto: '*And provided further,* That the Secretary of the Interior may grant said privileges, leases, and permits and enter into contracts relating to the same with responsible firms or corporations without advertising and without securing competitive bids: *And provided further,* That no contract, lease, permit, or privilege granted shall be assigned or transferred by such grantees, permittees, or licensees without the approval of the Secretary of the Interior first obtained in writing: *And provided further,* That the Secretary may in his discretion authorize such guarantee, permittees, or licensees to execute mortgages and issue bonds, shares of stock, and other evidences of interest in or indebtedness upon their rights, properties, and franchises, for the purpose of installing, enlarging, or improving plants and equipment and extending facilities for the accommodation of the public within such national parks and monuments.'"

Mr. CRAMTON. Mr. Speaker, with reference to that amendment the Comptroller General has rendered a decision holding that section 3709 applying to advertising, soliciting bids for contracts with the Government applies to contracts made by the Interior Department with the operators to carry on in the parks. That, of course, would be extremely embarrassing in the administration of these parks. At the present time it has affected seriously the new contracts necessary in Mount Rainier Park.

That is a good illustration, because the parks company that handles the hotels is financed by public-spirited men of Seattle and Tacoma. These public-spirited men who provide facilities needed for the use of the public in the parks are about to carry on a very large new program. If the ruling stands it would be a good deal of an embarrassment. The Senate amendment was put in and intended to cure the situation in Mount Rainier Park, but would not affect other parks. As a matter of fact the language proposed by the Senate would not have accomplished what was really intended, even for Mount Rainier. The language that we have proposed takes care of not only Mount Rainier Park but other parks, and clarifies the authority and authorizes securities that are needed for Mount Rainier Park and the new developments.

It should be stated that the contracts made with these operators in the national parks are made not for service to be furnished to the Government but for service to be furnished to the public who go to the parks, and the Government retains full control of the rates that may be charged the public. If contracts could only be let after advertising, the terms of the competition would be very difficult to define and it might occur that an established operator, rendering thoroughly satisfactory service at rates approved by the Government, and having acquired the good will of the public through experience and fair dealing, might lose out, and one less experienced, less reliable, and less capable come in.

The second proviso in the substitute I have offered probably only reiterates in law what many of the contracts now contain. The third and last proviso is to meet a need now existing in the Mount Rainier situation, where the company is to provide very extensive new facilities.

The SPEAKER. The question is on the motion of the gentleman from Michigan to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment 51, page 14, after line 6, insert:

HOWARD UNIVERSITY

Salaries: For payment in full or in part of the salaries of the officers, professors, teachers, and other regular employees of the university, the balance to be paid from privately contributed funds, $160,000, of which sum not less than $2,200 shall be used for normal instruction;

General expenses: For equipment, supplies, apparatus, furniture, cases and shelving, stationery, ice, repairs to buildings and grounds, and for other necessary expenses, including reimbursement to the appropriation for Freedman's Hospital of actual cost of heat and light furnished, $80,000;

For the construction and equipment of a chemistry building, $150,000; and the Secretary of the Interior is authorized to enter into contract or contracts for such building and equipment at a cost not to exceed $390,000;

Total, Howard University, $390,000.

Mr. CRAMTON. Mr. Speaker, I offer the following motion.

The Clerk read as follows:

Mr. CRAMTON moves to recede and concur in the Senate amendment.

Mr. CRAMTON. Mr. Speaker, in reference to that I want to call the attention of the House to the fact that legislation has been proposed for some time to correct this situation, and it is hoped that we may have an early consideration of it.

I will ask unanimous consent to revise and extend my remarks with reference to this item, and in doing so I desire to put in a study of the attendance at Howard University and the situation in certain States with reference to the use of Federal and State funds.

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

There was no objection.

Mr. CRAMTON. Because of the annual points of order against the items for support and development of Howard University, I drafted and introduced in the Sixty-eighth Congress the following bill:

That section 8 of an act entitled "An act to incorporate the Howard University in the District of Columbia," approved March 2, 1867, be amended to read as follows:

"SEC. 8. Annual appropriations are hereby authorized to aid in the construction, development, improvement, and maintenance of the university, no part of which shall be used for religious instruction. The university shall at all times be open to inspection by the Bureau of Education and shall be inspected by the said bureau at least once each year. An annual report, making a full exhibit of the affairs of the university, shall be presented to Congress each year in the report of the Bureau of Education."

This was favorably reported from the Committee on Education by Chairman DALLINGER but not reached for action by the House. Each Congress since then I have introduced the same bill.

In the Sixty-ninth Congress an identical bill, by the gentleman from New York [Mr. REED], was reported by him from the Committee on Education and passed the House, but was not taken up in the Senate. His bill has been again reported and is now on our calendar. I hope it may be reached for consideration soon and sent to the Senate in time for action there.

To appreciate the national need of such an institution as Howard for the colored race, it is desirable to note the following table just issued by the bureau of research in the college of education of that institution as part of a study of the "comparative distribution of Federal and State funds for collegiate education of whites and negroes in 17 States." The table follows:

TABLE SHOWING

I. Distribution of students in publicly controlled institutions of four-year collegiate grade in 17 States, and the distribution of Federal and State funds for four-year collegiate education and the relation of the distribution to the population in 17 States having separate schools for white and negro students [1]

II. The extent to which Howard University serves persons born in those States.

State	Total population		Per cent negro population is of white population	Number of white students enrolled in schools of 4-year grade	Number of negroes who should be so enrolled according to population	Number of negroes actually so enrolled in schools of 4-year collegiate grade	Number of students at present in Howard University of 4-year collegiate grade	Federal funds for higher education			State funds for higher education			Number persons from the States enrolled in college for the autumn, winter, 1927-28	Number of students and graduates of Howard University from the several States studied				
	White	Negro						Received by whites	Amount due to negroes at same rate according to population	Amount actually received by negroes	Amount received by whites	Amount due to negroes at same rate according to population	Amount received by negroes		Graduates from college, by State of birth from 1919 to 1927	Students entering the school of medicine, by State of birth, 1923-1927	Graduates from the school of medicine, by State of birth	Students entering the law school from 1922-1927	Graduates from the law school from 1922-1927
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Alabama	1,447,032	900,652	62.2	4,435	2,557	0	48	$276,720	$172,119	[3]$20,750	[2] $873,519	$543,328	[2] $36,500	28	34	19	16	1	1
Arkansas	1,279,757	472,220	36.8	3,329	1,225	0	28	263,555	96,988	[2] 20,654	629,207	231,548	[2] 68,166	23	7	4	5	1	0
Delaware	192,615	30,335	19.9	606	120	0	15	100,742	20,047	[2] 10,000	162,242	32,286	[4] 21,000	11	0	4	2	0	1
Florida	638,153	329,487	51.6	8,391	4,329	103	47	156,609	80,810	25,820	1,116,094	575,904	10,000	28	24	16	16	3	1
Georgia	1,689,114	1,206,365	71.4	7,789	5,561	0	74	571,296	407,905	[2] 19,667	[2] 732,354	522,900	[2] 42,500	43	44	30	21	1	5
Kentucky	2,180,560	235,938	10.8	6,460	697	0	47	282,252	30,483	[2] 8,505	[3]1,185,567	128,041	[4] 40,000	32	33	11	18	4	0
Louisiana	1,096,611	700,257	63.8	4,035	2,574	84	42	232,754	148,497	23,655	[2]2,198,158	1,530,024	46,515	23	23	18	12	1	1
Maryland	1,204,737	244,479	22.9	5,670	1,298	0	74	302,457	69,262	0	[2] 956,149	218,958	[3] 74,968	58	51	11	29	5	4
Mississippi	853,962	935,184	109.5	850	930	0	33	235,649	258,035	39,592	[2] 769,529	842,634	[2] 65,251	19	18	11	10	3	2
Missouri	3,225,044	178,241	5.3	17,595	932	[5] 518	24	297,046	15,743	3,125	[3]3,714,747	196,881	[2] 114,773	24	11	0	0	0	0
North Carolina	1,783,779	763,407	42.7	5,587	2,385	0	165	342,130	146,089	[2] 20,086	[4]4,180,479	1,785,064	[2] 542,111	118	60	43	19	4	10
Oklahoma	1,821,194	149,408	8.2	20,530	1,683	0	8	247,028	20,256	[2] 5,000	[3]3,418,277	280,298	[2] 95,900	8	14	0	0	0	0
South Carolina	818,538	864,719	105.0	4,030	4,231	[6] 887	84	225,906	237,201	34,328	1,812,456	1,903,078	101,150	48	33	33	31	3	7
Tennessee	1,885,993	451,758	23.9	2,140	511	0	33	773,583	184,886	[2] 12,000	[2] 579,042	138,391	[2] 54,999	24	18	6	10	3	4
Texas	3,918,165	741,694	18.9	21,546	4,072	[5] 723	70	[2] 487,289	92,097	1,978	[5]5,652,526	1,068,327	216,070	48	55	21	22	1	6
Virginia	1,617,909	690,017	42.0	10,475	4,399	0	234	286,119	120,169	[2] 26,996	[1]1,818,805	763,898	[2] 48,156	153	96	72	90	9	10
West Virginia	1,377,235	86,345	6.2	5,492	340	[5] 756	30	[2] 224,317	13,907	10,629	[1]1,852,685	114,866	[2] 272,750	21	0	7	14	2	3
Total	27,030,398	8,980,506	33.2	128,958	37,844	3,071	1,056	5,305,452	2,114,494	282,785	31,651,836	10,876,426	1,850,809	709	521	306	355	41	55

[1] These data were obtained from "Biennial Survey of Education, 1922-1924," Department of Interior, Bureau of Education Bulletin (1926) No. 23, and State Superintendents Reports for 1922-1924; Bureau of Education Bulletin (1927) No. 37.

[2] Includes also appropriations for schools above secondary but of junior collegiate grade.

[3] This includes 348 students of secondary school grade.

[4] This includes 574 students of secondary school grade.

[5] This includes 261 students of secondary school grade.

[6] This includes 442 students of secondary school grade.

In explanation of that table and in comment upon it I have selected Mississippi for purposes of illustration, since the points of order which struck out all the appropriations proposed by the bill, when it was first before the House, were made by the gentleman from Mississippi [Mr. LOWREY].

1. Column 1 gives a list of the 17 States in which separate educational facilities are maintained for whites and negroes.

2. Columns 2 and 3 give the white and the negro population, respectively, based upon the Fourteenth Census Report.

3. Column 4 shows the per cent that the negro population is of the white for each State. Mississippi, 109.5.

4. Column 5 represents the number of white students enrolled in State institutions of four-year collegiate grade in each of the States. Mississippi, 850.

5. Column 6 shows the number of negroes that should be enrolled if educational opportunities were given negroes on the basis of population; e. g., Mississippi has 850 white students in institutions of four-year collegiate grade. Therefore negroes, who constitute 109.5 per cent of the white population, ought to have in similar institutes 109.5 per cent of 850 students, or 930.

6. Column 7 shows the number of negroes who are actually enrolled in State institutions of four-year collegiate grade; e. g., in Mississippi there is not a single negro enrolled in a publicly controlled institution of four-year collegiate grade.

7. Column 8 indicates the number of students enrolled in Howard University from each of the 17 States listed; e. g., there are 33 students from Mississippi enrolled in Howard University.

8. Column 9 shows the amount of money appropriated by the Federal Government for white institutions of four-year collegiate grade; e. g., the Federal Government gave $235,649 to the State of Mississippi for institutions of four-year collegiate grade.

9. Column 10 shows what negroes should have received had the Federal Government appropriated money to negroes on the same basis as it did to white; e. g., if the Federal Government had given negroes in Mississippi a proportionate share of money based upon the white appropriation, they would have received $258,035.

10. Column 11 shows what negroes actually received from the Federal Government; e. g., the Federal Government gave $39,592 to negro schools in the State of Mississippi.

11. Column 12 indicates the amount of money appropriated by each State for white institutions; e. g., the State of Mississippi gave $769,529 for white institutions.

12. Column 13 shows the amount of money negroes should have received from the State had the State given a proportionate share to negroes; e. g., in Mississippi if negroes had received their proportionate share of State funds based upon what the white schools received, they would have got $842,634.

13. Column 14 shows what negroes actually received from the States; e. g., Mississippi gave negro institutions $65,251, and, as will be seen from the footnotes (f) most of the contributions from the States for negroes included mainly funds for schools of junior college grades.

14. Columns 15 to 20, inclusive, indicate the number of students and graduates of Howard University from the various States; e. g., from Mississippi there are now registered in Howard University 19 students in the academic colleges; 7 students in the school of medicine, 3 in the school of law, 2 in the school of dentistry, and 2 in the school of pharmacy. In the last eight years 18 students have graduated from the academic colleges. From 1923 to 1927, inclusive, 10 have graduated from the school of medicine and 2 from the school of law.

The following summary accompanies the table furnished me by the university:

OBSERVATIONS BASED UPON TOTALS OBTAINED IN THE ABOVE TABLE

1. Negroes represent an average of 33.2 per cent of the white population in the 17 States listed with a range of 5.3 per cent in Missouri to 109.5 per cent in South Carolina. Therefore, on the average for the 17 States listed, negroes should receive about one-third as much as the whites. Although in States like South Carolina and Mississippi they should receive more than the whites.

2. There are a total of 128,958 white students in institutions of four-year collegiate grade. There are supposedly 3,071 negroes in such institutions, but when the secondary school students are eliminated there are actually only 1,446 such students enrolled. On the basis of population, negroes should have 37,884 such students. Howard University has registered at the present 1,056 students, almost as many as are in similar State institutions for negroes in all of these 17 States combined.

Again it should be noted that in 11 of the 17 States not a single negro is registered in an institution of four-year collegiate grade.

There are in Howard University at the present time 759 students from these 11 States alone. It should be noted further that there are in Howard University 306 students from these 17 States taking medicine and 41 students from these 17 States taking law, and no provision is made for negroes for such education in any of these States (except West Virginia, see house bill No. 10, Legislature of West Virginia) either by the States or by the Federal Government.

3. Appropriations for white and negro education:

(a) White institutions in these 17 States receive a total of $5,305,452 from the Federal Government.

(b) Negroes receive a total of $282,275 (most of which goes for education of junior college grade) from the Federal Government.

(c) Negroes should receive on the basis of population from the Federal Government $2,114,494.

(d) White institutions received a total of $31,651,836 from the 17 States.

(e) Negroes received from the same States $1,850,809.

(f) Negroes should have received on the basis of population, $10,876,426.

(g) White institutions received both from the Federal and State Governments $36,957,288.

(h) Negroes received both from the Federal and State Governments $2,133,594.

(i) Negroes should have received from both the Federal and State Governments $12,990,920, leaving a deficiency of $10,857,326.

The situation as it exists in Mississippi, emphasizing the need for national opportunity for education for the colored race, is presented as follows by the Bureau of Research:

Number of students, faculty, and appropriation by the Federal Government and State of Mississippi for universities and colleges of four-year grade

	Students enrolled		Faculty		Appropriations from Federal Government		Appropriations from State	
	White	Colored	White	Colored	White	Colored	White	Colored
I. Universities and colleges of 4-year grade:								
1. Agricultural and Mechanical College	[1] 1,342		[1] 92		[2] $233,099		[4] $357,623	
2. Mississippi State College for Women	[1] 1,225		[1] 74		[2] 2,550		[4] 158,611	
3. State Teachers' College	1,582		[3] 38				82,705	
4. University of Mississippi	[1] 850		[1] 42				160,590	
5. Total in universities and colleges of 4-year grade	4,999		246		235,649		769,526	
6. Students[5] enrolled in—								
(a) Graduate school [5]	20							
(b) Law schools [5]	120							
(c) Pharmacy schools [5]	83							
(d) Medicine schools [5]	67							
(e) Education [5]	1,752							
(f) Faculty			246					
Total	2,042		246					
II. Schools of junior college grade: Alcorn Agriculture and Mechanical College		386		52		[6] $39,592		[6] $65,251

III. Omit.

	White	Colored
IV. Summary and conclusion (universities and colleges of 4-year grade):		
1. Total population	853,962	935,184
2. Per cent negro population is of white population		109.5
3. Proportionately negroes should (but do not) have the following numbers in—		
(a) Graduate schools		21.9
(b) Law		131.4
(c) Pharmacy		90.88
(d) Medicine		73.36
(e) Education		1,918.44
(f) Faculty		26.938
4. Total amount appropriated by the Federal Government for universities and colleges	235,649	
(a) Proportionately negroes should have, and did not, receive from the Federal Government		239,046.65
5. Total amount appropriated by State for universities and colleges	769,529	
(a) Proportionately negroes should have, but did not, receive from the State government		842,634.25

	Students enrolled		Faculty		Appropriations from Federal Government		Appropriations from State	
	White	Colored	White	Colored	White	Colored	White	Colored
V. Grand summary (higher institutions above secondary):								
1. Received from Federal Government						$235,649.00		$39,592.00
2. Received from State						769,529.00		65,251.00
3. Amount negroes should have received from the Federal Government but did not								228,443.65
4. Amount negroes should have received from the State but did not								776,783.25

[1] "Biennial Survey of Education, 1922-1924," Bureau of Education Bulletin No. 23, 1926, pp. 611, 612.
[2] State Superintendent's Report, State of Mississippi, 1927, p. 98.
[3] Biennial Survey of Education, p. 740.
[4] Included in totals above.
[5] Bureau of Education Bulletin, 1927, No. 37, pp. 46, 50.
[6] Bureau of Education Bulletin, 1921, No. 37, p. 28.
[7] Biennial Survey of Education, p. 388.
[8] State Superintendent's Report, pp. 274-275.

The SPEAKER. The question is on the motion of the gentleman from Michigan to recede and concur.

The question was being put when Mr. TARVER asked for a division.

Mr. BLANTON. Mr. Speaker, I ask for the yeas and nays.

The question was taken; and only three Members rising the yeas and nays were refused.

The committee divided; and there were—yeas 112, nays 12.

Mr. TARVER. Mr. Speaker, I object to the vote on the ground that no quorum has voted.

The SPEAKER. The gentleman from Georgia makes the point of order that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question is on agreeing to the motion of the gentleman from Michigan.

The question was taken; and there were—yeas 259, nays 93, not voting 81, as follows:

[Roll No. 39]

YEAS—259

Ackerman	Dickinson, Mo.	Kading	Porter
Adkins	Douglas, Ariz.	Kendall	Prall
Aldrich	Douglass, Mass.	Ketcham	Pratt
Andresen	Dowell	King	Purnell
Andrew	Dyer	Knutson	Rainey
Arentz	Eaton	Korell	Ramseyer
Auf der Heide	Elliott	Kurtz	Ransley
Ayres	England	Kvale	Reece
Bacharach	Englebright	LaGuardia	Reid, Ill.
Bachmann	Evans, Calif.	Lampert	Robinson, Iowa
Bacon	Evans, Mont.	Langley	Robsion, Ky.
Barbour	Faust	Lea	Rogers
Beck, Pa.	Fenn	Leatherwood	Rowbottom
Beedy	Fitzgerald, Roy G.	Leavitt	Rubey
Beers	Fitzgerald, W. T.	Leech	Sabath
Begg	Fitzpatrick	Lehlbach	Sanders, N. Y.
Black, N. Y.	Fletcher	Letts	Schaefer
Blanton	Frear	Lindsay	Schneider
Bloom	Freeman	Linthicum	Seger
Bohn	French	Lozier	Selvig
Bowles	Frothingham	Luce	Shallenberger
Bowman	Fulbright	McFadden	Shreve
Boylan	Furlow	McKeown	Sinclair
Brigham	Gambrill	McLaughlin	Sinnott
Britten	Garber	McLeod	Sirovich
Browne	Gardner, Ind.	McSweeney	Smith
Buckbee	Gibson	MacGregor	Snell
Burdick	Gifford	Maas	Speaks
Burtness	Golder	Madden	Sproul, Ill.
Burton	Goldsborough	Magrady	Stalker
Bushong	Green, Iowa	Major, Ill.	Strong, Kans.
Butler	Greenwood	Major, Mo.	Sullivan
Campbell	Griest	Manlove	Summers, Wash.
Canfield	Griffin	Mapes	Sweet
Cannon	Guyer	Martin, Mass.	Swick
Carter	Hadley	Mead	Swing
Casey	Hale	Menges	Taber
Chalmers	Hall, Ill.	Merritt	Tatenhorst
Chase	Hall, Ind.	Michener	Taylor, Colo.
Chindblom	Hall, N. Dak.	Miller	Taylor, Tenn.
Clague	Hancock	Monast	Temple
Clancy	Hardy	Montague	Thatcher
Clarke	Hastings	Mooney	Thompson
Cochran, Mo.	Hawley	Moore, Ky.	Thurston
Cohen	Hersey	Moore, N. J.	Tilson
Cole, Iowa	Hickey	Moore, Ohio	Timberlake
Colton	Hill, Wash.	Moore, Va.	Tinkham
Combs	Hoch	Morehead	Underhill
Connery	Hoffman	Morgan	Underwood
Connolly, Pa.	Hogg	Morrow	Updike
Cooper, Ohio	Holaday	Murphy	Vincent, Mich.
Cooper, Wis.	Hooper	Nelson, Mo.	Wason
Corning	Houston, Del.	Nelson, Wis.	Watres
Crail	Howard, Okla.	Newton	Welch, Calif.
Cramton	Hudson	Niedringhaus	Weller
Crosser	Hughes	Norton, Nebr.	Welsh, Pa.
Crowther	Hull, Morton D.	Norton, N. J.	White, Kans.
Cullen	Hull, Wm. E.	O'Brien	Williams, Ill.
Dallinger	Igoe	O'Connell	Williams, Mo.
Darrow	Jacobstein	O'Connor, La.	Winter
Davenport	Jenkins	Oliver, N. Y.	Wolverton
Davey	Johnson, Ill.	Palmer	Woodruff
Dempsey	Johnson, Ind.	Parker	Wyant
Denison	Johnson, S. Dak.	Peavey	Zihlman
Dickinson, Iowa	Johnson, Wash.	Perkins	

NAYS—93

Allgood	Doughton	Kerr	Sandlin
Almon	Drane	Kincheloe	Spearing
Aswell	Eslick	Kopp	Steagall
Bankhead	Fisher	Lanham	Steele
Bell	Garner, Tex.	Lankford	Stevenson
Black, Tex.	Garrett, Tenn.	Lowrey	Swank
Bland	Garrett, Tex.	McClintic	Tarver
Bowling	Gasque	McDuffie	Tillman
Box	Gilbert	McReynolds	Vinson, Ga.
Brand, Ga.	Gregory	McSwain	Vinson, Ky.
Briggs	Green, Fla.	Martin, La.	Ware
Browning	Hammer	Milligan	Warren
Buchanan	Hare	Moorman	Weaver
Bulwinkle	Harrison	Oldfield	Whitehead
Busby	Hill, Ala.	Oliver, Ala.	Whittington
Byrns	Howard, Nebr.	Parks	Williams, Tex.
Carss	Huddleston	Peery	Wilson, La.
Cartwright	Hudspeth	Pou	Wilson, Miss.
Chapman	Jeffers	Quin	Woodrum
Collier	Johnson, Okla.	Ragon	Wright
Cox	Johnson, Tex.	Rankin	Yon
Crisp	Jones	Reed, Ark.	
Davis	Kemp	Rutherford	
De Roeun	Kent	Sanders, Tex.	

NOT VOTING—81

Abernethy	Drewry	Kiess	Sproul, Kans.
Allen	Driver	Kindred	Stedman
Anthony	Edwards	Kunz	Stobbs
Arnold	Estep	Larsen	Strong, Pa.
Beck, Wis.	Fish	Lyon	Strother
Berger	Fort	McMillan	Sumners, Tex.
Boies	Foss	Mansfield	Treadway
Brand, Ohio	Free	Michaelson	Tucker
Carew	Fulmer	Morin	Vestal
Carley	Gallivan	Nelson, Me.	Wainright
Celler	Glynn	O'Connor, N. Y.	Watson
Christopherson	Goodwin	Palmisano	White, Colo.
Cochran, Pa.	Graham	Quayle	White, Me.
Collins	Haugen	Rathbone	Williamson
Connally, Tex.	Hope	Rayburn	Wingo
Curry	Hull, Tenn.	Reed, N. Y.	Wood
Deal	Irwin	Romjue	Wurzbach
Dickstein	James	Sears, Fla.	Yates
Dominick	Kahn	Sears, Nebr.	
Doutrich	Kearns	Simmons	
Doyle	Kelly	Somers, N. Y.	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Wood with Mr. Connally of Texas.
Mr. Graham with Mr. Dominick.
Mr. Stobbs with Mr. Arnold.
Mr. Morin with Mr. Driver.
Mr. Treadway with Mr. Gallivan.
Mr. Fish with Mr. Mansfield.
Mr. Wurzbach with Mr. Quayle.
Mr. Cochran of Pennsylvania with Mr. Somers of New York.
Mr. Yates with Mr. Wingo.
Mr. Free with Mr. Tucker.
Mr. Kearns with Mr. Steadman.
Mr. Watson with Mr. Carew.
Mr. Vestal with Mr. Abernethy.
Mr. Kiess with Mr. Deal.
Mr. Michaelson with Mr. Celler.
Mr. Curry with Mr. Fulmer.
Mr. Doutrich with Mr. Lyon.
Mr. Strong of Pennsylvania with Mr. Palmisano.
Mr. Fort with Mr. Romjue.
Mr. Kelly with Mr. White of Colorado.
Mr. White of Maine with Mr. Larsen.
Mr. Reed of New York with Mr. Sumners of Texas.
Mr. Anthony with Mr. Carley.
Mr. Foss with Mr. Doyle.
Mr. Glynn with Mr. Edwards.
Mr. Brand of Ohio with Mr. Collins.
Mr. Estep with Mr. Dickstein.
Mr. Strother with Mr. Drewry.
Mr. Hogg with Mr. Hull of Tennessee.
Mr. James with Mr. McMillan.
Mr. Bohn with Mr. O'Connor of New York.
Mr. Simmons with Mr. Rayburn.
Mr. Christopherson with Mr. Sears of Florida.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Mr. CRAMTON. Mr. Speaker, at this point in the RECORD I ask unanimous consent to extend my remarks with reference to the report that has just been adopted, and also to extend my remarks with reference to various amendments the House has just acted upon, and in doing so I may desire to insert certain letters or quotations from hearings or statements.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. CRAMTON. The following is the financial comparison of the House, Senate, and conference action, including the action just taken, on the Howard University and Turtle Mountain Indian items:

Amount of bill as passed the Senate		$272,865,039
Amount of bill as passed the House		272,078,039
Net addition, including $390,000 for Howard University		787,000
House has receded from—		
More land for Sequoyah School	$10,000	
Claremore Hospital	50,000	
Gallop-Shiprock highway	20,000	
Bureau of Pensions	15,000	
Picacho and other washes, Yuma project	30,000	
Gauging streams	20,000	
Classification of lands	38,000	
		183,000
Senate has receded from—		
Milk River project, operation and maintenance	5,000	
Amendments on Yuma, Minidoka, North Platte, Riverton, and Shoshone, substituting direct appropriations for use of power revenues for operation of commercial systems	194,000	
		199,000
Bill as agreed upon without Howard University and Turtle Mountain Indian items		272,261,039
Howard University		390,000
Turtle Mountain Indians		5,000
		272,656,039
Amount of Budget estimates		272,165,839
Maximum of bill		272,656,039
Less than Budget		509,800

Accompanying this statement I also insert Table A, showing the financial effect of Senate amendments and later action thereon. Also I present Table B, showing appropriations under the Department of the Interior, including supplemental and deficiencies, fiscal years 1916–1929, inclusive. In certain columns I have segregated appropriations from Indian tribal funds, Indian reimbursable appropriations, all other Indian appropriations—treaty or gratuity—Army and Navy pensions, from the reclamation fund, all other Interior appropriations, and the annual totals.

In connection with Senate amendments 9 and 10, for establishment of a new Indian hospital at Claremore, Okla., I insert the following letters from Col. Clarence B. Douglas on behalf of Claremore:

TABLE A.—*Statement of Senate amendments involving appropriations, showing effect of action of conferees thereon, and action taken by House on amendments 12 and 51*

Amendment No.	Subject	Budget estimate	Appropriated by House	Appropriated by Senate	Agreed amount	Increase (+) or decrease (−), agreed amount compared with House figure			Increase (+) or decrease (−), agreed amount compared with Senate figure	
						Reclamation fund	Indian tribal funds	General	Reclamation fund	General
	Indian affairs:									
7	Sequoyah Orphan Training School	$95,000	$83,000	$93,000	$93,000			+$10,000		
9, 10	Claremore Indian Hospital			50,000	50,000			+50,000		
12	Turtle Mountain Indians			15,000	5,000			+5,000		−$10,000
14, 15, 17	Klamath Indians (from tribal funds)	185,000	185,000	164,000	164,000		−$21,000			
19	Gallup-Shiprock Highway	20,000		20,000	20,000			+20,000		
22	Pension Office, salaries	1,150,000	1,150,000	1,165,000	1,165,000			+15,000		
	Bureau of Reclamation:									
23	Salaries, Washington	172,000	168,000	172,000	168,000				−$4,000	
24, 25	Salaries and expenses, engineer's office	200,000	185,000	200,000	195,000	+$10,000			−5,000	
26	Expenses, field legal offices	13,000	10,000	13,000	13,000	+3,000				
27	Lithographing, printing, etc	25,000	20,000	25,000	20,000				−5,000	
28, 29	Yuma project	300,000	275,000	330,000	305,000	+30,000			−25,000	
31, 32	Minidoka project	1,150,000	1,104,000	1,154,000	1,104,000				−50,000	
33, 34	Milk River project	49,000	44,000	49,000	44,000				−5,000	
35	North Platte project	75,000		75,000					−75,000	
36, 37, 38	Riverton project	1,095,000	430,000	450,000	430,000				−20,000	
39	Shoshone project	196,000	160,000	180,000	160,000				−20,000	
	Geological Survey:									
42	Gauging streams	159,000	209,000	247,000	247,000			+38,000		
43	Classification of lands	180,000	160,000	180,000	180,000			+20,000		
51	Howard University	390,000		390,000	390,000			+390,000		
						+43,000	−21,000	+548,000	−209,000	−10,000

TABLE B.—*Annual appropriations under the Department of the Interior, including deficiencies, fiscal years 1916–1928*

[Exclusive of permanent and indefinite appropriations]

	Indian tribal funds	Indian reimbursable appropriations	All other Indian appropriations	Army and Navy pensions	Reclamation	All other Interior appropriations	Total
1929	$3,566,500.00	$1,595,500.00	$12,234,009.00	$210,000,000.00	$12,657,000.00	$36,177,530.00	$276,230,539.00
1928	2,535,555.00	5,452,125.00	10,969,361.00	[2] 267,000,000.00	11,903,800.00	15,851,535.00	313,712,376.00
1927 [1]	2,414,808.00	2,412,500.00	10,523,660.00	193,000,000.00	7,556,000.00	14,121,258.00	230,020,226.00
1926 [1]	2,135,010.00	1,589,178.00	13,720,303.55	197,000,000.00	12,349,000.00	[3] 20,924,109.00	[3] 247,717,600.55
1925	2,612,700.00	1,555,600.00	9,656,420.00	222,500,000.00	11,106,289.00	19,215,518.00	266,736,527.00
1924	2,406,600.00	2,179,850.00	9,458,854.00	253,003,000.00	12,250,000.00	21,598,534.00	300,896,838.00
1923	2,483,573.00	1,041,466.00	9,383,720.00	268,000,000.00	15,075,000.00	22,710,520.00	318,694,279.00
1922	2,716,921.00	1,249,005.00	8,724,170.00	265,000,000.00	20,266,000.00	20,160,758.00	318,116,854.00
1921	1,415,165.00	1,450,830.00	9,268,513.00	279,000,000.00	8,463,000.00	21,972,532.00	321,570,040.00
1920	1,531,817.00	2,173,833.00	9,160,629.00	215,000,000.00	7,300,000.00	24,071,669.00	259,237,948.00
1919	1,750,000.00	2,133,583.00	8,982,753.00	223,000,000.00	9,497,080.00	20,365,644.00	265,729,060.00
1918	1,291,117.00	2,029,500.00	9,818,295.00	183,000,000.00	8,227,000.00	28,398,245.00	232,762,157.00
1917	1,263,250.00	1,921,986.00	9,045,658.00	163,000,000.00	8,884,000.00	18,275,465.00	202,390,359.00
1916	665,000.00	518,740.00	9,253,162.00	164,000,000.00	13,530,000.00	15,120,077.00	203,086,979.00

[1] Does not include appropriations for the Patent Office and the Bureau of Mines, which have been transferred to the Department of Commerce.
[2] Includes deficiency for 1927 which was paid from 1928 appropriations.
[3] Includes $4,773,160 appropriated for the Patent Office and the Bureau of Mines transferred to the Department of Commerce July 1, 1925.

FEBRUARY 7, 1928.

Hon. LOUIS C. CRAMTON,
Member of Congress, Washington, D. C.

DEAR SIR: Representing the city and Chamber of Commerce of Claremore, Okla., in the matter of securing an appropriation of $50,000 for a hospital for Indians at that place, I desire to say this:

The city of Claremore will furnish without cost to the Government a suitable site of 5 acres for this building and will furnish without cost to the Government the necessary supply of mineral water for medicinal use in hospital.

Very truly yours,

CLARENCE B. DOUGLAS.

FEBRUARY 7, 1928.

Hon. LOUIS C. CRAMTON,
Member of Congress, Washington, D. C.

DEAR SIR: Following are the service rates for light, water, and gas as charged to consumer in Claremore, Okla. The water and light systems are city owned. The gas is furnished by a corporation. These figures are as of February 6, 1928:

Gas, 40 cents first 100,000, 32 cents next 400,000, 25 cents on up.

Lights, 11 cents first 50 kilowatts, 10 cents second 50 kilowatts, 9 cents second hundred kilowatts, and 8 cents all over 200 kilowatts.

Water, 30 cents first 20,000 gallons, 25 cents next 30,000, 18 cents next 150,000, 15 cents next 300,000, and 12 cents all over first 500,000 gallons.

Claremore will deliver water, light, and gas to building site without cost to the Government.

Very truly yours,

CLARENCE B. DOUGLAS.

In connection with Senate amendment 19, the following letter from Charles Springer, president of New Mexico State Highway Commission, should be a matter of record as to completion of construction of connecting highways:

NEW MEXICO STATE HIGHWAY DEPARTMENT,
Washington, D. C., February 15, 1928.

Hon. LOUIS C. CRAMTON,
House of Representatives, Washington, D. C.

DEAR MR. CRAMTON: This will confirm my verbal statement that I will endeavor to have the New Mexico State Highway Commission, at its next meeting, order a survey of the route north from Shiprock to Colorado State line on the road to Cortez and Mesa Verde National Park, with a view to constructing same as a Federal-aid project.

As the Federal-aid allotment funds up to and including the fiscal year beginning July 1, 1928, have already been budgeted to other roads, it will be impossible to begin construction on that project this year, but I will do my best to have it included in our program for the following year, to wit, our fiscal year 1929–30.

From what I know of the attitude of the other members of our commission I can assure you that we will keep that road under maintenance in the meantime, and I believe we can maintain it in good passable condition at all times.

Yours faithfully,

CHARLES SPRINGER,
President New Mexico State Highway Commission.

Mr. TAYLOR of Colorado. Mr. Speaker, reserving the right to object, I want to call the attention of the House to the fact that for several years past the Interior Department appropriation bill has gone on the statute books in almost the identical language that it has come from the Committee on Appropriations of the House. One of the main reasons for that is this: The chairman of this subcommittee, the gentleman from Michigan [Mr. CRAMTON], every alternate year when Congress is not in session goes out over the country and makes a personal and painstaking inspection of the thousands of widely diversified and tremendously important activities of the Interior Department. There are over 200 Indian tribes, reservations, and schools throughout the country, and the obligations of the Government toward each one and their rights and obligations are

nearly all different. No Congress can rightfully or fairly or intelligently legislate or appropriate either the Government's money or the Indians' money without actually going out and making a personal inspection of the conditions of each tribe and each school.

Then there are all of our 19 national parks, each one having its own and different problems. They are our great national playgrounds and outing places. We are all trying to encourage a "See America first" sentiment, and our parks are our greatest aid and asset in that direction. This Interior Department committee has absolutely got to visit these parks and personally learn their requirements if we ever expect to develop their possibilities and scenic attractions in any systematic and economical way.

Then there are the 27 Government irrigation and reclamation projects scattered over all the arid Western States, all with widely different conditions. There are hundreds of thousands of people dependent upon and struggling desperately to make homes upon and build up that western country. They are certainly deserving of all the personal attention that Congress can possibly give them.

Then there are the General Land Office and Geological Survey, and practically all of its public domain, and Alaska and the Hawaiian Islands, all most deserving of our personal knowledge and attention, and it is utterly impossible to treat justly all of these far-flung activities of the Interior Department and interests of our country and our own people by sitting here in Washington. Those many billions of property rights and many millions of our citizens are deserving of better treatment than that.

All of these vast western interests of our Government mean nothing politically or personally to the gentleman from the northern State of Michigan. Yet he gives his time and does a tremendous amount of hard work and individually learns the facts and every year renders to our country an incalculably valuable public service unselfishly. [Applause.] I feel that he is setting a splendid pace and is a commendable object lesson to Congress and to the country, and especially to the other subcommittees of the Committee on Appropriations and other committees, which if it were followed would mean many millions of dollars of saving to the taxpayers of the country every year. It would make our national Budget system what we all hoped it would be, a very great saving and a wonderfully systematizing and orderly handling of the fiscal policy of our country. Under our Budget system the Appropriations Committee of this House is the "watchdog of the Treasury." We are the guardian of the taxpayers of this country, and I make these statements because I personally know of the vast amount of hard detail work he has done, and I feel that the gentleman from Michigan is entitled to this comment. I should add that some of the rest of this subcommittee have been with him some of the time. Mr. FRENCH and I were with him in Alaska four years ago and in the Hawaiian Islands two years ago, and last fall on a hurried inspection trip through Wyoming, California, Arizona, and New Mexico; and Mr. MURPHY has been with him on several trips. But the greater part of the actual detail work and the collection of all the data and correspondence is done by the chairman of this subcommittee. He personally knows all the actual existing conditions on all of these hundreds of Government enterprises better than anyone else, and for that reason, when the hundreds of witnesses come before us or when we meet in conference with another body, his judgment nearly always prevails, as it ought to. [Applause.]

Mr. CRAMTON. Mr. Speaker, may I be permitted to make this observation in response to the very generous statement of my colleague on the committee, the gentleman from Colorado [Mr. TAYLOR]? I think the real reason for the success of the bills from the subcommittee on the Interior Department is that nothing comes from that subcommittee except with the unanimous support of the whole subcommittee.

RETURN OF CONFERENCE REPORT ON INDEPENDENT OFFICES APPROPRIATION BILL

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the request of the Senate for a return of the conference report on the independent offices appropriation bill be granted.

The SPEAKER. Is there objection?

There was no objection.

FEDERAL APPROPRIATIONS FOR THE SUPPORT OF HOWARD UNIVERSITY

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the conference report upon the Interior Department appropriation bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. LOZIER. Mr. Speaker, I favor the adoption of the Cramton motion to the effect that the House concur in the Senate amendment to the Interior Department appropriation bill providing for an appropriation of $390,000 for the support of Howard University. About one-half of this amount is to be expended for a new building, which is in the nature of a permanent improvement. Since 1879 the Federal Government has been contributing annually to the support of this institution located at Washington, D. C., for the higher education of men and women of the Negro race. This university now has an attendance of approximately 2,000 students, who pay tuition and provide their own living expenses. Its students come from 38 States and 13 nations. Its standing as an efficient educational institution has been investigated by the Maryland and Middle States college ratings boards, and it has been given a rating of class A. It is not disputed that it is doing a splendid work in preparing men and women of the colored race for more useful lives.

From nearly every State in the Union young men and women of the Negro race who are studious, industrious, and ambitious come to Howard University, and here they are given training which equips them for better citizenship. The students who have gone out from this school have, as a general rule, exercised a wholesome influence over their race and materially aided in raising the standard of negro citizenship. In addition to the courses of study usually followed in first-class universities, departments are provided for the education of men and women in the following professions: Religion, law, medicine, dentistry, and pharmacy. Ministers, doctors, dentists, pharmacists, and teachers educated at Howard University have gone into communities where there are large negro populations and successfully practiced their professions among those of their own race and by precept and example have made a substantial contribution to the health, industry, morality, temperance, and right living among the less fortunate members of their race.

No one will deny that the white race in the United States is vitally interested in every movement that will make the men and women of the Negro race better citizens. The millions of negro men and women in the United States will follow their leaders, and it is therefore important that they have the right kind of leaders, and that they be led in the right direction; that is, toward temperance, morality, industry, sanitary living, and good citizenship.

As a white man I am proud of the history-making accomplishments of the white race in every department of human activity, and I want to see the members of the Negro race brought under every possible uplifting influence. I want them led by educated, honest, industrious, right-thinking, right-living, God-fearing men and women and not led by those who are shiftless, ignorant, and depraved.

As white men we owe a duty to the black men. What is that duty? To do them no harm; to stimulate their industry and encourage them to be temperate, sanitary, moral, honest, and useful; to aid them in becoming better citizens, so they may contribute something worth while toward the material, moral, and spiritual betterment of mankind.

In 1920 our negro population was in excess of 10,000,000, and, of course, it will continue to increase. If the activities of the Negro race are not wisely directed, these millions will become a serious menace to our free institutions. But if these 10,000,000 negro men and women in the United States are educated and taught industry, temperance, sanitation, morality, and good citizenship, they will make a substantial contribution to our national life. In the very nature of things all this can not be done in the twinkling of an eye. But we of the white race owe it to ourselves to do what we can, in reason, to improve the mental, moral, and economic condition of the 10,000,000 negroes who constitute about one-tenth of the population of the United States.

The negro is in our midst. It will do no good to discuss when and why he was brought to the United States. He is here and we must reckon with facts and conditions as they exist. Now, as it seems that these millions of negroes are in the United States to stay, the question is, What shall be done with them, and what should be the attitude of the white race toward the negro men and women who constitute practically one-tenth of our population? Shall we encourage them to live lives of idleness? No. Shall we adopt a policy that will result in their degradation and degeneracy? No. Shall we have them go backward mentally and morally? No. Shall we allow them to live and die in ignorance, vice, and shiftlessness? No.

It is not only a question as to what is best for the Negro race, but there is also involved the question as to what is best

for the white race. If these millions of negro men and women are to remain as a part of our permanent population, then I, as a patriotic American and well-wisher of my country, do not want those millions to be ignorant, intemperate, and immoral. Rather would I have them brought to a higher standard of citizenship. I prefer to have them industrious, sober, moral, and educated. As they will be a factor in our political and economic life, I want them to have the right kind of leaders—men who will lead them forward, not backward; upward, not downward.

Inasmuch as Congress has for nearly a half century made annual appropriations for the construction, maintenance, and development of Howard University, and in view of the splendid work it is doing, I believe this support should be continued. The money thus granted is an insignificant amount when you consider the purpose for which it is appropriated and the good it will do toward working out a safe, sane, and proper solution of the negro problem.

Moreover, the Federal Government contributes liberally to the education of our Indian population on the theory that the expenditure will aid in developing what is best in the American Indians and make them better citizens—and what we grant to the red man we should not deny to the black man.

All the States have not made adequate provision for the higher education of negroes, and in Howard University we have a first-class institution devoted exclusively to the better training of negroes in the trades and professions. Instead of requiring negroes who are hungry for higher education and for instruction in the trades and professions to get their training in second-class State institutions, why not maintain a first-class negro university which is capable of developing trained leaders for the Negro race, and where the negroes can be educated among and by members of their own race?

I am, therefore, voting to concur in Senate amendment No. 51; and if this amendment is adopted the pending bill, when it becomes a law, will carry an appropriation for the Howard University.

TYSON-FITZGERALD BILL

Mr. PEERY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a house joint resolution passed by the General Assembly of Virginia with reference to legislation affecting emergency officers.

The SPEAKER. Is there objection?

There was no objection.

Mr. PEERY. Mr. Speaker, on leave granted me by the House I extend my remarks by inserting in the RECORD copy of house joint resolution adopted by the General Assembly of Virginia on February 11, 1928, in regard to the Tyson-Fitzgerald bill.

House joint resolution

Whereas of the nine classes of officers who served in the World War, eight classes, namely, Regular officers of the Army, Navy, and Marine Corps; provisional officers of the Army, Navy, and Marine Corps; and emergency officers of the Navy and Marine Corps—have been granted by Congress the privilege of retirement of disability, when incurred in line of duty, leaving only the disabled emergency officers of the Army without such retirement privileges; and

Whereas an overwhelming number of the Members of Congress since the armistice have promised to correct this injustice to disabled emergency Army officers by the enactment of legislation designed to adjust the unfair condition imposed upon this one remaining class of officers: Be it

Resolved by the house of delegates (the senate concurring), That the general assembly indorses the demand for recognition of the equality of service of the other eight classes of officers and the emergency Army officers in the proposal to grant retirement privileges to the disabled emergency Army officers upon the same basis and with the same privileges as have been granted to the disabled officers of all other classes, including the disabled emergency officers of the Navy and Marine Corps; and be it further

Resolved, That all Members of the Seventieth Congress of the United States be, and they are hereby, urged to lend their active support in securing the enactment of the Tyson-Fitzgerald bill as early as possible in the Seventieth Congress; and be it further

Resolved, That copies of this resolution be sent to each Member of the Congress of the United States from the State of Virginia.

Agreed to by house of delegates, February 11, 1928.

JNO. W. WILLIAMS,
Clerk House of Delegates.

Agreed to by the senate, February 13, 1928.

O. V. HANGER,
Clerk of the Senate.

PLIGHT OF COTTON FARMER

Mr. SANDERS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein an article on the trouble with agriculture which appeared in the Houston (Tex.) Chronicle.

The SPEAKER. Is there objection?

There was no objection.

Mr. SANDERS of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD by printing an article which appeared in the Houston Chronicle, I submit the following. This article was written by the Hon. T. N. Jones, of Tyler, Tex., one of the most prominent attorneys in Texas, and a man who has given serious thought and careful study to the agricultural problem for more than a quarter of a century.

(Special to the Chronicle)

TYLER, TEX., February 16.—T. N. Jones, attorney of this place, issues the following statement: "The press has published extensively that there will be in Jackson, Miss., on February 20 a conference of the governors of some of the Southern States and others specially appointed 'to reduce or prevent an increase in the cotton acreage of the South.'

"No harm can come from such a meeeting, and little, if any, good will be accomplished by it unless the distinguished representatives of the cotton-growing States dig into and ascertain the fundamental causes for conditions through the South so far as those engaged in agriculture are concerned. If those who may meet in Jackson devote their time to ascertaining the real causes which have produced the present situation and start some sensible movement to remove those causes, then some good may be the result.

DEMAND LARGE ACREAGE

"The basic cause for the constantly increasing cotton acreage and production is that there are in every village, town, and city in the South those who not only will not encourage the production of less cotton but insist on their tenants planting large acreages in cotton. This applies to landowners whose farms are cultivated by tenants.

"There are those in every village, town, and city in the South who constantly demand that cotton shall be planted in large acreage and have never at any time heretofore urged and are not now urging any decrease in acreage. They constitute that large and influential class engaged in local commercial pursuits. Their business is the farm-supplying trade of the Southern States. They furnish the rations, either directly or indirectly, used by the farmers in producing crops, and they insist that those who eat the bread and meat and wear the clothes they sell on credit, produce a crop which can on any day, at some price, be sold for cash.

SAYS COTTON CREDIT BASIS

"If the banks throughtout the South lend money with which the farmers can buy for cash, many such banks insist that cotton shall be planted in order that when the notes mature in the fall there will be a crop that can be converted into money, so the notes will be paid. If anyone doubts the absolute correctness of this statement, I invite him to examine the chattel mortgage records throughout the Southern cotton-growing States and note that cotton is the basis for practically all credit extended to those engaged in agricultural pursuits.

"Directly coupled with this situation is the irrefutable fact that a very large percentage of the retail commercial business of the South that deals directly with farm credits is based on the poverty and ignorance of the masses engaged in agricultural pursuits.

TOO POOR TO RESIST

"Those who actually till the soil and produce the crops are too pauperized to resist the demands of those who furnish them and their families food to eat and rags to wear to resist the demands of the supply houses and commissaries which exist wherever cotton is raised in this Republic. The interest rates paid the banks and the unconscionable profits paid to credit supply houses and commissaries in such localities could only be endured by a citizenship so pauperized that it can offer no resistance to the demands made on them, but they must accept whatever conditions may be imposed on them.

"This system is not only based on the poverty of the people, but its very existence depends wholly on a continuance of present conditions. Those engaged in such commercial exploitation know that their business will continue only by keeping those actually engaged in agricultural pursuits in debt.

MASSES UNEDUCATED

"I repeat that the retail commercial system of the South, taken as a whole outside of the cities, is based on the pauperized condition of the farmers, and that system as it is at present can continue only by keeping the farmers in debt.

"One fundamental aid which sustains present conditions is the uneducated condition of the masses of the people of the Southern States. Outside of the cities and large towns, that condition is appalling. The masses of the white people of the South outside of the cities and large towns are without education. They may read and write, but they do not know enough to even aid in preserving their liberties and their rights.

"This uneducated condition, coupled with the pauperism of the farmers, furnishes the basis for the commercial life of the South. It

furnishes the cause for the constant demand for the ever increasing production of cotton. Every bank, every retail merchant, every commissary owner demands that cotton in large acreage be planted.

DEPLORES SYSTEM

"They may meet, yes, they do meet, in the chambers of commerce and proclaim that there must be a reduction of cotton acreage, and from those places they proceed directly to the cuddy holes in their places of business and write chattel mortgages for the poor devils to sign covering the cotton crops from one to five years, and in addition, everything from the pig to products raised by the children. Listen to the speeches in the chambers of commerce, and in the banquet halls where a few most carefully selected farmers are entertained, and go directly from there to the mortgage records and see the work that is really being done. Always, everywhere, in the private counting houses the demand is made that cotton must be produced so that the debts can be paid. Not one word is said in private conference with the farmers about reduction of cotton acreage.

FIGURES ARE CITED

"The outstanding truth which confronts us is that illiteracy and pauperism are the handmaidens of cotton all over the world.

"India has 316,055,241 people of whom 293,431,590 are wholly illiterate. That country raises more than 5,000,000 bales of cotton.

"Egypt has 14,000,000, of whom 12,971,395 are illiterate. That country raises 1,500,000 bales of cotton.

"China has 400,000,000 people of whom at least 350,000,000 are illiterates. That country raises more than 2,775,000 bales of cotton.

"Brazil, Mexico, Peru, Russia, and some 25 other countries all raise cotton, and in practically all of them 90 per cent of the population are illiterate, and in all of them, squalid, revolting pauperism prevails.

ABJECT POVERTY IN SOUTH

"The Southern States as a whole constitute the most productive country on earth, yet, in the South, there is more abject poverty and illiteracy than in any other country on earth in which a high state of civilization is supposed to exist.

"There is another basic cause for the condition of the farmer of the South and of those who are engaged in agricultural pursuits. There is absolutely no marketing system for cotton, cottonseed, or any other farm product.

"The manner in which the cotton crop is purchased from the original producer is a reflection on the intelligence and the ideas of fair treatment entertained by the so-called business men who control the primary markets.

"The street buying of cotton by men who know little, if anything, about grade or staple from the incompetent cotton producer is tragic.

MARKETING SYSTEMS DISCOURAGED

"It is revolting to observe the transactions between the cotton traders and the poor, uneducated, pauperized men, women, and children who haul the cotton to market. Practically every man who lives in or in any way deals with the primary markets discourages the establishment of a thorough marketing system. The reason for this is that there are so many people engaged in speculating in farm products and making a living thereby.

"There is still another reason for the pauperized condition of the farmers which is the result of 60 years or more of exploitation.

"There is practically no article of commerce which is not controlled by some combination or by some trade agreement or by some custom, so that when a farmer buys he must pay tribute to from one to half dozen persons, corporations, or combinations.

PEOPLE DEBT-RIDDEN

"Throughout the Southern States they are denied the privilege of buying collectively in quantities for the cash, while individually they have and do now produce a large percentage of the wealth of the whole South, yet they have none of that wealth and are too debt-ridden to be anything but slaves and peons. They not only feed and clothe and make rich those who handle the things they buy in order to enable them to produce cotton and other crops, but after the cotton is produced they are the victims of combinations which are composed of great cotton merchants, aided and encouraged by the very Government which the South supports, who bear the price and buy the cotton crop for at least $350,000,000 below its actual value and far below the actual cost of production.

JARDINE GIVEN DEFENSE

"Mr. Jardine was not the cause of the decline in the price of cotton. He may have been one of the instruments which was used by the combination of cotton buyers to bear the price, but the real cause was and now is the agreement among great cotton merchants that cotton must go down.

"There is another influence which is destructive of the chances for the cotton producers to obtain a fair price for cotton. Certain influences in Texas, Arkansas, and probably in other States have for some years been most prolific in propaganda to show that cotton can be produced for an average of about 9 cents per pound. The trade has accepted as true that propaganda. The result has been and is to bear the price of cotton. If cotton can be produced for 9 cents per pound, the trade will not pay 25 cents for it, nor will it pay 18 cents for it, which would be 100 per cent net profit to the producer.

CONDITION IS DISGRACE

"While it may be true that a few men on a few acres under most favorable conditions raised cotton at a cost of 9 cents per pound, it is suicidal to claim that the cotton crop of the South can be produced for less than 18 or 20 cents per pound.

"The squalid condition of the cotton raisers of the South is a disgrace to the southern people. They stay in shacks, thousands of which are unfit to house animals, much less human beings. Their children are born under such conditions of medical treatment, food, and clothing as would make an Eskimo rejoice that he did not live in a cotton-growing country. Without exception, around those shacks there are no decent sanitary accommodations. There are no places for the production and care of livestock or poultry. In hundreds of thousands of instances there are no arrangements for gardens or places where vegetables can be raised.

SAYS PROPAGANDA ABUNDANT

"While propaganda has been abundant in the effort to make it appear that the financial condition of the farmer is most favorable and wonderfully improved, there is not one word of truth in such propaganda.

"There is not 1 landowner in 40 who lives on, raises cotton, and cultivates his own farm who now has his own money in the bank with which to finance entirely the production of his crops for 1928.

There is not 1 tenant farmer in 100 throughout the whole South who has his own money on hand with which to finance the production of his crop for 1928.

REPORTS REFERRED TO

"If there are those who question the correctness of this statement I refer him to the final report and testimony submitted to Congress by the Commission on Industrial Relations, created by the act of August 23, 1912, and to the census taken of agricultural conditions throughout the South. Since those investigations and reports, conditions have grown worse and not better.

"There are those in this country who desire to establish a system of commercial farming. They hope to raise the basic crops of the Nation with ignorant peon and peasant labor. For their purposes, the greater the degree of ignorance and poverty and more numerous the paupers, the easier it will be to control the agricultural lands and convert farms into large commercial enterprises of most extensive units.

ASKS EDUCATIONAL SYSTEM

"What will the governors of the Southern States and their friends do at the Jackson meeting?

"Will they, first of all, start a movement to build an efficient free educational system in each State in the South for the purpose of stamping out ignorance and illiteracy? Such a system may cost in the aggregate for the South more than a billion dollars per annum, but the Southern States can afford to pay more than that amount rather than allow present conditions to continue.

"Will they destroy, root and branch, the method now used in every Southern State of street-buying cotton, one or a few bales at a time, which subjects the producer to the exploitation of local speculators?

"Will they organize to destroy the infamous credit supply and commissary system which flourishes in practically every town, village, and hamlet in the South and which is based on the ignorance and pauperism of those who raise cotton?

WILL TAKE 20 YEARS

"Will they seek to start a movement to bring about a condition where those who engage in agricultural production will have their own funds with which to produce their crops?

"Will they declare that there shall not be peons on the farms of the South and that farm peasantry shall never exist in this the Southland?

"It will take 20 years to establish satisfactory educational, financial, and social conditions in the South. Will those assembled at Jackson start a movement to establish such conditions?

"Since writing the above, I have read in the Fort Worth Star-Telegram a special from Texarkana, headed, 'Poor farmers urged to quit.' It quotes L. E. Rast, agriculturist of the Arkansas Bankers' Association, as declaring that "the inefficient farmer whose cotton-production cost is 30 cents a pound and who breaks the market is one of the greatest evils with which real farmers must contend.'

LAZY MAN'S CROP

"He asserted that 'such a farmer does not care what his cotton brings, being interested solely in providing credit to tide him over dull periods. The inefficient farmer plants cotton because it is the easiest crop in the world on which to get credit and because it is a lazy man's crop.'

"In his remarkable declaration he was supported by Dean D. T. Gray, of the University of Arkansas College of Agriculture, who said:

"'We want the inefficient farmer to leave and the sooner the better. What we are worried about is what is to become of this type when he moves to the city. Business men can help the real farmers if they find employment for men leaving the farms so that they may become consumers of farm products.'

ARKANSAS SCORED

"The class of farmers about whom those gentlemen were talking are the product of the infamous commercial system which has existed throughout the cotton-growing States since 1865. There has never been and is not now in the State of Arkansas a public free school system in which the white children, much less the negroes, could be given any part of such training as would make them efficient in farming or anything else. No State in this Republic has been more derelict in its duty to its children since the Civil War than has Arkansas, and all of those inefficient, lazy farmers at whom the fulmination is aimed were either raised in Arkansas or in some other southern State which has grossly neglected its duty to the children born therein.

NEGLECT DECRIED

"Who are those inefficient, lazy farmers? And where did they come from? Tens of thousands of them are the children of the former landowners of the South, who, through the influence of the system prevailing in the Southern States, have been allowed to grow up in dense ignorance and abject poverty.

"The South, to its everlasting shame, for more than 60 years has neglected the education and training of her white children except in certain favored localities, and has occupied its time and energies in building and developing urban life. Now, through some of her educators and the representatives of the Bankers' Association, she desires to disown and kick out her progeny.

"What will that meeting in Jackson, Miss., do about all of these matters?"

THE FEDERAL RESERVE BANK OF DALLAS, TEX.

The SPEAKER. Under the order of the House the Chair recognizes the gentleman from Texas [Mr. WILLIAMS] for one hour. [Applause.]

Mr. WILLIAMS of Texas. Mr. Speaker, I will ask the Clerk to read a resolution that was introduced by me yesterday.

The SPEAKER. Without objection, the Clerk will read the resolution.

The Clerk read as follows:

Concurrent resolution

Whereas it is alleged that the governor of the Federal Reserve Bank of Dallas, Tex., has violated the Federal reserve act by his refusal to recognize the rediscount privilege to member banks in rural communities; and

Whereas it is alleged that the policies administered by the governor of the Federal Reserve Bank of Dallas, Tex., in conducting the business of such bank have worked many hardships on farming and livestock interests of the territory included in the eleventh Federal reserve district: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That a joint committee is hereby created, to be composed of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives.

Such joint committee is authorized and directed to conduct a thorough investigation into the administration of the affairs of the Federal Reserve Bank at Dallas, Tex. The committee shall report its findings to Congress, as soon as practicable, together with such recommendations as it may deem advisable.

For the purposes of such investigation, the committee, or any subcommittee thereof, is authorized to select a chairman, to hold hearings, to sit and act at such times and places during the sessions and recesses of the present Congress at the seat of government and elsewhere, to employ such clerical, stenographic, and other assistants, to have such printing and binding done, to require the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures (including expenditures for travel) as it may deem advisable. The cost of stenographic service in reporting such hearings shall not be in excess of 25 cents per hundred words.

The expenses of the committee shall be paid one-half from contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers to be approved by the chairman of the committee.

Mr. BLANTON. Mr. Speaker, will the distinguished gentleman, my colleague from Texas, yield for a comment on his resolution?

Mr. WILLIAMS of Texas. Yes.

Mr. BLANTON. The gentleman's resolution provides for a special joint committee of the House and Senate that is not to be composed of members of the Committees on Banking and Currency of the two Houses. I want to congratulate the gentleman for so framing his resolution, for it has teeth in it, and means something. The resolution which the Senator from Texas [Mr. MAYFIELD] passed in the Senate the other day provides that the Federal reserve system is to be investigated by the Senate Committee on Banking and Currency. We already know how that committee feels with reference to the matter, and we may hardly expect any accomplishment from it, because we remember the bill, S. 3657, which it passed in the Senate during the last Congress. That bill which, on December 17, 1926, passed the Senate without a dissenting voice raised against it, would have retired Mr. Tulley, when he got ready to quit, on a pension of $15,000 per year for life, as long as he lived, half of which was Government funds in said banks, and would have retired the officials who are now drawing $50,000 per year, when they got ready to quit, at a pension of $30,000 each per year for life, half of which money was Government funds in said banks, and would have retired all officers and employees of the Federal reserve system on pensions of 60 per cent of their high salaries drawn for life when they quit, one-half of which money, or 30 per cent, was Government funds in said banks. If the Committee on Banking and Currency felt that way toward these Federal reserve officials, we know how little we could expect from an investigation by it. It would be the same as having the Power Trust investigated by the Federal Trade Commission.

And it was not until the House, on February 1, 1928, struck out the enacting clause and killed the similar bill that was brought before us by our House Committee on Banking and Currency, that was to pension these officials on salaries of $12,000 per year for life, after they quit, that this Senate resolution I refer to was ever prepared and acted upon. That Senate measure, S. 3657, in the last Congress, was passed by the Senate by unanimous vote, without any Senator raising his voice against it.

Mr. WILLIAMS of Texas. Yes.

Mr. BLANTON. And such a bill, although reduced to $12,000 annual pensions, would have passed this House, when presented here by our Banking and Currency Committee on February 1, 1928, had it not been for the fight which the gentleman from Texas [Mr. WILLIAMS], aided by our colleague from Texas [Mr. BLACK], the gentleman from Illinois [Mr. MADDEN], and myself, made against same, which resulted in its enacting clause being stricken out, and the bill killed.

Mr. WILLIAMS of Texas. Mr. Speaker and gentlemen of the House, in addressing you to-day I realize the fact that should this resolution be adopted and a committee appointed as the resolution provides that it is possible that the actions of the committee may be of far-reaching effect. I realize that since the creation of the Federal reserve act there has been a sort of a halo thrown around the Federal reserve banks; the average individual views a Federal reserve bank as a place where only the select are admitted, and while this should not be true, yet it is a fact; and I recognize, also, the fact that there are some who feel that those who are in authority in the Federal reserve banks are infallible.

However, regardless of the views of any individual relative to the Federal reserve bank act or of those in authority in the Federal reserve banks, the fact remains that Congress created the Federal reserve act; and it is the duty of Congress to see that each of the Federal reserve banks function as Congress intended they should when the act was created; and if any one of them, regardless of the reason, are failing to function as they should, then it is the duty of Congress to take cognizance of the fact; therefore, in introducing the resolution I feel that I am not only within my rights as a Member of this House but performing a duty to the people of this country.

For many months there has been much agitation in the eleventh Federal reserve district by reason of complaints and protests of bankers relative to the policies of the governor of the Federal reserve bank of that district, and especially as he applied his policies to the member bank in the rediscount privilege.

These complaints and protests, coming from all portions of the district, have produced a condition that, under the management of the present governor of the Federal reserve bank of the eleventh district, that the Federal reserve bank is not able to carry into effect the benefits which it is possible and which it was intended the Federal reserve bank should render.

I have been deliberate and exhaustive in my preliminary investigation, and that investigation has led me to believe that an investigation of the conduct of the Federal reserve bank of the eleventh district should be made by a joint committee of the Senate and the House of Representatives. This is a serious proposition. An investigation will affect not only the eleventh Federal reserve district but every Federal reserve district; and

should an investigation be made it should have for its sole purpose the discovery of the facts and of doing justice to all concerned, and particularly for the purpose of discovering whether or not any corrective or remedial legislation will be necessary; that being true, and should the committee decide that corrective or remedial legislation should be passed, then and in that event it would be very necessary that Members of both the Senate and the House have Members on the committee that they will be in position to give the information to their respective bodies.

I want in the beginning to make the statement that the governor of the Federal reserve bank at Dallas, Tex., has violated the Federal reserve act in applying the rediscount privilege to member banks, and especially the small country bank, and also that his experience as a practical banker has been such that he has not the information nor the qualifications necessary for one to have for the position as governor of the Federal reserve bank, as everyone knows a man who is governor of a Federal reserve bank should have had experience as a practical banker and one who has a knowledge of values that fit him for the responsible position as governor of a Federal reserve bank.

In addressing you to-day I shall endeavor to confine myself to the record made by the governor of the Federal reserve bank on both the above propositions—that is, that the governor of the Federal reserve bank at Dallas, Tex., has violated the Federal reserve act in the rediscount privilege accorded the member banks—and also that his record as a banker fails to establish the fact that he is qualified as a practical banker for the position of governor of the Federal reserve bank. Further, before I enter into the presentation of the record, I want to commend those directors who voted against the reelection of the governor, and I sincerely believe that had the other directors realized what his reelection meant to the eleventh Federal reserve district they would have joined with those directors who voted against the governor's reelection, and this resolution would never have been introduced.

I want also to state that no one has supported more loyally than I the Federal reserve bank act, nor has anyone given the act more hearty approval than myself; and while I do not agree with all the features of the measure, yet I believe that it is one of the greatest pieces of legislation ever passed by a legislative body, and when operated by competent and patriotic authority it can be of the greatest assistance to our financial institutions; and yet, when operated by those who do not recognize the duty they owe the member banks, one who would not accord the member banks the consideration and privilege Congress intended should be accorded them when the act was passed, you can readily see how destructive it can become.

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

Mr. WILLIAMS of Texas. Yes.

Mr. HUDSPETH. The gentleman is an experienced banker, as I understand.

Mr. WILLIAMS of Texas. I have been in the banking business for over 25 years.

Mr. HUDSPETH. Yes.

Mr. WILLIAMS of Texas. As an evidence that I have supported the Federal reserve act loyally, for your information, I will say that when the act became operative I placed the banks with which I was connected, which were operating under State charter, in the Federal reserve system and those banks have been members of the Federal bank since that time. I believe that you will agree that is sufficient evidence that I am friendly toward the Federal reserve bank act, and I say to you frankly that if my record, as one who has been in the banking business for 25 years, did not bear me out in the statement that I am friendly to the Federal reserve act, I would not feel that I should address you on the question now before this House.

I also want to make it clear before I go into the record—and I want every Member here to understand me—this is neither a political question nor is it a personal matter; I am speaking to-day for every rural bank in my State, every rural bank in this country, for you must realize that if the policies of the Federal reserve banks are such that they withhold from member banks the rediscount privilege the member banks are justly entitled to receive from the Federal reserve bank, there is not a community, there is not a home in all this country, which will not feel the effects of such policy, there is not a Member of this House but who realizes what it means to a community when a bank is forced to close its doors, and that there is not an individual in the community but who is made to suffer for the closing; and in addressing you to-day I wish to present to you the record of one who is in authority in the Federal reserve bank of the eleventh district at Dallas, Tex., and after you have heard his record I believe that you will agree with me that he has not only failed to recognize the rights of the small banks in the district—a right given them under the Federal reserve act—in the rediscount privileges but has intentionally withheld from them the privilege, and, further, with the intention of forcing the member bank out of business.

I know there is nothing personal intended in this resolution. I have been the friend of the governor of the Federal reserve bank at Dallas for years—I am his friend at this time—and I want to say for your information the principal reason why this resolution was not introduced some time ago was that I had hoped that the matter would adjust itself, and by so doing obviate the necessity of introducing this resolution, and I will state here that the directors of the eleventh Federal reserve bank at Dallas, Tex., and the members of the Federal Reserve Board here in Washington have had the matter placed before them, and for the reason there was evidently no relief forthcoming the resolution has been introduced in this House.

I am the friend of the governor of the Federal reserve bank at Dallas, Tex., but I do not agree with him as to his policies in the administration of the Federal reserve bank, as he applies them to member banks, and especially the member bank in the farming and stock-raising communities, and in differing with him I feel that I have had an experience which gives me a knowledge of the conditions in such communities to the extent that I hope I am not presuming when I say that I do not agree with him in the rediscount privilege which Congress intended the member bank should have when the Federal reserve bank act was enacted into a law.

I have always been a conservative in the administration of the banks with which I was in authority, the records of the Comptroller of the Currency, I believe, will substantiate the statement, and here I wish to add that anyone who is in authority in a bank who does not apply conservative and sound banking principles to the operation of the bank, he will fail, the bank will fail; and further, when a bank in any community has a record of several years of successful operation that alone is evidence enough that the bank was operated conservatively.

I would enter my objections to the appointment of anyone as governor of the Federal reserve bank who was not a conservative and one who would at all times insist that the member banks submit for rediscount paper which met all the requirements of the Federal reserve act in the way of being eligible, and paper which had the proper collateral and security that would make the paper collectible when due, and I know of no banker in the eleventh Federal reserve district but who wants the governor of the Federal reserve bank to be a man who will at all times protect the Federal reserve bank in the administration of the affairs of the bank; but my contention is that the present governor of the Federal Reserve Bank of Dallas, Tex., has not applied that principle to member banks in their application for rediscount privileges, but has refused with the intention of forcing them out of business.

On June 15, last year, I attended a stockholders meeting of member banks of the eleventh Federal reserve district, at Dallas, Tex.; this meeting was called by those in authority at the Federal reserve bank at Dallas, and was called for the purpose of giving the bankers the opportunity of discussing with those in authority in the Federal reserve bank questions which were of importance to the member banks. At this meeting there were present several hundred bankers from all portions of the district; many of them came to the meeting anxious that they have an opportunity of being heard. However, in this most of them were disappointed. A program had been arranged whereby all the forenoon and most of the afternoon was taken by addresses made by the Federal reserve agent, the governor of the Federal reserve bank, and the attorney for the Federal reserve bank. This program was so lengthy that many bankers present were forced to leave the meeting without the opportunity of being heard. The meeting was for one day only, however. Late in the afternoon some questions were asked the governor, which he very courteously answered, and the day following he addressed a letter to a certain banker who had asked him a question as to certain policies he was enforcing in the administration of the Federal reserve bank, relative to rediscount privileges accorded the member banks. The party acknowledged receipt of the governor's letter and propounded further questions relative to his policies. The governor answered the letter and used the following language. I give you this that you may begin to draw some conclusions as to his conception of his duty toward the member banks in the rediscount privilege.

At this meeting, the night before the meeting of the stockholders, which was to meet to-morrow, the governor and the Federal reserve agent at Dallas appointed a committee of 28 bankers to prepare a program for the stockholders' meeting to-morrow. On that committee were 28 men, 14 of them out of

group 1, 60 banks out of over 800; 11 out of group 2, and 3 out of group 3, with 292 banks; and 3 out of group 3, with 467 banks.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Texas. Yes.

Mr. JOHNSON of Texas. Will the gentleman tell us how those groups are divided?

Mr. WILLIAMS of Texas. Yes. Group 1 is all banks with capital from $500,000 up. Group 2 is all banks with capital from $500,000 down to $100,000; and group 3, from $100,000 down to $25,000. Three men were appointed by the committee on arrangement to represent the country banks. He was anxious that the country banks should have a fair opportunity to talk at this meeting, and they were present at the meeting of the stockholders; but most of the time, I must say again, was taken up by the addresses by the governor, the Federal reserve agent, and the attorney for the Federal reserve banks. That shows how considerate they were at the stockholders' meeting to the small-member bank.

I attended the meeting as a banker, a country banker, and as a Member of Congress. In going around over my district and over my State, considering the fact that I have been in the banking business, it is but natural that those in the banks would say things to me that they would not say to the Federal reserve bank people. I had been hearing these complaints. At this meeting there were present several hundred bankers from all portions of the district. Many of them came with the hope that they would have the opportunity to be heard, but all of the time in the morning and most of the afternoon was taken up by addresses by the governor and the Federal reserve agent and the attorney for the Federal reserve banks.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield there?

Mr. WILLIAMS of Texas. Yes.

Mr. JOHNSON of Texas. Some of the Members of the House are not bankers, like the gentleman. Will the gentleman please tell us what the rediscount privilege is?

Mr. WILLIAMS of Texas. Yes. Those who have eligible paper can take it with them to the Federal reserve bank and receive credit. That is all there is to it.

Here is a paragraph from his letter dated July 1, 1927, which is an answer to the complaint made by a member bank that the Federal reserve bank should endeavor to take care of the member bank in the way of rediscount privilege and thereby protect the member bank from paying 6 per cent for money, which he paid when he was forced to borrow from his city correspondent bank by giving them the privilege of the rediscount rate which was from 3½ to 4 per cent. Here is what the governor says:

> You evidently have in your mind the thought that the Federal reserve banks ought to devise ways and means to increase their business and to compete with the city correspondent banks for the member banks' borrowing business.
>
> In our judgment here, this would be most unwise and entirely without province of Federal reserve banking. If the member banks can be better pleased and better satisfied by borrowing from their correspondent banks instead of from the Federal reserve bank then that is a circumstance about which the Federal reserve bank should have no concern, but I am sure that it would be a matter of great concern upon the part of the city correspondent banks if the Federal reserve bank were to induce the member banks to borrow from it in preference to borrowing from their city correspondent.

Note his language, please, that it should be of no concern to the Federal reserve bank to induce the member bank to borrow its money from the Federal reserve bank, that is not the proposition; all the member bank expects is recognition of the right it has under the Federal reserve bank act for the rediscount privilege, and if the treatment is accorded the member bank by the Federal reserve bank which should be accorded, the difference in rate will be an incentive for the member bank to borrow from the Federal reserve bank. You will also observe what he says about the city correspondent being concerned if the Federal reserve bank takes care of the loans for member banks. That is one of the troubles with the governor of the Federal reserve bank, and one of the complaints is that his conduct of the Federal reserve bank toward the small member bank is such that they are compelled to pay their city correspondent 6 per cent, when if he had the proper conception of the duty he owes the small member bank the member bank would secure his rediscounts at the discount rate, which has been the past year 3½ and 4 per cent; certainly the city correspondent would want the governor refuse the small member banks the rediscount privilege.

Mr. BLACK of Texas. Will the gentleman yield at that point?

Mr. WILLIAMS of Texas. With pleasure.

Mr. BLACK of Texas. Of course, the gentleman is well aware of this, but I want to remind the gentleman that these member banks are compelled to keep their reserves with the Federal reserve bank.

Mr. WILLIAMS of Texas. Seven per cent of their deposits without interest.

Mr. BLACK of Texas. And the law contemplates that if they tender eligible paper it will be rediscounted at the Federal reserve bank and at the rediscount rate provided. If the member banks are denied this privilege when they tender sound eligible paper for rediscount, then one of the main purposes of the Federal reserve act is nullified.

Mr. WILLIAMS of Texas. That is correct.

Here is another paragraph from the same letter, which was in answer to the statement that the rediscount privilege given the member bank was one of the principal reasons for Congress passing the Federal reserve act, and that it was the intention of Congress when the act was passed that this privilege should at all times be recognized by those in authority in the Federal reserve bank. How does this sound to you? Here is what he says:

> You are evidently under the impression that rediscounting for member banks in order that they may extend the volume of primary credit, which in their judgment should be extended, is the chief function of the Federal reserve bank—

Listen to this—

> I hope that I shall not shock you unduly when I say to you that, in my judgment, the rediscount function of the Federal reserve bank has already begun to dwindle in significance, and that to the greater extent that the Federal reserve banks carry on in an intelligent manner the open-market operations, just to that extent will the importance of the rediscount functions be minimized.

Mr. HUDSPETH. Will the gentleman yield?

Mr. WILLIAMS of Texas. With pleasure.

Mr. HUDSPETH. As I understand, the difficulty with this gentleman is that he caters to the big-city bank and discriminates in favor of the big-city bank against the country bank.

Mr. WILLIAMS of Texas. If I can reach it, I will prove that by the records.

Mr. HUDSPETH. Of course, anyone looking at the gentleman from Texas [Mr. BUCHANAN] and myself would know we are from the country, and I want to ask the gentleman how many of those city banks belong to the Federal reserve system and how many country banks.

Mr. WILLIAMS of Texas. Well, there are 60 banks in the district in Group 1—that is, banks having a capital of $500,000 and up—and there are 467 banks in the eleventh Federal reserve district which have a capital of $100,000 down to $25,000. They are in Group 3.

Mr. HUDSPETH. And he discriminates against the country banks and in favor of the city banks.

Mr. WILLIAMS of Texas. Yes; and it seems to me it is for the purpose of compelling those banks to close their doors.

Mr. STEVENSON. Will the gentleman yield?

Mr. WILLIAMS of Texas. With pleasure.

Mr. STEVENSON. I want to call the gentleman's attention to another expression in that letter. He seems to put out the idea in the letter that the chief function will in the future be the open-market operations of the Federal reserve bank?

Mr. WILLIAMS of Texas. That is his idea.

Mr. STEVENSON. That means that instead of loaning money to the banks which have stock in the bank, which have their deposits there, and which have to look to the Federal reserve bank for a low rate of discount, they will go into the open market and buy at one time $500,000,000 of open-market paper, which will tend to relieve the people in the speculative districts and turn money loose there.

Mr. WILLIAMS of Texas. That seems to be his policy. Now I shall prove to you by the record of the governor of the Federal reserve bank in his policies toward the member bank, and especially the member bank in the farming communities, in the rediscount privilege, is in keeping with his statement.

First permit me to show you when and where the governor of the Federal Reserve Bank of Dallas, Tex., was given the authority to enforce his policies on the member banks of the district, and withhold from them the rediscount privilege to which they were entitled under the Federal reserve act. At a meeting of the directors of the Federal reserve bank of the eleventh district held on April 12, 1926, a resolution was passed by the directors creating a discount committee consisting of the governor of the Federal reserve bank, the Federal reserve agent, the two deputy governors, the cashier, and the assistant cashier, and providing that the governor be chairman of the committee.

The last paragraph of the resolution reads as follows:

Be it further resolved, That the discount committee shall have authority to pass upon all loans and discounts submitted in accordance with the terms of the Federal reserve act, and the action of the committee, when approved by the executive committee or by the governor and Federal reserve agent acting for the executive committee, shall be final.

Note the language please—

when approved by the governor and Federal reserve agent, acting for the executive committee, shall be final.

That resolution placed the entire authority of passing on all loans and discounts up to the governor. Everyone who is informed as to actual conditions in the Federal reserve bank at Dallas knows the Federal reserve agent does not count, and if there was a sure enough Federal reserve agent, all of which there is not and the bankers in Texas know there is not, at Dallas, this resolution would never have been introduced, for the reason that the discrimination against the small banks of the system accorded them by the governor would never have been permitted.

The governor was the only one on the committee, as above stated, the Federal reserve agent was not considered, the other members of the committee were individuals holding their position in the Federal reserve bank with the approval and consent of the governor.

The two deputy governors, the cashier, and the assistant cashier never spent 30 seconds of their lives in the management of a bank, anywhere, and the records will prove it. Yet they sit there and pass on rediscounts which the member banks put up to them. They were placed in a position that if they disagreed with him they would have been removed. You may say that I am mistaken. I am not mistaken; the governor of the Federal reserve bank at Dallas, Tex., after that resolution was passed proceeded to enforce his policies on the member banks, and I say here and now that the governor of the Federal reserve bank at Dallas, Tex., withheld credit from member banks when they were entitled to the credit, and I make the statement also, and the records will prove the statement, that he did so with the intention of forcing them out of business, force them to close their doors; good, solvent banks, serving the community where they were located, and the governor of the Federal reserve bank, under the authority given him by the resolution, attempted to force those banks which to his mind were unnecessary, to close their doors and force them out of business. And to show you the unlimited authority granted the governor by the directors the above resolution was the last and only mention made as to a discount committee since April, 1926. For almost two years not a mention or discussion.

Mr. McKEOWN. Will the gentleman yield?

Mr. WILLIAMS of Texas. With pleasure.

Mr. McKEOWN. I will state that we have some banks in that Federal reserve district and the record bears out the fact that they have stood by and knocked at the doors, yet it appears to be the desire to shut the banks in our district.

Mr. WILLIAMS of Texas. Yes, sir; the same policy has been applied to banks in Texas. Do you wonder why he was reelected? Do you not think if you were a director of a Federal reserve bank you would be in an embarrassing position if you voted to remove a man after you had given him the unlimited authority these directors gave this man?

After the authority was given the governor to refuse the rediscount privilege to member banks he proceeded to withhold from them credit they were entitled to receive under the provisions of the Federal reserve act, and to prove my statement here is the record; please follow me closely, this should interest you; here is his record.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. WILLIAMS of Texas. With pleasure.

Mr. MOORE of Virginia. Will the gentleman tell us whether in doing what the gentleman stated he did—writing the letter, for instance, which you have read—the governor was acting in accordance with what is supposed to be the policy of the Federal Reserve Board?

Mr. WILLIAMS of Texas. It is questionable as to that. I will quote the policy of the Federal Reserve Board if I reach it, but it is not the intention of the Federal Reserve Board for the governor to withhold the rediscount privilege from a member bank if the paper is eligible, and if the paper is not eligible there is not a bank in the district which would expect the rediscount privilege.

Mr. MOORE of Virginia. I had particularly in mind this point: In his letter the governor seems to subordinate the rediscount processes to the open-market processes?

Mr. WILLIAMS of Texas. Yes; that is what he says.

Mr. MOORE of Virginia. I was wondering whether the Federal Reserve Board has given any countenance to that.

Mr. WILLIAMS of Texas. That I can not answer. The directors are not for that policy, so I am informed. Here is the report made by the member banks to the board on the 29th of June of last year, and I think one who knows Texas knows that is the high-water mark for credits, because by the same time in July cotton is beginning to move in south Texas and the loans are being reduced. This record shows that on the 29th of June of last year the Richmond Bank had $14,395,000 rediscounts secured by securities other than Government securities. Any banker with Government securities can get money. The St. Louis district had $15,346,000 rediscounts secured by securities other than Government securities; Kansas City, $10,550,000; San Francisco, $27,554,000; Atlanta, $27,996,000; and Dallas, $3,921,000.

In 1926 there was a big crop of cotton and prices were low. That caused more debts in the Dallas district not being liquidated than ever before, and there never has been a year in the history of the district that the rediscount privilege was needed to a greater extent.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. WILLIAMS of Texas. With pleasure.

Mr. JOHNSON of Texas. Will the gentleman state the size of that district and the volume of business?

Mr. WILLIAMS of Texas. I will get to that in a minute. Take the Atlanta district as a comparison.

I take the Atlanta district for the reason that it is the only district with similar conditions as the Dallas district, almost entirely an agricultural district, and principally a cotton-producing district; that being true, loans made by member banks to their customers, and the rediscounts necessarily offered to the Federal reserve bank in each of the two districts are of necessity almost the same class of paper; that is, loans made by member banks to farmers and the paper offered by member banks to Federal reserve banks is this class of paper, farmers notes, secured by livestock, including their teams and milch cows, their growing crops, and oftentimes their farm implements, the districts are similar in that the loans made to farmers are advanced for purpose of making and gathering their crops, and when their crops are harvested they almost invariably place them on the market and thereby reduce their loans.

Here are some figures that should be of interest to you, and if you will follow me carefully I believe that you will see that these figures indicate, and prove conclusively to you, that the policy of the governor of the Federal reserve bank at Dallas, Tex., in dealing with member banks in regard to the discount privilege accorded to the member banks by Congress when the Federal reserve act was passed, is such that he has not only refused to grant to many member banks the discount privilege entitled to them by the Federal reserve act, which was the intention of Congress when the act was passed, but in many instances he has endeavored to embarrass those in authority in member banks, by refusing to them the discount privilege they were justly entitled, saying to them their bank was of no use in the community where it was supported by farmers, that the farmers did not need to borrow money, that there was no need of small banks, that there were enough large banks in Texas to take care of all legitimate demands for banks, that he, as governor of the Federal reserve bank, was going to use his efforts to close some of the banks, in several instances insulting in his attitude, and especially does this apply to small banks and those situated in communities where the banks are supported by farmers and loans made by member banks to farmers.

The records show that on June 29, 1927, Atlanta district, with 477 banks and with paid-in capital and surplus of $14,735,000 and deposits of $67,447,000, total $82,182,000, was carrying rediscounts from member banks to the amount of $31,917,000, of which amount $3,802,000 was secured by Government securities, leaving amount rediscounted to member banks secured by securities other than Government securities of $27,996,000.

Dallas district on the same day, with 820 banks, with paid-in capital and surplus of $12,561,000 and deposits of $58,109,000, total of $70,670,000, was carrying rediscounts from member banks to the amount of $5,918,000, of which $2,116,000 was secured by Government securities, leaving amount rediscounted to member banks secured by securities other than Government securities of $3,802,000, less than one-ninth of amount carried by Atlanta district.

The report further shows that Atlanta had invested in bills bought in the open market and Government securities, a total of $19,859,000, and Dallas had invested in bills bought in the open market and Government securities, a total of $36,847,000, approximately twice the amount of Atlanta district. Atlanta had over one-fourth of its paid-in capital, surplus, and deposits invested in rediscounts from member banks, secured by securities other than Government securities, and approximately one-

fourth of its paid-in capital, surplus, and deposits invested in bills bought in the open market and Government securities, while Dallas district had approximately 5 per cent of its paid-in capital, surplus, and deposits invested in rediscounts from member banks, secured by securities other than Government securities, while it had at the same time over 50 per cent of its paid-in capital, surplus, and deposits invested in bills bought in open market and Government securities.

Mr. BEEDY. Will the gentleman yield to me for a moment?

Mr. WILLIAMS of Texas. For a moment, but I must hurry. I am crowded for time.

Mr. BEEDY. I am sorry to say that I have missed a part of the gentleman's speech. Has the gentleman given any figures to show the status of the reserves in the Dallas bank as compared with the reserves in the Atlanta bank?

Mr. WILLIAMS of Texas. I could stand here and talk for 30 days on the record down there——

Mr. BEEDY. Am I correctly informed when I am told that the Dallas bank has been overextended for years, and only during the administration of the last governor has the reserve been brought up to the legal requirement, and that this result has been accomplished because the present governor can say "No"?

Mr. WILLIAMS of Texas. They would not have had that situation if they had not dissipated money in salaries or if that bank had been operated for the interests of the stockholders.

Mr. BEEDY. The salaries have not been changed much, if any, under the present governor's administration, have they?

Mr. WILLIAMS of Texas. I am not going to yield and get into a controversy with the gentleman. I have records here that I want to put in the RECORD, although I want to be courteous to the gentleman, of course.

Here is a report by Mr. Tally, the governor, on the 31st of December, showing the income from the Federal reserve bank on rediscounts of member banks:

1926, $525,993.

1927, $254,983.

This is a falling off of over 50 per cent in one year.

Gentlemen of the House, I know the country banker; I am familiar with the conditions under which a country bank is operated, I know what the country bank means to the community in which it is operated; I doubt if there is a man in my State who knows more country bankers than I. I know them by name, I know where they live, I have visited the community where their banks are located, I have been in their banks, and I want to say here and now, there is not a higher type of bankers living than the country banker in my State, and there is no more patriotic and loyal men on earth than the country banker in Texas, and many of the prosperous communities and cities in Texas to-day is an evidence that some country banker operated a country bank in the community and assisted in developing the resources of that particular part of the State.

During the World War when drives were being made to sell Liberty bonds and to secure funds for the Red Cross and all other activities to assist in winning the war, the country banker in Texas, as in other States, was working in the lead. He neglected his business, left it in the hands of others, and went out over the country making speeches, contributing money, and loaning money to those who did not have money to contribute, that he might assist in his small way, as a good citizen, in giving the best of which he was capable to his country.

The country banker in my State is a free-born white man, and when he has a right granted to him under the laws of this country he resents being treated in a manner as though he were a crook and that he had no rights. Imagine how you would feel, knowing that you had a legitimate right to apply to the governor of a Federal reserve bank for the rediscount privilege, a right accorded you under the Federal reserve act, and as you know, the member banks are forced under the act to keep a certain per cent of their deposits in the Federal reserve bank upon which the member bank receives no interest, you as the operating head of a member bank, and have the governor not only treat you as though you had no right to make the application but bawl you out and, as he has done in many instances—and the RECORD will bear me out in the statement—absolutely insult you. That is what the governor of the Federal Reserve Bank at Dallas has done on numerous occasions, and a committee from the Senate and this House will find such has been the case, should this resolution be adopted.

You know what you would want to do under those conditions, you know how you would feel toward the institution, and you further know that you would never apply to the Federal reserve bank again as long as the present governor was retained. That being true, I care not how efficient the governor may be, his usefulness as governor of the Federal reserve bank has been destroyed, he has destroyed it himself, and for the directors to retain him as governor is crippling the service and usefulness of the Federal reserve bank in the district. And while he was reelected, it was by a divided vote of the directors, and the fact that the vote was divided is sufficient evidence that he is not the proper man for the place of governor of the Federal reserve bank; however, he was reelected.

Mr. JONES. Will the gentleman yield?

Mr. WILLIAMS of Texas. Gladly.

Mr. JONES. Is there any practical and direct way for them to get rid of an official who violates the spirit and the purpose of the law?

Mr, WILLIAMS of Texas. I do not know. If there is not, there should be legislation introduced in these two Houses that will do it.

Mr. BEEDY. Will the gentleman yield?

Mr. WILLIAMS of Texas. Yes.

Mr. BEEDY. The individual banks in the district own stock in the Dallas Reserve Bank and elect three-fourths of the directors of that bank, do they not?

Mr. WILLIAMS of Texas. I do not want to get into an argument——

Mr. BEEDY. Is not that the fact?

Mr. WILLIAMS of Texas. Wait a minute. Let me show you the unfairness of the Federal reserve act, although I am for that act.

The Federal reserve act grants to group 3, banks of capital stock from $100,000 down, the right to elect two men; is not that correct?

Mr. BEEDY. That is true.

Mr. WILLIAMS of Texas. The Federal reserve act grants the banks between $100,000 and $500,000 the privilege of electing two men. Then from $500,000 on up, two men, which makes six. Then the board here appoints three, which makes up the nine directors. One-half of the member banks in every one of the 12 Federal reserve bank districts elects two men. That is one reason I am complaining about this.

The city banker, the fellow with $500,000 capital and up, has no kick. He is a great banker, and that is one trouble over here at the Treasury Department. They sent one of the men down there to investigate it, but he did not see the fellow to whom the governor of the Federal reserve bank is denying the rediscount privilege.

Mr. BEEDY. The member banks have the right to elect, and do elect, two-thirds of the directors, do they not?

Mr. WILLIAMS of Texas. I am not going to yield further.

Mr. BEEDY. Will the gentleman yield for one more question?

Mr. WILLIAMS of Texas. If the gentleman will guarantee me additional time.

Mr. BEEDY. The gentleman has a joint resolution pending here asking for an investigation of this bank. The gentleman knows there is one—a similar resolution—that was introduced in the Senate and is now before the Senate Committee on Banking and Currency, does he not? Does the gentleman want two investigations at the same time?

Mr. WILLIAMS of Texas. No; he does not want two investigations, and when I began my statement I said if this investigation was held and it developed that remedial legislation or corrective legislation should be introduced in these Houses to take care of a condition that might arise, that Members of both Houses ought to be on that committee of investigation.

Mr. BEEDY. In the hope of being helpful may I ask another question? The gentleman knows, does he not, that it is the duty of the Federal Reserve Board here in Washington to make such investigations?

Mr. WILLIAMS of Texas. Yes.

Mr. BEEDY. And before they can make such investigations they must have some charges. Have any charges been preferred by any of these banks in Texas to the Federal Reserve Board against the Dallas Reserve Bank?

Mr. WILLIAMS of Texas. Not that I know of; but both the board of directors at Dallas and the board in Washington have been informed in this matter.

Mr. BEEDY. Does the gentleman think it is fair to go over the heads of the Federal Reserve Board and ask Congress to investigate?

Mr. WILLIAMS of Texas. Who created the Federal Reserve Board?

Mr. BEEDY. The Congress; and it reposed in the Federal Reserve Board the duty of making investigations of the reserve banks of the system.

Mr. WILLIAMS of Texas. Does Congress want any man governor of any of the Federal reserve banks whose conduct to the member banks is such that 50 per cent of the banks

will not do business with him, except when forced to do so by law?

Mr. BEEDY. Of course, I am not going to assume all those facts to be proven, but anything that is wrong should be investigated and corrected in an orderly way and in accordance with the law establishing the system as passed by Congress.

Mr. WILLIAMS of Texas. My time is running and I refuse to yield further, in all courtesy to the gentleman.

As a further evidence that he is not the proper man for the position I submit the following information, which is evidence to you how the bankers of the district feel toward the policies of the governor of the Federal reserve bank in that district:

On October 12 last year a meeting of the bankers on the South Plains was held at Lubbock, Tex.; there was present at the meeting 35 bankers, representing 23 banks, and passed resolutions unanimous condemning the policies of the governor of the Federal reserve bank at Dallas, Tex.

On October 18 last year a meeting of bankers was held at Abeline, Tex., with over 30 bankers present, representing 15 banks, and passed unanimous resolutions condemning the policies of the governor of the Federal reserve bank at Dallas, Tex.

In November last year a meeting of bankers was held at Corsicana, Tex., with over 35 bankers present, representing 20 banks, and passed resolutions condemning the policies of the governor of the Federal reserve bank, with one vote dissenting, and I am informed that he stated that it was a personal matter with him.

This month, I believe it was about the 6th or 7th, a meeting of bankers of the Paris (Tex.) district, composed of bankers from Lamar, Red River, and Fannin Counties, and bankers from southern Oklahoma, met at Paris, Tex., with between 90 and 100 bankers present, and passed resolutions unanimous condemning the policies of the governor of the Federal reserve district at Dallas, Tex., and my colleague [Mr. HUDSPETH] is my authority for the statement that the bankers met in his district at San Angelo and passed resolutions condemning the governor's policies. Think of it, gentlemen of the House, at four meetings of bankers, with almost 200 bankers present and only one vote against the resolutions condemning the policies of this man.

In addition to the above, the directors of the West Texas Chamber of Commerce, at a meeting held at Cisco, Tex., in June last year, with 65 members present, passed resolutions condemning his policies as applied to the member bank located in the farming and livestock communities, and again at a meeting of these directors, held at Fort Worth, Tex., on January 19 of this year, passed resolutions condemning his policies.

Mr. JONES. Will the gentleman yield?

Mr. WILLIAMS of Texas. Yes.

Mr. JONES. Is it not true also that the bankers having to do business with the Federal reserve bank would not make a protest unless conditions were very serious?

Mr. WILLIAMS of Texas. Oh, you can not imagine it! It takes a lot of intestinal courage to go up against that bank. [Laughter and applause.] Think about a little country banker being put in a position where you are going to close the bank in the community. That money and that bank was created in that community. That bank is operated for the community and there is an individual placed down there that can withhold from you credit to which you are entitled and break your bank. And I make the charge here and now, and if this committee is appointed they will find where the governor of the Federal reserve bank in Dallas, Tex., forced some solvent banks to close when the Federal bank examiner's force was trying to put them on their feet, and if it had not been for the governor of the Federal reserve bank they would have done it. I can name the banks and the dates and give the facts. That is his record. He said he was going to close them, and if you will let me alone I will get to that because I have that record here.

As further evidence that my statement is substantiated by the record, listen to this: The president of a certain bank in Texas, a man who had been the operating head of a bank in this community for 25 years, applied to the governor of the Federal reserve bank for further rediscount privileges, he owed the Federal reserve bank a modest amount, but owing to the fact that the farmers in that particular part of the State had failed in a feed crop, and the necessity of furnishing them money to buy feed, that they might make another crop, made it necessary that he have more discounts. The governor, after discussing the matter at length, the banker explaining the necessity of his making the request, refused to grant him further rediscount privilege. The banker, addressing the governor, said:

Governor, do you mean to tell me that if it becomes necessary to extend our bank further rediscount privilege, or close our bank, that we will have to close the bank?

Listen to the governor's reply, calling the party by name—

That is just exactly what I mean. Go home and close your damn bank. It will be a damn good lesson to your community.

Mr. BEEDY. The gentleman doesn't hold me responsible for that language?

Mr. WILLIAMS of Texas. I want to show you how much ability he has. This man did not get another dollar from the Federal reserve bank; he paid the bank what he owed. And listen to the statement of his bank made to the Comptroller of the Currency on call of December last year: Deposits, $293,998.99; cash, bonds, and bills of exchange, $196,555.48; approximately two-thirds of his deposits in cash and exchange. Here is another: The president of a bank in Oklahoma—and this man had been the active manager of the bank for 15 years—applied for the rediscount privilege for his bank, which application was refused, and the governor stated to this man, and also to the vice president of the bank, who was present, that they would have to close their bank, said that you haven't a chance; go home and close your bank.

Let us see if he had to close his bank, and remember he did not get a dollar from the Federal reserve bank, and he is now applying for a State charter to get out of the Federal reserve system. Here is the statement of his bank, made under call of the Comptroller of the Currency at the December call last year: Deposits, $363,953.07; cash and exchange, $241,316.62; approximately two-thirds of his deposits in cash and exchange. Here is another from a bank out in west Texas, where the governor of the Federal reserve bank refused them the rediscount privilege, and listen to what he said when the application was refused—

We have too many banks; we only need a few banks in the larger towns in Texas to take care of all the business.

Further he said to them, the president and cashier:

You should not loan money to farmers, but invest your money in Government securities and commercial paper.

Here is the statement of this bank made under December call, as the others just mentioned: Deposits, $117,983.42; cash and exchange, $62,226.12; over one-half of the deposits in cash and exchange. Do these statements have the earmarks of broke banks? Does it look like they had to close? And remember, the governor of the Federal reserve bank would not loan them $1. I realize they are what would be termed small country banks; but they were serving the communities in which each was located, and I believe that you will agree with me that they were serving them well from the statements made to the Comptroller of the Currency, and here I ask permission to print in the RECORD the statement of each of these banks in full, that you may have the opportunity of studying them further:

Condensed statement of the condition of Citizens National Bank, of Blooming Grove, Tex., at the close of business December 31, 1927

RESOURCES

Loans and discounts		$171,283.82
Overdrafts		948.64
Banking house, furniture, and fixtures		12,350.00
Stock in Federal reserve bank		1,900.00
Due from United States Treasurer		1,250.00
Other resources		749.99
Cash:		
Currency and exchange	$72,296.25	
Bonds	55,000.00	
Bills of exchange	69,259.23	
		196,555.48
		385,037.93

LIABILITIES

Capital stock	50,000.00
Surplus and undivided profits	14,038.94
Dividends unpaid	2,500.00
United States circulation	24,500.00
Deposits	293,998.99
	385,037.93

This statement is correct.

J. R. GRIFFIN, *Cashier.*

Statement of the condition of the State National Bank, Idabel, Okla., at the close of business December 31, 1927

RESOURCES

Loans and discounts		$122,289.98
Overdrafts		917.63
Banking house		30,000.00
Furniture and fixtures		10,000.00
Real estate		12,778.84
Stock in Federal reserve		1,650.00
Cash resources:		
Liberty bonds	$15,868.96	
Bonds, warrants, etc	122,792.82	
Cash and sight exchange	102,654.84	
		241,316.62
Total		418,953.07

LIABILITIES

Capital stock	$50,000.00
Surplus	5,000.00
Borrowed money	None.
Deposits	363,953.07
Total	418,953.07

The above statement is correct.

C. E. BOLLINGER, *Cashier.*

Attest:

D. B. STRAWN, *President.*
J. E. DOOLEY, *Vice President.*

Financial statement of the condition of the First National Bank, Meadow, Tex., at the close of business, December 31, 1927

ASSETS

Loans and discounts		$77,561.05
Overdrafts		183.80
County and school warrants		3,477.00
Federal reserve bank stock		850.00
Real Estate (banking house) and furniture and fixtures		8,454.88
Other real estate		572.86
Other assets		950.77
Cash:		
Cotton acceptances	$35,637.46	
On hand and due from banks	26,588.66	
		62,226.12
Total		154,276.48

LIABILITIES

Capital stock		$25,000.00
Surplus		5,000.00
Reserved for taxes and interest		704.29
Cashier checks outstanding		5,588.77
Deposits:		
County and school	$8,563.43	
Time deposits	500.00	
Individual	108,919.99	
		117,983.42
Total		154,276.48

The above statement is correct.

EARL T. CADENHEAD, *Cashier.*

I make another statement, and I recognize the fact that this is a broad statement also. The governor of the Federal reserve bank at Dallas, Tex., through his authority as governor of the Federal reserve bank, has forced banks in the eleventh Federal reserve district to close their doors when the bank should have remained open. I am in position to name some of the banks. I have in mind one bank that the actions of the governor of the Federal reserve bank forced it to close, when the national bank examiners' force was endeavoring to reorganize the bank and would have succeeded had it not been for the governor of the Federal reserve bank; and the bank would have been in operation to-day had it not been for the governor of the Federal reserve bank. But the trouble was, as you see from the record, the governor did not want to save the bank, he wanted it to close, and he closed it. He has made the statement that there are too many banks and that he was going to help close some of them.

Here, I want to read you a paragraph from the report made by the governor of the Federal reserve bank to the directors at their January meeting in 1927:

> We believe that we would do much better to assist the stronger banks in counteracting a detrimental effect upon them brought about by numerous failures, than we would to undertake to use any considerable amount of our resources in trying to tide over the weak situation for the primary purpose of avoiding the effect that might come to the stronger institutions entitled to assistance by virtue of the quality of their assets and the evidence which they have given in the past of adhering to sound policies.

His policy is to take care of the stronger institutions (and I approve him taking care of them), and break the smaller institutions. There is the trouble, and again I make the statement that he has used his authority as governor of the Federal reserve bank, not to assist the small member bank but to withhold from it that which Congress intended should be accorded it when the Federal reserve bank act was passed; that is, in the rediscount privilege, and by so doing he has forced banks to close their doors when they should have remained open.

Think about it, gentlemen of the House. Last year, the governor of the Federal reserve bank at Dallas, Tex., by refusing to the member banks the rediscount privilege they were entitled, cost the member banks of that District over a million dollars. Why there are banks in Texas who loaned more money to member banks in Texas last year than the Federal reserve bank loaned them. I mean individual banks were carrying more loans to banks than the Federal reserve bank was carrying, and the governor of the Federal reserve bank at Dallas, Tex., by withholding from the member banks the rediscount privilege to which they were entitled, and forcing them to secure their loans from their city correspondents, cost the member banks in that district over a half million dollars, by reason of the member bank having to pay 6 per cent for their money from their correspondents when they should have secured it from the Federal reserve bank at 3½ and 4 per cent, which was the discount rate last year. Why, I can give you the name of a certain bank in Texas that loaned over a million dollars to banks last year that the governor of the Federal reserve bank had refused, and every one of the loans has been paid, and some of these were to banks where the governor had told them they would have to close their bank.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. WILLIAMS of Texas. With pleasure.

Mr. COOPER of Wisconsin. Did I understand the gentleman to say that the country bank took these securities to the Federal reserve bank of which you speak and was denied the rediscount privilege and if the rediscount had been given it would have been at 3 per cent?

Mr. WILLIAMS of Texas. From 3½ to 4 per cent, which was the discount rate during the year.

Mr. COOPER of Wisconsin. Did you say that they took the same securities to a big bank and received the discount but were obliged to pay 6 per cent?

Mr. WILLIAMS of Texas. Yes; and in some instances 7 per cent.

Mr. COOPER of Wisconsin. So these facts show that it was not the character of the securities which the Federal reserve bank really objected to?

Mr. WILLIAMS of Texas. No. If it had been, they would not have been discounted. I do not know of a member bank of that district that wants them to take paper that is not safe.

Mr. COOPER of Wisconsin. But the big bank did take the securities?

Mr. WILLIAMS of Texas. Certainly; and I can give you the name of one bank in Texas that loaned over a million dollars to banks that the Federal reserve governor refused, and the loans have been paid.

Mr. BLACK of New York. Did the Federal reserve bank rediscount the paper for the larger banks?

Mr. WILLIAMS of Texas. I am not in a position to answer that. All the records that I have given you here are unquestioned.

The policy of the governor is to refuse to rediscount for a member bank notes which are obviously renewals, or any part of the note a renewal, with the statement that the Federal Reserve Board here in Washington has held that renewal paper is not eligible. Here is the information furnished me by the governor of the Federal Reserve Board, which is in answer to a letter I addressed him January 30, requesting that he give me record of rulings made by the board on this question; listen:

> There are good renewals and bad renewals; and it is a matter for banking judgment to determine the merits of each case by a knowledge of the circumstances in which the original loan and the renewal have been made.

Further he says:

> As the circulars and regulations of the Federal Reserve Board have undertaken to state the fundamental principal, it is the liquidity of the paper that must be looked to to determine its eligibility, and the liquidity should not be tested by standards that are narrow, arbitrary, or inflexible, such mechanical rules must not be allowed to take the place of a discriminating banking judgment.

This regulation and circular issued under date of April 27, 1915.

Think of it, gentlemen of the House, the governor of a Federal reserve bank making the claim that he was a banker with a regulation as above, made in 1915, and he attending conferences here with other governors of the Federal reserve banks often each year, with every opportunity to inform himself.

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

Mr. WILLIAMS of Texas. With pleasure.

The SPEAKER pro tempore (Mr. ROWBOTTOM). The time of the gentleman from Texas has expired.

Mr. HUDSPETH. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HUDSPETH. It has been stated in the press that the national bankers in my district do not fool with Mr. Tally. The directors go to the intermediate credit banks and put up their own notes and get their money on their own security. They do not fool with Mr. Tally at all, because he has turned down every piece of paper that they offered him, and they do not propose to be coerced.

Mr. COOPER of Wisconsin. Mr. Speaker, this address of the gentleman from Texas [Mr. WILLIAMS] is one of the most important that has been made during this Congress. As I under-

stand the situation to-day it is almost impossible through a run by depositors to close an honestly-conducted bank.

Mr. WILLIAMS of Texas. That is correct.

Mr. COOPER of Wisconsin. Because it can take its securities to the Federal reserve bank and get credit.

Mr. WILLIAMS of Texas. That is correct.

Mr. COOPER of Wisconsin. But if the Federal reserve bank arbitrarily refuses to rediscount good securities, then it is possible by such a run to close almost any bank even though it is honestly conducted.

Mr. WILLIAMS of Texas. Certainly.

In that connection I call attention to a remark that a certain member banker made in Texas in discussing the policy of this man. He said that if there was a crisis in that State, it would break 70 per cent of the banks, because he said the little banks would go to their correspondents, and they would tell them to go to the Federal reserve bank, and the Federal reserve bank would tell them to go to hell. [Laughter.] And that is what would happen. That is what he has been doing. This man never had authority in but one bank in his life. I say that he has not the ability to determine the solvency or the insolvency of an institution.

I make the charge, here and now, that the governor of the Federal reserve bank at Dallas, Tex., does not have the ability to determine a solvent institution, nor has he the ability to determine an insolvent institution. I realize that is a broad statement, here is the record which I believe will justify the statement:

The governor of the Federal reserve bank at Dallas, Tex., was never the operating or managing head of but one bank, his record as a banker is as follows: He held the position of assistant cashier with the City National Bank in Dallas, and received a salary of $4,000 a year, in 1911 he went with the Lumbermans National Bank, at Houston, Tex., as cashier at a salary of $6,000 a year. He remained with the Lumbermans National Bank until 1914 when he was given a position in the Federal reserve bank at Dallas, at a salary of $5,000. This information was furnished by a member of the Federal Reserve Board here in Washington, the information as to the salary he received when he entered the Federal reserve bank, note this will you, he received a salary of $1,000 a year reduction when he entered the Federal reserve bank, do you believe that had he been a banker the Lumbermans National Bank would not have endeavored to retain him, you know that it would.

He remained with the Federal reserve bank until July, 1921, when he accepted the active vice presidency of the Southwest National Bank of Dallas, Tex., with entire control and management as to policies of the bank, and it would shock you to know what he charged for his services, but he claimed that he could put the bank over and the directors stood for his demands in the way of a salary, he operated the Southwest National Bank until early in 1923 when he severed his connections with the bank, and at a reorganization of the bank whereby the North Texas National Bank was organized and took over the assets of the Southwest National Bank, it was agreed by the North Texas National that after all losses sustained by the Southwest National, the present governor of the Federal reserve bank had entire authority in the management for over a year, had been taken care of, the balance would be paid to the stockholders of the Southwest National, and the management of the North Texas National has made the statement that up to this time the stockholders of the Southwest National have not received 1 cent, and that they might get as much as 15 per cent on their stock after the losses in Southwest National had been taken care of. The capital stock of the Southwest National was $2,000,000 and 15 per cent on the stock would be $300,000, a loss to the stockholders of the Southwest National Bank of $1,700,000, and, say, the stockholders have not yet received the 15 per cent, do you think that is the record of a banker? And remember that when he was connected with the City National Bank of Dallas, and the Lumbermans National Bank at Houston he was not the managing head of either institution.

Gentlemen, I have many letters from bankers scattered over the district which I would like to put in the RECORD, but owing to the fact that it would burden the RECORD, I shall not have them printed. I also have much information given me confidentially, which I can not give you.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield right there?

Mr. WILLIAMS of Texas. Yes.

Mr. JOHNSON of Texas. I want at this point, with the gentleman's permission to read a letter from a banker in my district, which I received yesterday. I shall not give his name, but he has been a safe, conservative, and successful banker for more than 25 years. Furthermore, he is a man who weighs his words. He is not an alarmist or extremist, and what he says always commands the respect and confidence of those who know him. The letter is as follows:

FEBRUARY 21, 1928.

Mr. LUTHER A. JOHNSON,
Member of Congress, Washington, D. C.

DEAR MR. JOHNSON: I am taking the liberty to write you to solicit your interest and earnest consideration of the question that has so thoroughly aroused the country bankers of this Federal reserve district; that is, the removal of the present governor, Mr. Lynn Talley. You are thoroughly aware of the distressed condition of the farmers of the country for the past few years and their urgent need of all the assistance that can be safely given them by the banks of the country and all Government agencies that have been organized for their aid and relief.

The interests of the farmers are so thoroughly interwoven with that of the country banker that whatever affects them affects us and whatever affects us vitally affects them. The country bankers are very anxious to render all the assistance they can to the farmers, who have been so badly in the dumps for the past few years, but deposits in country banks the country over are very low, and their ability to aid is very limited unless they are able to rediscount during the summer months.

The arbitrary methods of the present governor and his utter lack of interest in the problems and welfare of the farmer and country banker make it almost impossible for them to get rediscounts with this bank. In fact, rather than suffer the embarrassment and humiliation of continued refusals, many of us have ceased to have any business with the Federal reserve bank except to keep up our reserve with them as required by law, and have gone back to the old method of borrowing from commercial banks at a high rate of interest and keeping with them compensating balances all through the year. Some have taken the other alternative of confining their loans to such amount as they will be able to take care of with their own resources throughout the year. I do not have any complaint at the Federal reserve system. In fact, I think we are all agreed that its organization was one of the greatest pieces of legislation of the age.

But having to tie up our limited means in its stock and keep our reserve with them without interest and then be deprived of the only privilege they have to offer us, that of rediscount, is a pretty bitter pill. The average country banks are paying their officers and employees very meager salaries and about one out of five for the past few years have been paying any dividends to their stockholders. Yet we are paying this gentleman $25,000 a year (about five times the amount he could command from any commercial bank) for this magnificent service he is rendering us.

It is no small wonder that two or three hundred country bankers have raised such a roar, and this number does not by any means represent the dissatisfied bankers of the district.

A great number of them say, "I feel just as you and the others do about it, but the power of the governor of the Federal reserve bank to withhold or extend credit is such that I can not afford to incur his displeasure." Any consideration you may give this matter will be appreciated not only by me but by hundreds of other country bankers of this district.

Yours very truly,

———— ————.

Mr. WILLIAMS of Texas. That letter is a typical letter of hundreds from the bankers in the eleventh Federal reserve district and of many oral conversations where the parties would not write letters.

Mr. Speaker, and gentlemen of the House, I have many letters from bankers scattered all over the eleventh Federal reserve district which I would like to have printed in the RECORD, but owing to the fact that it would burden the RECORD I shall not have them printed. I have a great deal of information given me in confidence by many who fear the results should it be known they had furnished the information, and now, in conclusion, and with a feeling of great concern, I want to say to you that the situation in the eleventh Federal reserve district is acute and that something should be done to remedy the situation, and whether you believe the record I have given you proves either my statement that the governor is not a banker or the statement that he has withheld from member banks the rediscount privilege with the intention of forcing them out of business, yet the facts are that the present governor has certainly alienated the respect and friendship of a large portion of the member banks of the district, and to the extent that they will do only such business with the Federal reserve bank as they are compelled to do so by law as long as the present governor remains in the position he now occupies in the Federal reserve bank at Dallas, Tex. It is significant to know that less than 25 per cent of the State banks in Texas, which are eligible to join the Federal reserve bank, are in the Federal reserve system and that only one State bank each in Oklahoma, New Mexico,

and Arizona are members of the Federal reserve bank. The Federal reserve bank at Dallas is not filling to any degree its sphere of usefulness and the usefulness Congress intended that it should when the act was enacted into a law.

And now, in conclusion, again let me impress on you the seriousness of the condition as it exists in the eleventh Federal reserve district, and whether the record of the governor of the Federal reserve bank, as I have presented it to you, proves my contention or fails to prove it; whether the governor is qualified or whether he is not qualified, his policies toward the small member banks, his arbitrary and discourteous treatment accorded the bankers, has destroyed his usefulness as governor of the Federal reserve bank in that district; this is not a question of individuals; he made the record; approximately 50 per cent of the member banks refuse to do business with the Federal reserve bank at Dallas, Tex., as long as this man is governor of the bank.

That the facts may be ascertained and that justice be accorded every one concerned, I ask that the resolution be adopted. [Applause.]

FARM RELIEF

The SPEAKER pro tempore. Under special order of the House the Chair recognizes the gentleman from Oklahoma [Mr. CARTWRIGHT].

Mr. CARTWRIGHT. Mr. Speaker and fellow Members of Congress, I shall ask your attention for but a few minutes. The matter about which I desire to speak is so near to my heart and of such national importance at this time that I know it will be difficult for me to speak with restraint or without seeming exaggeration.

There is, indeed, no issue before the people of America to-day so fundamental and so far-reaching as that which moves me to address you at this hour. It involves no less than the existence of the Nation itself, the maintenance of its every industry and business, the very life of its every inhabitant. This is not a wild exaggeration or a loose flight of the imagination, Mr. Speaker, but simply the statement of an actual and evident fact. Let me illustrate what I mean by asking you to think for a moment of a single industry that compasses the whole land.

Behind the vast network of machinery and the complicated problems of equipment, management, and maintenance in the Nation's transportation system, one clear and indisputed and all-important fact stands out by itself.

Stated in the simplest, concrete terms it is that if an engineer is deprived of food he can not run his train. Apply this simple truth to all the people in every industry and you have no industries. Apply it to all of the people and there is but one end—death to every man, woman, and child. Without food the people perish, without physical sustenance for its inhabitants the Nation dies.

Such obvious statements as these would be laughable but for one great, tragic fact, namely, the serious condition which faces the people who produce the food upon which human life depends in America. If that condition were due to the greed or the lawlessness of the farming people of this country Congress would waste no time in enacting laws to deal with them. We know, however, that you can not find in any other group so large a percentage of peaceful, law-abiding, home-loving people as among the farming population. They constitute one-third of the entire population of the country, yet they are receiving less than one-tenth of the national income.

Since 1920 the value of farm lands has decreased $20,000,000,000, while real estate in industrial centers has advanced more than $20,000,000,000. Since 1910 farm bankruptcies have increased by more than 1,000 per cent. While the farmers of the United States have to pay from 6 to 15 per cent for their bank loans, brokers on the New York Exchange can borrow their billions for stock gambling at the low rate of 4 per cent.

According to the conservative Manufacturers Record, the deflation policy of the Federal reserve bank reduced agricultural values by $32,000,000,000, while the reduction in other business was only $18,000,000,000. The consumers pay more than $30,000,000,000 for farm products, but the farmers receive only $9,000,000,000 of this. Within a period of five years—1920 to 1925—capital invested by farm operators decreased to the alarming extent of $3,000,000,000 per year. In other words, there was a total decrease of $15,000,000,000 in this short period of five years. The total farm indebtedness has grown to the enormous sum of $12,000,000,000, while the percentage of income that goes to agriculture has reached the low figure of 7.5 per cent of the total national income.

I might quote at great length other figures and statistics to show the seriousness of the situation among the millions of farmers upon whose labors our country depends for the basic necessities of life.

No thoughtful man will deny that this situation should and must be remedied, not alone for the sake of the farmers but to prevent general disaster. In all the pages of history there is no greater and more tragic truth than this, namely, that national prosperity and security can not rest on agricultural bankruptcy.

That we are approaching a state of general bankruptcy on the farms of America can not be denied by those who know the actual facts. We who came from the great farming sections feel the increasing pressure of these facts year by year. Day after day, Mr. Speaker, I am receiving letters from farmers and merchants pleading for some action of Congress that will relieve the unfair conditions and lift the undeserved burdens under which they suffer. They do not ask for special privileges for themselves, but for relief from burdensome and unjust conditions imposed on them by special privileges granted to others. They find themselves compelled to purchase in protected markets and to sell in competitive markets, to pay dearly for what they need and to dispose cheaply of what they produce, to see the results of their labor subjected to restricted credit at a high rate of interest, and to market manipulation and price fixing over which they have no control. In addition to these and other artificial and unjust burdens, they must face the inevitable dangers of drought, flood, hurricane, as well as the destructive boll weevil and other devastating enemies of the fruits of their labors.

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

Mr. CARTWRIGHT. Yes.

Mr. BUSBY. A great deal has been said recently about the great prosperity of the country. Do you find that this prosperity applies to your class of people?

Mr. CARTWRIGHT. No, indeed; rather starvation. In the single section of Oklahoma which I have the honor to represent thousands of acres of cotton were literally destroyed by the boll weevil last year, and such has been the case for the past several years.

I wish to state, Mr. Speaker, as a fact beyond dispute that no producing group in this country faces such a combination of handicaps and burdens as those which are imposed from the outside on the farmers of America and their families.

These people are my people, Mr. Speaker. I know them. I love them, I belong to them. They are essential to the very existence of this country. Therefore their problems, their needs, and their rights can not and must not be neglected or ignored. Regardless of party affiliation, we can not fail to agree with that great Democratic leader who said, "The farmer who goes forth in the morning and toils all day—who begins in the spring and toils all summer—and who by the application of brain and muscle to the natural resources of the country creates wealth, is as much a business man as the man who goes upon the board of trade and bets upon the price of grain."

With all my heart, Mr. Speaker, I plead for an honest understanding of the place and the problems of the farmer in the life of this Nation. And I plead further, for earnest support of every constructive measure that may be placed before this body that will bring relief and a fair chance to the agricultural forces upon which the prosperity, the stability, the very life of our country so largely depend. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. BEEDY. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

Mr. TILLMAN. Reserving the right to object, Mr. Speaker, a number of us have been allotted time. I do not want to interfere with the gentleman, but I believe I shall have to object.

The SPEAKER pro tempore. Under the provisions of the special order, the Chair will now recognize the gentleman from Utah [Mr. COLTON].

Mr. TILSON. Mr. Speaker, the gentleman from Utah informs me that he is not ready to go on with his remarks at this time.

THE FOURTEENTH, FIFTEENTH, AND NINETEENTH AMENDMENTS

The SPEAKER pro tempore. The Chair will recognize the gentleman from Massachusetts [Mr. TINKHAM] for 1 hour and 30 minutes.

Mr. TINKHAM. Mr. Speaker, there is in the United States indefensible and flagrant nullification of three amendments of the Federal Constitution—the fourteenth amendment (second section), the fifteenth amendment, and the nineteenth amendment—resulting in notorious and scandalous disfranchisement.

The questions involved are not so much questions of race, color, or previous condition of servitude as they are of constitutional enforcement and of a just and equal balance of political power among the various States of the Union, although they revolve about negro disfranchisement.

The issue in all its nakedness is whether there shall be a constitutional government in the United States and whether the Government as it now exists shall be a legitimate one.

The first question to be answered is whether disfranchisement does exist.

Any American who has traveled throughout the United States is familiar with the fact that the negro votes as freely as the white man in the North, East, and West, but not in the South.

James Bryce, in The American Commonwealth (1895, Vol. II, pp. 483, 484), in speaking of the suppression of the negro vote, says:

The modes of suppression have not been the same in all districts and at all times. At first there was a good deal of what is called "bulldozing"—i. e., rough treatment and terrorism—applied to frighten the colored men from coming to or voting at the polls. Afterwards the methods were less harsh. Registrations were so managed as to exclude negro voters, arrangements for polling were contrived in such wise as to lead the voter to the wrong place so that his vote might be refused; and, if the necessity arose, the Republican candidates were counted out or the election returns tampered with. "I would stuff a ballot box," said a prominent man, "in order to have a good, honest government," and he said it in good faith and with no sense of incongruity.

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

Mr. TINKHAM. I can not yield.

Mr. McKEOWN. I want to know if the gentleman is still reading what Mr. Bryce said.

Mr. TINKHAM. I am still reading from Mr. Bryce.

Mr. McKEOWN. I will appreciate it if the gentleman will let us know when he comes to his own remarks.

Mr. TINKHAM. I shall do so.

In the same volume—pages 509–510—Mr. Bryce says:

The methods whereby the negroes have been prevented from exercising the rights of suffrage vested in them by law have been described in the last preceding chapter. These means are now seldom violent; but whether violent or pacific, they have been almost uniformly successful. In the so-called border States the whites are in so great a majority that they do not care to interfere with the colored vote, except now and then by the use of money. Through the rest of the South the negro has come to realize that he will not be permitted to exercise any influence on the Government, and his interest in coming to the polls has therefore declined. This is true of all sorts of elections, just as the determination of the whites to suppress his vote is no less strong as respects Federal elections, whose result can not directly affect the administration of State or local affairs, or the imposition of State or local taxes, than it is in State and local elections.

* * * The whites, accustomed to justify their use of force or fraud by the plea of necessity, have become callous to electoral malpractices. The level of purity and honesty in political methods, once comparatively high, has declined, and the average southern conscience is now little more sensitive than is that of professional politicians in northern cities. * * *

In speaking of education and property qualification devices for suppressing the negro vote, Bryce further states—page 512:

* * * The other is that every limitation of the suffrage diminishes pro tanto (amendment 14) a State's representation in Federal elections, thereby weakening its influences in Federal affairs and mortifying its self-esteem. The State of Mississippi, while courageously facing the latter of these difficulties, so far as the colored people are concerned, has sought to evade the former by the ingenious loophole under which the registering officials may admit whites who, though illiterate, are able to give a "reasonable interpretation" of any section of the Constitution. Such whites have, one is told, been able to satisfy the officials far more generally than have the negroes. And if this particular section happens to be put to them, their common sense will find its interpretation obvious.

The Supreme Court of Mississippi in Ratcliff *v.* Beale (1896, 20 So. Rep. 865), in relation to a State constitutional clause imposing a poll tax, stated:

It is in the highest degree improbable that there was not a consistent, controlling, directing purpose governing the convention by which these schemes were elaborated and fixed in the constitution. Within the field of permissible action, under the limitations imposed by the Federal Constitution, the convention swept the circle of expedients to obstruct the exercise of the franchise by the Negro race * * *. In our opinion, the clause was primarily intended by the framers of the constitution as a clog upon the franchise, and secondarily and incidentally only as a means of revenue.

In the Alabama convention of 1901, held with the avowed purpose to "have adopted new constitutional provisions for the exclusion of negroes from participation in politics" (Political Science Quarterly, 1903, Vol. XVIII, p. 480), Ex-Governor Oates, of Alabama, a former Member of this House, after asserting that—

There were two possible methods of assuming control: One was by force and shotguns, the other to cheat the blacks (ibid. p. 487)—

is reported verbatim as saying:

I was an advocate of the latter, because it didn't take life. Now, I never changed votes with my one hand, but I upheld it and counseled it in those who did. I am just as guilty as those who did * * *. Unfortunately it was a necessity. We could not help ourselves. We had to do it or do worse. But we have gone on from bad to worse, until it is a great evil * * *.

Another speaker at the same convention is reported (ibid, p. 487) as saying:

We are tired of frauds; we are tired of ballot-box stuffing; we are tired of buying negro votes; but the fraud will never cease until this vote [negro] is eliminated.

Mr. McKEOWN. Will the gentleman advise us whether he is now through with Mr. Bryce?

Mr. TINKHAM. I have finished with Mr. Bryce and also with the Political Science Quarterly.

Governor Hardwick, of Georgia, in his address before the State convention in acceptance of the Democratic nomination for Governor of Georgia in 1920 according to the Atlanta Constitution, of October 25, 1920, stated:

I shall urge the enfranchisement of all white women in accordance with the Anthony amendment, and the disfranchisement of all black women, on the same plan that negro men are now disfranchised in Georgia.

The Statesman's Yearbook (1926, p. 435), a semiofficial organ published annually in England, conservatively states:

* * * Several of the Southern States have adopted methods—which differ from one another—too complicated for explanation here, with the expressed, avowed purpose of excluding the negroes from the franchise, and yet avoiding the constitutional consequences of discriminating "on account of race, color, or previous condition of servitude."

Lothrop Stoddard, in his latest book entitled "Reforging America" (1927, p. 318), states:

The negro is, of course, disfranchised in the South, and has practically no voice in politics.

André Siegfried, a professor at the School of Social Science at Paris, a diplomat and an investigator for the French Musée Social, who has traveled in America for 20 years, in his book entitled "America Comes of Age," published in 1927—which has been ranked with Alexis de Tocqueville's Democracy in America and which the London Times declares to be "the best book on America since Bryce's Commonwealth"—states, pages 93–94:

At present the blacks are crushed under the heel. In the first place, all political rights are denied them. According to the fifteenth amendment to the Constitution, ratified on March 30, 1870, "the right of a citizen of the United States to vote shall not be denied or abridged by the United States, or by any State, on account of race, color, or previous condition of servitude." The Southern States refused to ratify it, but the measure went through in spite of them. After 1890 laws were passed in all the Southern States which, without actually designating blacks, excluded them from the suffrage. Sometimes it is done by establishing electoral lists; sometimes the applicants are asked to give a "reasonable interpretation" of the Constitution, and naturally a negro never succeeds. A clause called "the grandfather act" automatically allows the whites, even though poor and illiterate, to vote without this examination, provided they are ex-soldiers or the descendants of those who voted in 1867. The fraud is evident and is contrary to the spirit of the Constitution, but the North winks at it; for to interfere would mean another war. If by chance a negro were to slip through the meshes of the net, he would not dare present himself at the polling booth, for he would be beaten off with clubs and his very life would be in danger. In the eastern border States of Virginia and North Carolina this severity has been somewhat relaxed, but in the South as a whole practically all the negroes are treated as pariahs. No negro has ever been appointed or elected to a public position, although in certain rare exceptions—the customs, for example—they have been employed, owing entirely to Federal influence. Otherwise the whites maintain a united front without a single break. There is no doubt that southern politics are based not on equality but on force.

The amendments to the Federal Constitution voted after the Civil War did not aim at suppressing the distinctions between the races, but were simply intended to avoid the injustice of differential treatment. Southern legislation, however, has definitely maintained the latter.

Siegfried is in error in relation to two statements. First, the Southern States did not refuse to ratify the fifteenth amend-

ment. Mississippi, for instance, ratified it unanimously. The elections were not held under military control and the members were elected with full knowledge that they would vote on the amendment. The same is largely true of other Southern States. Second, the so-called grandfather clause is not in effect now, as he implies. It was declared unconstitutional by the Supreme Court in 1915 in the case of Guinn and Beal *v.* United States (238 U. S. 347).

Senator BLEASE, of South Carolina, when referring to the constitution of that State in the Senate on March 2, 1927, according to the CONGRESSIONAL RECORD, volume 68, No. 69, Sixty-ninth Congress, second session, pages 5388–5389, stated:

> We keep the colored man from voting in South Carolina by that constitution. * * * We have plenty of ballot boxes in South Carolina in our primary election where nobody is permitted to vote but white people, where one candidate receives every vote. * * * I think Mr. Coolidge received 1,100 votes in my State. I do not know where he got them. I was astonished to know that they were cast and shocked to know that they were counted.

A Member of another branch of Congress from a State contiguous to the District of Columbia, in referring to the nonenforcement of the fifteenth amendment of the Constitution, in a public letter on November 15, 1927, stated:

> If one were to impute literal truth to the alleged analogy, the conclusive answer would be that the South's resistance to the fifteenth amendment was intended to avert the wretched consequences of the unspeakable crime involved in the adoption of the amendment.

This is a frank admission of the nullification of the fifteenth amendment and a brutal declaration of lawless resistance to its enforcement. This is rebellion.

The Washington Post, in a leading editorial on January 29 last, stated:

> The common sense of the American people, represented in the Republican and Democratic Parties, will save them from making fools of themselves on the eighteenth amendment, the fourteenth, and the fifteenth. By general consent the fourteenth and fifteenth are dealt with in a practical manner in response to the necessities of the situation. * * *

The thirteenth amendment reads as follows:

> SECTION 1. Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States or any place subject to their jurisdiction.
>
> SEC. 2. Congress shall have power to enforce this article by appropriate legislation.

This amendment abolished slavery in the United States and gave Congress the right to enforce its provision by Federal statute.

Sections 1, 2, and 5 of the fourteenth amendment read as follows:

> SECTION. 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.
>
> SEC. 2. Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof is denied to any of the male inhabitants of such State, being 21 years of age and citizens of the United States, or in any way abridged, except for participation in rebellion or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens 21 years of age in such State.
>
> SEC. 5. The Congress shall have power to enforce, by appropriate legislation, the provisions of this article.

This amendment declared the negro to be a citizen of the United States, left the control of the electoral franchise with the States, and provided that if the negro were disfranchised the basis of representation in the disfranchising States should be reduced in proportion to the disfranchisement, thus precluding any disfranchising State in the Union from profiting politically by the nullification of the Constitution and preventing the destruction of the just and equal balance of political power among the States through representation fraudulently based upon the disfranchised, and it gave Congress the right to enforce its provisions by Federal statute.

The fifteenth amendment reads as follows:

> SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.
>
> SEC. 2. The Congress shall have power to enforce this article by appropriate legislation.

Although this amendment did not confer the right of suffrage upon any one, it prohibited the States from giving preference in the suffrage to one citizen of the United States over another on account of race, color, or previous condition of servitude, and gave Congress the right to enforce its provision by Federal statute.

The nineteenth amendment reads as follows:

> The right of the citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex. Congress shall have power to enforce this article by appropriate legislation.

Although this amendment did not confer the right of suffrage upon any one, it prohibited the States from giving preference in the suffrage to one citizen of the United States over another on account of sex, and gave Congress the right to enforce its provision by Federal statute.

In discussing the thirteenth, the fourteenth, and the fifteenth amendments, the Supreme Court of the United States, in the Slaughter House cases (1872, 83 U. S. 36), stated:

> Before we proceed to examine more critically the provisions of this amendment [the fourteenth amendment], on which the plaintiffs in error rely, let us complete and dismiss the history of the recent amendments, as that history relates to the general purpose which pervades them all. A few years' experience satisfied the thoughtful men who had been the authors of the other two amendments that, notwithstanding the restraints of those articles on the States and the laws passed under the additional powers granted to Congress, these were inadequate for the protection of life, liberty, and property, without which freedom to the slave was no boon. They were in all those States denied the right of suffrage. The laws were administered by the white man alone. It was urged that a race of men distinctively marked as was the negro, living in the midst of another and dominant race, could never be fully secured in their person and their property without the right of suffrage.
>
> Hence the fifteenth amendment, which declares that "the right of a citizen of the United States to vote shall not be denied or abridged by any State on account of race, color, or previous condition of servitude." The negro having, by the fourteenth amendment, been declared to be a citizen of the United States is thus made a voter in every State of the Union.
>
> We repeat, then, in the light of this recapitulation of events, almost too recent to be called history, but which are familiar to us all; and on the most casual examination of the language of these amendments no one can fail to be impressed with the one pervading purpose found in them all, lying at the foundation of each, and without which none of them would have been even suggested; we mean the freedom of the slave race, the security and firm establishment of that freedom, and the protection of the newly made freeman and citizen from the oppressions of those who had formerly exercised unlimited dominion over him. It is true that only the fifteenth amendment, in terms, mentions the negro by speaking of his color and his slavery. But it is just as true that each of the other articles was addressed to the grievances of that race, and designed to remedy them as the fifteenth.

Again, in Hodges *v.* United States (1906, 203 U. S. 1), we read:

> At the close of the Civil War, when the problem of the emancipated slaves was before the Nation, it might have left them in a condition of alienage, or established them as wards of the Government, like the Indian tribes, and thus retained for the Nation jurisdiction over them, or it might, as it did, give them citizenship. It chose the latter. By the fourteenth amendment it made citizens of all born within the limits of the United States and subject to its jurisdiction. By the fifteenth it prohibited any State from denying the right of suffrage on account of race, color, or previous condition of servitude, and by the thirteenth it forbade slavery or involuntary servitude anywhere within the limits of the land. Whether this was or was not the wiser way to deal with the great problem is not a matter for the courts to consider. It is for us to accept the decision, which declined to constitute them wards of the Nation or leave them in a condition of alienage where they would be subject to the jurisdiction of Congress, but gave them citizenship, doubtless believing that thereby in the long run their best interests would be subserved, they taking their chances with other citizens in the States where they should make their homes.

The nullifiers of these amendments have claimed repeatedly that the fifteenth amendment repealed the fourteenth amendment. The falsity of this claim is proved by the decisions of

the Supreme Court in the two cases above, the Slaughter House cases and Hodges *v.* United States, and by John S. Wise in his book on Citizenship—1906, page 231—in which he states:

The argument has been made that the power granted to Congress by the fourteenth amendment to reduce representation for disfranchisement was repealed by the adoption of the fifteenth amendment. The fallacy of this contention is apparent at a glance. The fifteenth amendment prohibits the States from denying or abridging the right of suffrage for a single cause, viz, race, color, or previous condition. The fourteenth amendment authorizes the reduction of representation if the right of suffrage is denied or abridged for any cause.

The Supreme Court has repeatedly construed and commented upon the fourteenth and fifteenth amendments, and one can find no suggestion in any decision in support of the allegation that the fifteenth amendment repealed the fourteenth amendment in whole or in part.

The fifteenth amendment did not repeal the fourteenth amendment, first, because there is no inconsistency between the two, the latter being cumulative and supplemental, not repugnant, to the other; second, because to forbid an act does not repeal a penalty otherwise laid upon it; and, third, because the judicial remedy, under the fifteenth amendment, may be sought by any aggrieved citizen, and perhaps only by a citizen, while the remedy by reduction of representation, under the fourteenth amendment, is a public remedy, enforceable only by Congress, which the additional private remedy under the fifteenth amendment can not be held to supersede or disturb.

In relation to the power of Congress to enforce the thirteenth amendment, Cooley's Constitutional Limitations (8th ed., 1927, Vol. I, p. 608) states:

It is not open to doubt that Congress may enforce the thirteenth amendment by direct legislation, punishing the holding of a person in slavery or in involuntary servitude, except as a punishment for crime. Clyatt *v.* United States (1905, 197 U. S. 207) and United States *v.* Reynolds (1914, 235 U. S. 133).

In Bailey *v.* Alabama (1911, 219 U. S. 219), with reference to the thirteenth amendment, we read:

While the amendment was self-executing, so far as its terms were applicable to any existing condition, Congress was authorized to secure its complete enforcement by appropriate legislation. As said in the Civil Rights cases: "By its unaided force and effect it abolished slavery and established universal freedom. Still, legislation may be necessary and proper to meet all the various cases and circumstances to be affected by it, and to prescribe proper modes of redress for its violation in letter or spirit. And such legislation may be primary and direct in its character; for the amendment is not a mere prohibition of State laws establishing or upholding slavery, but an absolute declaration that slavery or involuntary servitude shall not exist in any part of the United States."

No Federal statute has been passed to enforce the thirteenth amendment, because every State in the Union has forbidden slavery either in its constitution or by statute law. This amendment is not violated. There is, therefore, no nullification.

In relation to the power of Congress to enforce the fourteenth amendment, Cooley's Constitutional Limitations (8th ed., 1927, Vol. I, p. 602) states:

This amendment of the Constitution does not concentrate power in the General Government for any purpose of police government within the States; its object is to preclude legislation by any State which shall "abridge the privileges or immunities of citizens of the United States" or "deprive any person of life, liberty, or property without due process of law," or "deny to any person within its jurisdiction the equal protection of the law"; and Congress is empowered to pass all laws necessary to render such unconstitutional State legislation ineffectual. This amendment has received a very full examination at the hands of the Supreme Court of the United States in the Slaughter House cases (1872, 16 Wall. 36) and in United States *v.* Cruikshank (1875, 92 U. S. 542), with the conclusions above stated.

In Strauder *v.* West Virginia (1879, 100 U. S. 303) we read:

* * * It [the fourteenth amendment] was designed to assure to the colored race the enjoyment of all the civil rights that under the law are enjoyed by white persons, and to give to that race the protection of the General Government, in that enjoyment, whenever it should be denied by the States. It not only gave citizenship and the privileges of citizenship to persons of color, but it denied to any State the power to withhold from them the equal protection of the laws, and authorized Congress to enforce its provisions by appropriate legislation * * *.

In the Civil Rights cases (1883, 109 U. S. 3) we read:

The fourteenth amendment is prohibitory upon the States only, and the legislation authorized to be adopted by Congress for enforcing it is not direct legislation on the matters respecting which the States are prohibited from making or enforcing certain laws or doing certain acts, but is corrective legislation, such as may be necessary or proper for counteracting and redressing the effect of such laws or acts.

Although the fourteenth amendment is grossly violated by flagrant disfranchisement, no action has been taken either by Federal statute or by reducing the representation of the disfranchising States. This is nullification pure and simple.

In relation to the power of Congress to enforce the fifteenth amendment, Cooley's Constitutional Limitations (8th ed., 1927, Vol. I, p. 166) states:

* * * The fifteenth amendment provides that "the right of citizens of the United States to vote shall not be denied or abridged by the United States, or by any State, on account of race, color, or previous condition of servitude." To this extent it is self-executing, and of its own force it abolishes all distinctions in suffrage based on the particulars enumerated. But when it further provides that "Congress shall have power to enforce this article by appropriate legislation," it indicates the possibility that the rule may not be found sufficiently comprehensive or particular to protect fully this right to equal suffrage, and that legislation may be found necessary for that purpose * * *

In Ex parte Yarbrough (1884, 110 U. S. 651), in referring to the fifteenth amendment, we read:

* * * The new constitutional right was mainly designed for citizens of African descent. The principle, however, that the protection of the exercise of this right is within the power of Congress, is as necessary to the right of other citizens to vote as to the colored citizen, and to the right to vote in general as to the right to be protected against discrimination.

The exercise of the right in both instances is guaranteed by the Constitution, and should be kept free and pure by congressional enactments whenever that is necessary.

In Giles *v.* Harris (1903, 189 U. S. 475), a case which challenged the suffrage provisions in the constitution of Alabama as unconstitutional, the court said:

* * * Apart from damages to the individual, relief from a great political wrong if done, as alleged, by the people of a State and the State itself, must be given by them or by the legislative and political department of the Government of the United States.

Although the fifteenth amendment is grossly violated by flagrant discrimination, no action has been taken by Federal statute in the form of a Federal election law or otherwise. This is nullification, pure and simple.

In relation to the power of Congress to enforce the nineteenth amendment, it is provided in the same terms as in the thirteenth, the fourteenth, and the fifteenth amendments.

Although the nineteenth amendment is grossly violated by the flagrant disfranchisement of colored women, no action has been taken by Federal statute. This is nullification, pure and simple.

As to the power of Congress to enforce these amendments, we read in Cooley's Constitutional Limitations (8th ed., 1927, Vol. II, p. 1361) the following statement, with citations:

* * * Until recently the regulation and control of all elections, including elections for Members of Congress, and the punishment of offenses against election laws, have been left to the States exclusively. Congress, however, has undoubted authority to make such regulations as shall seem needful to insure a full and fair expression of opinion in the election of Members of Congress, and also to guard and protect all rights conferred by the recent amendments to the Federal Constitution.

That Congress has the complete right to protect all rights and immunities under the Constitution is declared in the case of United States *v.* Reese et al. (1873, 92 U. S. 214), where it is stated:

Rights and immunities created by or dependent upon the Constitution of the United States can be protected by Congress. The form and the manner of the protection may be such as Congress, in the legitimate exercise of its legislative discretion, shall provide. These may be varied to meet the necessities of the particular right to be protected.

The rights and immunities guaranteed by the Constitution are of its essence, and it is these that make the United States free and all its citizens equal before the law. It is the constitutional obligation and paramount duty of Congress to enforce these rights and immunities guaranteed by the Constitution.

A member of another branch of Congress from a State contiguous to the District of Columbia, on January 23 last (CONGRESSIONAL RECORD, vol. 69, No. 31, pp. 1927–1934), in defending the lawless and ruthless nullification of the fourteenth, the fifteenth, and the nineteenth amendments, stated:

* * * The South proposes to exercise her rights under the Constitution as her own will and judgment may dictate, undeterred by those who are controlled by either hate or ignorance—

And—

* * * that the right of suffrage is left to the States and that they can impose qualifications and conditions requisite to its exercise, provided they do not discriminate on account of sex, race, color, or previous conditions of servitude—

And he quotes at length and with much approval Williams *v.* Mississippi (1898, 170 U. S. 213).

In the case of Williams *v.* Mississippi, and in all other cases that have come before the Supreme Court which appear to give the States exclusive control of the franchise, it has been decided only that where a State law upon its face and in its terms did not discriminate between the races it was constitutional, except in the case of Guinn and Beal *v.* United States (1915, 238 U. S. 347). In this case, which declared unconstitutional the so-called grandfather clause, the question at issue related to a section of the constitution of the State of Oklahoma, which provided—

that no person, or lineal descendant of such person, who was on January 1, 1866, or any time prior thereto, entitled to vote under any form of government or who resided in some foreign nation, shall be denied the right to register on account of his inability to read or write any section of the constitution.

The court held that this provision was unconstitutional, notwithstanding that upon its face and in its terms it did not discriminate between the white man and the negro; it took judicial notice of the fact that as the fourteenth amendment of the Constitution, by which the Negro was made a citizen, was not adopted until 1868, and the fifteenth amendment not until 1870, it did in fact and actually discriminate between the white man and the Negro.

In other words, the court ruled that, although the law of a State upon its face did not discriminate in its terms between the races, it was unconstitutional if there was evidence of discrimination in its application and administration, and it took judicial notice that there was such discrimination in the application and administration of the law in question.

This decision is in harmony with the very important case of Yick Wo *v.* Hopkins (1886, 118 U. S. 356), where the court laid down the principle that a law may be fair and impartial upon its face and yet in its application and administration discriminate and be unconstitutional, and that the court would so hold if evidence of discrimination should be shown. The court said:

* * * In the present cases we are not obliged to reason from the probable to the actual and pass upon the validity of the ordinances complained of, as tried merely by the opportunities which their terms afford, of unequal and unjust discrimination in their administration. For the cases present the ordinances in actual operation, and the facts shown establish an administration directed so exclusively against a particular class of persons as to warrant and require the conclusion that whatever may have been the intent of the ordinances as adopted, they are applied by the public authorities charged with their administration, and thus representing the State itself, with a mind so unequal and oppressive as to amount to a practical denial by the State of that equal protection of the laws which is secured to the petitioners, as to all other persons, by the broad and benign provisions of the fourteenth amendment to the Constitution of the United States. Though the law itself be fair on its face and impartial in appearance, yet if it is applied and administered by public authority with an evil eye and an unequal hand, so as practically to make unjust and illegal discriminations between persons in similar circumstances, material to their rights, the denial of equal justice is still within the prohibition of the Constitution. * * *

* * * No reason whatever, except the will of the supervisors, is assigned why they should not be permitted to carry on, in the accustomed manner, their harmless and useful occupation, on which they depend for a livelihood. And while this consent of the supervisors is withheld from them and from 200 others who have also petitioned, all of whom happen to be Chinese subjects, 80 others, not Chinese subjects, are permitted to carry on the same business under similar conditions. The fact of this discrimination is admitted. No reason for it is shown, and the conclusion can not be resisted, that no reason for it exists except hostility to the race and nationality to which the petitioners belong, and which in the eye of the law is not justified. The discrimination is therefore illegal and the public administration which enforces it is a denial of the equal protection of the laws and a violation of the fourteenth amendment of the Constitution.

In Williams *v.* Mississippi, mentioned above, the court quotes the case of Yick Wo *v.* Hopkins, and states in conclusion that the constitution of Mississippi and its statutes—

Do not on their face discriminate between the races, and it has not been shown that their actual administration was evil, only that evil was possible under them.

These cases conclusively show that the Supreme Court will not allow constitutional rights and immunities to be circumvented or nullified if there is before the court evidence of circumvention and nullification in the application and administration of State laws. Any other doctrine would be monstrous. Where the law gives the right, the law ought to secure the exercise thereof. Congress is under the absolute obligation of preventing circumvention and nullification of the fourteenth, the fifteenth, and the nineteenth amendments.

It is defiantly lawless and altogether revolutionary that Congress should refuse to enforce these amendments which guarantee equality of citizenship in the United States. To enforce the fifteenth and the nineteenth amendments now so notoriously and scandalously nullified, Congress should pass a uniform election law, giving equal rights to all those who may be entitled to vote in the United States. In default of the passage of such a law, the second section of the fourteenth amendment, which is mandatory, should be enforced by the reduction of the basis of representation in proportion to disfranchisement. The second section of the fourteenth amendment gives Congress no option, is not permissive or directory, but mandatory.

* * * But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof, is denied to any of the male inhabitants of such State, being 21 years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crimes, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens 21 years of age in such State.

In commenting upon this amendment, the Constitution of the United States of America, as amended to December 1, 1924, annotated (Sixty-eighth Congress, first session, Senate Document 154, page 742, under amendment 14, section 2, "Reduction of State's representation in Congress"), states:

Congress has never exercised the power conferred upon it by this section of reducing the representation of a State in the House of Representatives, but there can be no question of its power or its right to do so. Of its duty to do so, it alone is the judge. The amendment places the responsibility of enforcing its provisions upon that body. (Watson on the Constitution, Vol. II, p. 1653.)

Watson precedes the above statement with the following:

The language of the section recognized the power but not the right of a State to abridge the right of suffrage. There is a great difference between the exercise of a power and the exercise of a right. Sovereignty can not confer the right to commit a wrong, but it may confer the power to do so. But if a State should deny its electors the right to vote at any election for any such officers, or in any way abridge such right, then the section names a punishment which Congress may inflict upon the State for such denial or abridgment, and provides that it shall be a reduction of the State's representation in the National House of Representatives according to the manner provided in the section.

Andrew's New Manual of the Constitution (1916, pp. 278, 279), in discussing the second section of the fourteenth amendment, under "Inequality in representation," reads:

The number of Representatives being in proportion to the whole population of the States, including those that are colored, if suffrage were denied to this class the former slave States would have delegations in Congress much larger, in proportion to the number of voters, than the original free States. To remedy this inequality was the object of this second section. By it the States were not required to allow the blacks the right of suffrage; but if they did not allow it their representation in Congress was to be proportionately diminished. They might take their choice between general suffrage and more Congressmen or white suffrage and fewer Congressmen.

The fourteenth, the fifteenth, and the nineteenth amendments to the Constitution are as much parts of the Constitution as the eighteenth.

The eighteenth amendment reads as follows:

After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territories subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

The power of Congress to enforce this amendment is provided in exactly the same language as in the fourteenth, the fifteenth, and the nineteenth amendments.

It is the height of hypocrisy, mendacity, and fraud to assert that the failure to pass legislation to enforce the eighteenth amendment nullifies the Constitution unless it is admitted that failure to pass legislation to enforce the fourteenth, the fifteenth, and the nineteenth amendments nullifies the Constitution also.

In the CONGRESSIONAL RECORD of February 4 last (vol. 69, No. 41, pp. 2471–2475) there was inserted a speech on the enforcement of the eighteenth amendment made on February 1 last at a so-called law-enforcement meeting at Richmond, Va., under the auspices of the Woman's Christian Temperance Union, the Anti-Saloon League, and other organizations, where the pinnacle of nauseating hypocrisy was reached by one William G. McAdoo, a conspicuous sympathizer with the nullification of the fourteenth, the fifteenth, and the nineteenth amendments of the Constitution, whose speech has been given wide currency. In this speech appear the following statements:

> The real issue, the fundamental issue, is: Shall the Constitution and the laws of the United States be respected and obeyed by the people and by the duly constituted officers of every State in the Union? Or shall a State in its sovereign capacity be permitted to disregard any part of the Constitution of the United States which it elects not to obey?
>
> * * * The policy of prohibition is therefore firmly anchored in the Constitution, and every unlawful effort on the part of any individual or group or on the part of a sovereign State to thwart or defeat it is in direct contravention of the supreme law of the land.
>
> It is therefore imperative that the American people shall frankly face the question of enforcement and the issues which it raises. Present conditions can not be allowed to continue. If the law is a good law, it must not be repealed; and if it remains unrepealed, it must be enforced. The evils from which we suffer are not the evils of prohibition but the evils of nonenforcement of prohibition. We can rid ourselves of these only by substituting enforcement for nonenforcement. The patriotic intelligence of the country should therefore be directed to the best means of securing enforcement.
>
> * * * We must maintain the Constitution, not alone by obedience to it but by pursuing the lawful processes it prescribes for change or amendment, if we are dissatisfied with its provisions. Let us look always with reverent eyes and patriotic hearts upon the noble constitutional edifice won by the blood of our fathers and maintained by the blood of their sons. That edifice rests upon the foundation of the 48 sovereign States which are integral parts of the Federal Union. Each State has contributed a column to the support of the constitutional structure. No sovereign State would deliberately attempt to pull down the column it has contributed to the constitutional edifice, and yet if the doctrine now mistakenly advanced that a State may determine for itself what part or parts of the Constitution it will obey, should prevail, the end of constitutional government is in sight * * *.

There is before the Committee on Rules a resolution for an investigation of disfranchisement, introduced on December 5 last. It proposes the reduction of representation in the several States according to the disfranchisement disclosed by the investigation, and it is the plain constitutional duty of this committee to report out such an order of investigation. Should the present Congress refuse to act upon this resolution, which would disclose that the laws in the disfranchising States are unconstitutional because they do discriminate between the races in their application and administration, and that there exists vast disfranchisement, then once again Congress would put its seal of approval upon nullification and lawlessness. That it is the duty of Congress to make this investigation and to enforce the fourteenth amendment can not be denied.

Let us admit frankly that the negro has been abandoned to his political fate and will remain abandoned unless he organizes politically and asserts his power in those States where he may freely vote; the Constitution, however, can not be abandoned as the negro has been abandoned. This scandalous disfranchisement, in violation of the Constitution, has been brought repeatedly to the attention of Congress by resolution and otherwise. Yet no action has been taken, and there has been treated with mockery and scorn the suggestion that the Constitution be enforced. This can no longer continue.

But there is much more in the refusal of Congress to enforce the Constitution than the lawless and unconstitutional suppression of the negro vote. There is involved the destruction of a just and equal balance of political power among all the States of the Union. Before the War of the Rebellion, representation in the lower House of Congress and in the Electoral College, which chooses the President and the membership of which is equal to the number of Representatives and Senators, was based upon the whole population plus 60 per cent of the negro population. Automatically with the freeing of the negro, representation in the lower House of Congress and in the Electoral College was based upon the total white population and the total negro population, because the Constitution provides for representation based upon all free persons. The States of the South now count all the white population and all the negro population as the basis for their representation, and obtain in Congress and in the Electoral College representation for both the white population and the negro population, the latter of which they disfranchise. These States now have more political power than they had before the war, when they were allowed to count only 60 per cent of the colored population. In other words, they have annexed the entire political power of the negro, whereas before the Civil War they had only 60 per cent of it. As the negro population is about one-third of the population of these States, each white person in these States has at least one-third more political power than each white person in the other States, and in those States where the negro population is largest at least double the political power. If the fourteenth amendment were not nullified, these States would have about one-third fewer Representatives and about one-third fewer members in the Electoral College than they have now, and would find it impossible to control the House of Representatives and to elect the President, which they have done frequently.

It has been said by an eminent authority that—

> Every Representative sent from a disfranchising State since the disfranchising process began, in excess of this reduced number, has been sent without authority and has occupied his seat without right or title. The House of Representatives would have been legally warranted at any time since Mississippi disfranchised the negro in 1891 in refusing to admit any delegation from a disfranchising State. When such a delegation appears it is known that its number exceeds the number which the State has a constitutional right to send, and as they all stand upon the same ground and are alike subject to the same infirmity, the House can not distinguish between them and is not called upon to admit either or any of them. It is for any State to make the title of each of its Representatives good by sending only such number as the Constitution authorizes. A suffrage system in violation of the Federal Constitution is, so far as it affects the Federal Government, void as an entirety, and no Representative claiming to be elected under such a system can show a constitutional title to a seat in Congress.

If a presidential election should turn upon the unconstitutional electoral votes now based upon the unconstitutionally elected Representatives, there well might follow a struggle for the possession of the Government which would lead to revolution.

With the nullification of the fourteenth, the fifteenth, and the nineteenth amendments, not only are the elections in these States unconstitutional and lawless, but the presidential elections are tainted with fraud and illegitimacy.

Negro disfranchisement is more of a fraud upon the whole country that it is upon the negro. By his disfranchisement and the nullification of the mandatory fourteenth amendment, which requires reduction of representation in proportion to disfranchisement, the great, Northern, Eastern, and Western States are deprived of their proportionate, just, and legal representation. Shall the people of the Southern States be whole persons politically and those of other States only two-thirds or half persons politically, by the nullification of the Constitution? Shall fraudulent majorities in Southern States elect the President and control the Congress, in violation of the Constitution and its just provisions? Shall the disfranchising States directly impair the political rights of every other State and of every voter in every other State?

Thomas Jefferson is quoted in the Virginia Enquirer of April 27, 1824, in connection with the struggle for equalizing representation among the counties of Virginia, as saying in part:

> The basis of our constitution is in opposition to the principle of equal political rights, refusing to all but freeholders any participation in the natural right of self-government. The exclusion of a majority of our free men from the right of representation is merely arbitrary and an assumption of the minority over the majority. In the representative privilege the equality of political rights is entirely prostrated by our constitution. Upon what principle of right or reason can any one justify the giving to every citizen of Warwick as much weight in the Government as 22 equal citizens in Loudoun? (Johns Hopkins Studies, "Representation in Virginia," p. 27.)

Abraham Lincoln, in his Peoria speech of 1854, after stating that under the Constitution the slave States voted on three-fifths of slaves, five slaves being counted as equal to three white—that Maine had 581,813 population, while South Caro-

lina with but 274,567 had the same number of Representatives, and "thus each white man in South Carolina is more than the double of any man in Maine"—that the same was true, though not to the same extent, of all citizens of the slave States over citizens of the free States, and that without any exception every voter in every slave State had more legal power in the Government than any voter in any free State, he proceeds:

Now, all this is manifestly unfair; yet, I do not mention it to complain of it, in so far as it is already settled. It is in the Constitution, and I do not for that cause or any other cause propose to destroy or alter or disregard the Constitution. I stand to it fairly, fully, and firmly. But when I am told that I must leave it altogether to other people to say whether new partners are to be bred up and brought into the firm on the same degrading terms against me, I respectfully demur. I insist that whether I shall be a whole man or only the half of one in comparison with others is a question in which I am somewhat concerned, and one which no other man can have a sacred right of deciding for me. If I am wrong in this, if it really be a sacred right of self-government in the man who shall go to Nebraska to decide whether he will be the equal of me or the double of me, then, after he shall have exercised that right, and thereby shall have reduced me to a still smaller fraction of a man than I already am, I should like for some gentleman deeply skilled in the mystery of "sacred rights" to provide himself with a microscope, and peep about and find out if he can what has become of my "sacred rights."

To-day it is not in the Constitution that a man in one State shall be "a whole man or only the half of one in comparison with others" in other States. On the contrary, the fourteenth, the fifteenth, and the nineteenth amendments forbid this very inequality.

Section 2 of Article IV of the Federal Constitution states:

The citizens of each State shall be entitled to all privileges and immunities of citizens in the several States.

In part confirmation of the shameful inequality of franchise rights in the several States, the following figures of votes cast in the 1924 elections for Representatives in Congress are impressive and conclusive.

Whereas the State of Michigan has 13 congressional districts, the total vote cast in the sixth district alone was 202,896; whereas the State of Missouri has 16 congressional districts, the total vote cast in the tenth district alone was 201,164. The total vote cast in the entire 10 districts of Alabama was only 152,343; the total vote cast in the entire 8 districts of Mississippi was only 98,576; and the total vote cast in the entire 8 districts of Louisiana was only 93,311.

Mr. BLANTON. Will the gentleman yield?

Mr. TINKHAM. I can not yield now.

Mr. BLANTON. Mr. Speaker, I make a point of order. I make the point of order that there is no quorum present. There are about 25 Democrats and 25 Republicans present.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count.

Mr. BLANTON. This speech ought to have somebody here to hear it, and I promised the gentleman to have a quorum here. I think we should have a quorum, especially when the gentleman will not yield even for a question.

Mr. LAGUARDIA. Mr. Speaker, I make the point of order that the gentleman from Texas is out of order. The gentleman from Massachusetts has not yielded the floor.

Mr. BLANTON. But I have made a point of order of no quorum, which is constitutional and always in order.

Mr. LAGUARDIA. Then do not make a speech about it.

Mr. BLANTON. Well, the gentleman from New York should not make a speech.

Mr. LAGUARDIA. I am addressing myself to the Speaker, and properly so.

Mr. BLANTON. Mr. Speaker, as the gentleman from Massachusetts [Mr. TINKHAM] does not care whether he is heard or not, I withdraw the point of order.

Mr. TINKHAM. The theory of our Government is that of a union of equal States, the essence of which is that all the States shall have equal political power and that the vote of a citizen of the United States in one State shall be the equal of the vote of a citizen of the United States in any other State. Disfranchisement in the Southern States impairs the political rights of every other State and of every voter in every other State. The question has become a question of the equality of white men. Shall all the States possess equal political power, or shall one-fourth of the States of the Union possess double the political power possessed by the remaining States? Shall all white persons possess equal political power, or shall each white person in the disfranchising States possess more political power than that possessed by each white person in the remaining States? This is the concern of every white citizen who wishes to preserve and defend his own political rights.

There can be no more deadly assassination of the principles that our Union is a union of equal States and that all American citizens are entitled to the same privileges and immunities and are equal than the fact that in certain States of the Union one vote is equivalent to one and one-third votes or one and one-half votes in other States, made so in part by craftily drawn legislative enactments, partisan administration of the election laws, and by fraud, in violation of a constitutional mandatory requirement that representation shall be reduced where disfranchisement exists, that no State shall deny to any person within its jurisdiction the equal protection of the laws, and that the right of citizens to vote shall not be denied or abridged by any State on account of race, color, or previous condition of servitude.

At this moment United States marines are in Nicaragua, it is said authoritatively, "to guarantee constitutional and fair elections." What answer can the Government who sent the marines to Nicaragua "to guarantee constitutional and fair elections" there make to the demand that the fourteenth and the fifteenth amendments of our Constitution be enforced here by Federal action?

The Congress of the United States has no moral right to ask the citizens of the United States to obey laws which it enacts when it has refused to obey the plain commands of the Constitution in relation to its own elections and the election of the President. For America to pose before the world as dictator of international morality and sponsor of international ethics with her national representatives elected in flagrant and defiant violation of her Constitution is the height of national hypocrisy.

Honest and constitutional government does not to-day exist in the United States with the nullification of the fourteenth and the fifteenth amendments of the Constitution.

DOMINATION OF THE WHITE RACE—MR. HOOVER AS A PRESIDENTIAL CANDIDATE

The SPEAKER pro tempore. Under the special order of the House the Chair recognizes the gentleman from Arkansas [Mr. TILLMAN] for 25 minutes. [Applause.]

Mr. TILLMAN. Mr. Speaker, I think I shall pursue the same course followed by the gentleman from Massachusetts and decline to be interrupted in order that I may rush through with my remarks and allow the House to adjourn.

Mr. Speaker, I think some one should say a few words in reply to the biennial message delivered by the gentleman from cultured Boston [Mr. TINKHAM], which those of us from the South have been compelled to listen to for the last several Congresses, but I shall be brief in what I say on that subject.

The gentleman from Massachusetts lives in Boston, and he deplores the fact that there are no colored people in office in the South. I was just wondering whether or not up in Boston, in Massachusetts, from which the President comes and from which the gentleman himself comes, if they have ever had a negro postmaster in the city of Boston. It could be easily arranged. There are intelligent negroes there. The President has the right to appoint and he is a Republican. The Senate has the right to confirm and is Republican. So the gentleman from Massachusetts is not consistent in wanting to fasten upon the South negro domination, negro control, and negro officials when he does not occasionally recommend some colored man for postmaster in the city of Boston.

Now, gentlemen, upon both sides of the House, I am one of a good many liberal Members from the South. I have voted for a great many things the people of the North wanted, but the people of the South are determined on one thing, and that is white domination. We demand it not only for the South but for the North, the East, and the West.

Wherever the Anglo-Saxon places his foot he becomes a conqueror and dominates. It is best for the world that he should. The people in the South are white and they are going to control the South and should do so.

If the Japanese predominated in California the PHIL SWINGS, the Mrs. KAHNS, the HENRY BARBOURS, the LEAS, the SHORTRIDGES, and the JOHNSONS would control California, and I would say God speed to them in doing so. [Applause.] If the negroes outnumbered and outvoted the Irish in Boston, I would say, "Irishman, keep in the saddle," and he would.

The best thing that ever happened to America was the advent of the white man. We have great respect for the Indian. He has been wronged, robbed, and outraged, and yet the best thing for civilization, the best thing for the world, and the best thing for him was that the white man came here. The white man found a few tepees on Manhattan Island while now there rise 30-story buildings, with their proud tops piercing the sky. The great city of New York has been substituted for the few

wigwams that were once found on Manhattan Island. Out in Chicago there were a few tepees and yet now we have the city of Chicago.

There were a few narrow trails through America, now we have all through the North, the South, the East, and the West great railroads. The Indians embarked in small canoes on our magnificent streams, and now palatial steamers run up and down these great streams. We had Massasoit, Pushmataha, Quannah Parker, Osceola—a few prominent Indians—now we have in their stead the Mayo brothers, the Wrights, Lindbergh, Edison, a host of wonderful men in many fields of activity.

The Indians had no schools. They had no colleges. They had nothing except a few scattered tribes and they were fighting each other all the time. We can say much for the Indian. He has been outraged, he has been wronged, and yet it was God, kismet, fate, destiny.

I want the people to govern who are best fitted to govern, whether in Dixie or elsewhere. I sometimes think we are in a rather dangerous position, especially with people who are all the time apparently criticizing white people for doing what they should and taking the side of some inferior race.

I am proud of my race. I am part English and part Scotch, and a good deal Irish—a rather sorry combination, perhaps, some people may say, but yet I am all white. I have wondered from what race or from what people the distinguished gentleman from Massachusetts ascended or descended. [Laughter.] I am for the white man.

Mr. SCHAFER. Will the gentleman yield?

Mr. TILLMAN. I prefer not to yield now. I want to rush along and get through. I have some other things to say. This is only incidental.

Mr. SCHAFER. Mr. Speaker, I believe we ought to have a quorum here.

Mr. TILLMAN. I yield to my distinguished and able friend. [Laughter and applause.]

Mr. SCHAFER. Does the gentleman feel so strongly for the white man that he would deny a man who was not white the rights and privileges guaranteed under the Constitution, especially a gentleman who is so strong for the eighteenth amendment of the Constitution?

Mr. TILLMAN. Yes; I am for the eighteenth amendment, and do not straddle or dodge on the issue. Let me tell the gentleman something. We have had to endure a good deal by being accused of violating the Constitution, and a lot of other things. I want to tell the gentleman that all through Dixie, all through the South, and particularly in my State, we do not disfranchise anybody except in a perfectly legitimate, legal, and constitutional way.

Mr. SCHAFER. That does not square with the speech the gentleman is making.

Mr. TILLMAN. I will respond to the gentleman's question. In the good State of Arkansas, and I know more about that State than any other, we have a perfectly legal and constitutional requirement that every man, white or black, every woman, white or black, before he or she exercises the right of suffrage, shall pay $1 into the school fund for the benefit of the common school children. This does not discriminate against anybody, and so, as far as I am concerned—and I have been a member of my State senate—I have not voted for any measure that did not apply equally to whites and to blacks. Now, this is an answer to the gentleman's question.

Going back a little, white men, let me tell you something. Do you know that in all the world there are 31,000,000 square miles of land controlled by colored people. Now, get this: There is only 22,000,000 square miles of land controlled by white people. Do you know that in all the world there are 1,700,000,000 human beings, and 500,000,000 only are white, and 1,150,000,000 are colored.

The last war was a white man's war, and 10,000,000 of the bravest and best men of the country who were white were killed. The white people are not increasing rapidly like the colored people. They have smaller families; and I can see the time when a rising tide of color may submerge the proud white man; and yet everything under God's sun, practically, that is worth a "continental" can be traced to the intelligence, activity, and morality of the white man.

Mr. GREEN of Florida. Will the gentleman yield?

Mr. TILLMAN. Yes; I yield to the gentleman.

Mr. GREEN of Florida. I would like to say, for argument's sake, that if the gentleman would take about 80 or 90 drops of the color of the white man, about 10 drops of the color of the black man, about 1 drop of the color of the Jap and a drop of the color of the Chinese, and then a drop of the color of the different foreign strains in our country and mingle them all together and hold them between himself and a bright light he would see the complexion of our Nation 500 years from today unless something is done whereby the races may be segregated.

Mr. TILLMAN. I am afraid my young friend speaks the gospel truth. Give the white man his due. One of the most beautiful things ever written was written by a woman—and it is philosophy. Just listen to this:

> Wherever the white man's light is shed
> (Oh! far has that light been thrown),
> Though nature has suffered and beauty fled,
> Yet the goal of the race has been thrust ahead,
> And the might of the race has grown,
> For this is the law: Be it cruel or kind
> The universe sways to the power of mind.

This is true. The white man governs because he is best prepared to govern. He may do wrong. He hurt the Indians, and yet it is better to have 115,000,000 of the best people on earth upon the best country on the globe than to have scattered tribes fighting among one another with no schools, no civilization, no literature, and making no progress whatever.

I am for the white man. I want him to govern here and I want him to govern in Massachusetts, and especially in Boston. [Laughter and applause.]

Now, I did not get up to talk about this subject, but I felt that somebody should reply to the gentleman who so often assails the South. The colored people have had their day this afternoon, and I am a friend of the negro. I want that understood. When I go home the colored people flock around my door to meet me and my wife—and they call her by her first name, Miss So and So. They come around to see us. They like us and they vote for me—many of them—and every one of them that wants to vote has a chance to do so if he will pay a dollar to the school fund, and if he is unwilling to pay that pittance into the school fund he ought not to vote.

Now I come to talk about the real question that I was accorded time to discuss.

Mr. Speaker, I beg to say that I do not consider it a dignified proceeding for an aspirant to a party presidential nomination to abandon his duties and go on the stump to present his claims.

It is permissible for candidates from Congress down to go up and down the counties and to grin the sovereigns out of their votes, but when a citizen attains the proportions that fit him for the White House and he desires to go there, he should announce that he does not choose to enter into a scramble for the honor of a party nomination and modestly wait to be drafted. This course will further his ambition more certainly than the course I am criticizing. The present canny occupant of the presidential chair will, because of his choice of methods, be drafted by his party when those now advertising their candidacies for the honor have destroyed themselves.

A Cabinet officer is an avowed candidate. Several United States Senators are leaving their seats in what was once considered the greatest forum on earth to beg for votes and delegates. Once a Roman statesman said: "To be a Roman senator is to be greater than a king." Once to be an American Senator was considered a more exalted honor than at present. Personally, I have great respect for the body north of us. They seem, however, to run stronger toward investigations than to legislative functions.

I am quoting here a joke told me by a United States Senator himself five days ago. He said that a teacher of the fifth grade out in Maryland recently asked the class this question: "What compose the United States Congress?" A boy answered, "The United States Senate." The teacher said: "Is there not an inferior body?" "No," said the pupil; "there is no inferior body." [Laughter.]

I have much respect for the able Senator from Idaho, and he has introduced an innovation in the way of an interesting questionnaire leveled at presidential aspirants. From a party standpoint I am glad he did, and yet some call him a self-appointed and self-annointed father confessor to presidential candidates. The Senator's questionnaire is certainly adding to national gaiety. He first served this paper on Senators CURTIS and WILLIS, neither of whom has a Chinaman's chance to be chosen. They frankly and, to my mind, satisfactorily answered the questions listed in the Borah letter.

The Senator then leveled his questionnaire spear at bigger game and wrote the following letter. Desiring to be accurate I sent to the Senator's office and procured a copy from his files.

FEBRUARY 9, 1928.

Hon. HERBERT HOOVER,

Secretary of Commerce, Washington, D. C.

MY DEAR MR. SECRETARY: Your friends have placed you in line for the nomination for the Presidency. I venture in view of that fact to ask your views upon a matter in which there is a wide and deep interest

throughout the country. I am sure you will be free to express yourself upon this important issue:

First. Do you favor incorporating in the next national Republican platform a plank specifically referring to the eighteenth amendment to the Constitution and pledging the candidates and the party to a vigorous, faithful, and effective enforcement of the amendment and the laws enacted to carry into effect the constitutional amendments?

Second. What is your attitude and what would be your attitude toward the amendment and its enforcement in case you are nominated and elected?

Third. Do you favor the enactment into law of the principle embodied in the New York referendum that the Congress should modify the Federal act to enforce the eighteenth amendment so that the same shall not prohibit the manufacture, sale, transportation, importation, or exporation of beverages which are not in fact intoxicating, as determined in accordance with the laws of the respective States? In other words, do you favor a program of legislation which will enable every State to determine for itself the alcoholic content of beverages to be manufactured, sold, and transported throughout the country?

Fourth. Do you favor the repeal of the eighteenth amendment or the repeal of the Volstead Act?

Very respectfully,

WM. E. BORAH.

The Secretary about this time heard the call of the tarpons and the sea bass down in tropical Florida and did not reply until his return. After much prayerful labor, the mountain on February 23 brought forth not a majestic lion but a pale, gray mouse. Mr. Hoover's remarkable reply follows:

I feel that the discussion of public questions by reply to questionnaires is likely to be unsatisfactory and ofttimes leads to confusion rather than clarity. Replies to the scores of such inquiries on many questions are impossible.

Out of regard for your known sincerity and your interest in the essential question I will, however, say again that I do not favor the repeal of the eighteenth amendment. I stand, of course, for the efficient, vigorous, and sincere enforcement of the laws enacted thereunder. Whoever is chosen President has under his oath the solemn duty to pursue this course.

Our country has deliberately undertaken a great social and economic experiment, noble in motive and far-reaching in purpose. It must be worked out constructively.

Mark Twain never said anything funnier than the last paragraph. Hitherto this Cabinet officer has not posed as a humorist. By this letter he has definitely established for himself undisputed primacy in the field of American humor. [Laughter.]

He complains that questionnaires are likely to be unsatisfactory, leading to confusion rather than clarity, and straightway proves his assertion. But he walks up, cap in hand, and throws his answer in the Senator's lap somewhat like throwing a bone to a dog, saying in effect, "There is my answer, but don't ask me any more fool questions." The Secretary is a strong man, a great world figure, and his failure to be frank is the more reprehensible because of his undisputed greatness and preeminence. Mellon is the strongest, most forceful Cabinet member, and Hoover is second, and he should have been frank, and has not been. Clarity! The answer is as clear as the mud at the bottom of the Potomac. Does it really satisfy anybody? The Baltimore Sun says it is disappointing to dry leaders—not sufficiently far-reaching, is their view—and the wets say, mere platitudes. In some places the drys say he is wet and in other places the wets say he is dry. The Washington Post editorially commends his answer, but the brilliant columnist, George Rothwell Brown, seems to condemn it. I was somewhat amazed to read in the press that my leader among the drys in the House is quoted as accepting the Hoover letter enthusiastically, saying, "Such expressions, joined with our knowledge of the man, should satisfy anyone as to the sincerity of his attitude toward the interests of Federal prohibition." The paper continuing said that Mr. CRAMTON was so well pleased that his friends look to him to join the Hoover band wagon. Is it possible that my leader will abandon his neighbor, Senator WILLIS, a known dry, and leap into the Cabinet member's band wagon to beat the bass drum or to blow the trombone? Mr. Stayton, a wet, is quoted as saying, "We had hoped for something more than mere platitudes from Mr. Hoover." And so it goes. The Secretary dodges and does not do so artfully. He straddles and does not straddle gracefully. [Laughter and applause.]

Imagine the following dialogue, which might well take place:

Question (Senator BORAH). "Mr. Secretary, are you in favor of a revision of the tariff; and if so, up or down?"

Answer (Mr. HOOVER). "Our country has deliberately undertaken a great social and economic experiment, noble in motive and far-reaching in purpose. It must be worked out constructively." [Laughter.]

Question (Senator BORAH). "Once you were associated with President Wilson, who favored the League of Nations and a World Court. How do you stand on that issue?"

Answer (Mr. HOOVER). "Our country has deliberately undertaken a great social and economic experiment, noble in motive and far-reaching in purpose. It must be worked out constructively." [Laughter.]

I represent myself and other drys who do not think the Secretary's answer to the Borah questionnaire is responsive. I think his reputation for candor and courage has suffered by this answer. The thing Senator BORAH stressed mainly was whether or not Mr. Hoover favored incorporating in the next national Republican platform a plank specifically referring to the eighteenth amendment. He also particularly wanted to know whether Mr. Hoover favored a program of legislation which would enable every State to determine for itself the alcoholic content of beverages to be manufactured, sold, and transported throughout the country. That is the real issue that he should have met and he dodged it, by the use of words, words, words signifying nothing. The real issue between the wets and drys is not the repeal of the eighteenth amendment, not the return of the saloon, but whether the eighteenth amendment and the Volstead Act shall be nullified if desired by some of the States making their own laws determining the alcoholic content of intoxicating liquors. Mr. Hoover knew that and made a bid for the wet vote in Ohio and elsewhere by declining to be frank in his reply to the questionnaire submitted to him. There are wets and wets, there are drys and drys, with all shades of opinions. They differ in different States.

Sam Jones once said that men in different States differed materially as to what constituted intoxication. He said that a man was considered drunk in Maine if he swallowed two glasses of buttermilk, but in Kentucky a man was considered still sober if he, after two efforts, was steady enough to hit the ground with his hat. That a citizen was not thought to be drunk in Kansas if he could lie on the ground, hold to the grass with both hands, and not fall off the earth. So there are men of widely divergent views on the wet and dry question, but the people always want a candidate for a high office to state his position upon a great public question like this in language that can be understood. Is Senator WILLIS being fairly treated? His senatorial opponents have graciously said to him, "We shall not oppose you in your own State. We shall only oppose one another for second choice." And that is a courteous thing to do. The Senator was born in Ohio, he is the senior Senator from that State. He can truthfully say, as did a warlike Scot, "My name is MacGregor and my foot's on my native heath." He proposes to fight. Like another warlike Scot he has backed up against a limestone ledge and announces, "This rock shall fly from its firm base as soon as I." Why not be courteous to the Senator?

> How sweet and gracious even in our common speech
> Is that fine sense which men call courtesy.
> Wholesome as air and genial as the light,
> Welcome in every clime as breath of flowers,
> It transmutes aliens into trusting friends
> And gives its owner passport around the globe.

[Applause.]

So I have been disappointed in the attitude of my friend from Michigan, my white-plumed leader among the drys. I have also been disappointed at the position of one of the best-loved men in the House, the gentleman from Ohio [Mr. BURTON], one of our Nestors, who is reputed to have encouraged the Secretary of Commerce to enter the Ohio primaries in opposition to Ohio's favorite son, Senator WILLIS. My Republican friends, you do not often make serious political mistakes. Unless you do, our party stands but little chance to triumph in national elections. But you are not altogether immune from political blunders. A good many years ago a magnetic American leader, Theodore Roosevelt, pinned a white plume on his war bonnet and rode up and down the States with legions of enthusiastic supporters following him. The Republican nominee, a popular and worthy man, carried Utah and Vermont only. The schoolmaster at Princeton because of this blunder donned the purple of power and for eight years graced the chair that had been honored by Jefferson, Jackson, and Cleveland. He carried Ohio the second time. Right now over the Buckeye State hangs a political cloud no bigger than a saddle blanket and yet as black as Egyptian darkness, as black, indeed, as the rusty dust on the gates of Hades. That cloud may grow and spread till it casts its shadow over the country from Lake Erie to Dixie, from Portland to Portland. George Rothwell Brown, of the Post, says that both Hoover and WILLIS got off to a ripping start in Ohio, but the principal thing ripped, he said, is the Republican Party. By

the way, speaking of Mr. Brown, he makes us all smart by hurling at us his poison darts. He wields a keen blade, but it is dipped in vitriol and smeared with rattlesnake venom. He is as mean as Satan. He is all the time mendaciously talking about "the dry-voting and hard-drinking South." That is nine-tenths libelous. He crawls and skins and stings and stinks, and yet he is the cleverest paragrapher in America. If the editor in chief of the Post gets $20,000 a year, Brown ought to draw down $40,000. He is with all of his cussedness—and that covers him like a red blanket—the most entertaining columnist in the country. The only thing that redeems the Post's editorials from the charge of dull and heavy drabness is Brown's scintillating columns.

I plead for a fair deal for WILLIS, but he will be slaughtered in the house of his friends, not beaten, but not allowed an undivided delegation. And what has he done to be thus slaughtered or discredited?

It is a far cry from the Roman Forum to the Buckeye State, and yet I venture to compare an old with a fast-coming incident.

A few years ago in company with my dry leader, Mr. CRAMTON, and several other House Members, I stood in the Roman Forum and was shown the spot where the great Cæsar fell bleeding from many wounds inflicted by Brutus, Casca, and others.

The chaste Calpurnia had told her eagle-beaked husband not to go to the senate house on that day. The soothsayer had shouted in his ear, "Cæsar, beware the ides of March!" But Cæsar went, and died at the base of Pompey's statue. Before he fell he recognized his neighbor Brutus, and exclaimed in astonishment, "Et tu Brute." Later our party was conducted to the spot where Mark Antony delivered his famous oration over Cæsar's dead body, and his speech created much dissension among the Romans.

Now, after the ides of April, after the Ohio primary has been held, I can envisage some modern Mark Antony holding up the bloody cloak of Julius Cæsar WILLIS and pointing to the rents inflicted by the knives of those who should have been his friends and supporters and saying something like what Mark Antony said as he held aloft great Cæsar's bloody cloak:

"See what a rent the envious Casca (CRAMTON) made; through this the well-beloved Brutus (BURTON) stabbed. And as he plucked his cursed steel away, mark how the blood of Cæsar (WILLIS) followed it."

[Laughter and applause.]

CORRECTION OF THE RECORD

Mr. CASEY. Mr. Speaker, I renew the unanimous-consent request I made earlier in the day to strike from the CONGRESSIONAL RECORD of February 24 the remarks which were inserted in my speech without my knowledge or consent after I had corrected the reporter's copy of my speech and sent it by messenger to the printer. Pending that I desire to make a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASEY. In the consideration of this question will it be permissible to discuss the facts with relation to this matter, because there is a difference of opinion, or will the question be confined solely to a violation of the rules by the insertion into my remarks of language without my consent?

The SPEAKER. The Chair thinks it would be well to discuss the facts as they may affect both gentlemen concerned.

Mr. CASEY. Will the time be limited on that?

The SPEAKER. It will proceed under unanimous consent. There will be no time limit unless the gentleman asks for it. It will be permissible for the gentleman to ask for a certain time.

Mr. CHINDBLOM. Mr. Speaker, how did the matter come up? I do not know whether the gentleman put it on the ground of personal privilege, but it would seem that in order to discuss the matter the gentleman should obtain unanimous consent.

Mr. GARNER of Texas. Under a reservation of the right to object, the gentleman can go ahead.

Mr. SIMMONS. Will the gentleman from Pennsylvania yield for a minute?

Mr. CASEY. I yield.

Mr. SIMMONS. Mr. Speaker, in the debate in the House last Friday the transcript shows that I addressed the gentleman from Pennsylvania and asked if he would yield. He answered "yes." Then the transcript shows that I stated that "I would like to call the gentleman's attention to the fact that it was thoroughly discussed—that was the amendment then under consideration—and to the fact that at first the gentleman from Pennsylvania [Mr. WELSH] objected to this being done unless we would take care and not cause any hardship to the children now in the District schools."

The gentleman was present at the meeting and stated he did not want to cause any hardship for the children then in the schools, and we drafted the amendment to meet the wishes of the gentleman and his colleague from Pennsylvania [Mr. WELSH].

To that the gentleman from Pennsylvania [Mr. CASEY] is shown to have replied:

That may be the gentleman's opinion, but it is not the fact. We might just as well have an understanding about this matter. Every letter and every telegram that has been read here to-day has been read because it was asked for by individuals and not by the subcommittee, and when they speak of "we" and the committee, they do not speak for me as a member of the committee.

Following that there was a discussion between the gentleman from Pennsylvania and the gentleman from Illinois [Mr. MADDEN].

After the adjournment of the House on Friday I corrected some of the transcript of the discussion that was brought to me in my office and went to my residence, which is about 5 miles from the Capitol. Along about 7 or 7.30 o'clock in the evening some one from the reporters' office called me on the telephone and asked if he could read my statement to me over the telephone for approval or disapproval, to save him coming out the 5 miles to my residence with the transcript. He read it to me, and as I remember it, I dictated over the telephone, and whoever it was took it down and read back to me the language to which the gentleman from Pennsylvania objects, I asking that he change my statement so that it would read as follows:

I would like to call the gentleman's attention to the fact that this paragraph was in the bill when the subcommittee reported to the full committee, and it was printed in italics in the report that the subcommittee presented to the main committee. The gentleman made no objection either in the subcommittee or the full committee to the language being in the bill; the bill was reported unanimously by the full committee; it was thoroughly discussed in the subcommittee and the full committee, and to the fact that at first the gentleman from Pennsylvania objected to this being done, unless we would take care of and not cause any hardship to the children now in the District schools. The gentleman was present at the meeting and stated that he did not want to cause any hardships for the children then in the schools. No one on the committee desires to cause any hardship, and we drafted the amendment to meet the wishes of the gentleman and his colleague from Pennsylvania.

I assumed then and I assume now that I had the right to amplify the statement that I had made by setting out in brief detail the facts covered by the original statement. I did not change the meaning that I had expressed. The gentleman from Pennsylvania made a general denial to what I had said, and of necessity I could not change the meaning of his answer. I believe that I was entirely within the rules of the House in doing what I did. I do not want any blame to be attached to anyone else if anything was wrong about it. The statements that I made on the floor were the facts then, and the statement that I amplified and stated in the RECORD were the facts when I made them. They are the facts now. However, if the gentleman from Pennsylvania does not want them in the RECORD, I have no objection to their being stricken out of his speech in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania that certain language be stricken out?

There was no objection.

TERMS OF PRESIDENT, VICE PRESIDENT, AND OTHERS

Mr. SNELL. Mr. Speaker, may I be permitted to make a statement? I have been requested by several Members to advise them when we would call up the rule for the White-Norris constitutional amendment. I discussed that matter with the gentleman from Connecticut [Mr. TILSON], the floor leader, and it seems now that if we can pass the agricultural appropriation bill by Saturday night next, we will be able to call up that rule for consideration of this constitutional amendment a week from to-day; that is, Tuesday, March 6, 1928.

CONTESTED-ELECTION CASE—HUBBARD v. LAGUARDIA

Mr. LETTS. Mr. Speaker, I submit a privileged report from the Committee on Elections No. 1, in the contested-election case of Hubbard against LaGuardia, for printing.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 48. An act to erect a tablet or marker to the memory of the Federal soldiers who were killed at the Battle of Perryville, and for other purposes;

H. R. 83. An act to approve Act No. 24 of the Session Laws of 1927 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within Hanapepe, in the district of Waimea, island and county of Kauai";

H. R. 482. An act to provide relief for the victims of the airplane accident at Langin Field, Moundsville, W. Va.;

H. R. 3144. An act for the relief of Augustus C. Turner;

H. R. 5925. An act for the relief of the Fidelity & Deposit Co. of Maryland;

H. R. 8281. An act to provide for the withdrawal of certain described lands in the State of Nevada for the use and benefit of the Indians of the Walker River Reservation;

H. R. 8282. An act to provide for the permanent withdrawal of certain lands bordering on and adjacent to Summit Lake, Nev., for the Paiute, Shoshone, and other Indians;

H. R. 8291. An act to amend section 1 of the act of June 25, 1910 (36 Stat. L. 855), "An act to provide for determining the heirs of deceased Indians, for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes";

H. R. 8292. An act to reserve 120 acres on the public domain for the use and benefit of the Koosharem Band of Indians residing in the vicinity of Koosharem, Utah;

H. R. 8527. An act for the relief of the International Petroleum Co. (Ltd.), of Toronto, Canada;

H. R. 9037. An act to provide for the permanent withdrawal of certain lands in Inyo County, Calif., for Indian use; and

H. R. 9994. An act to reimburse certain Indians of the Fort Belknap Reservation, Mont., for part or full value of an allotment of land to which they were individually entitled.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 40 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 29, 1928, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, February 29, 1928, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON AGRICULTURE

(10 a. m.)

To insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned farm areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics, and related subjects (H. R. 6091).

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

(10 a. m.)

To amend the World War veterans' act, 1924 (H. R. 10160).

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

(10.30 a. m.)

To further develop an American merchant marine, to assure its permanence in the transportation of the foreign trade of the United States (S. 744).

To promote, encourage, and develop an American merchant marine in connection with the agricultural and industrial commerce of the United States, provide for the national defense, the transportation of foreign mails, the establishment of a merchant-marine training school, and for other purposes (H. R. 2).

To amend the merchant marine act of 1920, insure a permanent passenger and cargo service in the North Atlantic, and for other purposes (H. R. 8914).

To create, develop, and maintain a privately-owned American merchant marine adequate to serve trade routes essential in the movement of the industrial and agricultural products of the United States and to meet the requirements of the commerce of the United States; to provide for the transportation of the foreign mails of the United States in vessels of the United States; to provide naval and military auxiliaries; and for other purposes (H. R. 10765).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

To amend the immigration act of 1924 by making the quota provisions thereof applicable to Mexico, Cuba, Canada, and the other countries of continental America and adjacent islands (H. R. 6465).

COMMITTEE ON THE JUDICIARY

(10 a. m.)

To amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity (H. R. 7759).

COMMITTEE ON THE POST OFFICE AND POST ROADS

(10 a. m.)

To amend Title II of an act approved February 28, 1925, regulating postal rates (H. R. 9296).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 9663. A bill authorizing Herman Simmonds, jr., his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across Tampa Bay from Pinellas Point, Pinellas County, to Piney Point, Manatee County, Fla.; with an amendment (Rept. No. 772). Referred to the House Calendar.

Mr. PEERY: Committee on Interstate and Foreign Commerce. H. R. 9830. A bill authorizing the Great Falls Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Potomac River at or near the Great Falls; with an amendment (Rept. No. 773.) Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 10145. A bill authorizing American Bridge & Ferry Co. (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Carondelet, St. Louis County, Mo.; with an amendment (Rept. No. 774). Referred to the House Calendar.

Mr. CORNING: Committee on Interstate and Foreign Commerce. S. 2698. An act granting the consent of Congress to the State of Vermont to construct, maintain, and operate a free highway bridge across an arm of Lake Memphremagog at or near Newport, Vt.; without amendment (Rept. No. 775). Referred to the House Calendar.

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. R. 328. A bill to relieve the Territory of Alaska from the necessity of filing bonds or security in legal proceedings in which such Territory is interested; without amendment (Rept. No. 776). Referred to the House Calendar.

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. R. 8551. A bill to create an additional judge in the district of South Dakota; without amendment (Rept. No. 777). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 53. A bill to provide for the collection and publication of statistics of tobacco by the Department of Agriculture; without amendment (Rept. No. 778). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. J. Res. 215. A joint resolution to authorize the Secretary of Agriculture to accept a gift of certain lands in Clayton County, Iowa, for the purposes of the upper Mississippi River wild life and fish refuge act; without amendment (Rept. No. 779). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 484. A bill to amend section 10 of the plant quarantine act, approved August 20, 1912; without amendment (Rept. No. 780). Referred to the House Calendar.

Mr. HAUGEN: Committee on Agriculture. H. J. Res. 140. A joint resolution to amend sections 1 and 2 of the act of March 3, 1891; without amendment (Rept. No. 781). Referred to the House Calendar.

Mr. DYER: Committee on the Judiciary. H. R. 8295. A bill for the appointment of an additional circuit judge for the ninth judicial circuit; without amendment (Rept. No. 782). Referred to the Committee of the Whole House on the state of the Union.

Mr. DYER: Committee on the Judiciary. H. R. 11139. A bill for the appointment of an additional circuit judge for the second judicial circuit; without amendment (Rept. No. 783). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 11023. A bill to add certain lands to the Lassen Volcanic National Park in the Sierra Nevada Mountains of the State of California; without amendment (Rept. No. 786). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLTON: Committee on Elections No. 1. A report on the contested election case of Hubbard *v.* LaGuardia, twentieth New York district (Rept. No. 787). Referred to the House Calendar.

Mr. WOODRUFF: Committee on Naval Affairs. H. J. Res. 160. Joint resolution requesting certain information relative to the United States Naval Ordnance plant, South Charleston, W. Va.; without amendment (Rept. No. 788). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MORIN: Committee on Military Affairs. H. R. 9712. A bill to amend the military record of Curtis V. Milliman; with an amendment (Rept. No. 784). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Military Affairs. H. J. Res. 193. Joint resolution for appointment of Roy L. Marston, of Maine, as a member of the Board of Managers of the National Home for Disabled Volunteer Soldiers; without amendment (Rept. No. 785). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 10041) granting a pension to Alice B. Cook, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOPE: A bill (H. R. 11525) to amend the packers and stockyards act, 1921; to the Committee on Agriculture.

By Mr. BUTLER: A bill (H. R. 11526) to authorize the construction of certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

By Mr. MANSFIELD: A bill (H. R. 11527) to amend an act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1925; to the Committee on Rivers and Harbors.

By Mr. SUTHERLAND: A bill (H. R. 11528) to authorize appeals in all criminal proceedings and certain civil proceedings in the district court of Alaska; to the Committee on the Judiciary.

Also, a bill (H. R. 11529) to extend the time of the Alaska Anthracite Railroad Co. for completion of its railroad in the Territory of Alaska, and for other purposes; to the Committee on the Territories.

By Mr. WRIGHT: A bill (H. R. 11530) to amend the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

By Mr. ENGLEBRIGHT: A bill (H. R. 11531) authorizing appropriations for the establishment and maintenance of mining experiment stations of the United States Bureau of Mines; to the Committee on Mines and Mining.

By Mr. JOHNSON of Texas: A bill (H. R. 11532) to amend the first paragraph of section 29, title 2, chapter 85, of the first session of the Sixty-sixth Congress, found in volume 41, part 1, page 316, of the United States Statutes at Large, relating to punishment for the illegal manufacture and sale of liquors; to the Committee on the Judiciary.

By Mr. TIMBERLAKE: A bill (H. R. 11533) to provide for the enlargement and further development of the Akron United States Agricultural Substation, located near Akron, in Washington County, Colo., by authorizing the purchase of certain lands adjacent thereto, the erection of certain improvements thereon, and the equipment thereof with dairy cattle and other livestock; to the Committee on Agriculture.

By Mr. BRAND of Georgia: A bill (H. R. 11534) providing for canceling naturalization certificates if and when a naturalized citizen, within five years after the date of the certificate of citizenship, has been guilty of fraud, or by his acts, declarations, or conduct has ceased to be a man of good moral character; to the Committee on Immigration and Naturalization.

By Mr. DYER: A bill (H. R. 11535) to provide punishment for killing or assaulting Federal officers; to the Committee on the Judiciary.

By Mr. HAMMER: A bill (H. R. 11536) to protect the sanctity and preservation of the institution of marriage within the District of Columbia; to the Committee on the District of Columbia.

By Mr. BACON: Joint resolution (H. J. Res. 220) tendering the thanks of the American people and the Congress of the United States to the Hon. Charles Evans Hughes, chairman of the delegation of the United States of America to the Sixth International Conference of American States; to the Committee on Foreign Affairs.

By Mr. REECE: Joint resolution (H. J. Res. 221) authorizing the award of a medal of honor to Ralph E. Updike; to the Committee on Military Affairs.

By Mr. SUTHERLAND: Joint resolution (H. J. Res. 222) to authorize the Alaska Game Commission to make refunds of license fees in certain cases; to the Committee on Agriculture.

By Mr. HICKEY: A resolution (H. Res. 127) to provide for additional compensation for assistant floor managers of telephones; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY: A bill (H. R. 11537) granting an increase of pension to James B. P. Brady; to the Committee on Pensions.

Also, a bill (H. R. 11538) granting a pension to Ernest R. Hales; to the Committee on Pensions.

By Mr. BOWMAN: A bill (H. R. 11539) granting a pension to George Anson Carr; to the Committee on Invalid Pensions.

By Mr. BUSHONG: A bill (H. R. 11540) granting an increase of pension to Elizabeth S. Keim; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11541) granting an increase of pension to Catherine Rider; to the Committee on Invalid Pensions.

By Mr. CHAPMAN: A bill (H. R. 11542) granting an increase of pension to Mary M. Wilson; to the Committee on Invalid Pensions.

By Mr. CHINDBLOM: A bill (H. R. 11543) granting a pension to Mary E. Crabtree; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 11544) granting a pension to Ida M. Montgomery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11545) for the relief of Charles Wilson; to the Committee on Military Affairs.

By Mr. CRISP: A bill (H. R. 11546) granting an increase of pension to William W. Martin; to the Committee on Pensions.

By Mr. ROY G. FITZGERALD: A bill (H. R. 11547) for the relief of Catherine Panturis; to the Committee on Claims.

Also, a bill (H. R. 11548) for the relief of Sarah Morris; to the Committee on Claims.

By Mr. W. T. FITZGERALD: A bill (H. R. 11549) granting a pension to Henderson M. Pettit; to the Committee on Invalid Pensions.

By Mr. GARRETT of Tennessee: A bill (H. R. 11550) granting a pension to Mattie Russell Meadows; to the Committee on Pensions.

By Mr. HALL of Indiana: A bill (H. R. 11551) for the relief of Ralph R. Cloud; to the Committee on Claims.

Also, a bill (H. R. 11552) granting an increase of pension to Martha A. Budd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11553) granting a pension to Blenda C. Moore; to the Committee on Invalid Pensions.

By Mr. HOGG: A bill (H. R. 11554) granting an increase of pension to Rocelia Dennis; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 11555) granting a pension to Virginia A. Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11556) granting an increase of pension to Ellen J. Perkins; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 11557) granting a pension to Nora Belle Biesecker; to the Committee on Invalid Pensions.

By Mrs. LANGLEY: A bill (H. R. 11558) granting an increase of pension to Owen Combs; to the Committee on Pensions.

By Mr. LEATHERWOOD: A bill (H. R. 11559) to authorize reimbursement of Dr. B. W. Black, formerly a commissioned officer of the United States Public Health Service, for travel performed subsequent to June 7, 1924, under orders of the Secretary of the Treasury, issued prior to that date; to the Committee on Claims.

Also, a bill (H. R. 11560) for the relief of the Bennion Livestock Co.; to the Committee on Claims.

By Mr. LINDSAY: A bill (H. R. 11561) granting an increase of pension to Anna M. Venus; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 11562) granting an increase of pension to Maria C. Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11563) granting a pension to Thomas Collins; to the Committee on Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 11564) granting an increase of pension to Sarah E. Petty; to the Committee on Invalid Pensions.

By Mr. PERKINS: A bill (H. R. 11565) for the relief of Edmund J. Clark; to the Committee on Military Affairs.

By Mr. PORTER: A bill (H. R. 11566) for the relief of Hugh R. Wilson, John K. Caldwell, and other diplomatic and consular officers and employees and representatives of the Departments of State, Commerce, the Treasury, and Agriculture who suffered losses in the Japanese earthquake and fire; to the Committee on Foreign Affairs.

By Mr. RAMSEYER: A bill (H. R. 11567) granting an increase of pension to Alvira Byrum; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 11568) granting an increase of pension to Frank C. Miller; to the Committee on Pensions.

By Mr. RUBEY: A bill (H. R. 11569) granting an increase of pension to Mary E. Allen; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 11570) granting an increase of pension to Mary E. Logel; to the Committee on Invalid Pensions.

By Mr. SIMMONS: A bill (H. R. 11571) granting a pension to Fannie F. Wilson; to the Committee on Invalid Pensions.

By Mr. SUMMERS of Washington: A bill (H. R. 11572) granting a pension to Sarah J. Edmonds; to the Committee on Invalid Pensions.

By Mr. SWICK: A bill (H. R. 11573) granting an increase of pension to Anna M. Shaffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11574) granting an increase of pension to Alice C. J. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11575) granting an increase of pension to Irene Dunbar; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11576) granting an increase of pension to Mary E. Boyd; 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:

4604. Petition of sundry citizens of San Antonio, Tex., opposing certain legislation known as the Box bill, affecting immigration in the United States from Mexico; to the Committee on Immigration and Naturalization.

4605. By Mr. ADKINS: Petition of sundry adult citizens of Decatur, Ill., protesting against compulsory Sunday observance as proposed in the Lankford Sunday bill (H. R. 78); to the Committee on the District of Columbia.

4606. By Mr. ALDRICH: Petition of Thomas F. Tefft and 15 other citizens of the State of Rhode Island protesting against compulsory Sunday legislation; to the Committee on the District of Columbia.

4607. By Mr. BOIES: Petition signed by citizens of Onawa, Monona County, State of Iowa, protesting against the compulsory Sunday observance bill (H. R. 78); to the Committee on the District of Columbia.

4608. By Mr. BURDICK: Resolution of Lodge Gustaf II, Adolf No. 17, Vasa Order of America, of Providence, R. I., protesting against the reduction of the Swedish quota of immigrants; to the Committee on Immigration and Naturalization.

4609. Also, resolution of Lodge Ebba Brahe, No. 18, Vasa Order of America, of Providence, R. I., protesting against the reduction of the Swedish quota of immigrants; to the Committee on Immigration and Naturalization.

4610. By Mr. CANNON: Petition of Charles W. Young and other citizens of Montgomery County, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4611. Also, petition of John C. Garner and others, of Pacific, Mo., in behalf of an increase of Civil War pensions; to the Committee on Invalid Pensions.

4612. Also, petition of W. E. Muis and other citizens of Callaway County, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4613. Also, petition of C. R. Spradlin and other citizens of Audrain County, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4614. Also, petition of A. J. Keller and Bertie Keller, of Defiance, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4615. Also, petition of G. W. Miller and other citizens of Callaway County, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4616. Also, petition of L. E. Mahon and other citizens of Bland, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4617. Also, petition of W. F. H. Schroeder and other citizens of Gasconade County, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4618. Also, petition of J. C. Humphreys and other citizens of Callaway County, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4619. Also, petition of H. F. West and other citizens of Fulton, Mo., opposing compulsory Sunday observance; to the Committee on the District of Columbia.

4620. By Mr. CARSS: Petition of Alexander La Doix and 30 other Chippewa Indians, of International Falls, Minn., protesting against enactment of H. R. 189, the so-called purification bill; to the Committee on Indian Affairs.

4621. By Mr. DARROW: Petition of the Philadelphia Board of Trade favoring the enactment of H. R. 8557, to provide for the establishment and operation of foreign trade zones in ports of entry of the United States, etc.; to the Committee on Interstate and Foreign Commerce.

4622. By Mr. EATON: Petition of 82 residents of Plainfield and North Plainfield, N. J., against enactment of H. R. 78; to the Committee on the District of Columbia.

4623. By Mr. ENGLEBRIGHT: Petition of H. L. Wolfsen and other petitioners of Colfax, Calif., protesting against the Sunday closing law for the District of Columbia; to the Committee on the District of Columbia.

4624. Also, petition of Mr. A. E. Stewart and other citizens of Roseville, Calif., protesting against Sunday closing for the District of Columbia; to the Committee on the District of Columbia.

4625. Also, petition of sundry citizens of Siskiyou County, Calif., protesting against Sunday closing for the District of Columbia; to the Committee on the District of Columbia.

4626. By Mr. GALLIVAN: Petition of Rollin H. Richardson, 6 Alpine Street, Roxbury, Mass., recommending legislation governing the care and treatment of dumb animals; to the Committee on Agriculture.

4627. By Mr. GARBER: Letter of M. C. Sutton, manager of the Oklahoma City Clearing House Association, of Oklahoma City, Okla., in opposition to S. 1752; to the Committee on the Post Office and Post Roads.

4628. Also, letter of Barrington Moore, secretary Council on National Parks, Forests, and Wild Life, of Washington, D. C., in support of H. R. 5467 and S. 2171, migratory bird conservation bills; to the Committee on Agriculture.

4629. Also, letter of Charles B. Burdick, engineer, of Chicago, Ill., in support of the Newton bill (H. R. 8111), providing for an inventory of water resources; to the Committee on Interstate and Foreign Commerce.

4630. Also, letter of J. H. Hoeppel, commander General Harrison Gray Otis Post, No. 1537, V. F. W.; past commander Charles A. Lindbergh Camp, No. 103, U. S. W. V.; and past commander Glenn Dyer Post, No. 247, American Legion, in support of H. R. 6523 and S. 1986, providing for increase in pension; to the Committee on Military Affairs.

4631. Also, resolutions of Chamber of Commerce, of Hominy, Okla., in protest to the passage of H. R. 9033 and H. R. 9294; to the Committee on Indian Affairs.

4632. By Mr. GUYER: Petition of sundry citizens of Kansas City, Wyandotte County, Kans., urging increases of pension for survivors and widows of the Civil War; to the Committee on Invalid Pensions.

4633. By Mr. HADLEY: Petition of sundry residents of Everett, Wash., protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4634. Also, petition of sundry residents of Marysville, Wash.; to the Committee on the District of Columbia.

4635. Also, petition of residents of King County, Wash., protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4636. Also, petition of residents of Langley, Wash., protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4637. By Mr. HALL of Indiana: Petition of R. D. Homer and 131 citizens, of Pulaski County, asking for increase of pensions for Civil War soldiers and widows; to the Committee on Invalid Pensions.

4638. Also, petition of Rebecca Berry and 128 citizens, of Miami County, Ind., asking for increase of pensions for veterans of the Civil War and for widows of veterans of the Civil War; to the Committee on Invalid Pensions.

4639. Also, petition of Ray Houser and 75 other citizens, of Huntington County, Ind., asking increase of pension for every Civil War survivor and war widows; to the Committee on Invalid Pensions.

4640. Also, petition of Mary McCole and 105 other citizens, of Grant County, Ind., asking for increase of pension for survivors of Civil War; to the Committee on Invalid Pensions.

4641. By Mr. HAUGEN: Petition of 31 citizens of Chickasaw, Fayette, and Bremer Counties, Iowa, protesting against the enactment of House bill 78 or any other compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4642. By Mr. JOHNSON of Washington: Petition of 39 citizens of Lewis County, Wash., opposing compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4643. Also, petition of the Federated Teachers of the Public Schools of Tacoma, Wash., favoring the Curtis-Reed bill; to the Committee on Education.

4644. Also, petition of 13 rural mail carriers of Lewis, Thurston, Mason, and Grays Harbor Counties, Wash., supporting the Gibson retirement bill and the Reece good roads bill; to the Committee on the Civil Service.

4645. Also, petition of citizens of Clarke County, Wash., protesting the Lankford Sunday observance bill; to the Committee on the District of Columbia.

4646. Also, petition of 686 citizens of Tacoma and Pierce County, Wash., opposing compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4647. By Mr. JOHNSON of Texas: Petition of W. A. Terrell, of Fort Worth, Tex., favoring and urging passage of H. R. 25, H. R. 88, and H. R. 9059, relative to Postal Service employees; to the Committee on the Post Office and Post Roads.

4648. By Mrs. KAHN: Petition of Frank B. Fitzpatrick and numerous other citizens of California, urging the passage of H. R. 6518, known as the Welch minimum wage bill; to the Committee on the Civil Service.

4649. By Mr. KORELL: Petition of citizens of Portland, Oreg., protesting against the passage of the bill known as the Brookhart bill; to the Committee on Interstate and Foreign Commerce.

4650. Also, petition of sundry citizens of Portland, Oreg., protesting against the passage of the Sunday observance bill (H. R. 78); to the Committee on the District of Columbia.

4651. By Mr. KVALE: Petition of members of the Women's Christian Temperance Union of Tracy, Minn., urging passage of the Stalker bill (H. R. 9588); to the Committee on the Judiciary.

4652. Also, petition of members of W. C. T. U. of Cottonwood, Minn., urging passage of the Stalker bill (H. R. 9588); to the Committee on the Judiciary.

4653. By Mr. LINDSAY: Petition of Brooklyn Tuberculosis and Health Association of the Bureau of Charities, urging support of the Parker bill (H. R. 5766), providing for the coordination of the public-health activities of the Government; to the Committee on Interstate and Foreign Commerce.

4654. Also, petition of board of directors, Green Mountain Club, New York City, urging support of H. R. 5760, to set aside Great Falls of the Potomac as a national park; to the Committee on the District of Columbia.

4655. By Mr. LUCE: Petition of members of the faculty and administration of Wellesley College, Wellesley, Mass., protesting against naval building program; to the Committee on Naval Affairs.

4656. By Mr. MILLER: Petition of citizens of Seattle, Wash., protesting H. R. 78; to the Committee on the District of Columbia.

4657. Also, petition of sundry citizens of Seattle, Wash., protesting passage of the District of Columbia Sunday closing law (H. R. 78); to the Committee on the District of Columbia.

4658. By Mr. MONAST: Petition of citizens of Providence, R. I., protesting against compulsory Sunday laws; to the Committee on the District of Columbia.

4659. By Mr. NELSON of Wisconsin: Petition signed by Mrs. C. M. Chapman and others, of Madison, Wis., protesting against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4660. By Mr. O'CONNELL: Petition of the Westchester County Federation of Women's Clubs, Mount Vernon, N. Y., for law observance and enforcement; to the Committee on the Judiciary.

4661. Also, petition of Innis, Speiden & Co., New York City, favoring the passage of H. R. 9195, the Cuban parcel-post bill; to the Committee on Ways and Means.

4662. Also, petition of the New York section, Green Mountain Club (Inc.), favoring the passage of H. R. 5760, to set aside as a national park the Great Falls of the Potomac and an acre above the falls; to the Committee on the District of Columbia.

4663. Also, petition of the Brooklyn Tuberculosis and Health Association of the Bureau of Charities, Brooklyn, N. Y., favoring the passage of the Parker bill (H. R. 5766), which provides for the coordination of the public-health activities of the Government; to the Committee on Interstate and Foreign Commerce.

4664. Also, petition of the Metropolitan Life Insurance Co. of New York City, favoring the passage of the Parker bill (H. R. 5766), a bill to provide for the coordination of the public-health activities of the Government; to the Committee on Interstate and Foreign Commerce.

4665. By Mr. OLDFIELD: Petition of Eugene Cypert and others, of White County, Ark., urging the increase of pensions of Civil War pensioners; to the Committee on Invalid Pensions.

4666. By Mr. ROBINSON of Iowa: Petition of Rev. W. T. Smith, pastor of the First Methodist Episcopal Church of Iowa Falls, Iowa, and sundry citizens of Iowa Falls against the proposed naval construction bill; to the Committee on Naval Affairs.

4667. By Mr. SANDERS of New York: Petition of Mrs. S. C. Carr, signed by 34 citizens of Rochester, N. Y., protesting against the passage of the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4668. By Mr. SHALLENBERGER: Petition of sundry citizens of Nebraska against compulsory Sunday observance; to the Committee on the District of Columbia.

4669. By Mr. SHREVE: A protest from Charles A. Donaghue and other citizens of Corry, Pa., against the passage of the Lankford Sunday observance bill; to the Committee on the District of Columbia.

4670. By Mr. SMITH: Petition signed by Dr. G. W. Pendleton and 808 other citizens of Idaho Falls, Idaho, protesting against the enactment of any compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4671. By Mr. SINNOTT: Petition of numerous citizens of Oregon, protesting against passage of the Lankford bill, or similar compulsory Sunday legislation; to the Committee on the District of Columbia.

4672. By Mr. STRONG of Pennsylvania: Petition of Red Cross Sisterhood, No. 86, Dames of Malta, Punxsutawney, Pa., in favor of H. R. 10078; to the Committee on Immigration and Naturalization.

4673. By Mr. SWICK: Petition of Mr. W. E. Minteer and 128 residents of Ellwood City, Lawrence County, Pa., members of the Berean bible class, United Presbyterian Church, urging the passage of H. R. 78, the Lankford bill, providing for Sunday observance in the District of Columbia; to the Committee on the District of Columbia.

4674. By Mr. SWING: Petition of residents of Riverside, Calif., protesting against compulsory Sunday observance laws; to the Committee on the District of Columbia.

4675. Also, petition of residents of San Bernardino, Calif., protesting against compulsory Sunday observance laws; to the Committee on the District of Columbia.

4676. Also, petition of sundry residents of Beaumont, Calif., and vicinity protesting against compulsory Sunday observance laws; to the Committee on the District of Columbia.

4677. By Mr. TIMBERLAKE: Petition in behalf of Civil War pension bill from veterans at Boulder, Colo.; to the Committee on Invalid Pensions.

4678. By Mr. WELCH of California: Petition of the San Francisco Board of Supervisors, San Francisco, Calif., favoring the passage of H. R. 7467, granting consent to the city and county of San Francisco to construct, maintain, and operate a bridge across the Bay of San Francisco, Calif.; to the Committee on Interstate and Foreign Commerce.

4679. By Mr. WHITE of Colorado: Petition of sundry citizens of Denver, Colo., praying enactment of legislation increasing the rates of pensions to veterans of the Civil War; to the Committee on Invalid Pensions.

4680. By Mr. WYANT: Petition of Stephen F. Whitman & Son (Inc.) favoring passage of Capper-Kelly resale price bill (H. R. 11); to the Committee on Interstate and Foreign Commerce.

4681. Also, petition of 125 members Local Union No. 1044, United Brotherhood of Carpenters and Joiners of America, by John W. Neth, recording secretary, favoring passage of Cooper-Hawes bills (H. R. 7729 and S. 1940); to the Committee on Labor.

4682. Also, petition of the Narrow Fabric Co., of Reading, Pa., favoring passage of Capper-Kelly bill (H. R. 11); to the Committee on Interstate and Foreign Commerce.

4683. Also, petition of Hardwick & Magee Co., Philadelphia, Pa., favoring passage of Capper-Kelly resale price bill (H. R. 11); to the Committee on Interstate and Foreign Commerce.

4684. Also, petition of C. J. Hollister, D. D. S., chief dental division, Pennsylvania department of health, favoring passage of H. R. 11026, Public Health Service bill; to the Committee on Interstate and Foreign Commerce.

4685. Also, petition of Council on National Parks, Forest, and Wild Life, indorsing the Anthony-Norbeck migratory bird conservation bills (H. R. 5467 and S. 2171); to the Committee on Agriculture.

4686. Also, petition of J. Q. Waters, West Newton, Pa., favoring passage of the Wurzbach bill (H. R. 6523) or Tyson bill (S. 1986); to the Committee on Military Affairs.

SENATE

WEDNESDAY, *February 29, 1928*

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, at this morning hour we render Thee our humble praises for all Thy mercies renewed to us each day. And from our thankful hearts we beseech Thee for all whom we love and upon whom we bestow our watchful care, for all who have blessed us with kindness, led us with patience, and restored us by their sympathy and help, for all who are bearing the burdens of life, for all who are sick and afflicted, and for all who are anguished in spirit, that Thou wouldest make Thy people one in heart and mind and purpose; and that our eyes may kindle to the beauty and glory of America when she looks forth as the morning, fair as the moon and clear as the sun in the splendor of Him who is the light of the world, Jesus Christ our Lord. Amen.

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

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Ferris	La Follette	Schall
Barkley	Fess	McKellar	Sheppard
Bayard	Fletcher	McLean	Shipstead
Bingham	Frazier	McMaster	Shortridge
Black	George	McNary	Simmons
Blaine	Gerry	Mayfield	Smith
Blease	Gillett	Metcalf	Smoot
Borah	Glass	Moses	Steck
Bratton	Gooding	Neely	Steiwer
Brookhart	Gould	Norbeck	Stephens
Broussard	Greene	Norris	Swanson
Bruce	Hale	Nye	Thomas
Capper	Harris	Oddie	Tydings
Caraway	Harrison	Overman	Tyson
Copeland	Hayden	Phipps	Walsh, Mass.
Couzens	Heflin	Pine	Walsh, Mont.
Curtis	Howell	Pittman	Warren
Cutting	Johnson	Ransdell	Waterman
Dale	Jones	Reed, Pa.	Watson
Deneen	Kendrick	Robinson, Ark.	Wheeler
Dill	Keyes	Robinson, Ind.	Willis
Edge	King	Sackett	

Mr. COPELAND. My colleague the junior Senator from New York [Mr. WAGNER] is detained on official business. I will let this announcement stand for the day.

Mr. GERRY. The Senator from New Jersey [Mr. EDWARDS] is necessarily detained from the Senate by reason of illness in his family.

The VICE PRESIDENT. Eighty-seven Senators having answered to their names, a quorum is present.

PETITIONS AND MEMORIALS

Mr. TYSON presented a communication from the secretary of the executive committee of the New York Young Republican Club, of New York City, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Hon. LAWRENCE D. TYSON,
United States Senator, Washington, D. C.

SIR: The executive committee of the New York Young Republican Club, at its regular meeting held on the 17th day of February, 1928, approved the following resolution in regard to the Tyson-Fitzgerald bill now pending before the Congress:

"*Resolved*, That the executive committee of the New York Young Republican Club hereby approved the proposed legislation now pending before the Congress, commonly known as the Tyson-Fitzgerald bill (H. R. 500, S. 777), whereby all persons who served as officers of the Army of the United States during the World War, other than as officers of the Regular Army, and who during such service incurred physical disability rated to be in excess of 30 per cent permanent, shall be placed upon a separate list and granted the same compensation and perquisites as are received by retired officers of the Regular Army similarly situated; further

"*Resolved*, That the executive committee of the New York Young Republican Club respectfully urge upon the Senate and the House of Representatives the early passage of the said Tyson-Fitzgerald bill (S. 777 and H. R. 500) in order that belated justice may be done to the disabled officers of the National Army; further

"*Resolved*, That the secretary of this committee transmit a copy of this resolution to the President of the Senate, the Speaker of the House of Representatives, the chairman of the respective Committees on Military Affairs of the Senate and House of Representatives, and to the chairman of the Committee on Rules of the House of Representatives, with the request that the said Tyson-Fitzgerald bill (S. 777, H. R. 500) shall have their earnest and serious consideration."

We trust that this subject may have careful attention.

Very respectfully,

JOSEPH MARK BALDWIN,
Secretary Executive Committee.

Mr. REED of Pennsylvania presented a petition of the Philadelphia (Pa.) Board of Trade, praying for the passage of the bill (S. 351) prohibiting the sending of unsolicited merchandise through the mails, which was referred to the Committee on Post Offices and Post Roads.

REPORTS OF THE NAVAL AFFAIRS COMMITTEE

Mr. SWANSON, from the Committee on Naval Affairs, to which was referred the bill (S. 1377) for the relief of Lieut. Robert Stanley Robertson, jr., United States Navy, reported it with an amendment and submitted a report (No. 442) thereon.

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which was referred the bill (S. 151) for the relief of Charles R. Sies, reported it without amendment and submitted a report (No. 443) thereon.

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (S. 2442) for the relief of Lieut. Henry C. Weber, Medical Corps, United States Navy, reported it without amendment and submitted a report (No. 444) thereon.

SESQUICENTENNIAL OF DISCOVERY OF HAWAIIAN ISLANDS

Mr. BORAH. Mr. President, from the Committee on Foreign Relations I report back favorably without amendment the joint resolution (H. J. Res. 141) to authorize the President to invite the Government of Great Britain to participate in the celebration of the Sesquicentennial of the Discovery of the Hawaiian Islands, and to provide for the participation of the Government of the United States therein, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Idaho?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, and it was read, as follows:

Resolved, etc., That the President be, and he is hereby, authorized and requested to extend a formal invitation to the Government of Great Britain to participate in the said celebration by sending a man-of-war with delegates representing the Dominions most interested.

SEC. 2. That for the purpose of defraying the expense of participation by the Government of the United States in the said celebration, an appropriation of the sum of $5,000, or so much thereof as may be necessary, is hereby authorized, to include transportation, subsistence, or per diem in lieu of subsistence (notwithstanding the provisions of any previous act), and such other expenses as the President shall deem proper.

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

Mr. BORAH. I ask that there may be printed in the RECORD the House committee report and the message of the President in relation to the matter.

The VICE PRESIDENT. Without objection, it is so ordered.

The report and message are as follows:

[H. Rept. No. 507, 70th Cong., 1st sess.]

AUTHORIZING THE PRESIDENT TO INVITE GREAT BRITAIN TO SESQUICENTENNIAL OF HAWAIIAN ISLANDS

Mr. MAAS, from the Committee on Foreign Affairs, submitted the following report to accompany H. J. Res. 141:

The Committee on Foreign Affairs, to which was referred House Joint Resolution 141, to authorize the President to invite the Government of Great Britain to participate in the celebration by the Territory of Hawaii of the Sesquicentennial of the Discovery of the Hawaiian Islands, and to provide for the participation of the Government of the United States therein, having considered the same, report thereon with the recommendation that it do pass.