

cure present abuses in the Federal land-bank system; to the Committee on Banking and Currency.

479. Also, petition of New York Board of Trade (Inc.), New York City, favoring relief for the railroads, particularly with reference to those proposals which have the indorsement of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

480. Also, petition of State of Rhode Island and Providence Plantations in general assembly, recommending to Congress the passage of legislation for the repeal of the eighteenth amendment of the Constitution of the United States; to the Committee on the Judiciary.

481. Also, petition of Ohio Hotels Association, Beggs Building, Columbus, Ohio, favoring the modification of the Volstead Act, to permit the manufacture and sale of wines and beer and for the repeal of the eighteenth amendment; to the Committee on the Judiciary.

482. Also, petition of American Legion, Department of the District of Columbia, Victory Post, No. 4, favoring the passage of Senate bill 2263; to the Committee on the Civil Service.

483. By Mr. McLAUGHLIN: Petition of Emma Myers and 19 others, of Hart, Mich., urging the enforcement of the national prohibition law and opposing any measure providing for its modification, resubmission, or repeal; to the Committee on the Judiciary.

484. By Mr. NIEDRINGHAUS: Petition of Mrs. J. W. Shankland, president Woman's Christian Temperance Union, St. Louis, Mo., urging Members to oppose all wet legislation pending in Congress—referendum, resubmission, repeal, legalized beer (S. 436), State convention method of ratifying an amendment instead of by State legislatures (S. J. Res. 57); to the Committee on the Judiciary.

485. By Mr. ROMJUE: Petition of directors of the Detroit Board of Commerce, protesting against increase of first-class postage rates; to the Committee on the Post Office and Post Roads.

486. By Mr. RUDD: Petition of Cadillac Motor Car Co., 749 Atlantic Avenue, Brooklyn, N. Y., opposing additional taxes on automobiles, gasoline, parts, etc.; to the Committee on the Judiciary.

487. Also, petition of New York State Bankers' Association, New York City, favoring curtailment of governmental expenditures in every possible way; to the Committee on Appropriations.

488. Also, petition of American Association Creamery Butter Manufacturers, Chicago, Ill., favoring the reduction of taxes at least one-half; to the Committee on Ways and Means.

489. Also, petition of Ohio Hotels Association, Columbus, Ohio, favoring modification of the national prohibition act to permit and legalize the manufacture and sale of wine and beer, under proper restrictions, and for the repeal of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

490. Also, petition of Victory Post, No. 4, District of Columbia, American Legion, favoring the passage of Senate bill 2263, transferring the veterans, wives of disabled veterans, and widows of deceased veterans now employed on temporary appointments in the Census Bureau to the classified civil service; to the Committee on the Civil Service.

491. Also, petition of Kings County Buick (Inc.), Brooklyn, N. Y., opposing all legislation which aims to impose sales taxes on automobiles, parts, tires, and gasoline; to the Committee on Ways and Means.

492. By Mr. SINCLAIR: Petition of E. J. Leadon and 41 other residents of Taylor, N. Dak., and vicinity, protesting against an increase in taxes on automobiles, parts, etc.; to the Committee on Ways and Means.

493. By Mr. SMITH of West Virginia: Resolution of the Pocahontas Operators Association, favoring some measure of relief for the bituminous-coal industry by enacting tariffs, embargoes, or other legislation, against the importation of foreign oils; to the Committee on Ways and Means.

494. Also, resolution of M. M. Eppstein, president, and W. T. Slicer, secretary, of the Southern West Virginia Auto

Club, opposing any and all tax measures proposed to levy a tax upon motor vehicles; to the Committee on Ways and Means.

495. By Mr. SNOW: Petition of O. N. Titcomb and 41 other residents of Littleton, Me., requesting that some action be taken by Congress to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

496. Also, petition of W. E. Ross and 66 residents of Portage Lake, Me., requesting that some action be taken by Congress to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

497. Also, petition of Elbridge C. Wellington and many other citizens of Monticello, Me., requesting that some action be taken by Congress to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

498. By Mr. TIMBERLAKE: Petition of Fleming, Colo., Woman's Christian Temperance Union, expressing disapproval of and submission to the States for repeal or modification of the eighteenth amendment; to the Committee on the Judiciary.

499. Also, petition of Brush, Colo., Woman's Christian Temperance Union, expressing disapproval of and submission to the States for repeal or modification of the eighteenth amendment; to the Committee on the Judiciary.

500. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing Congress for the immediate payment in cash of the World War adjusted-compensation certificates; to the Committee on World War Veterans' Legislation.

501. Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation to credit income-tax payments made to the several States in payment of Federal income taxes; to the Committee on Ways and Means.

502. Also, memorial of the Legislature of the State of Wisconsin, memorializing Congress to enact legislation to prohibit the manufacture and sale of oleomargarine; to the Committee on Agriculture.

503. By the SPEAKER: Memorial of the Legislature of the State of South Carolina relative to tax refund due South Carolina on cotton, 1866, 1867, and 1868; to the Committee on War Claims.

504. Also, memorial of the Legislature of the State of South Carolina relative to preventing Federal land banks and joint-stock land banks from foreclosing mortgages; to the Committee on Banking and Currency.

505. Also, memorial of the Legislature of the State of Arizona relative to the protection of the copper industry; to the Committee on Ways and Means.

SENATE

TUESDAY, JANUARY 19, 1932

(Legislative day of Monday, January 18, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. FESS. 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	Caraway	George	Jones
Austin	Carey	Glass	Kean
Bailey	Connally	Glenn	Kendrick
Bankhead	Coolidge	Goldsbrough	Keyes
Barbour	Copeland	Gore	King
Bingham	Costigan	Hale	La Follette
Black	Couzens	Harris	Lewis
Blaine	Cutting	Harrison	Logan
Borah	Dale	Hastings	McGill
Bratton	Davis	Hatfield	McKellar
Brookhart	Dickinson	Hayden	McNary
Bulkeley	Dill	Heybert	Metcalf
Bulow	Fess	Howell	Morrison
Byrnes	Fletcher	Hull	Moses
Capper	Frazier	Johnson	Neely

Norbeck	Robinson, Ark.	Thomas, Okla.	Walsh, Mass.
Norris	Robinson, Ind.	Townsend	Walsh, Mont.
Nye	Sheppard	Trammell	Waterman
Oddie	Smith	Tydings	Watson
Patterson	Smoot	Vandenberg	White
Pittman	Steiwer	Wagner	
Reed	Thomas, Idaho	Walcott	

Mr. LOGAN. I desire to announce the absence of my colleague the senior Senator from Kentucky [Mr. BARKLEY] on important business. I will let this announcement stand for the day.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

Mr. SMITH presented a concurrent resolution adopted by the Legislature of South Carolina, requesting relief for the people by preventing Federal land banks and joint-stock land banks from foreclosing mortgages on debtors and to provide some means to save homes that are mortgaged and, if necessary, to declare a moratorium for at least one year, etc., which was ordered to lie on the table.

(See resolution printed in full when laid before the Senate on the 18th instant, p. 2125, CONGRESSIONAL RECORD.)

He also presented a concurrent resolution of the Legislature of South Carolina, favoring the passage of legislation to refund the tax levied and collected on cotton in 1866, 1867, and 1868, and estimated to be due the people of South Carolina in the sum of \$4,172,421.16, which was referred to the Committee on Claims.

(See resolution printed in full when laid before the Senate on the 18th instant, p. 2126, CONGRESSIONAL RECORD.)

Mr. SMITH also presented resolutions adopted by the quarterly conference of the Manning (S. C.) Methodist Episcopal Church South, which were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas much publicity has been given to the hearings before congressional committees on the subject of modifying the Volstead Act, the legalizing of 4 per cent beer and light wines; and

Whereas we believe that any change that will permit the sale of any kind of liquor or beer or wine will work untold harm, not only to the morals of our people but that in these days of depression will work no less harm to them economically; Therefore be it

Resolved by the quarterly conference of the Manning (S. C.) Methodist Episcopal Church South, That we are unalterably opposed to any change either in the Volstead Act or any laws for enforcing prohibition, except such changes as will make the enforcement more stringent and effectual.

Resolved, second, That we most earnestly request our Senators and Representatives in Congress to vote against a referendum on the subject and for the strict enforcement of the law.

G. E. KIRBY, *Presiding Elder.*

J. A. CAMPBELL, *Pastor.*

FRED LESESNE, *Secretary.*

Mr. SHIPSTEAD presented resolutions adopted by Hibbing Chapter, No. 3, Disabled American Veterans of the World War, at Hibbing, Minn., favoring the passage of legislation providing for the immediate cash payment in full of adjusted-service certificates (bonus), which were referred to the Committee on Finance.

Mr. KENDRICK presented the petition of R. C. Price and sundry other citizens, of Shoshoni and vicinity in the State of Wyoming, praying for the repeal of the eighteenth amendment to the Constitution, which was referred to the Committee on the Judiciary.

Mr. FRAZIER presented the petition of Mrs. H. R. Harris and 39 other citizens of New Rockford, N. Dak., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

Mr. BLAINE presented a petition of 21 citizens of Rhineland, Wis., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Woman's Christian Temperance Union of Wisconsin opposing a re-submission of the eighteenth amendment of the Constitution and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented petitions of sundry citizens of Climax, Eureka, Hamilton, and Thrall, all in the State of Kansas, praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Queen Esther Society (Woman's Aid Society) of the Methodist Church, of Beloit; the Woman's Foreign Missionary Society of the Methodist Episcopal Church, of Concordia; and the Woman's Christian Temperance Unions, of Hamilton and Yates Center; all in the State of Kansas, favoring the maintenance of the prohibition law and its enforcement, and protesting against the repeal of the eighteenth amendment to the Constitution, which were referred to the Committee on the Judiciary.

Mr. NEELY presented a telegram from the Central Woman's Christian Temperance Union, of Huntington, W. Va., which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

HUNTINGTON, W. VA., January 17, 1932.

HON. M. M. NEELY,

United States Senator, Washington, D. C.:

Central Woman's Christian Temperance Union adopted the following resolution, asking your support of same:

"That we are opposed to any referendum, resolution, or weakening of the present prohibition law, and we ask to have this resolution printed in CONGRESSIONAL RECORD."

Mrs. J. F. DURRETTE, *President.*

Mrs. MABEL NEWCOMBE, *Secretary.*

Mr. TOWNSEND presented a letter from the Woman's Christian Temperance Union of Dover, Del., which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

DOVER, DEL., January 11, 1932.

HON. JOHN G. TOWNSEND,

Washington, D. C.

DEAR SIR: Am writing to you for the women of the Woman's Christian Temperance Union of Dover, Del., which represents the voice of 70 women.

We wish to urge you not to lend aid to the opponents of prohibition by voting for resubmission or for any bill which would weaken the prohibition law.

Please have this petition printed in the RECORD.

Respectfully,

Mrs. MARY H. LASHER,

Corresponding Secretary.

Mr. WAGNER presented a letter from the Green Coffee Association of New York City (Inc.), signed by its secretary, embodying a resolution adopted by the association protesting against any further transactions by the Federal Farm Board such as the recent exchange of coffee and wheat with Brazil, which was referred to the Committee on Agriculture and Forestry.

(See letter printed in full when presented by Mr. COPELAND on the 12th instant, p. 1757, CONGRESSIONAL RECORD.)

He also presented resolutions adopted by the Central Trades and Labor Council of Greater New York and Vicinity, favoring a modification of the Volstead Act so as to permit the manufacture and sale of a mild beverage, nonintoxicating in fact, containing 2.75 per cent alcohol by weight, which were referred to the Committee on Manufactures.

(See resolutions printed in full when presented by Mr. COPELAND on the 15th instant, p. 1989, CONGRESSIONAL RECORD.)

RELIEF OF BANKS IN ARKANSAS

Mr. ROBINSON of Arkansas. Mr. President, I request that five brief telegrams which I send to the desk be printed in the RECORD and referred to the Committee on Banking and Currency.

There being no objection, the telegrams were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

PINE BLUFF, ARK., January 14, 1932.

HON. JOSEPH T. ROBINSON,

United States Senate:

Respectfully call your attention to House bill 7360, reference assisting insolvent banks. Urge dates be changed include banks which failed at beginning of depression. Many Arkansas banks failed during 1930, so suggest change from end 1930 to

December 31, 1929. If Beedy bill killed, then suggest similar allowance in amendment of reconstruction bill.

PINE BLUFF CHAMBER OF COMMERCE,
W. W. TAYLOR, *President*.

PINE BLUFF, ARK., January 16, 1932.

Senator JOE T. ROBINSON,
Washington, D. C.:

Arkansas banks should be included in the Beedy bill. We look to you to protect us in this matter. See that the dates provide for banks that closed prior to June 1, 1930. This would help the unemployed of Arkansas.

DAVIS FLORAL CO.

PINE BLUFF, ARK., January 15, 1932.

Senator JOE T. ROBINSON:

Please use your influence to have date changed in House bill 7360, or reconstruction bill, if amended to cover period of depression, or December 31, 1929, so as to afford relief to Arkansas and our local situation.

R. H. WILLIAMS, *County Judge*.

PINE BLUFF, ARK., January 15, 1932.

JOE T. ROBINSON,
United States Senator:

If Senate reconstruction bill is amended to cover closed banks or separate bill passed to cover, please see that retroactive date is June 30, or better. All banks now in liquidation.

EDGAR BREWSTER.

ARKADELPHIA, ARK., January 15, 1932.

HON. JOE T. ROBINSON,
United States Senate, Washington, D. C.:

South Arkansas Chamber of Commerce, in session here to-day, adopted motion instructing us respectfully urge amendment Beedy bill, H. R. 7360, so as include banks closing since beginning depression or about January 1, 1930. In event bill not adopted, suggest include legislation in reconstruction bill to relieve all closed banks of Arkansas.

M. L. SIGMAN,
President.
LUTHER ELLISON,
General Manager.

PROPOSED SALES TAX ON AUTOMOBILES AND ACCESSORIES

Mr. BARBOUR presented a letter from Balderston-Chevrolet (Inc.), of Trenton, N. J., with an accompanying petition signed by members of that company, which was referred to the Committee on Finance and ordered to be printed in the RECORD, together with the petition without the signatures, as follows:

TRENTON, N. J., January 14, 1932.

Hon. Senator W. WARREN BARBOUR,
Rumson, N. J.

HONORABLE SIR: You are no doubt conversant with a proposed sales tax on passenger cars, trucks, accessories, and tires, and we desire to enter with you a protest against such discriminatory taxation of the automobile industry's products.

The automobile buyer of to-day is already paying gasoline tax, license fees, personal taxes, etc., which are, indeed, just, when used solely for the expansion and maintenance of our highway system, and so long as they are not unduly burdensome. However, automobiles of to-day must be classified as necessities and not as luxuries. Therefore we feel that it is unjust for a sales tax to be considered in any manner whatsoever. To do so would result in a severe curtailment of public buying, which is a most important factor in to-day's depressed situation. Furthermore, thousands upon thousands of people would be out of employment due to reduction of units produced. The steel, leather, rubber, glass, electric, oil, and many other industries would be affected by the automobile manufacturers' reduced production to an extent that would be most appalling.

We have no objection to the automobile industry bearing its fair share of necessary taxes, which must be levied to preserve our public credit, and to reduce our Federal deficit as rapidly as possible, but since everyone benefits by taxation the taxes should be distributed as fairly as possible over all incomes, and we feel that we, with thousands of others, can play a tremendous part in the economic recovery of the country toward which all are now working, provided we are not unduly hampered by discriminatory taxation.

We pray, Mr. Senator, that you will be as fair and as generous with us in this matter as you have been in many instances where you have voiced the sentiments of your people when other matters of great importance have been brought before you.

With the kind wishes and personal regards of the writer, we are,
Most respectfully yours,

BALDERSTON-CHEVROLET (INC.),
FRANKLIN ROATCH,
General Manager.

JANUARY 14, 1932.

We, the employees of Balderston-Chevrolet (Inc.), of Trenton, N. J., hereby concur in the views of our company as so expressed in a letter written by them to you to-day, and as evidence thereof we affix our signatures below and pray for your favorable consideration in our behalf.

REPORT OF THE COMMITTEE ON COMMERCE

Mr. VANDENBERG, from the Committee on Commerce, to which was referred the bill (S. 573) granting the consent of Congress for the construction of a bridge across Clarks Fork River, near Ione, Pend Oreille County, in the State of Washington, reported it with an amendment and submitted a report (No. 119) thereon.

BILLS INTRODUCED

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

By Mr. BORAH:

A bill (S. 3116) to reduce the compensation and salaries of employees and officials of the Federal Government; to the Committee on Appropriations.

By Mr. JONES:

A bill (S. 3117) to provide for the establishment of a light vessel at Willapa Harbor, in the State of Washington; to the Committee on Commerce.

A bill (S. 3118) for the relief of Gottlieb Stock; to the Committee on Claims.

By Mr. GEORGE:

A bill (S. 3119) for the relief of J. D. Stewart; to the Committee on Claims.

By Mr. FESS:

A bill (S. 3120) granting a pension to Annie Hafer (with accompanying papers); to the Committee on Pensions.

By Mr. JOHNSON (by request):

A bill (S. 3121) to amend subsection (f) of section 11 of the merchant marine act of June 5, 1920 (with accompanying papers); to the Committee on Commerce.

By Mr. HATFIELD:

A bill (S. 3122) granting an increase of pension to Ira C. Gibson; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 3123) for the relief of Russell C. Cross; and

A bill (S. 3124) for the relief of John A. Heim; to the Committee on Military Affairs.

By Mr. THOMAS of Idaho:

A bill (S. 3125) to amend the act entitled "An act for the protection of persons furnishing materials and labor for the construction of public works," approved August 13, 1894, as amended by act approved February 24, 1905; to the Committee on Public Buildings and Grounds.

By Mr. ASHURST:

A bill (S. 3126) granting a pension to Eugene C. Harrington; and

A bill (S. 3127) granting a pension to John Stephens; to the Committee on Pensions.

By Mr. MCKELLAR:

A bill (S. 3128) for the relief of Sallie Berkley (with an accompanying paper); to the Committee on Claims.

By Mr. ODDIE:

A bill (S. 3129) altering and improving the Lahontan power plant, in the State of Nevada; to the Committee on Irrigation and Reclamation.

By Mr. SHIPSTEAD:

A bill (S. 3130) for the relief of Earl W. Thomas; to the Committee on Claims.

A bill (S. 3131) authorizing Vernon W. O'Connor, of St. Paul, Minn., his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Rainy River at or near Baudette, Minn. (with an accompanying paper); and

A bill (S. 3132) to extend the times for the commencement and completion of the bridge of the county of Norman and the town and village of Halstad, in said county, in the State of Minnesota, and the county of Traill and the town of Herberg, in said county, in the State of North Dakota, across the Red River of the North on the boundary line between said States; to the Committee on Commerce.

By Mr. THOMAS of Oklahoma:

A bill (S. 3133) to abolish the Federal Farm Board, to secure to the farmer a price for agricultural products at least equal to the cost of production thereof, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. COPELAND:

A bill (S. 3134) for the relief of John Z. Lowe, former collector of internal revenue for the second district of New York; to the Committee on Claims.

By Mr. LEWIS:

A bill (S. 3135) for the relief of Mildred Lane; to the Committee on Claims.

A bill (S. 3136) granting World War adjusted-service compensation to Barbara Weiland; to the Committee on Finance.

A bill (S. 3137) for the relief of Joseph W. O'Brien (with accompanying papers); and

A bill (S. 3138) to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including therein the name of Gustaf E. Lambert; to the Committee on Military Affairs.

A bill (S. 3139) for the relief of James J. Lindsay; to the Committee on Naval Affairs.

A bill (S. 3140) to extend the life of certain patents; to the Committee on Patents.

A bill (S. 3141) granting a pension to William J. Chepan (with accompanying papers);

A bill (S. 3142) granting a pension to Mary Haskin Elms; and

A bill (S. 3143) granting an increase of pension to Alice A. Garner (with accompanying papers); to the Committee on Pensions.

By Mr. REED:

A bill (S. 3144) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army (with accompanying papers); to the Committee on Claims.

By Mr. HATFIELD:

A bill (S. 3146) to amend section 113 of the Judicial Code, as amended (U. S. C., title 28, sec. 194); to the Committee on the Judiciary.

By Mr. WAGNER:

A bill (S. 3147) for the relief of Anna Pokorny; to the Committee on Claims.

By Mr. BINGHAM:

A bill (S. 3148) to regulate the use and sale of wood alcohol; to the Committee on the Judiciary.

By Mr. REED:

A bill (S. 3149) granting an increase of pension to Elizabeth Craven (with accompanying papers); to the Committee on Pensions.

ADJUDICATION OF WAR-RISK INSURANCE CLAIMS

Mr. SMITH. I introduce a bill looking to the creation of two commissioners in my State who, with the consent of the United States and the veterans, may consider the matters affecting war-risk insurance, so that claims for such insurance may be expeditiously adjudicated. I am informed that the dockets of the courts are so crowded in my State that there are cases now pending which are years old, and that the prospect of anything like giving relief to those who must take their cases to the courts is almost hopeless. I introduce the bill in the hope that the two commissioners therein provided for the two Federal districts in my State may be appointed and given power to review these cases.

The bill (S. 3145) providing for the appointment of commissioners to hear cases arising under contracts of war-risk insurance in the district courts for the eastern and western districts of South Carolina was read twice by its title and referred to the Committee on the Judiciary.

COSTS OF PRODUCTION OF DRIED BEANS

Mr. THOMAS of Idaho. Mr. President, I send to the desk a resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The legislative clerk read the resolution (S. Res. 141), as follows:

Resolved, That Senate Resolution 411, Seventy-first Congress, third session, agreed to January 21, 1931, directing the United States Tariff Commission, under the authority conferred by section 336 of the tariff act of 1930, and for the purposes of that section, to investigate the costs of production of dried beans and of any like or similar foreign articles, is hereby rescinded.

Mr. ROBINSON of Arkansas. Mr. President, what is the article or commodity to which the resolution relates?

Mr. THOMAS of Idaho. The resolution simply provides for withdrawing a resolution which the Senator from Michigan [Mr. VANDENBERG] introduced last year asking for an investigation of a tariff on dried beans.

Mr. ROBINSON of Arkansas. Very well.

The resolution was considered by unanimous consent and agreed to.

PYRAMID LAKE INDIAN RESERVATION, NEV.

Mr. ODDIE submitted the following resolution (S. Res. 142), which was referred to the Committee on Public Lands and Surveys:

Resolved, That the Committee on Public Lands and Surveys, or any duly authorized subcommittee thereof, is authorized and directed to investigate the situation on the Pyramid Lake Indian Reservation with a view to determining particularly (1) the status of entries made on lands therein by certain settlers, which lands have been occupied and improved by such settlers and their transferees for a period of at least 21 years prior to June 7, 1924, (2) the advisability of requiring early payment thereon by such settlers under the provisions of the act entitled "An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.," approved June 7, 1924, in view of all the equities of the claimants, the amounts involved, and present economic conditions, (3) the fairness of the valuation placed on such lands by appraisal pursuant to the provisions of such act of June 7, 1924, and (4) the extent to which any general inequitable conditions may exist with relation to such land entries. The committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations, if any, for necessary legislation for the relief of such settlers.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places in the District of Columbia or elsewhere during the sessions and recesses of the Senate in the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpoena or otherwise 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 as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$1,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The Secretary of the Interior is hereby requested to suspend, pending the deliberations and final report to the committee, and the final disposition by the Seventy-second Congress of such legislation as the committee may recommend, the requirements of any regulations prescribed by him governing payments on lands entered upon as hereinbefore referred to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 79) to provide an appropriation for expenses of participation by the United States in a general disarmament conference to be held in Geneva in 1932.

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

H. R. 5649. An act to extend the life of "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for other purposes";

H. R. 6304. An act to transfer Lavaca County from the Houston division to the Victoria division of the southern judicial district of Texas; and

H. R. 6663. An act to reserve certain land on the public domain in Utah for addition to the Skull Valley Indian Reservation.

HOUSE BILLS REFERRED

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

H. R. 5649. An act to extend the life of "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for other purposes"; to the Committee on Irrigation and Reclamation.

H. R. 6304. An act to transfer Lavaca County from the Houston division to the Victoria division of the southern judicial district of Texas; to the Committee on the Judiciary.

H. R. 6663. An act to reserve certain land on the public domain in Utah for addition to the Skull Valley Indian Reservation; to the Committee on Indian Affairs.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

COMMUNICATIONS RELATIVE TO PHILIPPINE INDEPENDENCE

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

There are transmitted herewith a number of resolutions and other communications relative to Philippine independence which have recently been received in the War Department from the Philippine Islands.

HERBERT HOOVER.

The WHITE HOUSE, January 19, 1932.

(NOTE.—Inclosures accompanied similar message to the House of Representatives.)

DEFICIENCY APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 6660) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1932, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1932, and for other purposes.

The VICE PRESIDENT. The clerk will report the next amendment.

The next amendment of the Committee on Appropriations was, under the heading "Title II.—Judgments and authorized claims—Damage claims," on page 31, line 17, after the word "in," to insert "Senate Document No. 46 and"; in line 19, after the words "as follows," to insert "Department of Agriculture, \$856.95"; in line 20, after the name "Department of Commerce," to strike out "\$186.50" and insert "\$287.95"; in line 22, after the figures "\$250," to insert "Navy Department, \$1,735.13"; in line 23, before the words "Public Buildings," to strike out "\$25,803.87" and insert "\$28,352.86"; in line 25, after the figures "\$138.05," to insert "Treasury Department, \$1,864.68"; on page 32, line 1, after the figures "\$808.53," to insert "War Department, \$2,583.70"; and in line 2, after the words "in all," to strike out "\$27,472.35" and insert "\$37,163.25," so as to make the section read:

SECTION 1. For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments under the provisions of the act entitled "An act to provide for a method for the settlement of claims arising against the Government of the United States in sums not exceeding \$1,000 in any one case," approved December 28, 1922 (U. S. C., title 31, secs. 215-217), as fully set forth in Senate Document No. 46 and House Document No. 178, Seventy-second Congress, as follows: Department of Agriculture, \$856.95; Department of Commerce, \$287.95; Department of the Interior, \$285.40; Department of Labor, \$250; Navy Department, \$1,735.13; Post Office Department (out of the postal revenues), \$28,352.86; Public Buildings and Public Parks of the National Capital, \$138.05; Treasury Department, \$1,864.68; Veterans' Administration, \$808.53; War Department, \$2,583.70; in all, \$37,163.25.

Mr. JONES. Mr. President, all the amendments on pages 31, 32, and 33 under "Judgments and authorized claims" are pursuant to judgments of courts and authorized claims

by the department. I ask that they may be agreed to en bloc.

The VICE PRESIDENT. Is there objection?

Mr. KING. Mr. President, may I ask the Senator from Washington whether his committee has inquired into these judgments? The reason why I make the inquiry is because the able Representative from Indiana, Mr. WILL WOOD, a few days ago, when this or some other bill was under consideration in the House, challenged the validity and accuracy or correctness of some of the judgments rendered by the Court of Claims. I have prepared a bill which I shall introduce in a day or two which denies to the Court of Claims the right to render a final judgment; that they shall make findings of fact and conclusions of law, but shall not enter judgments. The matter is then referred to the Congress.

Mr. JONES. Let me say to the Senator that the items to which I have referred on pages 31, 32, and 33 are judgments of United States courts and are final.

Mr. KING. They are not judgments of the Court of Claims?

Mr. JONES. No; those on pages 31, 32, and 33 are judgments of the United States courts. Then we will come to the judgments of the Court of Claims. After we have adopted the amendments just referred to, I shall explain the Court of Claims items.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington? The Chair hears none, and the amendments will be stated.

The next amendment was, under the subhead "Judgments, United States courts," on page 32, line 11, after the word "in," to insert "Senate Document No. 40 and"; in line 13, after the name "Department of Labor," to strike out "\$5,444.79" and insert "\$5,649.79"; in line 15, after the name "War Department," to strike out "\$2,194.34" and insert "\$2,554.34"; and in the same line, after the words "in all," to strike out "\$11,009.13" and insert "\$11,574.13," so as to read:

Sec. 2. For payment of the final judgments and decrees, including costs of suits, which have been rendered under the provisions of the act of March 3, 1887, entitled "An act to provide for the bringing of suits against the Government of the United States," as amended by the Judicial Code, approved March 3, 1911 (U. S. C., title 28, sec. 41, par. 20; sec. 258; secs. 761-765), certified to the Seventy-second Congress in Senate Document No. 40, and House Document No. 175, under the following departments, namely: Department of Labor, \$5,649.79; Post Office Department, \$3,370; War Department, \$2,554.34; in all, \$11,574.13, together with such additional sum as may be necessary to pay interest on the respective judgments at the rate of 4 per cent from the date thereof until the time this appropriation is made.

The next amendment was, on page 33, line 14, after the word "in," to insert "Senate Document No. 40 and"; in line 16, after the name "Department of Justice," to strike out "\$1,000" and insert "\$3,500"; in line 17, after the name "War Department," to strike out "\$171,177.08" and insert "\$187,968.29"; and in line 18, after the words "in all," to strike out "\$227,378.61" and insert "\$246,669.82," so as to read:

For the payment of the judgments, including costs of suits, rendered against the Government by United States district courts in special cases and under the provisions of certain special acts and certified to the Seventy-second Congress in Senate Document No. 40 and House Document No. 175, under the following departments, namely: Department of Justice, \$3,500; Navy Department, \$55,201.53; War Department, \$187,968.29; in all, \$246,669.82, together with such additional sum as may be necessary to pay interest as and where specified in such judgments.

The VICE PRESIDENT. Without objection, the amendments on pages 31, 32, and 33 just stated are agreed to en bloc. The clerk will state the next amendment.

The next amendment of the Committee on Appropriations was, under the subhead "Judgments, Court of Claims," on page 34, line 10, after the name "Navy Department," to strike out "\$223,414.74" and insert "\$220,255.81, except No. H 320 in favor of Tillett S. Daniel and No. K 138 in favor of William B. Hetfield," and in line 16, after the words "in all," to strike out "\$540,494.55" and insert "\$537,335.62," so as to read:

Sec. 3. For payment of the judgments rendered by the Court of Claims and reported to the Seventy-second Congress, in House Document No. 174, under the following departments and establishments, namely: United States Veterans' Administration, \$659.46; Department of Commerce, \$4,870; Navy Department, \$220,255.81, except No. H 320 in favor of Tillet S. Daniel and No. K 138 in favor of William B. Hetfield; Post Office Department, \$48,913.44; Treasury Department, \$45,449.77; War Department, except No. K 317 in favor of Albert C. Dalton, \$217,187.14; in all, \$537,335.62, together with such additional sum as may be necessary to pay interest on certain of the judgments at the legal rate per annum as and where specified in such judgments.

Mr. JONES. Mr. President, we have now reached the amendments relating to judgments of the Court of Claims. Let me explain the action of the committee with reference to Court of Claims judgments. There were two of these judgments that were especially called to our attention and we looked into them. We thought upon the facts which were brought to our attention that a more careful investigation should be made, and so they were not included.

Then the question arose as to the effect of a judgment of the Court of Claims and whether or not a final judgment by the Court of Claims, from which no appeal was taken, had the same force and effect as a judgment of a United States district court. We have appointed a subcommittee composed of three of the lawyers of our committee—the Senator from Oregon [Mr. STEIWER], the Senator from New Mexico [Mr. BRATTON], and the Senator from North Carolina [Mr. MORRISON]—to look into that legal question and advise the committee what, in their opinion, is the effect of the judgments of the Court of Claims.

If those judgments have the same effect as judgments of the United States district courts then, of course, when they become final it is only a matter of form to include them in the bill. Awaiting the decision of our subcommittee, we left out the two judgments to which I have referred and which had been called to our attention. We also left out a list of additional judgments which were referred to the committee just a day or two before we were ready to act on the bill. We had not had time to look into them and we concluded that we would not include them in the bill until after the subcommittee had reached its conclusion.

That is the status of the matters acted on by the Court of Claims. The amendments which we propose on page 34 are amendments relating to those judgments which, in my opinion, based on the facts, ought to be left out unless they are final judgments, and then we shall have to care for them as a matter of course.

There was one judgment, about which the Senator from Utah [Mr. KING] probably read, that the House left out of the bill. Its approval was pressed on our committee, but we left it out awaiting the report of what I may term our "legal committee."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Committee on Appropriations.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, save for a few committee amendments authorizing the payment of audited claims which will be adopted as a routine matter, the Senate has completed the consideration of this deficiency bill. As the measure was reported to the House of Representatives it carried a total of \$124,731,687, which was \$13,432,000 below the Budget estimates as transmitted to Congress by the President. By the time the bill was reported to the Senate the President had sent further estimates which increased the same to \$140,953,184, but this bill carries only \$126,294,119, which is a saving of \$14,659,064.

I cite these figures to quiet the fears of certain Senators who are, in my opinion, unduly perturbed about the ability of the House and Senate Committees on Appropriations to reduce expenditures. This is a deficiency bill, the primary purpose of which is to provide for governmental obligations which have been already established, yet a cut of approximately 10 per cent has been successfully made.

Such action is fully justified because the Federal Budget must be balanced. If the income of the Government continues to be less than its expenditures, United States bonds will decline still more in price and new issues can not be disposed of at their face value except there is a material

increase in the interest rate. Without a balanced Budget the \$2,000,000,000 of new securities to be floated as a result of the passage of the act to create the Reconstruction Finance Corporation can not be sold at par, and that plan of economic relief will be a failure.

I have no hesitation in asserting that all necessary steps will be taken at this session of Congress to balance the Budget so that any person who purchases a security backed by the Federal Government will be completely assured that his investment, together with the interest thereon, will be paid in full without default of any kind. This result will be accomplished by action in two directions.

One effective means will be to increase the amount of money paid into the Treasury by the passage of a revenue bill which is now being considered by the Committee on Ways and Means of the House of Representatives. Let me reassure any Senator who may be unaware of the fact that upon that committee are a number of veteran Representatives who have been through many hard-fought revenue battles and are thoroughly familiar with every feature of taxation which may be adopted by Congress. Under the leadership of COLLIER, CRISP, and RAINEY we can be sure that ample sums will be provided in a manner such as will lay the least burden upon the common people of America, who are the worst sufferers during the present hard times.

The second direction of attack will be to decrease the expenditures of the Government by reductions in the appropriation bills as finally passed by the House and Senate. Again I ask Senators to abate their fears, because the membership of the Committee on Appropriations of the House of Representatives is largely made up of Representatives who, through years of experience in dealing with bureau chiefs, are experts in knowing how to cut Budget estimates without material injury to the public service. Congressmen like BYRNS and BUCHANAN and TAYLOR and OLIVER and the other clear-thinking members of that great committee can be depended upon to lead the way to true economy.

The Committee on Ways and Means and the House Committee on Appropriations will each have the whole-hearted support of the Speaker in the efforts made by each in its own way to balance the Budget. No man ever occupied that high office who was better qualified to guide the House of Representatives in the enactment of legislation to meet the financial crisis which now confronts the Federal Treasury than JOHN N. GARNER.

I make these observations as one who served for 15 years in the House of Representatives and, therefore, is qualified to speak. I ask those Senators who within the past few days have indicated alarm that there would be a wild riot of appropriations to calm themselves. If they will only wait with patience until the several appropriation bills come over from the House, all cause for their apprehensions will be removed.

The way to reduce appropriations is not by blind cutting and slashing. Expert surgery is required to remove the cancers and tumors that have grown within the departments and bureaus, expert surgery which will take out all unhealthy tissues and yet leave the bone and sinew necessary for a proper functioning of the Government.

Several Senators have said that they propose to question every important item in future appropriation bills. Permit me to suggest to them that before exposing their lack of knowledge on the floor of the Senate they take the time and burn some midnight electric current, as do members of your Committee on Appropriations, to read the hearings before the Committee on Appropriations of the House of Representatives. Instead of wasting the time of the Senate and interfering with the prompt dispatch of public business, they can readily satisfy themselves that in the great majority of instances proper economy has been practiced and the need for the appropriations has been fully justified.

Properly to find a way to balance the Budget we must recognize that there are three distinct kinds of governmental expenditures, the first of which are certain fixed charges which can not be reduced. Two striking examples of appropriations which will not be cut are interest on the public debt and pensions or compensation to war veterans.

The second class consists of payments for services rendered by the Government to the American people from day to day. The Senator from Mississippi [Mr. HARRISON] has enumerated and explained the character of these expenditures in such detail that I need not repeat what he has so forcefully brought to the attention of the country. To avoid possible offense to any particular interest, let me state the hypothetical question as to whether it is worth while to ascertain that there is a market in Abyssinia for American made silver-plated collar buttons.

If such collar buttons are manufactured in this country those who produce them are no doubt anxious to enter every foreign market with their product. But the question now is whether the American Government can afford to go into debt in order to furnish that kind of trade information. Data thus acquired and distributed has no permanent value. It is good only for the time being, and unless the diffusion of such knowledge ultimately stimulates business to a degree that enough taxes are indirectly collected to pay for its cost, the whole operation is wasteful.

Let us therefore measure every expenditure of a temporary or ephemeral nature by this yardstick: Is the service so valuable that it must be maintained even if the Government is compelled to borrow money to carry it on? I am confident that this rule will be generally followed and that the resulting economies will be surprisingly great.

The third and last class of appropriations is made to provide for public works which will be needed and useful for many years. Money thus used is a capital investment which can only be justified if the work done will pay dividends to the public through a long period of time. If such construction will ultimately have to be undertaken anyhow, the factor of low present costs can be balanced against interest charges if borrowing is necessary in order to provide the needed funds.

When this bill was under consideration by the Senate Committee on Appropriations several witnesses were asked to appear at my request to testify as to one kind of public work, to wit, roads. It was my desire to ascertain just what sums had been expended by the various road-making agencies of the Federal Government during the last calendar year and how much money would be expended for the same purpose during this year, 1932. I asked for this information by calendar years because highway construction is seasonal and the operations of one fiscal year are almost invariably continued into the next.

The replies to inquiries made by members of the committee developed from the witnesses the astounding fact that approximately \$125,000,000 less money will be expended on public roads by the Federal Government in 1932 than was spent for a like purpose in 1931. Translated into terms of employment, this means that between fifty and sixty thousand men who had work last year on roads will this year be thrown back into the body of the unemployed. This deplorable result will be attained notwithstanding the further fact that road construction can be accomplished at rates averaging 25 per cent less than during the period from 1925 to 1929.

Mr. TRAMMELL. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Florida?

Mr. HAYDEN. I yield.

Mr. TRAMMELL. I do not like to interrupt the Senator, if he prefers not to be interrupted, but I should like to know if the reduction in the expenditures for roads is due to a curtailment of the appropriation or whether it is due to the inability of the States to cooperate upon the basis required under the Federal appropriation for highways?

Mr. HAYDEN. The Senator will remember that at the last session of Congress an emergency appropriation of \$80,000,000 was made for road construction, as recommended by the President in a Budget estimate transmitted in December, 1930. No such recommendation was made by the President this year. The primary reason for the lack of road funds is that Congress has not appropriated the money.

Mr. BLACK. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Alabama?

Mr. HAYDEN. I yield.

Mr. BLACK. I am interested to know whether the fifty or sixty thousand men to whom the Senator refers are those who are directly employed in road construction or does it include those who are directly and indirectly employed in connection with such construction?

Mr. HAYDEN. I referred only to those who are actively employed in the construction of roads. There is very interesting testimony at the hearings to show that 85 to 90 per cent of every road dollar ultimately goes to labor. The Chief of the Bureau of Public Roads testified that it took a total of about \$350 to keep one man employed on road construction, of which the man received \$75, but, going back behind that one man into transportation, into the manufacture of cement and all other materials that go into road construction, ultimately between 85 and 90 per cent of the road dollar goes to labor. In my remarks I referred only to men actually employed upon Federal-aid road projects and similar work financed in whole or in part by the Federal Government.

Mr. BLACK. May I ask the Senator, if he has conveniently at hand the information, as to the number of men who are deprived of employment indirectly by reason of the failure of the Government to spend as much money for roads this year as it spent last year?

Mr. HAYDEN. I am sorry that I can not give the Senator that information, but it could be readily figured out on the basis I have stated.

Mr. BLACK. It is my understanding, I may say to the Senator, if he will yield for one further interruption, that there are more men employed indirectly in providing the materials for building the roads than are employed in the actual building of the roads.

Mr. HAYDEN. There is no question about that.

To summarize the testimony before the committee, the first witness, Mr. Samuel M. Dodd, chief finance officer of the Bureau of Indian Affairs, testified that during the last calendar year, 1931, there was expended by the Bureau of Indian Affairs \$557,726 on road construction, and that this year there would be available \$360,000.

The next witness was Mr. Thomas H. MacDonald, Chief of the Bureau of Public Roads, who testified that the Bureau of Public Roads paid over to the States in 1931 \$244,500,000, and that there would be available for payment to the States during this calendar year 1932, \$130,000,000, being a net reduction of \$114,000,000.

The next witness was Mr. T. W. Norcross, Assistant Forester of the United States Forest Service, who testified that on forest highways and forest development, road and trail construction, and other similar expenditures the United States Forest Service actually expended in 1931 \$21,450,000, and that there would be available in 1932 only \$11,320,000.

Mr. Horace M. Albright, Director of the National Park Service, testified that his service expended \$8,310,000 in 1931 and would expend \$7,260,000 in 1932.

The total expenditures for 1931 by these four road-making agencies of the Federal Government were \$274,810,000; and their total expenditures this calendar year will be but \$148,940,000, or a decrease of \$125,870,000. Frankness compels me to say that I had no idea that there would be any such reduction in Federal road expenditures this year. Let me emphasize what I have said by presenting the following tabulation:

Road-construction expenditures

	1931	1932	Decrease
Bureau of Public Roads.....	\$244,500,000	\$130,000,000	\$114,500,000
Forest Service.....	21,450,000	11,320,000	10,130,000
National Park Service.....	8,310,000	7,260,000	1,050,000
Indian Service.....	550,000	360,000	190,000
	274,810,000	148,940,000	125,870,000

Incidentally, we had before the committee also the Acting Supervising Architect of the Treasury, who testified with respect to public buildings. His testimony may be summarized to this effect:

That the Treasury Department is now going ahead at high speed in the construction of public buildings. The rate is so high that immediate additional appropriations could not well be used. It was stated, however, that in the absence of any authorization by Congress for new construction, there will be no public buildings built outside of Washington except a few large projects in cities like New York and Chicago. Throughout the country generally there will be no public construction in the year 1933. All the present authorizations will be used up this year. Nothing further can be done, even in the way of increasing the size of an existing building, without future action by Congress.

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

Mr. HAYDEN. I yield.

Mr. BLACK. May I ask if the Senator has available the amount that is to be spent in the city of Washington, while none is being spent throughout the entire country?

Mr. HAYDEN. I am sorry, but the committee did not question the Acting Supervising Architect on that point. That fact does not appear in the hearings.

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

Mr. HAYDEN. I yield.

Mr. KING. I am not sure that I understood the Senator's last statement. My recollection—it is rather an impression—is that there are some four or five hundred, possibly more, Federal buildings in course of construction in Washington and throughout the United States, and that there will be a large amount of work done upon those buildings in 1933, and some may not be completed until 1934.

Mr. HAYDEN. Let me read from the hearings the statement of Mr. L. C. Martin, the assistant to the Assistant Secretary of the Treasury in charge of public buildings. First, however, I shall read this statement by Mr. Wetmore, the Acting Supervising Architect:

We are going pretty rapidly, putting a building in commission every few days, finishing a building, practically, and putting a new one under contract practically every working day, which means about 24 or 25 buildings a month.

Then Mr. Martin said:

In other words, of the 816 projects authorized, we have completed or have under contract right now, in whole or in part, about 430 of those projects.

We have on the drawing boards or on the market over 300 projects now. Those 300 projects we expect to place under contract this calendar year. Possibly a few stragglers may go into 1933; but most of our authorized program—that is, projects specifically authorized—will be under contract by the end of this calendar year.

Mr. Wetmore said:

We came down here with five installments—

That is, of authorizations—

that have been made, and the sixth installment is due about this time. The department is prepared to submit that sixth installment to such an extent as the Bureau of the Budget indicates that it can send down appropriation estimates for.

Up to the present time they not only have not given any figures, but they have indicated the possibility that no installment is to be sent down to this session of Congress.

Then I summarized the situation by asking this question, which was answered in the affirmative:

Well, if nothing is done, you will run out of work completely by the end of this year?

That answer was qualified by stating that there are some good-sized projects in large cities and in the District of Columbia that the Supervising Architect's office could be occupied with, but that elsewhere in the country there would be no public-building construction in 1933.

The Senator from Montana [Mr. WALSH] a few days ago introduced a resolution, which was adopted by the Senate, requesting the Federal Employment Stabilization Board to transmit to the Senate—

A list of construction projects, as contemplated in the act approved February 10, 1931—

That is the Wagner Act—

which in the judgment of said board might wisely be undertaken within the next ensuing period of six years, with information as to each such project as to the extent to which studies of the same have been prosecuted to determine their feasibility and cost and the result of such studies, indicating with respect to each project the time necessary to prepare necessary plans and specifications.

I am advised that a report responsive to the Walsh resolution will be made to the Senate in a few days; but, anticipating that report, I asked these various officials who appeared before the Senate Committee on Appropriations as to what road construction they were prepared to do immediately, and briefly it is this:

The Chief of the Bureau of Public Roads said that his bureau could efficiently and economically expend as much money as was paid out to the several States last year, within 10 per cent one way or the other. The Bureau of Public Roads expended \$244,000,000 in 1931, and that would justify a figure of approximately \$250,000,000 for which there are Federal-aid road projects in the United States ready to give immediate employment to labor.

The officials of the United States Forest Service estimated that for all purposes they could expend \$25,000,000 instead of the \$21,000,000 that was similarly used last year.

The National Park Service has a program that contemplates an expenditure of about \$8,000,000 a year, which is practically what that bureau had last year.

The Bureau of Indian Affairs submitted a list of estimates from their superintendents throughout the United States aggregating \$1,183,700 for road work on Indian reservations that could be immediately undertaken. This program does not include detailed estimates that have been made for a highway from Fort Defiance to Tuba City amounting to \$347,000, and another from Crown Point to Chaco Canyon involving \$138,250, or a total of \$485,250 in excess of the total I have just stated.

I ask leave to include in the RECORD a tabulation of these estimates in round figures.

The PRESIDING OFFICER (Mr. COUZENS in the chair). Without objection, that may be done.

The tabulation is as follows:

ESTIMATES FOR 1932 ROAD CONSTRUCTION	
Bureau of Public Roads.....	\$250,000,000
Forest Service.....	25,000,000
National Park Service.....	8,000,000
Bureau of Indian Affairs.....	1,000,000
	284,000,000

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

Mr. HAYDEN. I yield.

Mr. COPELAND. Did the Senator ascertain from the Roads Division of the Agricultural Department what percentage of the road dollar goes for labor?

Mr. HAYDEN. The Senator from New York was not present when I answered that question a few moments ago. The facts were furnished in great detail and I respectfully refer any Senator who is interested to the hearings before the Committee on Appropriations upon that point. Mr. MacDonald not only explained it verbally but he also placed in the record a table showing the breakdown of the road dollar, to the end that 90 per cent of it goes ultimately to labor.

Mr. COPELAND. I am glad to hear the Senator say that, because in talking with the commissioner of roads in New York the other day he told me that 90 cents of every road dollar goes for labor. I was very much impressed with that statement, and I am glad to have it confirmed by what the Senator has said.

Mr. HAYDEN. When the bill was under consideration by the Senate Committee on Appropriations it was further ascertained that there is now unappropriated out of the total Federal-aid authorizations the sum of \$42,400,000. In co-operation with the Senator from South Carolina [Mr. BYRNES] I prepared an amendment to this deficiency bill authorizing that amount of money to be used in the same manner as was the emergency appropriation of \$80,000,000

a year ago. The parliamentary question was raised—and properly so—that the amendment would change existing law, which would be contrary to the rules of the Senate, so far as an appropriation bill is concerned, and therefore the committee could not adopt it. The text of our proposed amendment was as follows:

There is hereby appropriated and made available for apportionment to the several States, under the provisions of the Federal highway act as amended, to meet the provisions of such acts as to State funds required on Federal-aid projects, the unappropriated balance of appropriations heretofore authorized for carrying out the provisions of said acts, such balance to be exclusive of the amount carried in the Department of Agriculture appropriation bill for the fiscal year ending June 30, 1933.

I am glad to report that a legislative committee of the Senate, the Committee on Post Offices and Post Roads, yesterday began a hearing upon a bill introduced by the Senator from Nevada [Mr. ODDIE], the chairman of the committee, to authorize appropriations for Federal aid for the next two fiscal years. There appeared before our committee the president and the secretary of the American Association of State Highway Officials. That hearing will be continued this afternoon. I have offered an amendment to the Oddie bill, S. 36, which I ask to have printed in the RECORD, that provides for emergency road construction during the calendar year 1932.

The PRESIDING OFFICER. Without objection, that order will be made.

The amendment is as follows:

At the end of the bill insert the following:

EMERGENCY CONSTRUCTION

SEC. 5. That the following sums are authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of providing emergency construction on public roads during the remainder of the calendar year 1932 with a view to increasing employment; namely—

NATIONAL PARK SERVICE

Roads and trails: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks and national monuments under the jurisdiction of the Department of the Interior, \$1,500,000.

BUREAU OF INDIAN AFFAIRS

Indian reservation roads: For construction and maintenance of roads and bridges within Indian reservations, \$1,000,000.

FOREST SERVICE

National forest highways: For the construction and improvement of highways within the boundaries of national forests, \$5,000,000.

Improvement of national forests: For the construction and maintenance of roads, trails, bridges, fire lanes, etc., including the same objects specified under this head in the agricultural appropriation act for the fiscal year 1932, \$5,000,000.

ODDIE-COLTON ACT

Roads on unappropriated or unreserved public lands, nontaxable Indian lands, etc.: For the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations, under the provisions of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved June 24, 1930 (46 Stat. 805), \$3,000,000.

BUREAU OF PUBLIC ROADS

Federal-aid highway system: For apportionment to the several States under the provisions of the Federal highway act, as amended, \$120,000,000: *Provided*, That the provisions of such act as to State funds required on Federal-aid projects shall not apply to this appropriation, except that no part of this appropriation shall be paid to any State which shall change its laws during the year 1932 relative to the use of income of the State now exclusively devoted to the construction and maintenance of roads: *Provided further*, That the amounts advanced in consequence hereof shall be limited in each case to the sum actually paid out by a State under such advance for work performed before December 31, 1932, for the construction of Federal-aid projects: *Provided further*, That should any State fail to claim any part of its allotment hereunder the President may reapportion such unclaimed funds to States capable of using them prior to December 31, 1932.

Mr. HAYDEN. I have offered my amendment as a working sheet. We will develop by testimony before the Committee on Post Offices and Post Roads just how much money can be actually expended in an economical way on roads this year. If, in the wisdom of the committee, my amendment

is added to the Federal aid authorization bill, the Senate will then have an opportunity to pass upon the question as to whether it shall be the policy of the American Government to discharge men who were employed on the roads last year and throw them back into the body of the unemployed, or whether it is desirable that the Government shall at least continue its road work on the same basis as was done last year. That issue will be clearly presented to the Senate. The hearings before the committee will show whether or not any such projects as may be included within the sums authorized are ready to be carried out. That is, are plans and specifications prepared? Has all the preliminary work been done? Can the States undertake this work immediately?

Mr. KING. Mr. President—

Mr. HAYDEN. I yield to the Senator from Utah.

Mr. KING. Does the Senator think that Congress ought to determine upon these projects without consultation with the States, and that Congress ought to project a policy that might be unacceptable to the States?

May I say that I am prompted to ask that question for the reason that I have received a number of communications from individuals within States, some of them speaking in part for State organizations or the States themselves or State municipalities, saying that the States have been burdened almost beyond their power of recuperation in road building, and that they are not inviting—I am speaking now of those who communicated with me—further appropriations by the Federal Government if they would require matching by the States. Of course, back of it is the plan to have the Federal Government undertake the construction of roads without contribution by the States.

Mr. HAYDEN. I can answer the Senator by saying that the Committee on Post Offices and Post Roads is doing just what he suggests. We are having before the committee—we had them yesterday and will have them again to-day—representatives of an organization which consists of officials representing the highway departments of every State in the Union. The Senator's proposition will be taken up with them very carefully.

As to the question of whether or not money advanced by Congress shall be matched by the States in the ordinary way, let me say to the Senator that last year, in 1931, Congress adopted the view that we should appropriate, and we did appropriate, \$80,000,000 out of the Federal Treasury which was used to match other Federal-aid appropriations, so that the States had the benefit of a large amount of road work without having to levy any further burden upon their taxpayers. The plan contemplated a reimbursement in five years; and, as a matter of fact, if Congress appropriates \$125,000,000, the normal sum for the next fiscal year, the actual amount of money that will be available for matching will be only a little over \$105,000,000, because one-fifth of the emergency appropriation of \$80,000,000 will be deducted to carry out the purpose of existing legislation.

Frankness compels me to say that there is a very serious question as to whether the Federal Congress should impose any additional burden upon the States. I can assure the Senator that that question will be gone into very carefully by the Senate Committee on Post Offices and Post Roads before any legislation is recommended for passage. We will make diligent inquiry to determine what is the proper procedure, recognizing always that there is an insistent and a legitimate demand throughout the United States that some program of public works be carried on to provide work for the unemployed.

What those of us who have considered this matter in these committees have had in mind involves no extravagant and unsound expenditures. We are simply trying to find out what road work is now ready and can be undertaken in the usual, normal way, and to determine whether or not Congress should continue to carry on that kind of public work at the same rate as was done last year.

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

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Tennessee?

Mr. HAYDEN. I yield.

Mr. McKELLAR. I want to ask my friend from Arizona where we are going to get the money to carry on these projects. We have this awful deficit staring us in the face, and we have already authorized billions of dollars of appropriations. Where in the world are we going to get the money to invest other scores of millions or hundreds of millions more in roads?

I want to say to the Senator that there is nobody in the world who is a greater advocate of good roads than I am. I have been an advocate of Federal aid in road building since I have been in Congress. The first speech I made in the House, I think, was made on that subject, and I was ridiculed at the time for having made the speech. I have always been a friend of public roads. But at the present time, with a tremendous deficit staring us in the face, I do not see how it is possible for us, as trustees of the people, to invest, or attempt to invest—I do not know whether we could sell our bonds for enough to invest—in further appropriations for this very worthy purpose.

Mr. HAYDEN. Mr. President, I am glad the Senator from Tennessee asked me the question he has propounded. I began my remarks by stating that we must have a balanced Budget, and nothing I have said in the course of my remarks should be interpreted as intimating that I propose to go outside of a properly balanced Budget to carry on Federal road construction. But I do insist that the amount of money necessary in order to carry on Federal aid in the United States in the same manner in which it was done during the year 1931 is not so great a sum that it can not be properly estimated for in a balanced Budget. In carrying out the program of balancing the Federal Budget at this session of Congress I respectfully say that, so far as the sum that I have mentioned is concerned, \$125,000,000 can be considered and included in a perfectly balanced Budget. That sum will allow the Federal Government to go on and do in this calendar year as much road construction as was done in the year 1931.

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

Mr. HAYDEN. I yield.

Mr. McKELLAR. The Senator was before the Post Offices and Post Roads Committee yesterday, and I looked over some of the figures as to road building during 1931, and desire to say that I do not believe I ever have known of such extravagance in road building, I mean in the cost of the roads actually built in this country. In other words, I think it cost more per mile to build roads in 1931, judging from the figures which were submitted to us yesterday, than it has ever cost in the history of this country.

Mr. HAYDEN. I had occasion to examine the same figures, and I intend to look into them further. I think the Senator from Tennessee has misinterpreted them, because we have the statement of the Director of the Bureau of Public Roads, based upon an examination of contracts made throughout the entire United States, that actual costs of construction in the year 1931 averaged about 25 per cent less than for the period from 1925 to 1929. That is a fact which can be thoroughly developed before the hearing is over.

Mr. McKELLAR. I examined the figures of one State—I will not say of what particular State—and I found that about one-fifth of the roads constructed in that State were concrete, about three-fifths were macadam, a small proportion were dirt roads, and a very small proportion roads of other kinds. The average cost of those several kinds of roads, the greater part of them macadam, was a little above \$25,000 per mile, and that is entirely too much for even a concrete road at this time.

Mr. HAYDEN. I believe that the Senator will find on reexamining the figures, first, that the sum given probably included bridges.

Mr. McKELLAR. No.

Mr. HAYDEN. Second, that it included maintenance on all the other roads in the State, which makes a very great difference.

Mr. McKELLAR. It did not include the bridges; but, even assuming that it included maintenance, \$25,000 a mile for 75 miles of dirt road, 95 miles of concrete road, and 300 miles of macadam road is an enormous sum to have spent for roads in the last year.

Mr. HAYDEN. I am sure that the Senator will find that the amount of money was not devoted exclusively to the particular number of miles of road set out in the table, but it also included maintenance of State highways elsewhere.

Mr. KING. Mr. President—

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

Mr. HAYDEN. I yield.

Mr. KING. I call the Senator's attention to a fact which doubtless he has considered. I am sure he has heard already of some suggestion that the Federal Government forgive the States the amount which the Federal Government has advanced to them and which it will be paid over a series of years.

Mr. HAYDEN. Let me interrupt the Senator right there. I have heard no such suggestion. It was clearly stated yesterday by the president of the American Association of State Highway Officials, a most responsible organization, that it was thoroughly understood that if the normal appropriation of \$125,000,000 should be continued for the next two fiscal years, that being the same amount that was allowed for this and the previous fiscal year, it would actually mean that there will be available only a little over \$105,000,000. Everyone understands that one-fifth of the amount of money especially appropriated in December, 1930, will be deducted from that amount, and the States propose to keep the bargain. They spoke in a most responsible manner, as officials of the several States who handle the highway work of the entire country.

Mr. KING. May I say to the Senator that I shall regard it as a very unfortunate thing if we establish a policy that the Federal Government make loans to States and municipalities. I felt constrained to vote against the amendment offered by my friend, the senior Senator from New York [Mr. COPELAND], yesterday, though he pleaded with great zeal and with great earnestness. I feel that it is a very dangerous thing for the Federal Government to establish a sort of paternalistic attitude toward the States and say to them, "When you get into distress we are going to loan money to you." We have to take it out of the States by the strong arm of taxation. It costs from 10 to 15 per cent to take it out of the pockets of the people and transfer it to the Federal Government, then transfer it back again, through the expensive and inefficient administration of Federal bureaus.

I suggest to the Senator that if his committee is considering that matter, it would be most unwise, if I may be pardoned for making the suggestion, to contemplate that the Federal Government shall make loans to the States for road purposes, or for any purpose.

Mr. HAYDEN. I feel inclined to agree with the Senator. I think there is one of two things to be done: First, continue under the system now authorized by law and make the necessary authorizations as justified by proper hearings. Second, if it is found that the States can not match Federal aid in this present emergency and depression, we should frankly recognize the fact, as was done in 1931, and make a direct appropriation for that purpose. Let us meet the issue fairly and squarely and act accordingly.

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

Mr. HAYDEN. I yield.

Mr. McKELLAR. The Senator will recall that the system of Federal aid in the construction of roads was first entered upon in 1918, under the leadership of Senator Bankhead, of Alabama, the father of the present Senator BANKHEAD. I think the first appropriation was \$75,000,000, to be matched by the States; that is, a State's quota was to be matched by each State.

For 10 or 12 years we followed that appropriation with marvelous results; indeed, I think we got better results with the expenditure of the \$75,000,000 than we have received in the last year or two with the increased amount. So far as I can see the situation, I think we ought to pay back that which we agreed to pay back last year. We made the appropriation on the part of the Government in order to let the work go on in the States on the theory of helping people to get employment. We agreed to pay that back in five years, and the Budget has come in this year with a recommended appropriation of \$105,000,000, instead of \$125,000,000, the amount appropriated the year before, and even so, it is some \$30,000,000 more than we have been appropriating through all these years.

I am of the opinion that probably the best course would be to fall back on the \$75,000,000 a year, under which amount we made such great strides in this country, and under which we have secured such marvelous roads in this country.

Mr. HAYDEN. I am sorry I can not agree with the Senator's proposal which means that Congress shall slow down the great progress we have made in road construction throughout the country.

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

Mr. HAYDEN. I yield.

Mr. COPELAND. When I first came into the Senate, eight or nine years ago, I was in bitter opposition to these Federal appropriations for roads. I have no pretense of knowledge of law, but a layman can read the proceedings of the Constitutional Convention and see that the fathers had never intended that the roads provided for should be anything more than post roads to facilitate the carrying of the mails, in pioneer times. When Franklin proposed that added to that should be the building of canals, he was immediately squelched by the convention, on the theory that a canal was a local improvement. So it was my feeling that the building of roads within the States through Federal aid was an invasion of the Constitution. But the Congress has by overwhelming vote taken a different view of the matter and has continued to appropriate money for this purpose in spite of my own opposition.

Now, there is an extraordinary condition with which we have to deal. The old-time views have to be thrown into the discard. How are we going to face this great problem of unemployment? How are we going to put people to work? Just as surely as that we are born, men will not starve or permit their families to starve. I do not need to argue that proposition. Some way or other the people without work and without legitimate means of getting food are going to get the food.

If it is true that 90 cents of every dollar appropriated goes for labor, directly or indirectly, how can we better the unemployment conditions in America, how can we find a better way of improving conditions, than by the building of roads? As I understand it, this matter has been thoroughly studied by the department involved. In this crisis, how can we more directly help labor than by making these appropriations? If there is any other way of doing it, I would be glad to know what it is, but certainly some means must be found of setting people to work in America. They must have a living. They can get no luxuries, but at least they must have the necessities.

Mr. HAYDEN. Mr. President, if the Senator from New York will permit, I want to point out that the plan I am advocating contemplates merely that road employment stimulated by the Federal Government shall continue this year at approximately the same rate as last year. It involves no vast expansion in the amount of road work to be done in the country as a whole.

A very interesting map was exhibited to the Senate Committee on Appropriations by the chief of the Bureau of Public Roads, which showed that practically in half of the 3,000 counties of the United States advantage had been taken of the emergency appropriation made by the Congress in December, 1930, thus demonstrating how widely the employment was diffused.

Mr. President, in conclusion let me say that in my opinion it is wholly consistent with a balanced budget to provide \$125,000,000 as the Federal share of emergency road construction during the calendar year 1932. This is no fantastic scheme which contemplates large authorizations running perhaps into billions of dollars for which no plans have been prepared and for which no accurate estimates are available. Let us stand on solid ground and appropriate no money except where responsible Federal officials can give positive assurance that they are ready to put men to work immediately.

No American taxpayer can seriously object to an increase in the Federal revenues equivalent to a dollar from each inhabitant of the country to give employment to labor at a time when materials and supplies are costing a quarter less than normal. Every taxpayer can know that this money will be spent for improved roads, which will serve the whole Nation for many years to come.

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Massachusetts?

Mr. HAYDEN. Certainly.

Mr. WALSH of Massachusetts. May I invite the attention of the Senator to another appropriation in the pending appropriation bill which several correspondents have called to my attention? The only letters that I have received protesting against any item in the bill have been in connection with the appropriation providing for payments to the next of kin of deceased Senators and Representatives. Some of the letters have been very strong in opposition and have come from a class of people who never before made protests of this character.

The amount of money appropriated for that purpose in the bill now before us is \$130,000, \$10,000 to the estate of each deceased Member. Not only is that sum of money appropriated for the widows and other kin of deceased Members of the House and Senate but the custom also prevails in this body and in the other body of paying the funeral expenses in such cases. The sums appropriated for this purpose run into large amounts in particular cases. I can well understand the fact that this custom has grown up and will be very difficult to stop. It is embarrassing to discuss it, but the public are discussing it and we should do so. I do not ask that it be stricken from this bill, but I do think that if we seriously propose to reduce appropriations of the Federal Government, we ought now to declare a policy, or at least the Committee on Appropriations should, that in the future we will make no more such appropriations, or at least reduce the amount from \$10,000 in each case to half the amount.

It seems to me that there is no more justification for paying the kin of a deceased Member of Congress money and funeral expenses because of his death while in the service of his country than for paying like expenses to the humblest laborer, the poorest woman who scrubs the floors in the Capitol. There is no justification for a policy that singles out the Members of Congress to be given this bonus or gift when other people in the employment of the Government are not entitled to it, or at least do not receive it.

I speak of this matter now because I observe from the letters to which I have referred a trend of unfavorable public sentiment that will increase more and more unless we take some steps to economize in this direction as well as reduce other governmental expenses. We ought to consider a change in this practice, especially during this period of depression, when the clamor for reducing expenses is loud and increasing in force and volume.

May I suggest to the Senator from Arizona that his committee make an announcement that in the future these payments will not be made and that we intend to abandon these payments? If we can not cut these items out entirely, at least we can reduce the sums appropriated. The payment of the balance of the year's salary of a deceased Senator or Representative ought to be ample.

Mr. HAYDEN. Does the Senator happen to know how long that ancient custom of paying gratuities to relatives of

deceased Members has been in effect? Has he pursued his investigations to an extent that he can tell the Senate when it was first inaugurated?

Mr. WALSH of Massachusetts. No; I do not know that. I assume for several years. I know that I was shocked by some figures that were presented for the payment of funeral expenses of Members of this body and which I seriously hesitated to approve. Let us set an example of economy and begin reducing our own Senate appropriations. I suggest that we take a step now through the Committee on Appropriations, so the country may know that in the future these payments will not be made, or at least that we will reduce them.

Mr. HAYDEN. Let me state that funeral expenses are paid out of the contingent fund of the Senate. The Senate Committee on Appropriations merely suggests the appropriation of a lump sum which goes into the general contingent fund. It would seem entirely proper for the Senator from Massachusetts to present that matter to the Committee to Audit and Control the Contingent Expenses of the Senate. I can say to the Senator, from conversations I have had with members of that committee, that I know they are carefully scrutinizing every dollar of expenditures requested from that fund. The membership of the Committee to Audit and Control at the present time has been and is being more than careful about items presented to them for approval in these days when the Treasury is so short of money.

Mr. WALSH of Massachusetts. I would like the Senator's comment and suggestion upon my proposal that the Appropriations Committee now begin to end this custom and practice.

Mr. HAYDEN. Let me suggest the nature of the embarrassment the Senator from Massachusetts is proposing to place upon the Senate and its Committee on Appropriations. Always, because of its larger membership, more gratuities of this kind are paid to the widows and relatives of Members of the House of Representatives than of the Senate. If the Senator will examine the pending deficiency bill he will find that there are 2 instances in the Senate and 11 from the House making up the total of the amount to which he has referred. If any such reform is to be effective it will have to start in the place where most of the money is expended, and that would be in the House of Representatives. The Senator understands the relationship between the two bodies of Congress.

Mr. WALSH of Massachusetts. Certainly.

Mr. HAYDEN. I respectfully suggest to the Senator that the State of Massachusetts has a large and influential delegation in the House of Representatives. If the Senator will take up this question with the Congressmen from his State, many of whom occupy key positions in that body, he can then ascertain whether the reform which he so ably advocates can not be initiated where the largest expenditures necessarily arise. I am certain the Senate will cheerfully follow any example or precedent that the House may establish in the matter; but after the House of Representatives has passed a bill making such appropriations to relatives of deceased Members of the House, to ask the Senate to strike the particular items from the bill and raise that kind of a personal question with another body would be most embarrassing indeed.

Mr. WALSH of Massachusetts. Does the Senator know of any State legislature which appropriates money to pay such sums as these to the families of deceased members of the legislature?

Mr. HAYDEN. I am not at all familiar with the customs of State legislatures.

Mr. WALSH of Massachusetts. Let me say another word in conclusion, with the Senator's permission. I look to see developed in this country two opposing camps if present depressed conditions continue. On the one hand will be the well-paid and secured municipal, State, and Federal employees; on the other hand the unsecured, underpaid working men and women of the country. There is likely to

develop a clash of interest between the men and the women who are unable to get work or to get only two or three days of work a week and are underpaid, and Government employees. It is already apparent that there is a growing disposition to antagonize the secured, highly paid Government official. We must, in my judgment, be prepared to meet that situation and therefore should be very careful about our immediate and personal expenditures.

Mr. McKELLAR. Mr. President, may I call attention to the fact that last year we increased our appropriation for good roads considerably over 100 per cent; indeed, if I recollect right, it was about 200 per cent; whereas, according to the reports we received yesterday, 16 of the States built far less roads than they have built before. The really hard-surfaced roads were hardly increased at all, although our Federal appropriations for roads were increased nearly 300 per cent. I have very great doubt whether an increase in appropriations for roads will furnish more work for those who build roads.

Mr. COPELAND obtained the floor.

Mr. BLACK. Mr. President, will the Senator from New York yield to me to make a brief comment on the statement of the Senator from Arizona?

Mr. COPELAND. I am glad to yield to the Senator from Alabama for that purpose.

Mr. BLACK. Contrary to the general idea, the contribution of the Federal Government to the public-highway system is very small. It was less than 4 per cent last year. Of all the money spent on highways throughout the country the Federal Government contributed less than 4 per cent.

I desire to invite the attention of the Senator from Arizona [Mr. HAYDEN], as a member of the Committee on Appropriations, not with reference to the failure to repay but to a consideration of what should be the appropriate amount or proportionate amount paid by the Federal Government for the building of a highway system throughout the country. I deny that the Federal Government is contributing its pro rata share to the completion of a highway system for the Nation. It has the capacity to tap sources of wealth which the States can not touch. For that reason it should contribute more for the building of public roads throughout the country, considering that 85 cents out of every dollar goes to labor. By placing the tax where it should be placed, on those who have accumulated large wealth by exploiting the people in every section of the country, the Federal Government ought to be called upon to contribute more in proportion to the highway system than it has in the past.

Mr. COPELAND. Mr. President, I wish to say that I think the suggestion of the Senator from Arizona [Mr. HAYDEN] is a very modest one. As I understand it, he is asking not that we increase the appropriation this year for road building but maintain it at the old figure. Am I correct?

Mr. HAYDEN. Mr. President, the Senator has stated my position substantially correct.

Mr. COPELAND. Why should we not do that, Mr. President? If it is true that 85 or 90 cents out of every dollar will go to the employment of labor, how can we aid labor more than by the building of roads?

I am not in harmony with the views just expressed by the Senator from Alabama [Mr. BLACK]. There are some people living in the rich States who have accumulated their funds from activities wholly within the borders of their own State. Not all of the wealth of my State comes from Alabama or elsewhere, but I am sure that the taxpayers in my State in this emergency are willing to contribute the large sum which they must contribute to carry on this particular activity. Of all the things that are presented here for the consideration of the Congress which involve the expenditure of money I can think of no one thing which does more for the country, which does more for the States, which does more for the counties and for the people of our great country than the building of fine roads.

I share with the Senator from Arizona [Mr. HAYDEN] the hope that the Congress may take that view. I am sure the Senator is sorry, in view of my favorable attitude toward his

proposition, that he swept me from the floor in the unceremonious manner in which he did, but, of course, I forgive him for that.

Mr. HARRIS. Mr. President, I was very glad to hear the generous statement of the Senator from New York [Mr. COPELAND] in regard to an appropriation for good roads in the Western and Southern States. I am in sympathy with the efforts of the Senator from Arizona [Mr. HAYDEN] in regard to additional appropriations for good roads, and without requiring the States to match the amount. I so stated to the committee when the measure was before us and shall continue cooperating with him.

Last summer and fall when going over the State I insisted that if there was suffering in the United States on account of unemployment, although I favored strict economy, I would vote for large appropriations for good roads to give our people employment and to keep people from suffering for food or clothes. If we are to do that, as I said then to those people with whom I talked, there is nothing that would help the residents of my State more than appropriations, such as the \$80,000,000 we appropriated last year for good roads without requiring the States to match the amount.

This would give employment to thousands in my State. I was very much pleased recently to receive a letter from Governor Russell, of my State, urging Congress to enact legislation exactly along the line of my addresses I previously made in Georgia in the summer and fall. Governor Russell recently wrote the other members of the Georgia delegation in Congress. Appropriations made for good roads mean permanent improvements and can be built now at less expense than in the past. I hope to see the time when we shall have good roads from the farmer's home to his church, school, market, and county seat. Giving employment to people now would help do away with this depression.

There is one item in this appropriation bill that is exceedingly important to the farmers of the South as well as to all our people, who prosper only when the farmers get good prices for their cotton and other products. The item I refer to is the appropriation for the Federal Trade Commission which is being used to investigate the Cottonseed Trust in the South, which has caused the cotton farmers to lose many million dollars the past season. This combination has controlled and depressed the price of cottonseed oil all over the South. I believe this investigation shows there is a combination, and I hope something good may be accomplished to help the cotton farmers and prevent this combination.

RURAL SANITATION

Mr. ROBINSON of Arkansas. Mr. President, facts have come to my attention which establish the necessity for an emergency authorization of funds for rural sanitation. It will be recalled that last year, when the subject was under consideration, there was a reduction made, with the statement, apparently acquiesced in, that if the circumstances indicated imperative necessity additional funds would be supplied. A bill looking to that end and making the necessary provision has been introduced in the Senate and referred to the Committee on Agriculture and Forestry. It is my understanding that that committee has had the bill under consideration, but has not as yet reported upon it. I inquire of the Senator from Oregon if that is correct information?

Mr. McNARY. Mr. President, the bill to which the Senator from Arkansas [Mr. ROBINSON] makes reference was referred to the Committee on Agriculture and Forestry; and hearings, rather extensive in character, have been held thereon. I have called the committee to meet to-morrow morning in executive session to consider the bill, at which time, I think, some action will be taken by the committee.

Mr. ROBINSON of Arkansas. In that state of the matter I shall take no action with respect to the pending bill, anticipating that the committee probably will make a report recommending the authorization of such additional funds as may be required.

RECONSTRUCTION FINANCE CORPORATION

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial appearing in the Evening Sun of Baltimore, Md., under date of January 15, a copy of which has been received, I dare say, by other Senators. The editorial is entitled "Unlocking the Stable Door." With reference to this matter, Mr. President, I desire to make this very brief statement.

Within the hour the conferees on the Reconstruction Finance Corporation bill will be meeting to consider the measures passed by the respective Houses of Congress. It may very well be that the Finance Corporation to be established will enable some of the banking institutions of this country to put themselves in a liquid condition, and in their liquidity they may sit down and wait for business to recover as best it may. If that shall happen, the Reconstruction Finance Corporation is simply a proposal for a vast expenditure of public money for the benefit of those institutions in this country which are very largely responsible for present conditions.

The investigation being carried on before the Finance Committee, under the resolution of the Senator from California [Mr. JOHNSON], unquestionably discloses the reason for the vast and wild speculation that has gone on in the United States during the postwar period, not only with respect to foreign securities but with respect to domestic securities, both stocks and bonds. At bottom that period of speculation has been mainly induced because certain of the large banks in the United States have converted themselves into ordinary brokerage houses.

Mr. President, if the statement which I am asking to have inserted in the RECORD correctly portrays the fact, to wit, that since 1923 only one bank in Canada has failed, against a total of failures of banks in the United States of 7,805, the American system stands under the most severe indictment. We are, of course, all familiar with the fact that in Canada the continental system of branch banking has been developed, but nevertheless if these figures be correct the indictment against the American system is, indeed, severe.

The VICE PRESIDENT. Is there objection to the insertion in the RECORD of the editorial referred to by the Senator from Georgia?

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

[From the Baltimore (Md.) Evening Sun, January 15, 1932]

ON LOCKING THE STABLE DOOR

The announced purpose of the Reconstruction Finance Corporation (this is the \$2,000,000,000 one) is largely to thaw the frozen assets of banks that are in trouble.

The whole purpose of the depositors' relief corporation (this is the \$750,000,000 one) is to assist depositors in banks that have failed.

All the administration's efforts are being directed toward salvaging what may be salvaged from the wreckage of exploded banks. That this is important work no one will deny; but it is not the only work that should be done in connection with the banking situation. How about giving a little consideration to the banks before they bust?

That there is no inherent reason why banks should suspend is attested by a glance at the record of our nearest neighbor. The depression has extended into Canada. Industrially and commercially Canada is as bad off as we are; but examine the following table showing the number of bank failures in the United States and Canada for the last nine years:

Year	Failures in United States	Failures in Canada
1923.....	274	1
1924.....	915	0
1925.....	542	0
1926.....	573	0
1927.....	831	0
1928.....	484	0
1929.....	551	0
1930.....	1,345	0
1931.....	2,290	0
Total.....	7,805	1

Saving the remnants after a bank failure is important, but isn't it just as important for us to try to do something to keep our banks unbusted as well, as Canada keeps hers?

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 7360) to provide emergency financing facilities for financial institutions to aid in financing agriculture, commerce, and industry, and for other purposes; agreed to the conference asked by Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEAGALL, Mr. BRAND of Georgia, Mr. STEVENSON, Mr. MCFADDEN, and Mr. STRONG of Kansas were appointed managers on the part of the House at the conference.

CANADIAN SYSTEM OF LIQUOR CONTROL—STATEMENT BY JUDGE S. A. CLOCK

Mr. BROOKHART. Mr. President, I have an article from the Fort Dodge Messenger, of Fort Dodge, Iowa, containing a statement by Judge Sherwood A. Clock, judge of the United States District Court in Iowa, who has made a study of the workings of the Canadian liquor system and has found it to be a failure in almost every particular. I ask that the article may be inserted in the RECORD.

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

[From the Fort Dodge Messenger]

CANADIAN SYSTEM OF LIQUOR CONTROL HAS FAILED, SAYS CLOCK—SAYS IT WOULD FALL SHORT IN THIS COUNTRY, ALSO—HE AND JUDGE KENYON ARE SPEAKERS AT PRESBYTERIAN MEN'S CLUB WEDNESDAY

The Canadian system of liquor control has failed to solve the prohibition problem in the Dominion, and would prove a similar failure in the United States, District Judge Sherwood A. Clock declared in a talk at the monthly men's dinner of the First Presbyterian Church Wednesday night.

Judge Clock also decried the efforts of the recently organized Iowa Division of the Association Against the Prohibition Amendment to bring about repeal of the eighteenth amendment, and said the association should be "more concerned with the future welfare of Iowa's boys and girls than with the personal habits of the people."

Judge William S. Kenyon, of the United States Circuit Court of Appeals, was a guest at the dinner and spoke briefly. The program also included a solo by Mrs. Harry Nelson, accompanied by Florence Wright, pianist. The dinner was served by division D of the church social society.

SHOWS CRIME INCREASE

Judge Clock, in his discussion of the Canadian liquor-control system, offered figures to prove his contention that drinking, and with it crime, had increased under the Dominion method of supervising liquor sales.

Taking Ontario as an example, Judge Clock declared that the Province, during the first two years of Government control, "swallowed as much liquor as the total value of her gold, silver, zinc, lead, and nickel mined in 1928."

"Toronto under liquor control has more bootleggers than any city of its size in the United States," Judge Clock said. "Throughout the Province crimes against the person have nearly doubled since the liquor control act was passed, and the same increase is noted in crimes against property."

"In British Columbia there has been a 400 per cent increase in drunkenness and crime. The Vancouver Sun made the statement that 'Vancouver is the bootleggers' heaven. The open operation of bootlegging joints is a disgrace to Vancouver.'

BOOTLEGGING GAINS

"In Manitoba, under the strictest of government supervision, bootlegging has steadily increased. Alberta, with government control of the sale of all alcoholic beverages, has the same story of increased crime and drunkenness. In Saskatchewan bootlegging is much greater under government control than under prohibition, and every kind of criminal offense has shown a remarkable increase. Both Nova Scotia and New Brunswick are suffering as the result of government liquor control. Millions of their dollars are going into wasteful rather than useful channels."

Canadians themselves are "sick and tired" of the various government sale systems, Judge Clock said:

"Many of the large newspapers, formerly in favor of the government-control system, are turning about face and are supporting the cause of those opposed to government control," Judge Clock declared.

A "TREACHEROUS" SYSTEM

"These people have lived for several years under this treacherous system and know full well the pernicious results. The fact is that the provincial governments do not control the sale of liquor, which in reality is in the hands of the brewers and distillers. The boasted control of liquor proved from the start to be a complete farce.

"Throughout the whole Dominion the bootlegger is more in evidence than ever. One of the loudest assertions of the 'modera-

tionists' in the 1920 campaign was that with the advent of government control, bootlegging would automatically cease. The fact is that bootlegging never flourished as it has under the present system.

"Right here in Iowa the same statement is now being made—that bootlegging will at once cease if we do away with prohibition and substitute some sort of control system.

"We would be well advised to reconsider the statements of the enemies of prohibition regarding the excellence of the Canadian liquor-control system.

WHAT COUNTRY NEEDS

"What the United States needs is not Government control of liquor or the sale of light wines and beer but a determination on the part of the people to obey the law of the land, putting the welfare of the country before the gratification of personal appetites. There should be a determination on the part of the authorities to enforce the law without fear or favor throughout the whole land.

"Yet, what has happened in Iowa during the last few months?

"An organization known as the Iowa Division of the Association Against the Prohibition Amendment has been formed, with Mr. Maytag, of Newton, as chairman.

"Mr. Maytag made the statement that 'in a matter so closely connected with the personal habits and lives of the people, a law uniformly applying to all States regardless of the traditions of their citizens can not be enforced and should be repealed. If the eighteenth amendment is repealed, the control of alcoholic beverages can be determined by each State in a manner which meets with the approval of its citizens and a major portion of the intolerable conditions now prevailing can be corrected.'

EMPHASIZES PERSONAL HABITS

"Mr. Maytag," Judge Clock continued, "emphasizes the personal habits of the people. Instead of the personal habits and appetites of the people, he should be more concerned with the best interests of the boys and girls and the future welfare of the great State of Iowa. Has Mr. Maytag made a thorough investigation of prohibition? Has he made a thorough investigation of any liquor-control system? Is Mr. Maytag's opinion worthy of consideration compared with the thorough investigation of the Wickersham Commission?"

"I would call Mr. Maytag's attention to the statement of Ernest Thomas, secretary of the board of social service for the Dominion of Canada, in reference to the Canadian liquor-control system."

"Mr. Thomas said: 'Enforcement of the law was easiest during the period of drastic dry laws. With the coming and development of Government sale, the defiance of liquor laws has almost doubled. Young people are drinking more, having the liquor right in the home. The liquor problem is not solved. Canada has nothing constructive to offer the world except the value of her discovery that government control has not achieved what was expected.'

DEFICIENCY APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 6660) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1932, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1932, and for other purposes.

Mr. JONES. Mr. President, I understand all the amendments on page 34 have been agreed to. Is that correct?

The VICE PRESIDENT. The Chair understands there is one amendment pending on that page, which the Secretary will state.

The LEGISLATIVE CLERK. On page 34, at the beginning of line 16, it is proposed to strike out "\$540,494.55" and insert "\$537,335.62."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. JONES. Mr. President, the remaining amendments, beginning on page 35, merely cover audited claims and changes in section numbers. I ask unanimous consent that they may be agreed to en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 45, after line 17, to insert the following new section:

"AUDITED CLAIMS

"Sec. 5. That for the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874, as amended (U. S. C., title 31, sec. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1929 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), as fully set forth in Senate Document No. 42, Seventy-second Congress, there is appropriated as follows:

"INDEPENDENT OFFICES

- "For Interstate Commerce Commission, \$3.60.
- "For military and naval compensation, Veterans' Bureau, \$706.50.
- "For medical and hospital services, Veterans' Bureau, \$7,287.80.
- "For salaries and expenses, Veterans' Bureau, \$5.
- "For vocational rehabilitation, Veterans' Bureau, \$1.25.
- "For Army pensions, \$24.60.
- "For investigation of pension cases, Pension Office, \$1.25.

"DEPARTMENT OF AGRICULTURE

- "For salaries, Department of Agriculture, \$7.04.
- "For increase of compensation, Department of Agriculture, \$1.33.
- "For salaries and expenses, Bureau of Plant Industry, \$1.50.
- "For salaries and expenses, Bureau of Entomology, \$62.75.
- "For salaries and expenses, Bureau of Biological Survey, 60 cents.

"DEPARTMENT OF COMMERCE

- "For air navigation facilities, \$824.64.

"DEPARTMENT OF THE INTERIOR

- "For Geological Survey, \$18.86.
- "For medical relief in Alaska, \$26.75.
- "For conservation of health among Indians, \$6.33.
- "For Indian schools, support, \$131.54.
- "For Indian boarding schools, \$10.99.

"DEPARTMENT OF JUSTICE

- "For detection and prosecution of crimes, \$8.60.
- "For salaries, fees, and expenses of marshals, United States courts, \$911.18.
- "For salaries and expenses of district attorneys, United States courts, \$18.10.
- "For fees of commissioners, United States courts, \$577.80.
- "For fees of jurors, United States courts, \$33.70.
- "For fees of witnesses, United States courts, \$18.70.
- "For miscellaneous expenses, United States courts, \$356.62.
- "For support of United States prisoners, \$632.

"DEPARTMENT OF LABOR

- "For salaries, Bureau of Naturalization, \$1.

"NAVY DEPARTMENT

- "For transportation, Bureau of Navigation, \$24.15.
- "For organizing the Naval Reserve, \$36.40.
- "For instruments and supplies, Bureau of Navigation, \$202.30.
- "For pay, subsistence, and transportation, Navy, \$1,443.14.
- "For pay of the Navy, \$591.38.
- "For maintenance, Bureau of Supplies and Accounts, \$71.59.
- "For fuel and transportation, Bureau of Supplies and Accounts, \$30.
- "For maintenance, Bureau of Yards and Docks, \$149.40.
- "For pay, Marine Corps, \$164.70.

"POST OFFICE DEPARTMENT—POSTAL SERVICE

(Out of the postal revenues)

- "For balances due foreign countries, \$4,314.69.
- "For city delivery carriers, \$79.75.
- "For clerks, first and second class post offices, \$215.79.
- "For indemnities, domestic mail, \$106.81.
- "For indemnities, international mail, \$63.66.
- "For rent, light, and fuel, \$3,151.59.
- "For special-delivery fees, \$6.65.
- "For vehicle service, \$56.84.

"TREASURY DEPARTMENT

- "For collecting the revenue from customs, \$32.55.
- "For payment of judgments against collectors of customs, \$1,234.68.
- "For Coast Guard, \$668.48.
- "For pay and allowances, Coast Guard, \$351.80.
- "For collecting the internal revenue, \$30.54.
- "For refunding internal-revenue collections, \$2.50.
- "For enforcement of narcotic and national prohibition acts, internal revenue, \$93.25.
- "For pay of personnel and maintenance of hospitals, Public Health Service, \$33.

"WAR DEPARTMENT

- "For registration and selection for military service, \$320.90.
- "For pay, etc., of the Army, \$15,671.10.
- "For pay of the Army, \$5,010.83.
- "For pay, etc., of the Army, war with Spain, \$115.98.
- "For arrears of pay, bounty, etc., \$2.81.
- "For apprehension of deserters, etc., \$8.05.
- "For increase of compensation, War Department, \$493.80.
- "For increase of compensation, Military Establishment, \$2,418.66.
- "For Army transportation, \$396.52.
- "For general appropriations, Quartermaster Corps, \$535.80.
- "For subsistence of the Army, \$96.10.
- "For supplies, services, and transportation, Quartermaster Corps, \$58.89.
- "For armament of fortifications, \$14.26.
- "For Field Artillery armament, \$4.58.
- "For seacoast defenses, Ordnance, \$78.41.
- "For seacoast defenses, Panama Canal, Ordnance, \$16.50.
- "For seacoast defenses, insular possessions, Engineers, \$122.
- "For Air Service, Army, \$92.89.

"For arming, equipping, and training the National Guard, \$10.04.

- "For Organized Reserves, \$93.95.
- "For pay of the National Guard for armory drills, \$12.
- "For Reserve Officers' Training Corps, \$135.30.
- "For headstones for graves of soldiers, \$2.37.
- "Total, audited claims, section 5, \$50,547.21, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency as specified in certain of the settlements of the General Accounting Office."

On page 51, line 1, after the word "Sec.," to strike out the figure "5" and insert "6."

On page 51, line 24, after the word "Sec.," to strike out "5" and insert "6," so as to read:

"Total under section 6, \$3,204.52."

The reading of the bill was concluded.

The VICE PRESIDENT. The bill is before the Senate and open to amendment.

Mr. SMOOT. Mr. President—

Mr. JONES. I have a couple of committee amendments, but, as the Senator from Utah [Mr. SMOOT] desires to leave, I will yield to him.

Mr. SMOOT. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 17, after the word "That," it is proposed to insert the words "except in the case of the Joint Committee on Internal Revenue Taxation."

The VICE PRESIDENT. That is an amendment to a committee amendment which has heretofore been agreed to.

Mr. SMOOT. I ask unanimous consent that the vote by which the committee amendment at that place was agreed to may be reconsidered in order that my amendment may be acted upon.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the action of the Senate adopting the amendment of the committee is reconsidered. The question is on the amendment of the Senator from Utah to the amendment reported by the committee.

Mr. COPELAND. Mr. President, I should like to know the purpose of the amendment.

Mr. SMOOT. Mr. President, five officials of the Joint Committee on Internal Revenue Taxation receive more salary than provided by this amendment, namely, \$3,600. Those five men are the secretary, B. C. Brown; the chief of staff, L. H. Parker; the assistant chief of staff, G. D. Chestnut; the counsel, C. F. Stamm; and the technical assistant, L. L. Stratton.

Mr. COPELAND. I have no objection to the amendment to the amendment.

Mr. FLETCHER. What salary do those receive that the Senator has mentioned?

Mr. SMOOT. I have not the amounts, but they all receive over \$3,600. I may say they are all technical men; it is necessary to have them there, and they have the most difficult character of work to perform. They are the ones who pass upon all of the claims for rebates of taxes, and Senators can see that for those positions it is necessary to have exceedingly competent and well-qualified men. I think some of them get \$5,000.

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

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Connecticut?

Mr. SMOOT. I yield.

Mr. BINGHAM. I ask the Senator whether any of their pay comes out of this deficiency bill. Are they not provided for in the regular legislative bill?

Mr. SMOOT. They are provided for regularly, but in this bill the amendment of the committee reads:

For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1932, \$100,000: *Provided*, That no part of this appropriation shall be expended for services, personal, professional, or otherwise, in excess of the rate of \$3,600 per annum.

Mr. BINGHAM. That refers to the appropriation in this bill.

Mr. SMOOT. Yes; and this appropriation refers to the very investigation that the joint committee is conducting.

Mr. BINGHAM. But I thought that they were paid out of the appropriation provided in the regular legislative bill.

Mr. JONES. They are paid out of the contingent fund.

Mr. SMOOT. They are paid out of the contingent fund.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Utah to the amendment reported by the committee.

Mr. FLETCHER. I did not catch just what the amendment proposes. What is the amendment proposed by the Senator from Utah?

The VICE PRESIDENT. Does the Senator from Florida desire it reported again?

Mr. SMOOT. The amendment merely provides after the word "That" to insert the words "except in the case of the Joint Committee on Internal Revenue Taxation."

Mr. FLETCHER. Very well.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BULKLEY. Mr. President—

Mr. JONES. The Senator from Ohio [Mr. BULKLEY] has an amendment he desires to offer. He is anxious to leave, and I yield to him.

Mr. BULKLEY. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, at the end of line 8, it is proposed to substitute a semicolon for the period and insert:

For the employment of competent persons to assist in continuing the work of compiling, codifying, and revising the laws and treaties of the United States, fiscal years 1932 and 1933, \$3,000.

Mr. BULKLEY. Mr. President, this item has been approved by the Director of the Budget, but was omitted from the House bill through a misunderstanding. It is necessary for the work of the House Committee on Revision of the Laws to have this amount available at once or they will have to suspend certain important work on the 1st of February. Unfortunately, it was not called to my notice in time to enable me to bring it to the attention of the committee before the bill was reported to the Senate, but I think the chairman of the committee has no objection to the adoption of the amendment.

Mr. JONES. Mr. President, I understand the amount proposed has been estimated for, and that the work will have to cease unless something of this kind is provided. Therefore I have no objection.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. BINGHAM. Mr. President—

Mr. JONES. The Senator from Connecticut desires to leave the Chamber for a while, and I yield to him.

Mr. BINGHAM. Mr. President, I have a brief amendment which I should like to have read at the desk, and then I will offer a word of explanation.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 31, line 6, after the figures "\$250,000," insert a colon and the following proviso:

Provided, That in the expenditure of appropriations in this act the Secretary of War and/or the Secretary of the Navy, respectively, shall, unless in his discretion the interest of the Government will not permit, purchase or contract for, within the limits of the United States, only articles of the growth, production, or manufacture of the United States, notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more, if such excess of cost be not unreasonable.

Mr. BINGHAM. Mr. President, Senators will remember that this limitation was placed in the last War Department appropriation bill and in the last Navy Department appropriation bill by the Congress, and has become the law. Through inadvertence it was omitted in this bill. There is probably very little in the bill to which it applies. The chairman of the committee has assured me that he has no objection to its going in as a limitation.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut.

The amendment was agreed to.

Mr. JONES. Mr. President, I offer the amendment which I send to the desk, which is recommended by the committee.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 19, after line 2, it is proposed to insert:

Road, Wind River Reservation, Wyo.: The unexpended balance of the appropriation of \$150,000 contained in the first deficiency act, fiscal year 1931, for one-half of the cost for reconstruction and improvement of the road running from Milford across the Wind River or Shoshone Indian Reservation, through Fort Washakie to the diversion dam in Wyoming, is hereby continued available until June 30, 1933: *Provided*, That not to exceed \$5,000 of the said appropriation is hereby made available for payment for rights of way across Indian lands and payment of the total irrigation construction costs and accrued operation and maintenance charges on affected lands: *Provided further*, That the provision in the act of May 27, 1930 (46 Stat. 430), requiring employment of Indian labor except for engineering and supervision shall not apply to the funds provided by the State of Wyoming.

Mr. JONES. I will say that the last proviso is, to a certain extent, legislation. That is the reason why the committee did not insert it in the bill but offered it on the floor of the Senate. That provision applies to the Indian fund. I know that Congress never intended to have it apply to the fund to be contributed by the State of Wyoming.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington on behalf of the committee.

The amendment was agreed to.

Mr. JONES. Mr. President, on behalf of the committee I offer another committee amendment that is subject to a point of order, of course, but we think it should be made. Therefore the committee recommended it, and wanted me to offer it on the floor.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 27, line 18, after the word "this," it is proposed to insert "or any other."

Mr. COPELAND. Mr. President, I assume that this amendment is violative of Rule XVI, and I raise the point of order against it.

The VICE PRESIDENT. The point of order is sustained.

Mr. COPELAND. May I also ask regarding line 23, where the bill reads—

No part of this or any other appropriation shall be used—

Of course, that language was put in in the House. Does that do away with the ability to raise the point of order in the Senate?

The VICE PRESIDENT. The item would not be subject to a point of order in the Senate if it was put in the bill in the House of Representatives.

Mr. JONES. Mr. President, I desire to say just a word with reference to the amendment that has been ruled out on a point of order.

So far as I may, I propose to do anything I can toward preventing the demolition of a splendid building we have that is being used now; that is, the State, War, and Navy Building. This proposal does not cover a new building. It contemplates tearing down one of the splendid buildings of the Government in this city.

There is a great deal of building construction going on in the city of Washington. That is new construction. Regardless of any other consideration, I do not think we should provide in these times for tearing down fine public buildings that are useful for the purposes for which they are used.

There are other matters at issue in this connection that I do not propose to discuss now, but simply that phase of the subject. Regardless of our ideas with reference to architecture, and so forth, and even though we have need of taking care of unemployment, the question in my mind is whether, to do that, we should tear down good buildings that are being used, just in order to reconstruct and remodel them.

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

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES. I yield.

Mr. KING. Does the fastidious and æsthetic taste of some of these persons who are looking after the public buildings in Washington contemplate tearing down the Municipal Building, tearing down or changing materially the State, War, and Navy Building, and also the Post Office Building?

Mr. JONES. I have understood that they contemplate tearing down the Municipal Building, one of the finest buildings in the city of Washington, in my judgment.

Mr. KING. There is no doubt about it.

Mr. JONES. I think it would be a desecration of architecture to tear it down. They contemplated doing that, however; and that is the reason why this provision was put in the bill by the House. I understand that it is contemplated to tear down the Post Office Building, one of the most substantially constructed buildings in the city of Washington. It may not be exactly in accordance with the fastidious taste of architects, and so forth, but it certainly is a splendid building for carrying on the business of the Government.

Mr. WALSH of Montana. Mr. President, I was interested to hear the statement of the chairman of the Committee on Appropriations concerning the purpose with respect to the Municipal Building. I have been interrogated a number of times as to whether it is the purpose or within the plans to tear down that building. I join the Senator from Washington in protest against the demolition of that building, which is really an addition, as I think, to the beautiful architecture of the city of Washington. I think it would be signally unfortunate if that were done. True, it does not entirely harmonize with the new buildings being constructed, but, if I am any judge of architecture at all, it is a gem and ought not to be destroyed.

Mr. JONES. I agree with the Senator; and the House has taken a position to make that secure.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. JONES. I yield.

Mr. KING. Is there any measure pending to restrain the tearing down or modifying or changing or expenditure of money upon the other two buildings?

Mr. JONES. I think the Senator from Tennessee [Mr. McKellar] has introduced a bill with reference to the State, War, and Navy Building. That bill is pending before the Appropriations Committee. I hope those who are interested in changing that building will take notice not only of that action but also of the attitude of the committees of both Houses of Congress as a whole.

Mr. KING. May I inquire of the Senator whether there is any appropriation now available for tearing down either of the three buildings to which I have referred?

Mr. JONES. Possibly so; \$25,000,000 was appropriated quite a while ago, and authority was given to use that in the reconstruction, and so forth, of buildings here. I do not know how much is available; but the provision in this bill coming over here from the House, with respect to the buildings about which the Senator from Montana inquired, definitely takes care of them and also takes care of the Post Office Building.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Montana?

Mr. JONES. I do.

Mr. WALSH of Montana. Some misconception may arise by reason of the question addressed to the Senator from Washington by the Senator from Utah [Mr. King] as it relates to the State, War, and Navy Building. It is not my understanding that that building is to be demolished at all. The appropriation is for remodeling it. That includes some changes in the interior, as I am told, but particularly it relates to the exterior of the building; the purpose being to have it more or less in harmony with the other public buildings that are a delight to all visitors to

the city of Washington and reflect credit upon the national taste, like the old Treasury Building, the Annex to the Treasury Building, and the newer structures.

I think anybody will concede that architecturally the State, War, and Navy Building is an eyesore on the landscape, and that it ought to be remodeled in time. Whether or not this is the time to do it is another question.

Mr. JONES. I must say that so far as I am concerned that building is not an eyesore to me; but, as I suggested, we need not discuss that phase of the matter now. I do not think, however, that this is the time to expend over \$3,000,000 in putting that building in an æsthetic architectural state.

Mr. FLETCHER and Mr. BRATTON addressed the Chair. The VICE PRESIDENT. Does the Senator from Washington yield; and to whom?

Mr. JONES. I yield to the Senator from Florida.

Mr. FLETCHER. Mr. President, in that connection it seems to me a mistake to consider obsolete and undertake to demolish buildings simply because they differ in architectural style from the ideas of the present time. One of the great attractions in Europe, as everybody knows, is the old buildings. I think we ought to maintain some of these old buildings just for the sake of the past.

Mr. JONES. I agree with the Senator.

Mr. FLETCHER. I think it is a mistake to remodel and change them around in that way, as has been proposed.

I desire to ask the Senator just what his proposed amendment was—I did not follow it when he offered it—and what it would accomplish? I am aware that it has been held out of order.

Mr. JONES. Line 18 of the bill reads:

That no part of this appropriation.

What I offered was to make it read:

That no part of this or any other appropriation.

And that would cover the appropriation already available for buildings.

Mr. FLETCHER. I am sorry the Senator from New York raised the point of order, because I should like to see that language inserted.

Mr. BRATTON. Mr. President—

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

Mr. JONES. I do.

Mr. BRATTON. In connection with what the chairman of the committee has just said about this being an inappropriate time to expend large sums of money in remodeling substantial buildings in the city of Washington, I think a record might be made of the fact that the Appropriations Committee overwhelmingly joined in that belief, and that, regardless of the fact that existing legislation may provide money which technically may be used for that purpose, in the judgment of a majority of the Appropriations Committee of the Senate that course should not be followed. The money should not be expended at this time under existing circumstances.

Mr. JONES. I am glad the Senator has emphasized that idea.

Mr. President, there is another committee amendment that I offer to carry out a resolution of the Senate passed just a day or two ago.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 20, after line 5, it is proposed to insert:

Traveling and miscellaneous expenses: Not to exceed \$15,000 of the appropriation for "Traveling and miscellaneous expenses, Department of Justice, fiscal year 1932," is hereby made available for the expenses of the investigation of law enforcement in the Territory of Hawaii, pursuant to Senate Resolution No. 134 of January 11, 1932, including traveling expenses and subsistence or per diem in lieu of subsistence, temporary clerical and stenographic services, rent, printing and binding, and such other items as may be deemed necessary, to be expended under the direction of the Attorney General: *Provided*, That upon request of the Attorney General the Secretary of the Treasury is authorized to transfer to the appropriation "Traveling and miscellaneous expenses, Department of Justice, fiscal year 1932," not exceeding \$12,000, from any other appropriation for the fiscal year 1932 under the control of the Department of Justice.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. KING. Mr. President, I should like to inquire, not the purpose of the amendment, which I understand, but what is the necessity for giving to the Department of Justice additional funds for rent, books, clerk hire, and so forth? We know that the Department of Justice now has a vast army of employees. I shall not enumerate the various groups under the control of the Department of Justice. They have officials in Hawaii. It seems to me this is an unnecessary expense.

Mr. JONES. Mr. President, this matter came to the committee after we had our bill under consideration here on the floor of the Senate. I have not had an opportunity to interrogate any of these officials, or to look especially into the matter. The resolution passed the Senate two or three days ago. The Attorney General submitted an estimate to the Budget. It was gone through very carefully, and the Budget sent it down here, and so I offered an amendment for the amount they recommended. Technically, it does not add to our appropriations, although I must say that I do not see anything especially to be gained by transferring from one appropriation an amount for some other purpose because a necessity develops for the use of public funds in additional amounts. I want to say, therefore, that it is my purpose to cut out appropriations out of moneys already appropriated as much as I can; but this seemed to be an urgent matter. The Committee on Territories and Insular Affairs recommended this resolution after a careful study of the situation, and the Senate passed the resolution just a day or two ago. This is the amount that the department estimates will be necessary; and, in view of the situation, I have no reason to interfere with the amount recommended. We know that there apparently is a very serious situation in Hawaii which broke out within the last few days.

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

Mr. JONES. I yield to the Senator.

Mr. COPELAND. If my correspondence is any evidence of the attitude of the whole country, it is certainly a fact that our people want to know what is going on in Hawaii. There are many of us who feel that there is need of an investigation. We want to know why these outrageous things can happen; and, certainly, in view of the fact that we have already passed a resolution in favor of such an investigation, we can not do less than set aside the money for carrying out its purpose.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HATFIELD. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. Let the amendment be reported.

The LEGISLATIVE CLERK. On page 34, line 7, after the figures "174," to insert the words "and Senate Document No. 39," and to strike out all after the colon in line 8, down to the comma in line 16, as follows: "United States Veterans' Administration, \$659.46; Department of Commerce, \$4,870; Navy Department, \$220,255.81, except No. H 320 in favor of Tillett S. Daniel and No. K 138 in favor of William B. Hetfield; Post Office Department, \$48,913.44; Treasury Department, \$45,449.77; War Department, except No. K 317 in favor of Albert C. Dalton, \$217,187.14; in all, \$537,335.62," and to insert in lieu thereof the following:

United States Veterans' Administration, \$659.46; Department of Commerce, \$6,914.23; Navy Department, \$252,758.67, except No. H 320 in favor of Tillett S. Daniel and No. K 138 in favor of William B. Hetfield; Post Office Department, \$48,913.44; Treasury Department, \$48,745.97; War Department, except No. K 317 in favor of Albert C. Dalton, \$220,018.34; Independent Offices, \$102,596.44; in all, \$680,606.55.

Mr. HATFIELD. Mr. President, the item in which I am particularly interested is the one dealing with the Wheeling Steel Corporation, of Wheeling, W. Va. The history of the transaction is as follows:

This is a United States Shipping Board case, and arises out of orders for a large amount of steel plates, all of which

orders were canceled by the Shipping Board during the course of manufacture on April 7, 1919.

Thereafter the Wheeling Steel Corporation diligently sought to make settlement with the United States Shipping Board over a long period of years, and was finally refused settlement after the case had been argued three times before the Shipping Board.

Suit was filed in the United States Court of Claims just before the statute of limitations expired. In that court three motions were filed to make the petition more definite or certain or for bills of particulars, all of which were furnished, and on the final trial the court gave judgment on December 1, 1930, for \$64,832.77.

After the right of the Government to move for a new trial had expired, the Attorney General moved for special permission to file a motion for a new trial. This was not objected to by the Wheeling Steel Corporation, and the case was retried. On the retrial judgment was reduced to \$43,234.28, and the date of judgment was April 6, 1931. That judgment became final against the Government three months thereafter.

The clerk of the Supreme Court of the United States has certified that no application has been made for a writ of certiorari, nor has any other order extending the time been lodged with the Supreme Court.

The case could have been settled many years ago and could have been settled by the Shipping Board. It has required 12 years of work to bring the matter to a final judgment, and it is now here for settlement.

I understand a subcommittee of the Committee on Appropriations has been appointed for the purpose of investigating some of these claims which have been passed upon by the Court of Claims, and that the chairman of the Committee on Appropriations prefers to permit these judgments to go over for a future appropriation bill.

In view of the fact that this obligation began in 1919 and has continued up to the present time, and in view of the fact that the President of the United States has certified this claim, approved by the Director of the Bureau of the Budget, approved by the Secretary of the Treasury; and again, due to the fact that this judgment has been passed upon by the Court of Claims, if this body is to recognize the jurisdiction and the finality of the Court of Claims, I can see no reason why this item should not be included in the appropriation bill which is now before this body.

The fact that those who made the sacrifice primarily in furnishing the raw material which went into this order have waited for a period of 12 years for the returns upon their efforts toward supporting the Federal Government during that period, and taking into consideration the depression which confronts this industry at the present time and its great need of money, I can see no very good reason why this amendment should not be considered by this body and should not be put into the pending appropriation bill.

Mr. JONES. Mr. President, I want to state to the Senate why the committee did not put in any of these judgments which came down just a few days before the committee acted upon the bill. A very serious question has arisen with reference to some of the items, especially a couple of claims put into the bill by the House.

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

Mr. JONES. I yield.

Mr. HATFIELD. I am told that this item was not presented to the committee in the House.

Mr. JONES. That is correct, and I am going into that. None of the items which the Senator has presented was presented to the House committee. The estimates did not come down until the bill had passed the House.

Conditions arising with reference to some of the amendments considered in the House led us to take the action we did take with reference to these items.

Mr. President, an investigation of certain items which went into the bill as it passed the House led the committee to believe that there were some of the items which were not justifiable, that the judgments of the Court of Claims were not justifiable and could not be sustained. So we

offered an amendment to the pending bill cutting out those items.

There is a controversy, however, as to what the effect of a judgment of the Court of Claims is. If a judgment of the Court of Claims is to be treated as are judgments of Federal district courts, then, after the time for an appeal has expired, Congress will have nothing to do with the matter, no matter what the facts are, except that, of course, we will have to appropriate money to meet every judgment of the Court of Claims just as we do as to judgments of the United States district court. But it has been the policy of Congress, when a judgment of a United States district court becomes final, when no appeal can be taken, to make an appropriation to carry out the judgment without putting ourselves up as a court to pass upon the merits of the claim.

There is a controversy as to the effect of a judgment of the Court of Claims. There is a contention that such a judgment is simply advisory to Congress. There are those who contend that when that court enters a judgment that judgment is final, just the same as the judgment of any United States district court.

In the face of that difference of opinion, as we did not have the time to go into the facts with reference to all these judgments, and as we had brought to our attention the facts in some cases which showed to us at least that the judgments entered by the court were not justified, we thought that we should await a decision on the legal proposition. We appointed a subcommittee, composed of the lawyers on the committee, the subcommittee consisting of the Senator from Oregon [Mr. STEIWER], the Senator from New Mexico [Mr. BRATTON], and the Senator from North Carolina [Mr. MORRISON] to investigate the legal question as to what the effect of a judgment of the Court of Claims is. Their decision will guide the committee in its action in regard to such items. If they report to the committee that a judgment of the Court of Claims is a judgment, which is conclusive on the Government, when no appeal is taken, if they report to us that a judgment of that court has the same effect as the judgment of a United States district court, then, of course, when judgments of that court are sent to Congress, appropriations to settle them will go into the bills.

We thought that the action of Congress on these new judgments which have come to us should await a decision on that legal question.

These judgments may all be meritorious and entirely proper, but until the settlement of this legal question it seemed to the committee we should not provide for paying the judgments.

As I said, if the report of the subcommittee is that such judgments are final and conclusive on the Government, like the judgments of district courts, no question will be raised, and when such judgments are sent to us appropriations will be made.

Mr. HATFIELD. Mr. President, could there be any doubt upon the part of the Senate that a decision rendered by the Court of Claims would be right and proper?

Mr. JONES. If the Senator knew something about some of the judgments we have investigated he would not ask that question. We took the action we did take because of the fact that in some cases where judgments had been rendered it seemed to the committee that the judgments were not justified at all. But if such judgments are conclusive, then we have nothing to say. I wanted to say frankly to the Senator that that was why we took the action we did take.

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

Mr. JONES. I yield.

Mr. NEELY. Has the Senator from Washington any doubt about the justice of the Wheeling Steel Co.'s claim?

Mr. JONES. I have not gone into it at all.

Mr. NEELY. It has the approval of the Court of Claims, expressed in a solemn decision; it also has the approval of the Secretary of the Treasury, and certainly the Senator from Washington does not believe that this high official would have approved the payment of this claim if he had not been convinced that it is valid and just.

Mr. JONES. Some of these items to which I have called attention are just exactly like this one. That is exactly why the committee took the action we did take, because we have found that where some of the judgments of the Court of Claims were final, the facts brought to the attention of the committee did not seem to justify them at all.

Mr. NEELY. Mr. President, I submit that this just claim in favor of the Wheeling Steel Co., which ought to have been paid 10 years ago, should not now be prejudiced by the fact that some other concern, on some other occasion, has unjustly demanded money from the Government. In other words, the Wheeling Steel Co. should not be denied a manifest right because of another's unmitigated wrong.

Mr. JONES. This stands on the same basis with the others. Judgment was entered in all the cases. If these judgments are to be treated as the judgments of the district courts of the United States are treated, then we will not question them any further.

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

Mr. JONES. Certainly.

Mr. NEELY. I submit that it is not fair for a department of the Government to buy material or obtain services from a West Virginia corporation, or any other corporation, without paying a reasonable sum for what it receives. The amendment offered by the senior Senator from West Virginia simply seeks to compel the Government to pay an honest debt in obedience to an honest judgment of an honest court which the Government itself has created. It would be neither lawful nor logical to permit a subcommittee of the Committee on Appropriations to reverse the judgment which the Court of Claims has entered in this case. If the Senate fails to act in favor of satisfying the judgment, it will deserve severe condemnation for having neglected to perform a palpable duty.

Mr. JONES. The Subcommittee on Appropriations was not appointed to do what the Senator seems to think it is to do.

Mr. NEELY. If I understand what the Senator has said, I am correct.

Mr. JONES. Perhaps I did not make myself clear to the Senate. That may be true. I confess my weakness along that line. The subcommittee was appointed not to investigate the merits of the case but to determine under the law the legal effect of a judgment of the Court of Claims in any case. There is a difference of opinion which has arisen with reference to the legal effect of such a judgment and whether or not it is absolutely final, just as a United States district court judgment is, or whether it is simply advisory to Congress. I hope I have made myself clear.

Mr. NEELY. I thoroughly understand what the Senator says and means, and I protest against the unwarranted procedure which has been proposed. It smacks of an effort to find a technicality with which to defeat justice, in spite of the fact that the Senator's motives are patriotic and pure beyond the peradventure of a doubt.

We have before us a concrete case in which justice goes hand in hand with the approval of the Secretary of the Treasury and the decision of the Court of Claims. Common honesty demands that this claim be satisfied without further delay. I appeal to the Senate to adopt the pending amendment.

Mr. HATFIELD. Mr. President, it is a fact that all of the executive heads that have to do with making up the Budget have approved of the payment of this claim.

Mr. JONES. Mr. President, it is for the Senate to decide what shall be done. There is a claim pending where the Court of Claims entered the same form of judgment that was entered in this case, involving several thousand dollars. That judgment was presented to another body and that body left it out of the bill. They went into the facts and concluded that the facts did not justify its payment. Then the claim was presented here. The judgment, as I understand it, is in exactly the same form as the judgment in this case.

The committee simply wanted to have the judgment of a body of able lawyers as to the legal effect of the judgment

that was rendered. That is all the committee asked. That is all I care to say to the Senate about the matter. It is up to the Senate. If the Senate wants to approve the item, then the other judgments are entitled to the same action by the Senate.

Mr. NEELY. The invalidity of some other claim affords no excuse for the nonpayment of this debt, the amount and the circumstances of which no one either denies or doubts. In the circumstances the amendment ought to be unanimously adopted.

Mr. JONES. Mr. President, I want to suggest to the Senator that the other claims have gone through exactly the same processes as this claim.

The Secretary of the Treasury approved them in the same way that he approved this one, and the Budget sent them down in the same way. They have all been approved in exactly the same way.

The committee have not gone into the merits of the question. If these judgments are simply advisory judgments to Congress, then of course, the duty is upon us to go into the merits of the case and there probably would be no question raised about the Senator's claim. But that is the very proposition we have asked our subcommittee to decide, whether or not, when a judgment becomes final in the Court of Claims, it is or is not a final judgment like a judgment of the United States district court, or whether it is a judgment that is merely advisory to the Congress. It seems to me that our situation is perfectly clear. The other claims, which did not appear to be reasonable or just or right, have gone through exactly the same processes that this claim has gone through.

Mr. STEIWER. Mr. President, I have no desire to prolong discussion any further than it has already proceeded, but I think I owe it to the Senate to say a word respecting the question of the finality of judgments of the Court of Claims.

As explained by the chairman of the Committee on Appropriations [Mr. JONES], a subcommittee was appointed to consider and report to the committee its recommendation with respect to the finality of the judgments of the Court of Claims. I am a member of that subcommittee. I have no partisan interest in the particular amendment offered by the Senator from West Virginia. I am not concerned whether it be agreed to or rejected at this time. But it is worth while, if we are attempting now to pass upon this question even tentatively, that I should at least partially advise the Senate concerning the situation.

The subcommittee appointed by the chairman of the Committee on Appropriations has not yet had an opportunity to make determination of the question. As a member of the subcommittee I have personally given it some little investigation. I have reached the conclusion that there is that degree of finality in a judgment of the Court of Claims that Congress is, in a moral sense and almost in a legal sense, bound to appropriate the money in accordance with the judgment of the court. I shall not here and now attempt to discuss the question fully nor recite to the Senate the different decisions of the court which have some bearing upon it, but, with the indulgence of the Senate, I will speak of two or three of the leading cases. Those decisions seem to me to make the question reasonably clear.

The Court of Claims originally was merely an advisory court. It was constituted for the purpose of doing something which the Congress itself might have done, but which the Supreme Court of the United States has said was something which Congress could delegate to a subordinate agent. Originally the decrees of the Court of Claims were merely findings. I think until 1863 they were advisory in character only. In 1863 and again in 1866 the law was amended, and it seems reasonably clear that the purpose of the amendments was to make the judgments of the court absolutely final and binding in their effect.

In 1875 the Supreme Court expressed itself on the subject in the case of United States against O'Grady in this language, and I invite the attention of Senators to the language used:

It is clear that the judgments of this court, rendered on appeal from the Court of Claims, if no such power is conferred by an act of Congress, are beyond all doubt the final determination of the matter in controversy; and it is equally certain that the judgments of the Court of Claims, where no appeal is taken to this court, are, under existing laws, absolutely conclusive of the rights of the parties, unless a new trial is granted by that court as provided in the before-mentioned act of Congress.

Mr. JONES. Mr. President, may I interrupt the Senator? The PRESIDING OFFICER (Mr. Fess in the chair). Does the Senator from Oregon yield to the Senator from Washington?

Mr. STEIWER. Certainly.

Mr. JONES. I was wondering whether the subcommittee has passed upon that brief of attorneys for the claimants?

Mr. STEIWER. I stated that the subcommittee has not yet met, and I am not presuming to speak upon behalf of the subcommittee; but in view of the fact that the question seems to be presented here for determination I feel justified in stating to the Senate my own personal convictions with respect to it.

Mr. JONES. I do not understand that the case is presented here for decision of the Senate. I was in hopes we would get the judgment of the subcommittee.

Mr. STEIWER. I hope that may be done, too, but I think these preliminary observations are not out of place, because the Supreme Court, after all, speaks with considerable authority upon a question of this kind.

Mr. JONES. But I find that it is often the fact that lawyers differ as to the real effect of decisions of the Supreme Court, and I would naturally expect the claimants, of course, to construe it in their favor as much as possible. I think I recognize the brief from which the Senator is reading. It is the brief of the attorneys for one of the claimants.

Mr. STEIWER. I am reading from the language of the court.

Mr. JONES. As quoted in the brief.

Mr. STEIWER. The subcommittee has been furnished three briefs. I am, however, reading from the language of the court. I would like to read just a little further from the same case:

Should it be suggested that the judgment in question was rendered in the Court of Claims, the answer to the suggestion is that the judgment of the Court of Claims, from which no appeal is taken, is just as conclusive under existing laws as the judgment of the Supreme Court until it is set aside on a motion for new trial.

Subsequently, when the matter was again before the court, Chief Justice Taft, in the case of Sloan Shipyards against Emergency Fleet Corporation, used this language:

On the other hand, a construction which will bring into one tribunal, the Court of Claims, the hearing and decision of this class of cases will secure uniformity and dispatch, and these two elements will make for justice and peace, because Congress pays the judgments of the Court of Claims against the United States in due course.

Without pursuing the subject too much in detail, I want to add the reference made in the case of United States against Moser, a recent case decided, I think, in 1924, in which it was held that a previous unappealed judgment of the Court of Claims as to the status of a retired naval officer is conclusive even on the Supreme Court in all subsequent proceedings involving that question.

Without attempting, Mr. President, to speak upon behalf of the subcommittee, which has not as yet concluded its investigation of the subject, I am reasonably confident of my own position and believe that in the judgments of the Court of Claims there is such a degree of finality that Congress is both morally and legally bound. Congress could, of course, in the arbitrary exercise of its ultimate power, refuse to make the appropriations necessary in order to pay the judgments entered by the Court of Claims, but it could not rightfully so refuse and should not repudiate the judgments of its own court. I shall therefore vote for the amendment of the Senator from West Virginia [Mr. HARTFIELD] upon the theory of law which I have outlined.

The PRESIDING OFFICER. Does the Senator from West Virginia ask that the question on the amendments be put en bloc? There are several amendments.

Mr. HATFIELD. I desire that the question be put on the amendments en bloc.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from West Virginia.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and is open to amendment. If there be no further amendment, the amendments will be ordered to be engrossed and the bill to be read the third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is on the passage of the bill.

Mr. McNARY. Mr. President, two or three Members of the Senate expressed a desire to be present before the final passage of the bill, particularly the Senator from Michigan [Mr. COUZENS]. I therefore feel the necessity of suggesting 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:

Ashurst	Cutting	Johnson	Reed
Austin	Dale	Jones	Robinson, Ark.
Bailey	Davis	Kean	Robinson, Ind.
Bankhead	Dickinson	Kendrick	Sheppard
Barbour	Dill	Keyes	Smith
Bingham	Fess	King	Smoot
Black	Fletcher	La Follette	Steiwer
Blaine	Frazier	Lewis	Thomas, Idaho
Borah	George	Logan	Thomas, Okla.
Bratton	Glass	McGill	Townsend
Brookhart	Glenn	McKellar	Trammell
Bulkley	Goldsborough	McNary	Tydings
Bulow	Gore	Metcalf	Vandenberg
Byrnes	Hale	Morrison	Wagner
Capper	Harris	Moses	Walcott
Caraway	Harrison	Neely	Walsh, Mass.
Carey	Hastings	Norbeck	Walsh, Mont.
Connally	Hatfield	Norris	Waterman
Coolidge	Hayden	Nye	Watson
Copeland	Hebert	Oddie	White
Costigan	Howell	Patterson	
Couzens	Hull	Pittman	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. COUZENS. Mr. President, I should like to ask the chairman of the committee to explain fully the item beginning on line 11, page 22, under the heading "Department of Labor, Bureau of Immigration," which provides a deficiency appropriation for that bureau.

Mr. JONES. Mr. President, the situation with reference to that item is this: Last year there was a deficiency in connection with the administration of the immigration law of four or five hundred thousand dollars. A provision was offered in the Senate to a deficiency appropriation bill to cover that item, but instead of doing that we provided in the regular appropriation bill that \$500,000 of the money appropriated for this activity should be made immediately available in order to take care of that deficiency. So the amount of money available for the current year was practically diminished by that sum.

The bureau have been increasing their activities with reference to the deportation of aliens who have either come into the United States illegally or who can be deported legally. The deficit is about \$650,000, as I recall it. The department officials find, however, that they have saved, so to speak, \$175,000 of the appropriation for the border patrol. That saving has been brought about by a more economical administration and conduct of those particular affairs. So they felt that they could use that to help meet deficiency, leaving \$475,000 for which they are asking.

This amount is necessary to enable the bureau to deport aliens who are found to be here either illegally or who are willing to be deported. The department has felt that it was justified in deporting such aliens at the expense of the Government. They have looked into the individual cases very carefully and found that those who are willing to be deported will be public charges if they are not deported. The expense of deporting is from \$80 to \$90 a head, and the

department officials figure that it is economy for the Government to deport them. If the aliens have been here for less than three years they are subject to deportation, and, rather than have them remain here as public charges it is thought to be in the interest of economy on the part of the Government to bear the expense of deporting them.

Mr. COUZENS. Is that the reason why the limitation on the border patrol has been removed? The Senator will notice the provision beginning in line 15.

Mr. JONES. I did not understand that that was the reason for removing that limitation; in fact, I had not noticed that that limitation had been removed.

The PRESIDING OFFICER. The Chair will state that the bill is beyond the stage of amendment. If it is desired to offer any amendment there will have to be a reconsideration of the vote whereby the bill was ordered to a third reading and read the third time.

Mr. COUZENS. I did not understand the Chair.

The PRESIDING OFFICER. The question now before the Senate is on the passage of the bill, it having been read three times, and if the Senator desires to offer an amendment it will be necessary to reconsider the vote whereby the bill was ordered to a third reading and read the third time.

Mr. COUZENS. I may not offer an amendment, Mr. President.

Mr. JONES. I do not think that what I have indicated is the reason for removing the limitation on the appropriation under this head and making the \$2,368,800 available for coast and land border patrol.

Mr. COUZENS. What is the reason for removing that limitation?

Mr. JONES. I confess to the Senator I do not know what the reason for that is, unless the department finds that aliens are coming into the country in a way that is not otherwise safeguarded. I do not remember of reading any testimony as to why that limitation was removed, I will say to the Senator frankly. I have given the Senator the reasons for the increase—the deficiency in the amount available for deportation.

Mr. COUZENS. It seems that when this limitation was made, there was some purpose for it; and I wondered what the purpose was now for removing it. I am not familiar with either the purpose of the limitation or its removal.

Mr. JONES. I confess to the Senator that I do not know why that limitation has been removed, and I do not find in the hearings anything on the subject. I will say, however, that these officials would like to have more flexibility in handling their appropriations. They think they could accomplish a great deal more by it. Possibly the House acted upon that theory. Their testimony is, I know, that if they had more flexibility in handling the ten million and odd dollars that they have for their activities they could accomplish a great deal more and practice more economy. For instance, take the very case that we have here, where they have saved \$175,000 out of the appropriation for the border patrol. They can not use that money for the purpose of deporting these people without authority of Congress. There are, as I understand, many instances where if they had freedom to use money that they find not available for the specific purpose for which it is appropriated in connection with some other activities of their organization, they would be able to act more economically on the whole.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill was passed.

EFFECT OF DEPRECIATION OF FOREIGN CURRENCIES

Mr. REED. Mr. President, three or four weeks ago the senior Senator from Oregon [Mr. McNARY] introduced and had passed a resolution instructing the Tariff Commission to make an inquiry as to the effect of the depreciation of certain exchanges upon imports of wood pulp, I believe.

Mr. McNARY. Wood pulp and pulp wood.

Mr. REED. Some such materials. At that time I suggested that it might be wise to extend that inquiry to other commodities; but, at the request of the Senator, I did not

make any motion to amend his resolution, thinking it was wiser to present it in a separate resolution.

I now send to the desk a resolution which I ask to have read by the clerk; and then I will follow that with a request for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read. The resolution (S. Res. 143) was read, as follows:

Resolved, That the United States Tariff Commission is directed to make a thorough investigation of the effect of the depreciation in value of foreign currencies since the enactment of the tariff act of 1930 upon the importation into the United States of all of the more important commodities and the effect of such depreciation on the general trend of international trade in the same period, and to report to the Senate as soon as practicable the results of such investigation.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent for the immediate consideration of the resolution.

Mr. JOHNSON. Mr. President, I could not catch all of the resolution. Would the Senator mind simply telling me what the purpose of the resolution is?

Mr. REED. It directs the Tariff Commission to advise us what, in its judgment, it finds to be the effect of the depreciation of certain foreign exchanges upon the international trade between this country and those countries that have depreciated currencies.

Mr. KING. Mr. President, I shall not object to the consideration of the resolution; but I inquire of the able Senator from Pennsylvania whether he believes that the Tariff Commission, with whatever virtues or limitations it possesses, is competent to deal with the question of exchanges. It seems to me it is a matter for economists or bankers, particularly bankers, and those engaged in exchange, rather than those who are presumed to know something about tariffs.

Mr. REED. Oh, no; I would not ask them to report to us on the reasons for the depreciation of the exchanges, but on the effect of the movement of goods to and from the United States resulting from that depreciation in the currencies.

I see present the Senator from Colorado [Mr. COSTIGAN], whose long experience on the Tariff Commission I think would enable him to confirm what I say, that it is purely a question of a study of the changing trade balances and of the economic questions involved. It is not a financial question at all. I shall be obliged to the Senator from Colorado if he will let us have his impressions on that subject.

Mr. KING. Before that is done, let me ask the Senator another question.

I have no objection at all to the commission inquiring into the fact that imports are being diminished and exports are being diminished, and I have no objection to their inquiring as to the difference in cost of production abroad and at home; but to commit to this commission the consideration of the effect of exchanges upon production, imports, or exports, it seems to me, is giving to them jurisdiction over a matter with which they are not familiar. I would rather have the opinion—and I would not care much for it, I will say very frankly—of the experts in the Commerce Department or in the Treasury Department or the banking department of the Government, the Comptroller of the Currency, upon the effect of exchanges upon our relations, than the opinion of the Tariff Commission.

Mr. REED. I am afraid the Senator has misunderstood my intention and the scope of the resolution.

Now may I yield to the Senator from Colorado?

Mr. COSTIGAN. Mr. President, as stated by the Senator from Pennsylvania, the inquiry suggested for the Tariff Commission is not unusual. I have not before me the language of the resolution, and therefore am unable exactly to pass on the question submitted. However, I may say that the Tariff Commission, in the days of the pronounced depreciation in the German mark, did busy itself more or less with a general inquiry into the effect of such depreciation, especially on wages and prices, including the internal purchasing power of the mark in Germany contrasted with the exchange value of the mark.

The Senator from Utah suggests, however, that the inquiry may go somewhat deeper, namely, into the question of what effect such depreciation in foreign exchange has had on the production and movement of commodities across international lines. That subject, so far as I recall, was only partially investigated by the Tariff Commission with results not wholly conclusive or satisfactory to members of the commission.

Does that answer the inquiry?

Mr. REED. Yes. I thank the Senator from Colorado.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

THE CALENDAR

Mr. McNARY. I ask unanimous consent that the Senate proceed to the consideration of the calendar under Rule VIII.

The PRESIDING OFFICER. Is there objection?

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state it.

Mr. KING. If the request of the Senator from Oregon is granted, does that mean that we may proceed to the consideration of bills over objection?

The PRESIDING OFFICER. Yes; under Rule VIII.

Is there objection to the request? The Chair hears none. The clerk will state the first bill on the calendar.

DEPORTATION OF ALIEN SEAMEN

The first business on the calendar was the bill (S. 7) to provide for the deportation of certain alien seamen, and for other purposes.

Mr. REED. Mr. President, on behalf of the Senator from Connecticut [Mr. BINGHAM], who is very actively interested in that subject, I shall have to ask that the bill go over for the present.

Mr. LA FOLLETTE. Mr. President, I move, notwithstanding the objection of the Senator from Pennsylvania, that the Senate proceed to the consideration of this bill; and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Cutting	Johnson	Reed
Austin	Dale	Jones	Robinson, Ark.
Bailey	Davis	Kean	Robinson, Ind.
Bankhead	Dickinson	Kendrick	Sheppard
Barbour	Dill	Keyes	Shipstead
Bingham	Fess	King	Smith
Black	Fletcher	La Follette	Smoot
Blaine	Frazier	Lewis	Steiwer
Borah	George	Logan	Thomas, Idaho
Bratton	Glass	McGill	Thomas, Okla.
Brookhart	Glenn	McKellar	Townsend
Bulkeley	Goldsborough	McNary	Trammell
Bulow	Gore	Metcalf	Tydings
Byrnes	Hale	Morrison	Vandenberg
Capper	Harris	Moses	Wagner
Caraway	Harrison	Neely	Waicott
Carey	Hastings	Norbeck	Walsh, Mass.
Connally	Hatfield	Norris	Walsh, Mont.
Coolidge	Hayden	Nye	Waterman
Copeland	Hebert	Oddie	Watson
Costigan	Howell	Patterson	White
Couzens	Hull	Pittman	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Wisconsin [Mr. LA FOLLETTE] that the Senate proceed to the consideration of Senate bill 7.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will read the bill.

The legislative clerk read the bill (S. 7) to provide for the deportation of certain alien seamen, and for other purposes, as follows:

Be it enacted, etc., That this act may be cited as the alien seamen act of 1932.

Sec. 2. Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigration inspector to determine whether or not he (1) is a bona fide seaman and (2) is an alien of the class described in section 7 of this act, and by a surgeon of the United

States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

SEC. 3. Unless such alien was shipped in a port in continental United States prior to the passage of this act, then if it is found that such alien is not a bona fide seaman he shall be regarded as an immigrant and immediately be ordered removed from the vessel to an immigration station, and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary of Labor, and on the question of his admissibility as an immigrant he shall be entitled to appeal to said Secretary, except where exclusion is based upon grounds non-appealable under the immigration laws. If found inadmissible, such alien shall be deported as a passenger on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

SEC. 4. If it is found that such alien is subject to exclusion under section 7 of this act, the inspector shall give immediately order to the master to remove such alien, together with his effects and wages, if any, to an immigration station, and such alien shall then be deported in accordance with the provisions of said section 7.

SEC. 5. If it is found that although a bona fide seaman, such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case in accordance with the provisions of the act approved December 26, 1920, entitled "An act to provide for the treatment in hospital of diseased alien seamen."

SEC. 6. All vessels entering ports of the United States manned with crews the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance: *Provided, however,* That such vessel shall not be required when departing to carry in the crew any person to fill the place made vacant by the death or hospitalization of any member of the incoming crew.

SEC. 7. No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who if he were applying for admission to the United States as an immigrant would be subject to exclusion under subdivision (c) of section 13 of the immigration act of 1924, except that any ship of the merchant marine of any sovereign nation may freely bring any excluded citizen or subject of such nation or any person not racially excluded who is a bona fide seaman as a member of the vessel's crew, exclusive, however, of any citizen, subject, or inhabitant of any colony, dependency, or mandate who is racially excluded from coming to the United States as an immigrant. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported, either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

SEC. 8. This act shall take effect 60 days after it is passed.

Mr. VANDENBERG. Mr. President, I would like to have the attention of the junior Senator from Utah [Mr. KING].

Since this matter came to the floor of the Senate, I have received a letter from the Lake Carriers' Association, at Cleveland, Ohio, pointing out the effect of the legislation upon navigation upon the Great Lakes, and it is entirely possible that the effect is entirely beyond the scope of the objective which the Senator from Utah has in mind. I will ask him to listen while I submit this point of view. I read from a letter from Mr. George A. Marr, vice president of the Lake Carriers' Association, at Cleveland:

The vessels on the Great Lakes ship their crews in the American ports and the trade is for the most part coastwise. A good many sailors from salt water seek employment on the lake vessels during the navigation season because of the attractive wages and working conditions. It rarely occurs that any of these men (who are bona fide sailors) are unlawfully in the country, but there have been instances where aliens illegally here have been shipped in the lake ports without our knowledge of their unlawful entry. If the vessel on which they ship touches at a Canadian port, she reports to the immigration officer on her return and he rules that this vessel, having come from Canada, has brought the alien into the country.

The Senator will please note this:

Under the King bill the vessel would be required to furnish transportation to the seaboard (possibly with escort) and to the alien's native land, although in no sense responsible for bringing the alien into the United States.

We ship no men in Canada except in the occasional case where necessary to replace a seaman put ashore on account of sickness or injury, and in those instances the master reports to immigra-

tion officials on arrival in the United States, proceeding thereafter upon that official's instructions.

We respectfully request that a clause be inserted in the bill to provide that alien seamen shipped in a port of the United States by a vessel of the Great Lakes, which on her voyage enters a port of Canada, shall not, on the return of the vessel to the United States, be deemed to have unlawfully brought such alien seamen into the country.

It is manifestly unjust that the lake vessels should be penalized for the offenses committed by others, and I hope we may have your active interest in the suggested amendment.

If I may amplify that for just a moment, with the Senator's attention, I should like to suggest a new section, to be called section 9, reading as follows:

Alien seamen shipped in a port of the United States by a vessel of the Great Lakes which on a voyage enters a port of Canada shall not, on the return of the vessel to the United States, be deemed to have unlawfully brought such alien seamen into the United States.

May I call the Senator's attention to the fact that this would exempt a carrier only under the following circumstances: The alien seaman is shipped in an inland port. Obviously, he has entered the country through one of its external gates, and the navigation company upon the Great Lakes has had no fair opportunity to pass upon his status, because, of course, he has pretended that he is bona fide, and obviously the Great Lakes Navigation Co. has not conspired in any way to bring the seaman in.

That is a totally different situation from the one to which I apprehend the Senator addresses himself, where there is an obvious opportunity for the transoceanic carriers to deliberately, let us say, enlist the alien seaman, and deliberately take advantage of his enlistment.

We are not asking any exemption for this alien seaman when he happens to be identified at this internal port. We are simply asking that he be turned over to the immigration authorities in the usual course. We are not giving him any immunity, but we are suggesting that the Great Lakes Navigation Co. should not be put to the penalty and imposition, as provided in this bill, of sending the alien not only to our own coast, but also probably to the point to which he is ultimately deported, inasmuch as the responsibility obviously is not upon the Great Lakes Co.

May I ask the Senator whether he would have any objection to that amendment?

Mr. REED. Mr. President, will the Senator yield to me for a moment?

Mr. VANDENBERG. Certainly.

Mr. REED. I am in full sympathy with the purpose of the Senator from Michigan, having some little personal acquaintance with this lake-carrier traffic and the method by which the seamen are shipped there. They are always shipped in the United States. They are always shipped for a round trip, and if the vessel touches at a Canadian port, of course, strictly speaking, it makes them subject to the immigration laws, but it is not actually a process of immigration, because it is merely a circuit made by an alien who has already been in the country.

Mr. VANDENBERG. The Senator is correct.

Mr. REED. I would suggest that we give some attention to the language of the Senator's proposed amendment. I am a little bit afraid that in addition to protecting the steamship company it would be construed to give absolution to the seaman himself who was unlawfully in the country, and none of us wants to do that.

Mr. VANDENBERG. May I say that, of course, I do not want to do that, either?

Mr. REED. I am sure the Senator does not.

Mr. KING. Mr. President, let me put a hypothetical case to my friend the Senator from Pennsylvania. Suppose a person who is racially excluded happens to be in the United States, legally or illegally, and enlists as a seaman, assuming him to be a bona fide seaman, on one of the Great Lakes boats to which the Senator's correspondent referred, and goes to Canada and comes back again. What treatment should be accorded him? Would he be immune from deportation?

Mr. REED. That is just what I want to prevent, and I think we all want to prevent that.

Mr. VANDENBERG. It is my understanding, of course, that he would not be immune.

Mr. KING. Exactly; but he ought to be subject to the terms of the bill.

Mr. VANDENBERG. He ought to be subject to deportation.

Mr. REED. He always was subject to deportation, even before he shipped as a seaman on that boat. All I want to do is to see that this proviso does not improve the alien's status. I would like to protect the steamship company, because it is acting in good faith, but we should not protect the alien, because he is not.

Mr. KING. I agree.

Mr. VANDENBERG. That is precisely the point I am submitting to the Senator.

Mr. KING. May I inquire whether this steamship company is an American company?

Mr. VANDENBERG. Oh, yes, indeed.

Mr. KING. Its home ports are in the United States?

Mr. VANDENBERG. Yes; and practically all the ports it touches are home ports.

Mr. KING. Of course, there were so many ramifications and labyrinthine points in this matter that I am not able to say definitely, as the Senator read the amendment; but it seems to me that it might be a proper amendment.

Mr. REED. Mr. President, there is another suggestion I want to make to the Senator. The subject of the sentence is "alien seamen." I call attention to that. It reads:

Alien seamen shipped in a port of the United States by a vessel of the Great Lakes which on a voyage enters a port of Canada shall not on the return of the vessel to the United States be deemed to have unlawfully brought such alien seamen into the United States.

Obviously we do not mean that alien seamen shall be deemed not to have brought such alien seamen in. That is not the way the sentence ought to read.

Mr. VANDENBERG. The Senator will permit me to say at this point that I roughly drafted this amendment at the moment, using the language of the letter to which I have referred, not anticipating that the matter was coming to the attention of the Senate this afternoon. If the Senator from Utah will indicate his general attitude toward the matter, possibly we can perfect the amendment in the next few moments in more acceptable form.

Mr. KING. Mr. President, I suggest that we proceed with the consideration of the bill, and that the Senator draft the amendment as he thinks the situation calls for, and with my present views, I would be inclined to accept the amendment, if I understand it and interpret it correctly.

Mr. VANDENBERG. I shall undertake to do that, in conjunction with the Senator from Pennsylvania, because his statement of the case is exactly the objective I have in mind.

Mr. COPELAND. Mr. President, I was not in the Chamber when this bill was taken up. If I had been, I should have requested the Senator who made the motion to postpone it for a week or 10 days, for the reason that there are steamship companies besides the one spoken of just now by the Senator from Michigan which have suggested certain amendments which I would have had with me if I had realized that the matter was coming up to-day.

I should like to say this, that the steamship owners and the Department of Labor have been in conference for some days over a modification of this bill, a proposal to safeguard all the things which those back of the bill have had in mind, and at the same time to do away with the objections raised by the writer of the letter to the Senator from Michigan.

I know the sentiment of the Senate. It is in favor of the spirit of the bill. I am in favor of it myself. But I make the appeal that the matter may go over for a week in order that there may be brought to us from the Labor Department such amendments or modifications of the bill as will do away with manifest injustices and at the same time enable us to enact into law what the movers of the bill desire. I wish that might be done. The very fact now that the Senator from Michigan [Mr. VANDENBERG] has presented an

amendment which needs perfecting indicates that there are other similar modifications which should be made.

Would anything be lost if we defer it to a stated time or for a week, or to any time that might be satisfactory? I have no desire to hold up action on the bill, but I am very anxious that other amendments which are in my office and which have been suggested to me might be brought before us in the proper way. The Senator from Wisconsin has moved to take up the bill.

Mr. LA FOLLETTE. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. COPELAND. Certainly.

Mr. LA FOLLETTE. The Senator from New York knows very well that this legislation has been pending in Congress since 1924. There have been hearings on it every year since that time with the exception of this year. The bill has twice passed the Senate after most careful consideration on the part of the committee and the Senate. There is a small group in the Senate, led by the Senator from Connecticut [Mr. BINGHAM], who have been endeavoring to block the legislation by every tactical means which they could employ under the rules.

The bill is important. I realize that the shipping companies which have been bringing in these aliens are going to object to having themselves made responsible for aliens who come in as seamen. Of course, they have prevailed upon the department and discussed the matter with them. But the responsibility rests with Congress, and if we desire to plug up the biggest hole in our present immigration laws and block the biggest part of the evasions of that law, here is the bill with which to do it. I do not subscribe to the proposal to delay consideration of this important bill any longer. Senators have had ample notice that the bill would be brought up at the first opportunity. Further delay is inimical to the consideration of the legislation because, as every Senator knows, when the appropriation bills come before the Senate and other legislation is prepared and ready for the consideration of the Senate, there will be less and less opportunity for the consideration of this bill on its merits. Therefore the plea made by the Senator from New York falls on deaf ears so far as I am concerned.

Mr. COPELAND. Despite what the Senator from Wisconsin has said, I can not see why he should possibly object to postponement of the consideration of the bill to a definite time. If that time is a week or ten days off, then the Senator will accomplish exactly what he has in mind. The bill will be before the Senate then, and at the same time there will be presented such suggested changes as may seem wise to the Labor Department and to the steamship owners.

Mr. LA FOLLETTE. If they come to any agreement concerning the legislation, they can bring it to the attention of the Committee on Merchant Marine, Radio, and Fisheries in the House when the legislation is taken up for consideration there.

I wish to say to the Senator from New York that I am as anxious as any other Senator is to be accommodating to individual Senators when legislation comes up and they ask delay, but I ask the Senator to put himself in the position of those who are in favor of the legislation. In view of the past history of the bill, which I have reviewed briefly for the benefit of the Senate, I think we are justified in asking now, after all these years and having twice passed the bill after consideration by the Senate, to proceed to its consideration and pass it or defeat it on its merits. That is all we are asking. We are justified, I believe, in refusing to grant any further time in the consideration of the legislation.

Mr. COPELAND. It is very easy for me to do what the Senator suggests and put myself in the position of those who favor the legislation, because I am in that position already. I do favor the legislation. But I submit that since there are objections to certain features of the bill it is only fair to the Senate to give consideration to those objections before we act upon the measure. Those of us who want the bill passed and the spirit of it enacted into law lose nothing by fixing a date for its consideration. I have no doubt the Senate would agree to the fixing of a special time for the

consideration of the measure a week or 10 days hence, so that if the steamship owners are acting in good faith they may bring to us their objections. Then if they do not appeal to the Senate, it will be a very simple matter to dispose of the question. I think in all fairness that we should defer final action on the bill in the Senate until the objection can be brought here.

The Senator has said that there have been hearings on the bill every year except this year. There has been no hearing this year, and at a very early meeting of the Committee on Immigration, before we had hardly organized for work, the measure was reported out without any hearing whatever. I have no objection to it being considered at a time when those who have criticisms to offer or amendments to propose may have them here.

The Senator from Michigan [Mr. VANDENBERG] brought an amendment here which it was demonstrated at once was not a perfect amendment. Why do we not, in the interest of fairness to all concerned, set a definite time—say a week from next Monday, or any other day—when this matter may be made a special order? Then all the advantages of having early action for which the Senator from Wisconsin pleads would be met and we would have an opportunity to consider not only the bill as it is now before us, but such perfected amendments as might be brought to us?

Mr. LA FOLLETTE. If unanimous consent could be obtained for a special order for the measure and for the final disposition of it, I would not be inclined to object, but I am not going to lose the opportunity we have been waiting for all these years to get the bill passed and have it dissipated by a plea to set the bill for a special order and then have tactics of delay and filibuster employed in preventing it coming to a final vote, such as we have experienced in the past.

Mr. COPELAND. May I, preparatory to making such a request, ask the senior Senator from Oregon [Mr. McNARY] if next Monday be as good as any day for a special order?

Mr. McNARY. Mr. President, unhappily I am not able to anticipate the legislative situation next Monday. I could not distinguish Monday from any other day save the fact that there is always a morning hour and the calendar, under Rule VIII, on that day. Is it in the mind of the Senator from New York to fix a specific date for the consideration of the bill?

Mr. COPELAND. I was about to ask that the bill be made a special order for Friday, January 29.

Mr. LA FOLLETTE. What is the request? I could not hear the Senator's request.

Mr. COPELAND. I said that I was about to ask that the bill be made a special order of the Senate at the close of the morning hour on Friday, January 29, and that final action may be taken on that day.

Mr. REED. Mr. President, I am very much interested in the bill and have been for years. That happens to be the one day in this entire session that I can not be in Washington.

Mr. COPELAND. What about Thursday, January 28?

Mr. REED. Consideration of the bill might last over a day. Why not make it 2 o'clock on the following Monday?

Mr. COPELAND. That would be the 1st day of February.

Mr. LA FOLLETTE. I do not think we ought to put off consideration of the bill as long as that. Would not the Senator be ready to take it up next week?

Mr. COPELAND. I hope so.

Mr. REED. So far as I am concerned, it would suit me to fix it for 2 o'clock next Monday.

Mr. COPELAND. Very well.

Mr. LA FOLLETTE. I suggest that the Senator modify his unanimous-consent proposal to provide that on Monday next the bill be taken up for consideration at 2 o'clock and that it remain the unfinished business of the Senate until disposed of.

Mr. COPELAND. I accept that amendment.

Mr. BINGHAM. Mr. President, that would require the calling of a quorum.

Mr. LA FOLLETTE. No, Mr. President; the setting of a special order does not require the calling of a quorum. It

is only when we fix a time to vote that a quorum must be called.

Mr. BINGHAM. Mr. President—

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

Mr. COPELAND. I yield.

Mr. BINGHAM. My understanding is that the request is made for a special order for Monday, January 25, at 2 o'clock, and that it shall continue to be the unfinished business until disposed of. I have no objection to that request; but, may I suggest that in the meantime, if possible, the chairman of the committee give those who are opposed to it, and who have not had an opportunity to be heard, an opportunity to express their opinion? I assure the Senator from Wisconsin [Mr. LA FOLLETTE] that this will shorten the debate because it will relieve me of the necessity of reading into the RECORD the testimony which I would prefer to have given to the committee direct.

Mr. LA FOLLETTE. So far as I am concerned, may I say to the Senator from Connecticut I have never had any objection to hearings, provided that the bill, in view of all the circumstances to which I have referred before this afternoon, should not lose its status on the calendar. The matter of further hearings, of course, would rest with the committee and not with its chairman.

Mr. KING. Mr. President, may I ask the Senator from Connecticut a question?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah for that purpose?

Mr. COPELAND. I yield.

Mr. KING. The Senator's proposal does not contemplate a rereference of the bill to the committee at all, but merely that the committee may receive such testimony as they may care to receive after due notice to the committee, and anybody can avail himself of that opportunity as he may see fit.

Mr. BINGHAM. My desire is that the opponents of the bill be given an opportunity to present any new evidence they may have. I am willing it should be made a special order for 2 o'clock on Monday next and continue as the unfinished business until disposed of. I can assure the Senator from Wisconsin that if an opportunity is given for a hearing, so far as I am personally concerned, it would take a very short time to present the matter which I desire to submit to the committee.

Mr. LA FOLLETTE. That is very good news.

Mr. NORRIS. Mr. President, may I ask the Senator from Connecticut a question?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nebraska?

Mr. COPELAND. Certainly.

Mr. NORRIS. I just entered the Chamber a moment ago and have not heard the first of the discussion, so I may be asking something that everybody else understands. What is the date when this is to be done?

Mr. BINGHAM. The Senator from Wisconsin has suggested that consideration of the bill be made a special order for Monday next at 2 o'clock.

Mr. NORRIS. I have no objection.

Mr. HATFIELD. Mr. President, I have numerous telegrams and letters asking for a hearing on the bill. These telegrams and communications were received after the bill had been reported from the committee. I doubt seriously whether we can have a hearing and complete it by next Monday. However, I rather feel that the bill should be made a special order a little later in the week in order that some of those living on the Pacific coast who have communicated with me may be heard. Whether they have representatives located in the city of Washington who will present their objections to the bill, of course, I am not informed.

Mr. KING. Mr. President—

Mr. COPELAND. I yield to the Senator from Utah.

Mr. KING. I think the shipping interests have their representatives here or in New York, and those who live upon the Pacific coast have heretofore presented their views to the committee. I have no doubt that in a very short time

they can present their testimony. Much of it will be in the form of briefs. I think if the Senator would set next Friday morning for the hearings and would notify them by wire, there would be no difficulty in concluding in one day all the testimony they desire to offer.

Mr. HATFIELD. That date is quite agreeable to me, Mr. President.

Mr. BINGHAM. Mr. President, may I ask the Senator from Wisconsin if he would be willing to change his request to Wednesday at 2 o'clock? I can assure him that there will be no delay whatever; and after what the Senator from West Virginia [Mr. HATFIELD] has stated it seems to me only fair that those who live in California, if they desire to come on, should be permitted to do so.

Mr. LA FOLLETTE. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. Yes.

Mr. LA FOLLETTE. May I ask the Senator from Pennsylvania whether January 26 would be agreeable to him?

Mr. REED. It would not be very convenient, but I shall make it satisfactory if that be the desire of the Senate.

Mr. LA FOLLETTE. If that be satisfactory to the Senator from New York—

Mr. COPELAND. What was the date mentioned by the Senator from Wisconsin?

Mr. LA FOLLETTE. Wednesday, January 26.

Mr. COPELAND. Wednesday will be the 27th.

Mr. LA FOLLETTE. Would Tuesday suit the Senator from West Virginia?

Mr. HATFIELD. Any day, Mr. President, would be entirely agreeable to me. I made the suggestion so that those who are interested in protesting against the bill might be here in order to enter their protest.

Mr. COPELAND. I modify my request and now ask that the bill may be made a special order for 2 o'clock on Tuesday, January 26.

The PRESIDING OFFICER. And that it be made the unfinished business?

Mr. COPELAND. That it be made the unfinished business.

The PRESIDING OFFICER. That request will not require the call of a quorum.

Mr. McNARY. Mr. President, I should want another sentence to be incorporated in the agreement, and that is, "Provided, That this agreement shall not prevent the submission of conference reports."

Mr. LA FOLLETTE. I am agreeable to that, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York as modified?

Mr. VANDENBERG. Mr. President, may I ask the Senator to withhold his request just long enough to attach an amendment to the bill, inasmuch as we are now all in agreement upon it and it will simplify the matter to have the bill framed in that way before it goes over?

Mr. COPELAND. I have no objection.

Mr. VANDENBERG. I offer the amendment in behalf of the Senator from Pennsylvania and myself.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to add a new section, as follows:

Sec. 8. A vessel of the Great Lakes, which has shipped an alien seaman in a port of the United States and which on its voyage has entered a Canadian port, shall not upon its return to the United States be subjected to any of the penalties provided in this act.

Also to change "section 8" to read "section 9."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was agreed to.

Mr. GEORGE. Mr. President, I do not object to entering into this agreement; but unless there is to be some assurance that legislation will be reported out of the Committee on Immigration at this session, I shall, when the bill comes before the Senate for consideration, offer an amendment pro-

viding for the deportation of any alien who, in the courts of the United States or of any State, has been convicted of crime involving moral turpitude.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York [Mr. COPELAND]? The Chair hears none, and it is so ordered.

PAPERS RELATING TO MANCHURIAN CONTROVERSY

Mr. CUTTING obtained the floor.

Mr. JOHNSON. Mr. President, will the Senator yield to me in order that I may make an inquiry?

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

Mr. KING. I yield.

Mr. JOHNSON. The Senator yielding to an inquiry, I desire to say that on the 17th day of December the Senate adopted a resolution calling upon the Secretary of State for the papers relating to the Manchurian controversy and asking that they be transmitted to the Senate of the United States. I inquire of the Chair has any response been made to that resolution of the Senate?

The PRESIDING OFFICER. There is no record of it.

Mr. JOHNSON. More than a month has passed and no response of any kind or any character has been made to the Senate's resolution.

EVERGLADES NATIONAL PARK

The PRESIDING OFFICER. Will the Senator from New Mexico permit the clerk to state the next bill on the calendar?

Mr. CUTTING. Certainly.

The LEGISLATIVE CLERK. A bill (S. 475) to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes.

WORLD WAR VETERANS' LEGISLATION

Mr. CUTTING. Mr. President, after the enactment of the veterans' act of July 3, 1930, which provided allowances to World War veterans suffering from non-service-connected disabilities, the convention of the American Legion, held from October 6 to October 9, 1930, adopted resolutions calling upon Congress to enact legislation for widows and orphans of World War veterans who died of nonservice-connected disabilities.

In response to that resolution a number of bills were introduced in the last Congress and in the present Congress. The officials of the American Legion, in an endeavor to carry out the desires of the convention, have been in constant attendance during this session at hearings before the Veterans' Committee of the House of Representatives. It was very surprising to Legion officials to read in this morning's Washington Post what purports to be a news story headed "War veterans agree to halt pension fight—White House is notified demands will not be pressed—\$200,000,000 bill would aid widows; year delay held dictated by patriotism of leading organizations."

This article, which is signed by Lawrence Sullivan, begins as follows—I will read some of it:

Yielding to the insistent pleas of both Congress and the administration for drastic curtailment of Federal expenditures until the national Budget is balanced again, the principal war veterans' organizations yesterday sent word to the White House that they would not press in the present session of Congress their demands for a \$200,000,000 pension bill for widows, orphans, and dependent relatives of former soldiers and sailors.

The decision does not mean that the pension program approved by all the veterans' conventions last summer will be abandoned. An agreement has been reached, however, to withhold pressure for its enactment until the proposed payments might be handled without further increasing the \$18,000,000,000 national debt.

Washington spokesmen for the veterans declare that in view of the present state of Federal finances the year's delay is dictated by the high patriotism of the rank and file of their several organizations.

WHAT BILL WOULD INVOLVE

Veterans' Administrator Frank T. Hines discussed both the pension measure and the \$13,000,000 hospital-construction program with President Hoover yesterday. He explained that the 5-year pension program would have called for more than \$20,000,000 the first year and approximately \$60,000,000 in the fifth year. Inasmuch as the billion-dollar veterans' budget for 1933 does not make any provision for the proposed pensions, enactment of the bill in the present session would have involved new Treasury financing.

as was necessary to meet the \$1,000,000,000 in service-certificate loans during the last year.

Officials of the American Legion and other powerful veterans' organizations recognized that in an election year it would have been a comparatively easy matter to work up a strong demand in Congress for the immediate enactment of the pension bill.

In the face of the overwhelming development of economy sentiment among both Democrats and Republicans on Capitol Hill since Congress convened, however, the political strategists of the veterans' lobby counseled shelving the pension campaign—

A misprint occurs there. It then goes on:

The wiser heads among the veterans swung gradually to the view that to press their new demands now might jeopardize the entire pension program.

Mr. President, I do not often pay attention to newspaper articles, and certainly there are few Senators who have less interest than I in what is printed in the Washington Post. Perhaps some of us go to the other extreme and consider the inclusion of an item in that newspaper a guaranty of inaccuracy. Nevertheless, I would not voluntarily accuse Mr. Sullivan, of the Post, of having deliberately falsified this article. It bears on its face the suggestion that possibly the inaccuracy of this particular statement is due to the White House itself.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

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

Mr. CUTTING. I yield.

Mr. NORRIS. Is not that suggestion the Senator has made applicable to pretty nearly all of Mr. Sullivan's effusions?

Mr. CUTTING. The Senator possibly is correct, but what I mean to say is that Mr. Sullivan may have written this article in entire good faith. It quotes no one, no individual, no leader of either the American Legion or of any other service man's organization, but appears to be based on information received at the White House.

In view of those circumstances I think it is proper to call the attention of the Senate to the fact that Legion officials have asked me to-day to deny this article completely and to assure the Senate that they are continuing to carry out in good faith the desires of the Boston convention and the subsequent convention last year. As proof of that they show me their last weekly bulletin, which devotes more than half its pages to a discussion of the particular piece of legislation which they are now quoted as having abandoned.

One other matter is emphasized in this bulletin which I think is entirely appropriate to the situation. Since 1925 the American Legion has been anxious to have a special veterans' committee in the Senate, similar to the one in the House, which will deal with veterans' legislation in a thoughtful and comprehensive way. Resolutions proposing the creation of such a committee have been before the Senate at various times. On December 18 last the Senator from Texas [Mr. SHEPPARD] submitted a resolution creating such a committee, which was referred to the Committee on Rules. That committee, as in previous sessions of the Senate, has paid no attention whatever to the resolution.

I do not wish to detain the Senate to read at length the statement by the American Legion on the subject of a veterans' committee in the Senate. I should like, if there be no objection, to have included in the RECORD, as a part of my remarks at this point, a brief statement as to the need of such a committee in the Senate and a table submitted by the American Legion showing the time spent on the consideration of veterans' legislation for the disabled by the House Committee on World War Veterans' Legislation and the time spent by the Finance Committee of the Senate on the same measures.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

THE NEED FOR A VETERANS' COMMITTEE IN THE SENATE

The dates set forth below show a comparison between the time spent in the consideration of legislation for the disabled by the House Committee on World War Veterans' Legislation and the time spent by the Finance Committee of the Senate on these same measures. This comparison covers the period 1925-1931, during

which the Legion, since 1925, has endeavored to obtain a veterans' committee in the Senate, so that legislation affecting the disabled may receive the same thoughtful study by Members of the Senate that it has been receiving in the House of Representatives.

In the following compilation, the word "Senate" means Finance Committee, while "House" means House Committee on World War Veterans' Legislation. It should also be stated, in explanation of the House dates, that it has been the custom of the House committee to hold five meetings a week during the period when it is considering veterans' legislation. About three-fourths of this time has been devoted to hearings and one-fourth to executive committee sessions, during which the committee has reached an agreement upon the provisions of the bill it would report. A portion of the hearings, especially those affecting hospitals, have been conducted by subcommittees before the full committee began executive consideration of the legislation.

(Sixty-eighth Congress, second session, 1925)

DISABLED—H. R. 12308

House, January 7 to February 18.

Senate, March 2.

(Sixty-ninth Congress, first session, 1926)

DISABLED—H. R. 12175

House, January 6 to March 11.

Senate, May 6 (S. 3997) and May 24 to 26.

(Sixty-ninth Congress, second session, 1927)

DISABLED—H. R. 17141

House, February 6 to 9.

Senate, no consideration. (Bill failed.)

(Seventieth Congress, first session, 1928)

DISABLED—H. R. 13039

House, January 30 to April 11.

Senate, May 21.

HOSPITALS—H. R. 12821

House, January 9 to March 24.

Senate, May 22.

(Seventieth Congress, second session, 1929)

DISABLED—H. R. 16819

House, February 1.

Senate, no consideration. (Bill failed.)

HOSPITALS—H. R. 15921

House, January 15 to February 21.

Senate, no consideration. (Bill failed.)

(Seventy-first Congress, first session, 1930)

DISABLED—H. R. 10381

House, January 16 to March 10.

Senate, May 8 and 12, and June 11, 27, and 28.

HOSPITALS—H. R. 234

House, December 13 and from April 1 to April 24.

Senate, December 17 and 18.

(Seventy-first Congress, second session, 1931)

DISABLED—H. R. 17116

House, February 3 to February 18.

Senate, no hearings. (Bill failed.)

HOSPITALS—H. R. 16982

House, December 15 to February 10.

Senate, February 18 and 19.

It will be seen from the foregoing that all of the measures affecting the disabled, both amending the World War veterans' act and hospital construction, under consideration for seven years have originated in the House with the exception of one bill, S. 3997, the so-called Reed insurance bill. There is no reason why the Senate should not originate veterans' legislation as well as the House, except that there is no adequate committee of the Senate for this purpose.

Mr. CUTTING. I will read the conclusion reached by the Legion:

A compilation of the time spent since 1925 in House and Senate consideration of veterans' measures affecting the disabled—

That is without any regard to so-called bonus loans—

shows that the House World War Veterans' Committee has spent 440 days during the seven sessions under consideration and that the Finance Committee has spent only 16 days. Counting time out for week-ends this means that the House has spent approximately 20 days on the consideration of veterans' legislation for every day that the Finance Committee has considered the subject. The Veterans' Committee of the House has averaged more than two months each session on measures affecting the disabled, whereas the Finance Committee has only averaged a little more than two days a session in consideration of these same measures. This in itself should be proof conclusive of the need of a veterans' committee in the Senate.

It is quite evident to every Member of this body that the Finance Committee, which has its whole time taken up with matters of enormous importance to the country at this session and at practically every session, has no time to give to

veterans' legislation in any thoughtful way. The result is that at every session since I have been a Member of this body veterans' legislation has come before the Senate in the last two or three days of the session, when there was no time to consider it properly and no time to do anything except either pass it or reject it.

Mr. SMOOT. Mr. President—

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

Mr. CUTTING. I yield.

Mr. SMOOT. I think that is an unfair statement on the part of the Senator.

Mr. CUTTING. I should like the Senator to point out in what respect it is unfair.

Mr. SMOOT. I will do so.

The legislation that has come over from the House comes to the Senate with the hearings upon those special measures. I think in the case of 90 per cent of the bills that have been reported to the Senate by the Finance Committee we have taken the hearings that have already been held in the House and passed upon the bills themselves and reported them here without any hearings whatever.

As to public hearings, the Senator's statement as to the time is perhaps true; but that refers only to public hearings. It does not apply to the amount of time that has been expended by the committee in the consideration of House bills, because nearly all of the bills have originated in the House. The reports that have been made here were generally, and, in fact, I think in all cases, on bills that originated in the House. The House hearings were before the Finance Committee and they were considered by that committee. I want to say further that the action of the House has had a great influence upon the action of the Senate committee, and they have not gone into the details any further than the House went into them wherever there was a hearing held.

Mr. CUTTING. May I ask a question of the Senator from Utah? Is there any reason why veterans' legislation should originate in the House? Why should not some veterans' legislation be considered in the Senate by a committee devoted to that end?

Mr. SMOOT. If the Senator will look at the bills on veterans' legislation that have been introduced in the House, I think he will find that there have been at least 20 introduced there where there has been 1 introduced in the Senate.

Mr. CUTTING. Yes; but their passage always comes in the House after House hearings and after consideration before a House committee.

Mr. SMOOT. No; not always.

Mr. NORRIS. Mr. President—

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

Mr. CUTTING. I yield to the Senator from Nebraska.

Mr. NORRIS. The membership of the House, as compared with the membership of the Senate, I think, will account for the figures the Senator from Utah has just given. There are so many more Members there.

I should like, however, for the benefit of the Senator from Utah, to call attention particularly to the fact that the Senator from New Mexico has cast no reflection upon the Committee on Finance or any other committee of the Senate. He has called attention to a condition that it seems to me is very favorable to what he is trying to do, by showing, in effect, that neither the Committee on Finance nor any other standing committee of the Senate is physically able to give to this legislation the attention that a regular committee could give to it. He does not mean, as I understand him, to say that the Committee on Finance have not done their duty, or anything of that kind, but that they have so many other things to look after.

Mr. SMOOT. That is not what the Senator from New Mexico said.

Mr. NORRIS. That is a fair inference from what he said.

Mr. CUTTING. That is what I intended to say.

Mr. SMOOT. That is not what the Senator did say, and the reason I rose was to let him and the other Members of the Senate understand the situation.

I think the Senator will admit that, as far as the Senate is concerned, perhaps 90 per cent of the bills considered here dealing with veterans' legislation have been bills that have passed the House and come to the Senate and been reported from the Finance Committee, in most cases without hearings. We have held hearings, however, in the case of any really important legislation, such as the bonus bill passed at the last session of the Senate, where we made an appropriation and made some changes in the House bill and, I may say, also added thereto.

Mr. NORRIS. That may all be, if the Senator will yield further.

Mr. CUTTING. Yes; I yield.

Mr. NORRIS. That, however, does not do away with the fact, which seems to be perfectly plain from the Senator's argument, that regardless of what we think about whether there ought to be another committee or not, the time given by the committee of the House to the consideration of veterans' legislation, as the Senator has shown, practically demonstrates that no standing committee of the Senate ought to be loaded down with additional work when it is already overloaded, while the House committee has nothing but these bills to consider.

Nobody would expect the Senator or his committee, having the burden of legislation that is put upon their shoulders, to undertake this additional work. It would be a physical impossibility to do it. As the Senator says, however, these bills have always come—and we remember that, because we have been embarrassed to know what to do—at the very tail end of a session, particularly a short session. The Senate committee has other work to do, and it does not get to these bills. The House considers them first and passes them first. If we had a committee here to consider them, that would not occur. They would be reported from time to time; and even if we were not able to take them up until late in the session, when we did take them up we would have the advantage of the Senate committee having considered them, and would have their judgment and their report on them.

So I think, regardless of how any Senator may feel about the creation of another committee, the statements made by the Senator from New Mexico are borne out by the facts.

Mr. REED and Mr. ROBINSON of Indiana addressed the Chair.

The VICE PRESIDENT. Does the Senator from New Mexico yield; and if so, to whom?

Mr. CUTTING. I yield first to the Senator from Pennsylvania.

Mr. REED. Mr. President, I have no inclination to quarrel with the figures of the number of hours spent by these different committees; but I do want to correct one statement that inadvertently has been made by the Senator, in which he said that none of these bills has originated in the Senate.

It is a fact that the World War veterans' act of 1924, which is the very foundation stone of the whole system of veterans' relief in the United States, was prepared and written in the Senate after an entire summer had been spent in its consideration and in an investigation of abuses of the Veterans' Bureau at that time. That investigation led to the conviction and sentence of the Director of the Veterans' Bureau at that time, Colonel Forbes, who spent a term in the penitentiary as a result of the disclosures of that committee. The other work that the committee did was the preparation of the World War veterans' act; and it was done entirely in the Senate, and by that committee, after months of steady work every day during the week except Sundays.

Mr. NORRIS. Mr. President—

Mr. CUTTING. May I answer the Senator from Pennsylvania before yielding further? I think my remarks will show that I referred, and I certainly intended to refer, only to the term during which I have been a Member of the Senate. The World War veterans' act of 1924, of course, was passed before that time.

I should like also to say to the Senator from Utah that I entirely agree with what was said by the Senator from

Nebraska [Mr. NORRIS]. I had no desire whatever to reflect on the subcommittee of the Finance Committee which deals with veterans' legislation; but I do say that neither they nor any other men could give the proper attention to the veterans' legislation which has been introduced in Congress in the last four years if they were going to attend to the other things which were bound to absorb the major part of their time and attention.

Mr. REED. Mr. President, will the Senator yield to me again for a moment?

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

Mr. CUTTING. Yes; I yield.

Mr. REED. The Senator is right when he says that we have spent comparatively few hours on veterans' legislation here as compared to the House; but one reason for that has been the trick, which has become a habit, of the House holding up these veterans' bills and amendments to the veterans' law until just before the session comes to an end. Then they pass their bill; they rush it over here with about 48 hours to spare; the entire force of the veterans' lobby in Washington—and it is very considerable—comes down on us to compel us to rush that thing out with scarcely any consideration, in order to get it to the President before the session is over.

If we had a special committee, I do not believe conditions would be any better. They never give us a chance to consider those bills with deliberation; and it is not the fault of the Senate. It is the fault of either the House committee or the backers of the bill in not getting their veterans' acts over here in time for us to study them.

Mr. CUTTING. The very point I am trying to make, it seems to me, is emphasized by what the Senator from Pennsylvania said. If we had a committee over here it would hold hearings of its own and report a bill favorably to the Senate; and the difficulties, if there were any, between the two Houses could be ironed out in conference at almost any time.

Mr. SMOOT. Mr. President—

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

Mr. CUTTING. I do.

Mr. SMOOT. Take the case of the building program, the bill that came over here and was passed in the last hours of the last session, appropriating some nineteen or twenty million dollars. That was a direct appropriation.

Mr. CUTTING. Of course. That is just one item out of a great many, however.

Mr. SMOOT. That bill had to originate in the House of Representatives. We can not handle those things until the House passes on them; and that was one of the most important bills, I think, ever passed in behalf of the veterans.

I do not see how the veterans can complain of the action of the Senate in relation to legislation affecting the veterans' organizations. There may be a few that were not given all they wanted; but in nearly every case the representatives of the American Legion have appeared before the committee, and in nearly every case I can say the legislation that was reported has met their approval.

Mr. CUTTING. I will only say to that, in the first place, that while a Senate veterans' committee could not originate appropriations it can authorize appropriations.

Mr. SMOOT. Yes; but then the bill would have to go back to the House and the House would have to act upon it, and then it would have to come back here again.

Mr. CUTTING. Even then, those things can be done some time before the last days of the session.

In the second place, I want to say that I was not speaking principally about appropriations. If the Senator will remember—and I mention this merely as one example out of many, though a most flagrant one—the bill of July 3, 1930, was introduced in the House without any hearings. It was directly contrary to all the precedents on which veterans' legislation has been based in the past. It was rushed over to the Senate, as I remember, about 24 hours before final adjournment. We had to take it or leave it. Nobody had

had any hearings there or here. That is the kind of thing that ought to stop, and it is the kind of thing that would stop if we had a committee over here which was able to give to veterans' legislation the same kind of attention that the committee in the House gives to it.

Mr. NORRIS. Mr. President—

Mr. CUTTING. I yield now to the Senator from Nebraska.

Mr. NORRIS. I desire to reply, if the Senator will permit me, briefly to what has been said by the Senator from Pennsylvania [Mr. REED]; and I should like his attention. If I misstate any of these things I should be glad to have him correct me, because I think they are probably fresher in his mind than in mine.

In answer to the statement of the Senator from New Mexico that veterans' legislation originated almost entirely in the House and not in the Senate, the Senator from Pennsylvania said that one such bill, more important than any other, originated in the Senate, and that it came about from a very extended investigation of the whole question of veterans' legislation.

As I remember, that investigation—of which the Senator from Pennsylvania was an extremely useful member, and which extended, as he says, over an entire summer—was conducted by a special committee.

Mr. REED. That is correct.

Mr. NORRIS. It was not a standing committee of the Senate. The special committee was appointed, as I remember, in response to a resolution of the Senator from Massachusetts [Mr. WALSH].

Mr. REED. No, Mr. President; I introduced the resolution.

Mr. NORRIS. At any rate, it was in response to a special resolution; and the special committee made a very fine investigation. I followed it as well as I could as it proceeded, and it seemed to me that they did very fine work; and the legislation came as a result of it.

Mr. REED. But the bill they drafted went to the Finance Committee.

Mr. NORRIS. Oh, yes.

Mr. REED. And was perfected there and introduced.

Mr. NORRIS. It would necessarily have to go to the Finance Committee under our method of referring those bills. That is true. It was reported by the Finance Committee; but the instigation of it all came, not from a standing committee of the Senate, but from a special committee appointed by the Vice President in accordance with a resolution passed by the Senate providing for that investigation.

Mr. CUTTING. The Senator thinks that that fortifies the point I am making?

Mr. NORRIS. I think it does. I think it fortifies the point the Senator is making, showing that the importance of the subject is sufficient to demand that a standing committee will be appointed whose duty it will be to take care of such legislation.

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

Mr. CUTTING. I yield.

Mr. SMITH. In the course of the colloquy between the Senators on the other side the Senator from New Mexico said that bills carrying appropriations could not originate in the Senate, and some one made the remark that we could authorize appropriations. That is news to me. I think there must be some mistake about it, for the reason that under the Constitution bills for raising revenue may not originate in this body, but bills which carry appropriations certainly can originate here.

Mr. CUTTING. Mr. President, the Senator from South Carolina said I made the statement. The statement was made by the Senator from Utah.

Mr. SMITH. I beg the Senator's pardon. I heard the remark made that bills making appropriations could not originate in the Senate. I do not want any such impression to be gotten, because it is not the custom, so far as my experience has been, that bills making appropriations may not originate here.

Mr. SMOOT. Mr. President—

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

Mr. CUTTING. I yield.

Mr. SMOOT. During my service in the Senate we have sent over to the House two or three bills originating appropriations, and every time the House returned the bill to the Senate with a polite note saying that it was the obligation of the House to originate appropriations. They even went so far, when the Senate passed the settlement of the war debt with France and sent it over to the House, as not even to consider it, but they sent it back and told us that it had to do with raising revenue of the Government and, therefore, should originate in the House.

Mr. SMITH. I do not pretend to say that a question might not be raised about an appropriation which in itself intrinsically involved the raising of revenue, but an appropriation such as we think is proper in the Senate should not have any connection whatever with what any other body may do.

Mr. SMOOT. If it is an authorization, it is all right.

Mr. CUTTING. Mr. President, I am almost through. I did not mean to get into this elaborate discussion of fundamentals.

Mr. SMOOT. I will say this to the Senator, that if the Senate authorizes an appropriation after an authorization, the House then will have to appropriate enough to cover the authorization. That is the position the House has taken. I do not know whether a direct vote has ever been had in the Senate upon that question or not, but I do know that for nearly 30 years the House has absolutely refused to recognize a direct appropriation made by the Senate.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from New Mexico yield to me?

Mr. CUTTING. I yield.

Mr. ROBINSON of Arkansas. With respect to the subject immediately under discussion, the constitutional provision, as we all understand, is that bills for raising revenue must originate in the House of Representatives. Of course, it is only by a strained construction that anyone can contend that that provision prevents the Senate from originating appropriation bills, since appropriation bills are not bills for raising revenue but bills for expending revenue.

There is a distinction which I think the House itself makes, which has not been brought out in the course of the debate—that is, that the House has insisted, and the custom has prevailed, to the effect that general appropriation bills shall originate in that body. But within the memory of all of us the Senate has passed numerous bills which appropriate public moneys, sent them over to the House, and some of them, I believe, have been passed.

Mr. SMOOT. I do not remember them.

Mr. LEWIS. Mr. President, I beseech the Senator from New Mexico, when convenient to him, to find, through a little investigation, that the bills providing for pensions for Spanish-American War veterans and bills for the relief of the volunteer officers of the United States Army were all individuated and differentiated under the name of "relief bills," and, upon the theory of being relief, took their origin in the Senate, and since then have been frequently confirmed and have continued to be so denominated.

Mr. CUTTING. I thank the Senator.

I had intended to speak for only a few moments, and we seem to have gone rather far afield.

I simply want to conclude by emphasizing two things. One is that if the Committee on Rules does not act on the resolution of the Senator from Texas [Mr. SHEPPARD], or some similar resolution, I propose at some time to move to discharge the Committee on Rules from further consideration of the resolution.

The other thing I want to emphasize is the one with which I began, namely, that the American Legion and, so far as I know, other service organizations, are continuing their fight to obtain the same relief for the widows and orphans of veterans who had nonservice-connected disability that those veterans themselves obtain under the act of 1930.

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. The Chair feels it his duty to announce that under the agreement debate is limited to five minutes. The debate has continued without objection for so long that the present occupant of the chair has not felt inclined to call attention to the rule.

PUBLIC BUILDINGS IN WASHINGTON CITY

Mr. McKELLAR. Mr. President, I think the Chair is right in calling attention to the rule, and if I take over five minutes I hope the Chair will call my attention to the fact.

The first matter to which I want to call the attention of the Senate is the point of order made by the Senator from New York [Mr. COPELAND] to that provision in the appropriation bill which prohibited the remodeling and the rebuilding of what is known as the State, War, and Navy Building in this city. I regretted very much that the point of order was made. The appropriation has already been made to have that building remodeled, and I am informed that the remodeling would cost something like \$4,000,000.

Mr. President, I was in the State, War, and Navy Building this morning. The ground was broken for the building on June 21, 1871, and the building was completed on the 31st of January, 1888. I might add that I am informed that half of the granite of which it is constructed came from Massachusetts and the other half from Virginia. It is one of the best structures in this city. From an architectural and aesthetic standpoint, it may not be all that is should be, and sometime when the Government has more money in the Treasury than it knows what to do with, when there is a surplus instead of a deficit, it might be a very good thing to remodel the building. But it ought not to be remodeled now. No building less than 50 years old, constructed in such a manner, and of such materials as entered into this building, should be torn down. It is good enough for any of the officials or employees of this Government to work in. It is a wonderfully constructed and most desirable office building, and it would be a woeful and reckless waste of the people's money to spend \$4,000,000 on remodeling it now.

When I heard that a point of order was to be made I tried to have a bill framed so that it could be passed in time so that we might prohibit the use of the money which has already been appropriated. As it is, the officials of the Government can go on and remodel the building. By an overwhelming majority the Committee on Appropriations indicated a desire to insert a provision in the deficiency appropriation bill prohibiting the remodeling of that building at this time. I want to read the bill I introduced, since it is very short, so that there can be no mistake about it. My bill provides:

That no appropriation, or part thereof, authorized under the act of July 3, 1930 (46 Stat. 907), or under any other act heretofore passed, shall be used for remodeling and reconstructing the Department of State Building until hereafter authorized by law.

It seems to me that at this time, when there is a tremendous deficit in our Treasury, and innumerable needs for other kinds of governmental work, we should not go on with this remodeling, and I know that the Committee on Appropriations will report this bill out, and speedily, and I hope that when it is reported out it will be passed by both Houses.

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

Mr. McKELLAR. I yield.

Mr. NORRIS. I wonder whether the Senator would not add to his bill a provision that they should not tear down the Post Office Building. I understand that is to be torn down.

Mr. McKELLAR. No; that has been stopped. That is stopped by a provision in the deficiency bill.

Mr. NORRIS. The Senator ought to remember, in his opposition to the remodeling of the State, War, and Navy Building, and the spending of several hundred thousand dollars for that purpose—

Mr. McKELLAR. Four million dollars.

Mr. NORRIS. Four million dollars?

Mr. McKELLAR. Yes.

Mr. NORRIS. That is a large building, and the Senator must remember that the interior decorations, and so forth, are two or three years old, and are out of style. Those things, like women's hats, have seasons of popularity and depression, and they have to be remodeled and rebuilt and reconstructed every time the style changes.

Mr. McKELLAR. I can understand that, but I am old fashioned myself, and I rather like old buildings, and old things generally. So that argument does not weigh with me. I hope the Senate will pass the bill which I have introduced, and which I have just read.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. SMOOT. Mr. President, the Treasury Department Building is a very beautiful edifice. The State, War, and Navy Building is one upon which no one who has any idea of a beautiful building can look without wondering what kind of a mind ever created such a monstrosity. I never saw so many gimcracks and spizzerinktums put upon any other building I ever saw in the world.

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

Mr. LEWIS. What did the Senator say he saw on that building?

Mr. SMOOT. Gimcracks and spizzerinktums.

Mr. NORRIS. Mr. President, let me say to the Senator that when the gimcracks and spizzerinktums were put on that building they were stylish; they were in style then.

Mr. SMOOT. No; they never were stylish.

Mr. NORRIS. And they will come in style again, as all these things do. If we take them out this year, we will put them back next.

Mr. SMOOT. No, Mr. President; they were never in style on a public building and never will be. They are exaggerations of things sometimes placed on private buildings erected by people who have more money than they know what to do with and build a monstrosity of a building which they call home.

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

Mr. SMOOT. I yield.

Mr. McKELLAR. I happened to be in that building this morning and, while I do not know a great deal about architecture, I saw some Doric columns and some Ionic columns—

Mr. NORRIS. Did the Senator see the spizzerinktums? [Laughter.]

Mr. McKELLAR. And I believe there were a very few Corinthian columns. The Doric and Ionic prevailed. I did not see the spizzerinktums.

Mr. SMOOT. Perhaps the Senator did not cast his eye toward the top of the building, nor do I think he went clear around the building. I do not say that under the conditions which exist now we should expend \$4,000,000 for this purpose. That is another question.

Mr. McKELLAR. I am very happy the Senator has taken that position.

Mr. SMOOT. I hope to live long enough to see the day that that building may be made to conform to the beauty of the Treasury Building. I consider the Treasury Building one that would be an ornament any place in the world, and yet back of it is the great State, War, and Navy Building, which is a monstrosity in the sight of anyone who likes symmetry and beauty in a great governmental building.

Mr. NORRIS. Mr. President, the Senator from Utah, of course, is a great judge of art and beauty, and I know that I expose my ignorance of the subject when I say that I have always been attracted to the building which he has so forcefully and eloquently denounced. I think and have always thought that it and the Post Office Building, which has likewise been condemned by modern society, were two of the finest buildings in the city of Washington.

I was not aware of it before, but I presume I have a special liking for gimcracks and spizzerinktums.

Mr. SMOOT. I have not.

Mr. NORRIS. The Senator from Utah for some reason or other has cultivated a distaste for them. They probably

hurt him at some time. He probably came in contact with gimcracks that got the best of him or spizzerinktums that got away with him [laughter], and he is now trying to vent his spleen by having us destroy one of the finest buildings in all the civilized world.

Mr. SMOOT. And I hope that I may be successful.

Mr. NORRIS. He wants to do that just because it has some gimcracks in it and because it is inhabited partially by spizzerinktums. [Laughter.]

Mr. JONES. Mr. President, ever since I came here 30 years ago I have admired very much the State, War, and Navy Building. I have not been able to determine just what kind of architecture it is. I know now. I have great admiration for spizzerinktum architecture, and so I am going to stand for that building as it is now just as long as I possibly can.

EVERGLADES NATIONAL PARK

The Senate resumed the consideration of the bill (S. 475) to provide for the establishment of the Everglades National Park, in the State of Florida, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with an amendment.

The VICE PRESIDENT. The clerk will report the amendment.

The LEGISLATIVE CLERK. On page 1, line 7, after the word "recommended," strike out the words "as a national park."

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. REED. Mr. President, I ask that the bill go over.

Mr. FLETCHER. Did the Senator ask that the bill go over?

Mr. REED. Yes. I want to find out how much money this is going to cost the United States.

Mr. FLETCHER. It does not cost anything; that is, it will not cost the Government a dollar now. Of course, after a while it may; but at present it carries no appropriation and provides nothing except it establishes a national park to be selected within a certain area in the only tropical portion of the country.

Mr. REED. What will the project cost for maintenance?

Mr. FLETCHER. That, of course, depends on future developments. Perhaps two years from now we will have the site located. The bill merely provides for the establishment of a national park within an area of 2,000 square miles, the site to be selected by the National Park Service. The boundaries will be marked out later, so that we do not yet know the size of it. We have no idea about what will be done in that regard. It will be taken care of eventually if it is selected and agreed to. All this area of land is to be furnished by the people there and the National Government is not to be out a dollar of expense in that connection. After the park is established, then the question of it coming under the jurisdiction of the National Park Service and their care of it, and what they may recommend for its care and development will be a question for the future and Congress can pass upon that question when it arises. At present there is no expense involved for the National Government.

Under an act of Congress passed two years ago the matter has been thoroughly investigated by committees of the House and Senate. The Senate Committee on Public Lands and Surveys went down there and went over the area. There was a unanimous report by the Committee on Public Lands and Surveys during the last session and there is a unanimous report by that committee at this time. A similar bill is on the calendar in the House. The project is recommended by the National Park Service and the Secretary of the Interior, and by all who have made any investigation of it at all. It does not call for any expenditure of money on the part of the Federal Government.

Mr. REED. If it is going to lead to big appropriations for drainage and for building roads and that sort of thing, I think it is an unwise enterprise for us to embark upon at this time. I do not want to be the sole opponent of the bill, however, nor do I want to abuse my right to object.

Mr. NYE. Mr. President, the Senator from Pennsylvania has asked a question, which I think can be answered very frankly, as to the probable cost of maintenance of the proposed park. Within the last hour the director of the National Park Service has indicated that the administration of the park would cost less than does the administration of any other park in which the National Government is interested. Ultimately there is hope of the development of roads and canals there, but certainly that time is not now. In view of the splendid accomplishment that would be won by reason of the preservation of certain life and certain institutions that exist there now, I hope the Senate will consent to the passage of the Everglades park bill.

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

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. NYE. I gladly yield.

Mr. KING. I was wondering why, if the place is suitable for a park, the State does not establish the park? I confess I am very much opposed to the policy which we have followed for a number of years of creating a large number of national parks. I wonder if the States are losing all pride and desire for parks except they are to be unloaded on the Federal Government? Why does not the State, if it is such a magnificent site, establish a park there?

Mr. NYE. I think there is only one answer to the Senator's question, and that is that administration of the National Park Service has been such as to win a greater degree of confidence in a park if it has a national-park status. Their administration has been fine. In the East there is title, it seems to me, to greater recreation grounds through the National Park Service than we have now.

Mr. KING. The success which has attended the National Park Service is in part due, is it not, to the very large appropriations which have been made by Congress? Why may not the State establish its own park? Has the State of Florida a park?

Mr. NYE. I think so.

Mr. FLETCHER. Mr. President, the State of Florida has a park not very far from this site, but it is, of course, a comparatively small area. This park is supposed to be such that the whole country can enjoy it. It is not intended that only the people of Florida may enjoy it. The people of the entire country will have an opportunity to go into it and see the unusual vegetation there—rubber trees, royal palms, and various kinds of tropical plants and flowers—and the wild life that is there. It is the last refuge of the flamingo and other birds, for instance.

It will be attractive to people from all parts of the United States. It will be an attraction such as they can not find anywhere else. All the other parks are in mountainous and other picturesque regions, but they close about the last of August and do not open until late in June. This will be a park that can be kept open the year round. People from all parts of the country can use it and enjoy the beauties of it, which they can not find anywhere else.

Mr. President, I am authorized by the Senator from Pennsylvania [Mr. REED], who was just called to the telephone, to say that he has no objection to the present consideration of the bill.

Mr. JONES. Mr. President, I just had a talk with the head of the National Park Service this afternoon about this matter. I was rather inclined to oppose the bill. He assures me it will probably be several years before title to all the land can be acquired, and that the people of Florida must furnish the land to the National Government. He says that it is such a park as will require comparatively little improvement. It will be kept very much in the condition in which it is now. He considers it highly desirable for a national park because of the rare foliage and trees and forest plants and things like that which are contained in it; also, it will be a refuge for birds and animals, which are likely to become extinct in the near future unless something of this kind is provided for their care.

He said also that the expense for roads will be comparatively small, because most of the travel will be by boat. He

also said that the expense of maintenance, after it is established as a national park and title is vested in the United States Government, will be very small, especially as compared with the cost of maintaining other national parks.

Under these circumstances, while I objected the other day to the consideration of the bill, I feel justified in withholding objection to-day.

Mr. GEORGE. Mr. President, I wish to ask the Senator from Florida a question. What part of the Everglades will be embraced within the proposed national park?

Mr. FLETCHER. The extreme southern part of the State, in Dade, Monroe, and Collier Counties.

Mr. GEORGE. How much will be included?

Mr. FLETCHER. The area of the national park will be selected later on by the department. An area of 2,000 square miles is mentioned in the bill, and within that territory will be selected the park area.

Mr. MOSES. Mr. President, in view of the facts stated by the Senator from Florida [Mr. FLETCHER], reinforced by the Senator from Washington [Mr. JONES], it will be several years before title can be acquired to the park, I ask that the bill go over.

Mr. FLETCHER. I move that the Senate proceed to the consideration of the bill.

Mr. MOSES. 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	Cutting	Johnson	Robinson, Ark.
Austin	Dale	Jones	Robinson, Ind.
Bailey	Davis	Kean	Sheppard
Bankhead	Dickinson	Kendrick	Shipstead
Barbour	Dill	Keyes	Smith
Bingham	Fess	King	Smoot
Black	Fletcher	La Follette	Stelwer
Blaine	Frazier	Lewis	Thomas, Idaho
Borah	George	Logan	Thomas, Okla.
Bratton	Glass	McGill	Townsend
Brookhart	Glenn	McKellar	Trammell
Bulkley	Goldsborough	McNary	Tydings
Bulow	Gore	Metcalf	Vandenberg
Byrnes	Hale	Morrison	Wagner
Capper	Harris	Moses	Walcott
Caraway	Harrison	Norbeck	Walsh, Mass.
Carey	Hastings	Norris	Walsh, Mont.
Connally	Hatfield	Nye	Waterman
Coolidge	Hayden	Oddie	Watson
Copeland	Hebert	Patterson	White
Costigan	Howell	Pittman	
Couzens	Hull	Reed	

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

The VICE PRESIDENT. The question is on the motion of the Senator from Florida [Mr. FLETCHER] to proceed to the consideration of Senate bill 475.

Mr. TRAMMELL. Mr. President—

The VICE PRESIDENT. The motion to proceed to the consideration of a bill is not debatable. [Putting the question.] The motion is agreed to, and the Chair lays the measure before the Senate.

The Senate resumed the consideration of the bill (S. 475) to provide for the establishment of the Everglades National Park, in the State of Florida, and for other purposes.

The VICE PRESIDENT. The bill is open to amendment.

Mr. TRAMMELL. Mr. President, I only have a few words to say in regard to this bill. In Florida we have been asking for a national park, beginning April 5, 1926, at which time I introduced Senate bill 3877 providing for the necessary survey by the Interior Department, with a view to establishing a national park in my State. The idea of a national park for Florida was a new one at that time, and we failed to get a favorable report on the bill. On February 9, 1928, I again introduced a bill, S. 3103, for the necessary survey for a national park in Florida, and, as is the custom, this bill was referred to the Secretary of the Interior for a report thereon to the Senate Committee on Public Lands. About the middle of February, 1928, the Secretary reported to the Senate committee suggesting the bill should embrace a particular location. Just at this stage of the proceedings I had to go to Florida for my campaign of 1928, but my colleague the senior Senator from Florida [Mr.

FLETCHER], about March 1, 1928, introduced a bill providing for an investigation of the particular site covered by the pending bill. That bill passed both the House and the Senate and was approved by the President March 1, 1929. Under its provisions the proposed Everglades park territory was investigated by the Interior Department, and the park was favorably reported on by the Secretary of the Interior after the survey as directed by the law of March 1, 1929. We have the approval of the Park Commission and also the approval of the Secretary of the Interior.

The location now proposed is unique and ideal for the establishment of a national park, as stated in the report. At the last session a similar bill was passed by the Senate. We feel that if established it would be one of the least expensive parks to be maintained in the entire country. I do not think there is any question about that. It will be something quite different from, and in contrast with, the other national parks throughout the country.

I very much hope the bill will be passed. We have been working for the passage of a bill providing, as I said, for a national park in Florida since 1926. Again, I will state we have the approval of the Park Commission, of the Secretary of the Interior, and of the Senate committee. The Senate will also recall that at the last session the Senate passed a similar bill introduced by my colleague, Senator FLETCHER.

The VICE PRESIDENT. The bill is open to amendment. If there be no amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. McNARY. Mr. President, the Senator from Idaho [Mr. BORAH] expressed a desire for an executive session, and 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.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nominations of sundry postmasters, which was referred to the Committee on Post Offices and Post Roads; and also messages from the President withdrawing the nominations of two postmasters, which were ordered to lie on the table.

(For nominations this day received and withdrawals see the end of Senate proceedings.)

The VICE PRESIDENT. Reports of committees are in order. If there be no reports of committees, the calendar is in order.

GENERAL TREATY OF INTER-AMERICAN ARBITRATION

The treaty, Executive AA, a general treaty of inter-American arbitration, signed by the plenipotentiaries of 20 American Republics at the International Conference of American States on Conciliation and Arbitration, at Washington, on January 5, 1929, was announced as first in order, and the Senate, as in Committee of the Whole, proceeded to its consideration. The treaty is as follows:

The Senate:

To the end that I may receive the advice and consent of the Senate to its ratification, I transmit herewith a General Treaty of Inter-American Arbitration, signed by the plenipotentiaries of 20 American Republics at the International Conference of American States on Conciliation and Arbitration, at Washington, on January 5, 1929.

CALVIN COOLIDGE.

THE WHITE HOUSE,
January 26, 1929.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a General Treaty of Inter-American Arbitration, signed by the pleni-

potentiaries of 20 American Republics at the International Conference of American States on Conciliation and Arbitration, at Washington, on January 5, 1929.

Respectfully submitted.

FRANK B. KELLOGG.

DEPARTMENT OF STATE,

Washington, January 24, 1929.

THE INTERNATIONAL CONFERENCE OF AMERICAN STATES ON CONCILIATION AND ARBITRATION, WASHINGTON, DECEMBER 10, 1928—JANUARY 5, 1929

GENERAL TREATY OF INTER-AMERICAN ARBITRATION

The Governments of Venezuela, Chile, Bolivia, Uruguay, Costa Rica, Perú, Honduras, Guatemala, Haiti, Ecuador, Colombia, Brazil, Panamá, Paraguay, Nicaragua, Mexico, El Salvador, the Dominican Republic, Cuba, and the United States of America, represented at the Conference on Conciliation and Arbitration, assembled at Washington, pursuant to the Resolution adopted on February 18, 1928, by the Sixth International Conference of American States held in the City of Habana;

In accordance with the solemn declarations made at said Conference to the effect that the American Republics condemn war as an instrument of national policy and adopt obligatory arbitration as the means for the settlement of their international differences of a juridical character;

Being convinced that the Republics of the New World, governed by the principles, institutions and practices of democracy and bound furthermore by mutual interests, which are increasing each day, have not only the necessity but also the duty of avoiding the disturbance of continental harmony whenever differences which are susceptible of judicial decision arise among them;

Conscious of the great moral and material benefits which peace offers to humanity and that the sentiment and opinion of America demand, without delay, the organization of an arbitral system which shall strengthen the permanent reign of justice and law;

And animated by the purpose of giving conventional form to these postulates and aspirations with the minimum exceptions which they have considered indispensable to safeguard the independence and sovereignty of the States and in the most ample manner possible under present international conditions, have resolved to effect the present treaty, and for that purpose have designated the Plenipotentiaries hereinafter named:

Venezuela:

Carlos F. Grisanti.
Francisco Arroyo Parejo.

Chile:

Manuel Foster Recabarren.
Antonio Planet.

Bolivia:

Eduardo Diez de Medina.

Uruguay:

José Pedro Varela.

Costa Rica:

Manuel Castro Quesada.
José Tible-Machado.

Perú:

Hernán Velarde.
Victor M. Maurtua.

Honduras:

Rómulo Durón.
Marcos López Ponce.

Guatemala:

Adrián Recinos.
José Falla.

Haití:

Auguste Bonamy.
Raoul Lizaire.

Ecuador:

Gonzalo Zaldumbide.

Colombia:

Enrique Olaya Herrera.
Carlos Escallón.

Brazil:

S. Gurgel do Amaral.
A. G. de Araujo-Jorge.

Panamá:

Ricardo J. Alfaro.
Carlos L. López.

Paraguay:

Eligio Ayala.

Nicaragua:

Maximo H. Zepeda.
Adrian Recinos.
J. Lisandro Medina.

Mexico:

Fernando González Roa.
Benito Flores.

El Salvador:

Cayetano Ochoa.
David Rosales, Jr.

Dominican Republic:

Angel Morales.
Gustavo A. Díaz.

Cuba:

Orestes Ferrara.
Gustavo Gutiérrez.

United States of America:

Frank B. Kellogg.
Charles Evans Hughes.

Who, after having deposited their full powers, found in good and due form by the Conference, have agreed upon the following:

ARTICLE 1

The High Contracting Parties bind themselves to submit to arbitration all differences of an international character which have arisen or may arise between them by virtue of a claim of right made by one against the other under treaty or otherwise, which it has not been possible to adjust by diplomacy and which are juridical in their nature by reason of being susceptible of decision by the application of the principles of law.

There shall be considered as included among the questions of juridical character:

- (a) The interpretation of a treaty;
- (b) Any question of international law;
- (c) The existence of any fact which, if established, would constitute a breach of an international obligation;
- (d) The nature and extent of the reparation to be made for the breach of an international obligation.

The provisions of this treaty shall not preclude any of the Parties, before resorting to arbitration, from having recourse to procedures of investigation and conciliation established in conventions then in force between them.

ARTICLE 2

There are excepted from the stipulations of this treaty the following controversies:

- (a) Those which are within the domestic jurisdiction of any of the Parties to the dispute and are not controlled by international law; and
- (b) Those which affect the interest or refer to the action of a State not a Party to this treaty.

ARTICLE 3

The arbitrator or tribunal who shall decide the controversy shall be designated by agreement of the Parties.

In the absence of an agreement the following procedure shall be adopted:

Each Party shall nominate two arbitrators, of whom only one may be a national of said Party or selected from the persons whom said Party has designated as members of the Permanent Court of Arbitration at The Hague. The other member may be of any other American nationality. These arbitrators shall in turn select a fifth arbitrator who shall be the president of the court.

Should the arbitrators be unable to reach an agreement among themselves for the selection of a fifth American arbitrator, or in lieu thereof, of another who is not, each Party shall designate a non-American member of the Permanent

Court of Arbitration at The Hague, and the two persons so designated shall select the fifth arbitrator, who may be of any nationality other than that of a Party to the dispute.

ARTICLE 4

The Parties to the dispute shall formulate by common accord, in each case, a special agreement which shall clearly define the particular subject-matter of the controversy, the seat of the court, the rules which will be observed in the proceedings, and the other conditions to which the Parties may agree.

If an accord has not been reached with regard to the agreement within three months reckoned from the date of the installation of the court, the agreement shall be formulated by the court.

ARTICLE 5

In case of death, resignation or incapacity of one or more of the arbitrators the vacancy shall be filled in the same manner as the original appointment.

ARTICLE 6

When there are more than two States directly interested in the same controversy, and the interests of two or more of them are similar, the State or States who are on the same side of the question may increase the number of arbitrators on the court, provided that in all cases the Parties on each side of the controversy shall appoint an equal number of arbitrators. There shall also be a presiding arbitrator selected in the same manner as that provided in the last paragraph of Article 3, the Parties on each side of the controversy being regarded as a single Party for the purpose of making the designation therein described.

ARTICLE 7

The award, duly pronounced and notified to the Parties, settles the dispute definitively and without appeal.

Differences which arise with regard to its interpretation or execution shall be submitted to the decision of the court which rendered the award.

ARTICLE 8

The reservations made by one of the High Contracting Parties shall have the effect that the other Contracting Parties are not bound with respect to the Party making the reservations except to the same extent as that expressed therein.

ARTICLE 9

The present treaty shall be ratified by the High Contracting Parties in conformity with their respective constitutional procedures.

The original treaty and the instruments of ratification shall be deposited in the Department of State of the United States of America which shall give notice of the ratifications through diplomatic channels to the other signatory Governments and the treaty shall enter into effect for the High Contracting Parties in the order that they deposit their ratifications.

This treaty shall remain in force indefinitely, but it may be denounced by means of one year's previous notice at the expiration of which it shall cease to be in force as regards the Party denouncing the same, but shall remain in force as regards the other signatories. Notice of the denunciation shall be addressed to the Department of State of the United States of America which will transmit it for appropriate action to the other signatory Governments.

Any American State not a signatory of this treaty may adhere to the same by transmitting the official instrument setting forth such adherence to the Department of State of the United States of America which will notify the other High Contracting Parties thereof in the manner heretofore mentioned.

In witness whereof the above mentioned Plenipotentiaries have signed this treaty in English, Spanish, Portuguese, and French and hereunto affix their respective seals.

Done at the city of Washington, on this fifth day of January, 1929.

[Translation]

The Delegation of Venezuela signs the present Treaty of Arbitration with the following reservations:

First. There shall be excepted from this Treaty those matters which, according to the Constitution or the laws of Venezuela, are under the jurisdiction of its courts; and, especially, those matters relating to pecuniary claims of foreigners. In such matters, arbitration shall not be resorted to except when, legal remedies having been exhausted by the claimant, it shall appear that there has been a denial of justice.

Second. There shall also be excepted those matters controlled by international agreements now in force.

[SEAL]

CARLOS F. GRISANTI

[SEAL]

FR. ARROYO PAREJO

[Translation]

Chile does not accept obligatory arbitration for questions which have their origin in situations or acts antedating the present Treaty, nor does it accept obligatory arbitration for those questions which, being under the exclusive competency of the national jurisdiction, the interested parties claim the right to withdraw from the cognizance of the established judicial authorities, unless said authorities decline to pass judgment on any action or exception which any natural or juridical foreign person may present to them in the form established by the laws of the country.

[SEAL]

MANUEL FOSTER

[SEAL]

A. PLANET

[Translation]

The Delegation of Bolivia, in accordance with the doctrine and policy invariably maintained by Bolivia in the field of international jurisprudence, gives full adherence to and signs the General Treaty of Inter-American Arbitration which the Republics of America are to sanction, formulating the following express reservations:

First. There may be excepted from the provisions of the present agreement, questions arising from acts occurring or conventions concluded before the said treaty goes into effect, as well as those which, in conformity with international law, are under the exclusive jurisdiction of the state.

Second. It is also understood that, for the submission to arbitration of a territorial controversy or dispute, the zone to which the said arbitration is to apply must be previously determined in the arbitral agreement.

[SEAL]

E. DIEZ DE MEDINA.

[Translation]

I vote in favor of the Treaty of Arbitration, with the reservation formulated by the Delegation of Uruguay at the Fifth Pan American Conference, favoring broad arbitration; and with the understanding that arbitration will be resorted to only in case of denial of justice, when the national tribunals have jurisdiction, according to the legislation of their own country.

[SEAL]

JOSÉ PEDRO VARELA

[Translation]

Reservations of Costa Rica:

(a) The obligations contracted under this treaty do not annul, abrogate or restrict the arbitration conventions which are now in force between Costa Rica and another or others of the high contracting parties and do not involve arbitration, disavowal or renewed discussion of questions which may have already been settled by arbitral awards.

(b) The obligations contracted under this treaty do not involve the arbitration of judgments handed down by the courts of Costa Rica in civil cases which may be submitted to them with regard to which the interested parties have recognized the jurisdiction of said courts.

[SEAL]

MANUEL CASTRO QUESADA

[SEAL]

JOSÉ TIBLE-MACHADO

[SEAL]

HERNÁN VELARDE

[SEAL]

VICTOR M. MAÚRTUA

[Translation]

The Delegation of Honduras, in signing the present treaty, formulates an express reservation making it a matter of record that the provisions thereof shall not be applicable to pending international questions or controversies or to those which may arise in the future relative to acts prior to the date on which the said treaty goes into effect.

[SEAL]

RÓMULO E. DURÓN

[SEAL]

M. LÓPEZ PONCE

[Translation]

The Delegation of Guatemala makes the following reservations:

1. In order to submit to arbitration any questions relating to the boundaries of the nation, the approval of the Legislative Assembly must first be given, in each case, in conformity with the Constitution of the Republic.

2. The provisions of the present Convention do not alter or modify the conventions and treaties previously entered into by the Republic of Guatemala.

[SEAL]

ADRIÁN RECONOS

[SEAL]

JOSÉ FALLA

[SEAL]

A. BONAMY

[SEAL]

RAOUL LIZAIRE

[Translation]

The Delegation of Ecuador, pursuant to instructions of its Government, reserves from the jurisdiction of the obligatory arbitration agreed upon in the present treaty:

1. Questions at present governed by conventions or treaties now in effect;

2. Those which may arise from previous causes or may result from acts preceding the signature of this treaty;

3. Pecuniary claims of foreigners who may not have previously exhausted all legal remedies before the courts of justice of the country, it being understood that such is the interpretation and the extent of the application which the Government of Ecuador has always given to the Buenos Aires Convention of August 11, 1910.

[SEAL]

GONZALO ZALDUMBIDE

[Translation]

The Delegation of Colombia signs the foregoing Convention with the following two declarations or reservations:

First. The obligations which the Republic of Colombia may contract thereby refer to the differences which may arise from acts subsequent to the ratification of the Convention;

Second. Except in the case of a denial of justice, the arbitration provided for in this convention is not applicable to the questions which may have arisen or may arise between a citizen, an association or a corporation of one of the parties and the other contracting state when the judges or courts of the latter state are, in accordance with its legislation, competent to settle the controversy.

[SEAL]

ENRIQUE OLAYA HERRERA

[SEAL]

C. ESCALLÓN

[SEAL]

S. GURGEL DO AMARAL

[SEAL]

A. ARAUJO-JORGE

[SEAL]

R. J. ALFARO

[SEAL]

CARLOS L. LÓPEZ

[Translation]

Reservation of the Delegation of Paraguay:

I sign this treaty with the reservation that Paraguay excludes from its application questions which directly or indirectly affect the integrity of the national territory and are not merely questions of frontiers or boundaries.

[SEAL]

ELIGIO AYALA

[SEAL]

MÁXIMO H. ZEPEDA

[SEAL]

ADRIÁN RECINOS

[SEAL]

J. LISANDRO MEDINA

[Translation]

Mexican Reservation:

Mexico makes the reservation that differences which fall under the jurisdiction of the courts, shall not form a subject of the procedure provided for by the convention, except in case of denial of justice, and until after the judgment passed by the competent national authority has been placed in the class of *res judicata*.

[SEAL]

FERNANDO GONZÁLEZ ROA

BENITO FLORES

[Translation]

The Delegation of El Salvador to the Conference on Conciliation and Arbitration assembled in Washington accepts and signs the General Treaty of Inter-American Arbitration concluded this day by said Conference, with the following reservations or restrictions:

1. After the words of paragraph 1 of Article 1 reading: "under treaty or otherwise", the following words are to be

added: "subsequent to the present convention". The article continues without any other modification.

2. Paragraph (a) of Article 2 is accepted by the Delegation without the final words which read: "and are not controlled by international law", which should be considered as eliminated.

3. This treaty does not include controversies or differences with regard to points or questions which, according to the Political Constitution of El Salvador, must not be submitted to arbitration, and

4. Pecuniary claims against the nation shall be decided by its judges and courts, since they have jurisdiction thereof, and recourse shall be had to international arbitration only in the cases provided in the Constitution and laws of El Salvador, that is in cases of denial of justice or unusual delay in the administration thereof.

[SEAL]

CAYETANO OCHOA

[SEAL]

DAVID ROSALES, HIJO

[Translation]

The Dominican Republic, in signing the General Treaty of Inter-American Arbitration, does so with the understanding that controversies relating to questions which are under the jurisdiction of its courts shall not be referred to arbitral jurisdiction except in accordance with the principles of international law.

[SEAL]

A. MORALES

[SEAL]

G. A. DÍAZ

[SEAL]

ORESTES FERRARA

[SEAL]

GUSTAVO GUTIÉRREZ

[SEAL]

FRANK B. KELLOGG

[SEAL]

CHARLES EVANS HUGHES

Mr. BORAH. Mr. President, there are two reservations reported by the committee, which I ask the clerk to read.

The VICE PRESIDENT. The clerk will read the reservations.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive AA, Seventieth Congress, second session, a general treaty of inter-American arbitration, signed at Washington, January 5, 1929, with the understanding to be made a part of such ratification, that the special agreement in each case shall be made only by the President, and then only by and with the advice and consent of the Senate, notwithstanding any provisions of the treaty to the contrary;

Also, with the understanding, to be made a part of such ratification, that the provisions of this treaty shall not be applicable to pending international questions or controversies or to those which may arise in the future relative to acts prior to the date on which said treaty goes into effect, or to controversies arising under treaties negotiated prior to the date on which said treaty goes into effect.

Mr. BORAH. Mr. President, I ask that the first reservation may now be voted upon.

The VICE PRESIDENT. The question is on agreeing to the first reservation.

The first reservation was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the second reservation.

Mr. LA FOLLETTE. Mr. President, I think the Senate should be advised as to the meaning of the second reservation before its adoption in a pro forma manner. If this reservation is to be agreed to by the Senate it means that every treaty which we have ever made with any Central or South American Republic is excluded from the purview of this general treaty of arbitration. It means that all controversies which may arise between this country and any Central or South American Republic growing out of any of those former treaties may not be arbitrated under the terms of this general arbitration treaty. In my judgment, the adoption of the second reservation will make the treaty a hollow shell, because obviously controversies are most likely to arise concerning matters which have been dealt with by the treaties which in the past we have negotiated with these countries, and concerning the interpretation of those treaties themselves.

I was not aware that it was intended to consider this treaty this afternoon, but I secured from the State Depart-

ment a list of the treaties which would thus be excluded if the second reservation should be adopted. I will say for the information of the Senate that it is a very long typewritten list and, if my recollection serves me correctly, embraces over 105 treaties which this reservation by one sweep of the pen, so to speak, will exclude from consideration under this general arbitration treaty.

It seems to me, Mr. President, that if we are to enter into an agreement with the Central and South American countries for arbitration, as I think we should, there is no valid reason for the exclusion of all the treaties which we have negotiated in the past from consideration under the pending treaty. To my mind, it really makes this treaty an idle gesture, because it will confine its operations entirely to fresh controversies which may arise in the future.

If the material for which I have sent to my office arrives before the debate is concluded, I shall make some further reference to the treaties in particular; but lest it may not come in time, I ask unanimous consent to have that list of treaties incorporated in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection, that order will be made.

The list of treaties referred to is as follows:

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND BOLIVIA

BILATERAL TREATIES

Treaty of peace, friendship, commerce, and navigation

Signed at La Paz, May 13, 1858.

Ratifications exchanged November 9, 1862.

USTS: No. 32.

Treaties, etc., 1: 113.

Article XXXIV was abrogated as of July 1, 1916, by act of Congress (seamen's act).

Extradition treaty

Signed at La Paz, April 21, 1900.

Ratifications exchanged December 23, 1901.

USTS: No. 399.

Treaties, etc., 1: 125.

Conciliation treaty

Signed at Washington, January 22, 1914.

Ratifications exchanged January 8, 1915.

USTS: No. 606.

Treaties, etc., 3: 2499.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND BRAZIL

BILATERAL TREATIES

Treaty of amity, commerce, and navigation

Signed at Rio de Janeiro, December 12, 1828.

Ratifications exchanged March 18, 1829.

USTS: No. 34.

Treaties, etc., 1: 133.

Note: By notice given by the chargé d'affaires of Brazil in Washington on March 26, 1840, accepted as of December 12, 1840, this treaty was terminated with respect to articles relating to commerce and navigation on December 12, 1841.

By a note dated May 30, 1916, the Brazilian Foreign Office informed the American ambassador at Rio de Janeiro that the notification effective December 12, 1841, embraced articles relating to consular officers.

Naturalization convention

Signed at Rio de Janeiro April 27, 1908.

Ratifications exchanged February 28, 1910.

USTS: No. 547.

Treaties, etc., 3: 2502.

Arbitration convention

Signed at Washington January 28, 1909.

Ratifications exchanged July 26, 1911.

USTS: No. 562.

Treaties, etc., 3: 2504.

Conciliation treaty

Signed at Washington July 24, 1914.

Ratifications exchanged October 28, 1916.

USTS: No. 627.

Treaties, etc., 3: 2505.

OTHER BILATERAL AGREEMENTS OR ARRANGEMENTS

Agreement for the protection of the marks of manufacture and trade

Signed at Washington September 24, 1878.

USTS: No. 36.

Treaties, etc., 1: 146.

Commercial agreement effected by exchange of notes according mutual unconditional most-favored-nation treatment in customs matters

Signed at Washington October 18, 1928.

USTS: No. 672.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND CHILE

BILATERAL TREATIES

Extradition treaty

Signed at Santiago April 17, 1900.
Ratifications exchanged May 27, 1902.
USTS: No. 407.
Treaties, etc., 1: 192.

Conciliation treaty

Signed at Washington July 24, 1914.
Ratifications exchanged January 19, 1916.
USTS: No. 621.
Treaties, etc., 3: 2509.

Convention for the prevention of smuggling of intoxicating liquors

Signed at Washington May 27, 1930.
Ratifications exchanged November 25, 1930.
USTS: No. 829.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND COLOMBIA

BILATERAL TREATIES

Treaty of peace, amity, navigation, and commerce

Signed at Bogota December 12, 1846.
Ratifications exchanged June 10, 1848.
USTS: No. 54.
Treaties, etc., 1: 302.
Article XXXIII of this treaty was abrogated as of July 1, 1916, in accordance with the provisions of an act of Congress approved March 4, 1915 (seamen's act).

Consular convention

Signed at Washington May 4, 1850.
Ratifications exchanged October 30, 1851.
USTS: No. 55.
Treaties, etc., 1: 314.
Article III of this treaty was abrogated as of July 1, 1916, in accordance with the provisions of an act of Congress approved March 4, 1916 (seamen's act).

Extradition convention

Signed at Bogota May 7, 1888.
Ratifications exchanged November 12, 1890.
USTS: No. 53.
Treaties, etc., 1: 323.

Treaty for the settlement of differences arising out of the events which took place on the Isthmus of Panama in November, 1903, and protocol of exchange of ratifications

Signed at Bogota April 6, 1914.
Ratifications exchanged March 1, 1922.
USTS: No. 661.
Treaties, etc., 3: 2538.

OTHER BILATERAL AGREEMENTS OR ARRANGEMENTS

Exchange of notes concerning the status of Serrana and Quita banks and Roncador Cay

Signed April 10, 1928.
USTS: No. 760½.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND COSTA RICA

BILATERAL TREATIES

Treaty of friendship, commerce, and navigation

Signed at Washington July 10, 1851.
Ratifications exchanged May 26, 1852.
USTS: No. 62.
Treaties, etc., 1: 341.

Naturalization convention

Signed at San Jose June 10, 1911.
Ratifications exchanged May 9, 1912.
USTS: No. 570.
Treaties, etc., 3: 2544.

Extradition treaty and exchange of notes

Signed at San Jose November 10, 1922.
Ratifications exchanged April 27, 1923.
USTS: No. 668.
Treaties, etc., 3: 2548.

Convention facilitating the work of traveling salesmen and protocol

Signed at San Jose March 31, 1924.
Ratifications exchanged June 24, 1924.
USTS: No. 686.

OTHER BILATERAL AGREEMENTS OR ARRANGEMENTS

Protocol of an agreement relative to the construction of an inter-oceanic canal by way of Lake Nicaragua

Signed at Washington December 1, 1900.
Effective December 1, 1900.
USTS: No. 64.
Treaties, etc., 1: 351.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND CUBA

BILATERAL TREATIES

Commercial convention

Signed at Habana December 11, 1902.
Ratifications exchanged March 31, 1903.
USTS: No. 427.
Treaties, etc., 1: 353.

Supplementary commercial convention

Signed at Washington January 26, 1903.
Ratifications exchanged March 31, 1903.
USTS: No. 428.
Treaties, etc., 1: 357.

Agreement for the lease to the United States of lands in Cuba for coaling and naval stations

Signed by Cuba February 16, 1903.
Signed by United States February 23, 1903.
USTS: No. 418.
Treaties, etc., 1: 358.

Treaty in regard to the relations with Cuba

Signed at Habana May 22, 1903.
Ratifications exchanged July 1, 1904.
USTS: No. 437.
Treaties, etc., 1: 362.

Relations with Cuba (supplementary)

Signed at Washington January 20, 1904.
Ratifications exchanged July 1, 1904.
USTS: No. 438.
Treaties, etc., 1: 365.

Agreement for the lease to the United States by Cuba of land and water for naval or coaling stations in Guantanamo and Bahia Honda

Signed at Washington July 2, 1903.
Ratifications exchanged October 6, 1903.
USTS: No. 426.
Treaties, etc., 1: 360.

Treaty for the adjustment of title to the ownership of the Isle of Pines and exchange of notes

Signed at Washington March 2, 1904.
Ratifications exchanged March 23, 1925.
USTS: No. 709.

Extradition treaty and protocol

Signed at Washington April 6, 1904.
Ratifications exchanged January 31, 1905.
USTS: No. 440.
Treaties, etc., 1: 366.

Protocol amending Spanish text of Cuban extradition treaty signed April 6, 1904

Signed at Washington December 6, 1904.
Ratifications exchanged January 31, 1905.
USTS: No. 441.
Treaties, etc., 1: 371.

Additional extradition treaty

Signed at Habana January 14, 1926.
Ratifications exchanged June 18, 1926.
USTS: No. 737.

Convention for the prevention of smuggling of intoxicating liquors, and exchange of notes

Signed at Habana March 4, 1926.
Ratifications exchanged June 18, 1926.
USTS: No. 738.

Convention to suppress smuggling

Signed at Habana March 11, 1926.
Ratifications exchanged June 18, 1926.
USTS: No. 739.

Consular convention

Signed at Habana April 22, 1926.
Ratifications exchanged December 1, 1926.
USTS: No. 750.

Parcel-post convention

Signed July 24, 1930.
Effective September 1, 1930.
Post Office Department print.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND THE DOMINICAN REPUBLIC

BILATERAL TREATIES

Extradition treaty

Signed at Santo Domingo June 19, 1909.
Ratifications exchanged August 2, 1910.
USTS: No. 550.
Treaties, etc., 3: 2567.

Convention of ratification as contained in the agreement of evacuation of June 30, 1922

Signed at Santo Domingo June 12, 1924.
Ratifications exchanged December 4, 1925.
USTS: No. 729.

Convention to replace the convention of February 8, 1907, providing for the assistance of the United States in the collection and application of the customs revenue of the Dominican Republic
Signed at Washington December 27, 1924.
Ratifications exchanged October 24, 1925.
USTS: No. 726.

OTHER BILATERAL AGREEMENTS OR ARRANGEMENTS

Agreement effected by exchange of notes according mutual unconditional most-favored-nation treatment in customs matters
Signed at Washington September 25, 1924.
Effective "upon its signature."
USTS: No. 700.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND ECUADOR

BILATERAL TREATIES

Extradition convention

Signed at Quito June 28, 1872.
Ratifications exchanged November 12, 1873.
USTS: No. 79.
Treaties, etc., 1:436.

Arbitration convention

Signed at Washington January 7, 1909.
Ratifications exchanged June 22, 1910.
USTS: No. 549.
Treaties, etc., 3:2574.

Conciliation treaty

Signed at Washington October 13, 1914.
Ratifications exchanged January 22, 1916.
USTS: No. 622.
Treaties, etc., 3:2575.

Agreement for the exchange of registered and insured parcel-post packages

Signed at Washington July 11, 1929.
(Post Office Department print.)

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND EL SALVADOR

BILATERAL TREATIES

Naturalization convention

Signed at San Salvador March 14, 1908.
Ratifications exchanged July 20, 1908.
USTS: No. 503.
Treaties, etc., 2:1570.

Extradition convention

Signed at San Salvador April 18, 1911.
Ratifications exchanged July 10, 1911.
USTS: No. 560.
Treaties, etc., 3:2820.

Convention facilitating the work of traveling salesmen

Signed at Washington January 28, 1919.
Ratifications exchanged January 18, 1921.
USTS: No. 651.
Treaties, etc., 3:2826.

Treaty of friendship, commerce, and consular rights

Signed at San Salvador February 22, 1926.
Ratifications exchanged September 5, 1930.
USTS: No. 827.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND GUATEMALA

BILATERAL TREATIES

Trade-mark convention

Signed at Guatemala City April 15, 1901.
Ratifications exchanged April 3, 1902.
USTS: No. 404.
Treaties, etc., 1: 875.

Convention relating to tenure and disposition of real and personal property

Signed at Guatemala City August 27, 1901.
Ratifications exchanged September 16, 1902.
USTS: No. 412.
Treaties, etc., 1: 876.

Extradition convention

Signed at Washington February 27, 1903.
Ratifications exchanged July 16, 1903.
USTS: No. 425.
Treaties, etc., 1: 878.

Convention for the reciprocal protection of patents

Signed at Guatemala City November 10, 1906.
Ratifications exchanged June 13, 1907.
USTS: No. 463.
Treaties, etc., 1: 883.

Convention for the development of commerce by facilitating the work of traveling salesmen

Signed at Washington December 3, 1918.
Ratifications exchanged August 25, 1919.
USTS: No. 642.
Treaties, etc., 3: 2670.

OTHER BILATERAL AGREEMENTS OF ARRANGEMENTS

Agreement by exchange of notes according mutual, unconditional, most-favored-nation treatment in customs matters

Signed at Washington August 14, 1924.
Effective "on the day of signature."
USTS: No. 696.

TREATIES IN FORCE BETWEEN THE UNITED STATES AND HAITI

BILATERAL TREATIES

Naturalization treaty

Signed at Washington March 22, 1902.
Ratifications exchanged March 19, 1904.
USTS: No. 432.

Treaties, etc., 1: 939.

Supplemental naturalization convention

Signed at Washington February 28, 1930.
Ratifications exchanged March 19, 1904.
USTS: No. 433.
Treaties, etc., 1: 941.

Extradition convention

Signed at Washington August 9, 1904.
Ratifications exchanged June 28, 1905.
USTS: No. 447.
Treaties, etc., 1: 941.

Arbitration convention

Signed at Washington January 7, 1909.
Ratifications exchanged November 15, 1909.
USTS: No. 535.
Treaties, etc., 1:945.

Treaty with respect to the finances, economic development, and tranquillity of Haiti

Signed at Port au Prince September 16, 1915.
Ratifications exchanged May 3, 1916.
USTS: No. 623.
Treaties, etc., 3:2673.

Protocol for the establishment of a claims commission

Signed at Port au Prince October 3, 1919.
Effective "upon signature."
USTS: No. 643.
Treaties, etc., 3:2678.

OTHER BILATERAL AGREEMENTS OR ARRANGEMENTS

Agreement extending the duration of the treaty of September 16, 1915

Signed at Port au Prince March 28, 1917.
USTS: No. 623A.
Treaties, etc., 3:2677.

Agreement effected by exchange of notes modifying the protocol of October 3, 1919

Signed at Port au Prince June 1 and 3, 1922.
Treaties, etc., 3:2682.

Agreement by exchange of notes according mutual unconditional most-favored-nation treatment in customs matters

Signed at Port au Prince July 8, 1926.
Effective October 1, 1926.
USTS: No. 746.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND HONDURAS

BILATERAL TREATIES

Naturalization convention

Signed at Tegucigalpa June 23, 1908.
Ratifications exchanged April 16, 1909.
USTS: No. 525.
Treaties, etc., 1:958.

Extradition convention

Signed at Washington January 15, 1909.
Ratifications exchanged July 10, 1912.
USTS: No. 569.
Treaties, etc., 3:2685.

Supplementary extradition convention

Signed at Tegucigalpa February 21, 1927.
Ratifications exchanged June 5, 1928.
USTS: No. 761.

Treaty of friendship, commerce, and consular rights

Signed at Tegucigalpa December 7, 1927.
Ratifications exchanged July 19, 1928.
USTS: No. 764.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND MEXICO

BILATERAL TREATIES

Treaty of peace, friendship, limits, and settlement and protocol

Signed at Guadalupe Hidalgo February 2, 1848.
Ratifications exchanged May 30, 1848.
USTS: No. 207.
Treaties, etc., 1:1107.

Treaty of boundary, cession of territory, transit of isthmus of Tehuantepec, etc.

Signed at Mexico City December 30, 1853.
Ratifications exchanged June 30, 1854.
USTS: No. 208.
Treaties, etc., 1:1121.

Boundary convention, Rio Grande and Rio Colorado

Signed at Washington November 12, 1884.
Ratifications exchanged September 13, 1886.
USTS: No. 226.
Treaties, etc., 1:1159.

Water boundary convention

Signed at Washington March 1, 1889.
Ratifications exchanged December 24, 1890.
USTS: No. 232.
Treaties, etc., 1:1167.

Extradition treaty

Signed at Mexico City February 22, 1899.
Ratifications exchanged April 22, 1899.
USTS: No. 242.
Treaties, etc., 1:1184.

Convention extending for indefinite period water boundary convention of March 1, 1889

Signed at Washington November 21, 1900.
Ratifications exchanged December 24, 1900.
USTS: No. 244.
Treaties, etc., 1:1192.

Supplementary extradition treaty

Signed at Mexico City June 25, 1902.
Ratifications exchanged March 28, 1903.
USTS: No. 421.
Treaties, etc., 1:1193.

Convention for the elimination of the bancos of the Rio Grande from effects of Article II of the treaty of November 12, 1884

Signed at Washington March 20, 1905.
Ratifications exchanged May 31, 1907.
USTS: No. 461.
Treaties, etc., 1:1199.

Convention for the equitable distribution of the waters of the Rio Grande

Signed at Washington May 21, 1906.
Ratifications exchanged January 16, 1907.
USTS: No. 455.
Treaties, etc., 1:1202.

Supplementary extradition convention

Signed at Washington December 23, 1925.
Ratifications exchanged June 30, 1926.
USTS: No. 741.

Convention for safeguarding the livestock interests of the two countries through prevention of the introduction of infectious and contagious diseases

Signed at Washington March 16, 1928.
Ratifications exchanged January 17, 1930.
USTS: No. 808.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND NICARAGUA

BILATERAL TREATIES

Protocol for the construction of an interoceanic canal

Signed at Washington December 1, 1900.
USTS: No. 260.
Treaties, etc., 2:1290.

Extradition treaty

Signed at Washington March 1, 1905.
Ratifications exchanged June 14, 1907.
USTS: No. 462.
Treaties, etc., 2:1292.

Naturalization convention

Signed at Managua December 7, 1908.
Ratifications exchanged March 28, 1912.
USTS: No. 566.
Treaties, etc., 3:2738.

Supplementary naturalization convention

Signed at Managua June 17, 1911.
Ratifications exchanged March 28, 1912.
USTS: No. 567.
Treaties, etc., 3:2740.

Convention respecting a Nicaraguan canal route

Signed at Washington August 5, 1914.
Ratifications exchanged June 22, 1916.
USTS: No. 624.
Treaties, etc., 3:2740.

OTHER BILATERAL AGREEMENTS OR ARRANGEMENTS

Exchange of notes according mutual unconditional most-favored-nation treatment in customs matters

Signed June 11, 1924, and July 11, 1924.
USTS: No. 697.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND PANAMA

BILATERAL TREATIES

Convention for the construction of a ship canal

Signed at Panama November 18, 1903.
Ratifications exchanged February 26, 1904.
USTS: No. 431.
Treaties, etc., 2:1349.

Agreement delimiting the Canal Zone referred to in Article II of the convention of November 18, 1903

Signed at Panama June 15, 1904.
Effective June 15, 1904.
Treaties, etc., 3:2752.
Not printed in USTS.

Extradition treaty

Signed at Panama May 25, 1904.
Ratifications exchanged April 8, 1905.
USTS: No. 445.
Treaties, etc., 2:1357.

Protocol of an agreement relating to neutrality

Signed at Washington October 10, 1914.
Effective October 10, 1914.
USTS: No. 597.
Treaties, etc., 3:2778.

Boundary convention

Signed at Panama September 2, 1914.
Ratifications exchanged February 11, 1915.
USTS: No. 610.
Treaties, etc., 3:2770.

Convention facilitating the work of traveling salesmen

Signed at Washington February 8, 1919.
Ratifications exchanged December 8, 1919.
USTS: No. 646.
Treaties, etc., 3:2780.

Convention for prevention of smuggling

Signed at Washington June 6, 1924.
Ratifications exchanged January 19, 1925.
USTS: No. 707.

OTHER BILATERAL AGREEMENTS OR ARRANGEMENTS

Declaration effected by exchange of notes permitting consuls to take note in person, or by authorized representatives, of declarations of values of exports made by shippers before customs officers

Signed at Washington April 17, 1913.
Effective June 1, 1913.
USTS: No. 578.
Treaties, etc., 3:2767.

Arrangement effected by executive decree of the Republic of Panama granting the United States control of wireless telegraphic stations in Panama

Signed at Panama August 29, 1914.
Effective August 29, 1914.
Treaties, etc., 3:2768.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND PARAGUAY

BILATERAL TREATIES

Treaty of friendship, commerce, and navigation

Signed at ——— February 4, 1859.
Ratifications exchanged March 7, 1860.
USTS: No. 272.
Treaties, etc., 2:1364.

Extradition treaty

Signed at Asuncion March 26, 1913.
Ratifications exchanged January 17, 1914.
USTS: No. 584.
Treaties, etc., 3:2783.

Treaty for the advancement of peace

Signed at Asuncion August 29, 1914.
Ratifications exchanged March 9, 1915.
USTS: No. 614.
Treaties, etc., 3:2788.

Convention facilitating the work of traveling salesmen

Signed at Washington October 20, 1919.
Ratifications exchanged March 22, 1922.
USTS: No. 662.
Treaties, etc., 3:2791.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND PERU

BILATERAL TREATIES

Convention declaring the rights of neutrals at sea

Signed at Lima July 22, 1856.
Ratifications exchanged October 31, 1857.
USTS: No. 277.
Treaties, etc., 2:1402.

Extradition treaty

Signed at Lima November 28, 1899.
Ratifications exchanged January 23, 1901.
USTS: No. 288.
Treaties, etc., 2: 1445.

Naturalization convention

Signed at Lima October 15, 1907.
Ratifications exchanged July 23, 1909.
USTS: No. 532.
Treaties, etc., 2: 1449.

Arbitration convention

Signed at Washington December 5, 1908.
Ratifications exchanged June 29, 1909.
USTS: No. 528.
Treaties, etc., 2: 1451.

Treaty for the advancement of peace

Signed at Lima July 14, 1914.
Ratifications exchanged March 4, 1915.
USTS: No. 613.
Treaties, etc., 3: 2795.

Convention and protocol facilitating the work of traveling salesmen

Signed at Lima January 19, 1923.
Ratifications exchanged July 8, 1924.
USTS: No. 692.
Treaties, etc., 3: 2800.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND URUGUAY

BILATERAL TREATIES

Extradition treaties

Signed at Washington March 11, 1905.
Ratifications exchanged June 4, 1908.
USTS: No. 501.
Treaties, etc., 2: 1825.

Naturalization convention

Signed at Montevideo August 10, 1908.
Ratifications exchanged May 14, 1909.
USTS: No. 527.
Treaties, etc., 2: 1829.

Arbitration convention

Signed at Washington January 9, 1909.
Ratifications exchanged November 14, 1913.
USTS: No. 583.
Treaties, etc., 3: 2859.

Treaty for the advancement of peace

Signed at Washington July 20, 1914.
Ratifications exchanged February 24, 1915.
USTS: No. 611.
Treaties, etc., 3: 2860.

Convention facilitating the work of traveling salesmen

Signed at Washington August 27, 1918.
Ratifications exchanged August 2, 1919.
USTS: No. 640.
Treaties, etc., 3: 2862.

TREATIES IN FORCE BETWEEN THE UNITED STATES OF AMERICA AND VENEZUELA

BILATERAL TREATIES

Treaty for the advancement of peace

Signed at Caracas March 21, 1914.
Ratification exchanged February 12, 1921.
USTS: No. 652.
Treaties, etc., 3: 2865.

Convention facilitating the work of traveling salesmen

Signed at Caracas July 3, 1919.
Ratification exchanged August 18, 1920.
USTS: No. 648.
Treaties, etc., 3: 2867.

Treaty and additional article of extradition

Signed at Caracas January 19-21, 1922.
Ratification exchanged April 14, 1923.
USTS: No. 675.
Treaties, etc., 3: 2879.

Mr. BORAH. Mr. President, the Senator from Wisconsin has correctly stated the fact, so far as the effect of this treaty on past treaties is concerned. For some reason satisfactory to them, eight of the South American countries have made the same exception. I assume that it is largely for the reason that most of the treaties which heretofore have been entered into were not negotiated in contemplation of a general arbitration treaty. At any rate, eight of the South American countries made the same exception in legal effect that we now propose to make. In other words, this arbitration treaty applies alone to future controversies. It does

not deal with past treaties and controversies arising out of treaties heretofore negotiated.

Secondly, Mr. President, it is known that there is a possible controversy between Panama and the United States with reference to the construction of the Panama treaty. Panama contends that we never secured title in fee simple to the Panama Canal Zone; that we simply secured a right of way, an easement. It has been suggested on the part of Panama that this question be arbitrated by the International Court or by the league. It was not thought wise, upon the part of the majority of the committee, that we should sign a treaty which would make it possible for them to call for an arbitration of this question. And if they asked for arbitration, under the terms of this treaty we could not refuse to arbitrate.

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

Mr. BORAH. I yield.

Mr. LA FOLLETTE. Under the terms of the treaty, if Panama sought to bring the subject matter of the title to the Canal Zone into the purview of this treaty for arbitration, it would require action by the President of the United States and the Senate, would it not, before the controversy could be submitted for arbitration?

Mr. BORAH. Yes; that is correct. It would require such action; but it would be very embarrassing for the President and the Senate to refuse arbitration upon the subject out of the sheer power to do so. We could not under the terms of this treaty refuse to arbitrate.

Mr. WALSH of Montana. Mr. President, let me remark that both the President of the United States and the Senate under those circumstances would be constrained to agree to the arbitration, and the only thing for consideration would be the terms in which the arbitration should be submitted. The Government of the United States by this treaty would agree that it will submit the matter to arbitration. It may negotiate a so-called special agreement by which the question to be submitted to arbitration shall be determined and submitted; but nevertheless the obligation rests upon both the President and the Senate to arrange such a special agreement.

Mr. BORAH. Mr. President, as the matter would involve the construction of a treaty it would undoubtedly be a justiciable question, and therefore we would have to arbitrate it if we were called upon to do so. All we would have the right to do is to determine the terms and conditions relative to arbitration. It was thought best, in view of the obligatory terms of this treaty, not to make it retroactive as it were.

Mr. LA FOLLETTE. Mr. President, I merely wish to say that if there are any treaties or subjects which the Senate does not feel should come under the scope of this treaty, I appeal to the Senate to make an exception of those particular items, rather than to exclude from the scope of this treaty all of the important treaties which we have negotiated during a long period of years with our neighbors to the south.

In view of the fact that the Government of the United States has always contended that it favored the judicial settlement of controversies arising between itself and other countries, it seems to me that we should not in connection with this treaty show our apparent lack of faith in the instrumentalities for settling these disputes by negotiation and by adjudication in the manner provided in reservation 2.

In view of the lateness of the hour, I shall not detain the Senate with a discussion of this long list of treaties; but I do appeal to the Senate to take some other course than to adopt a reservation which, in my judgment, would be interpreted as exhibiting an utter lack of faith on the part of this Government in this method of settling controversies.

Mr. BORAH. Mr. President, I desire to read part of the reservation of Chile:

Chile does not accept obligatory arbitration for questions which have their origin in situations or acts antedating the present treaty.

That is the legal effect of the reservation which we have adopted. We would be in the same position with reference to any arbitration with Chile, owing to her reservation, as if we should adopt this reservation. In other words, some eight South American countries have preceded the United States in making a reservation of like nature. In view of our vital interests in certain matters it seemed wise and not unfair for the United States to follow the precedent.

The VICE PRESIDENT. The question is on agreeing to the second reservation.

The reservation was agreed to.

The treaty was reported to the Senate; and two-thirds of the Senators present voting in the affirmative, the Senate advised and consented to the ratification of the treaty.

BOARD OF TAX APPEALS

The legislative clerk read the nomination of J. Russell Leech, of Pennsylvania, to be a member of the Board of Tax Appeals.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of John B. Sanborn, of Minnesota, to be United States circuit judge, eighth circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Theodore W. Hukriede to be United States marshal, eastern district of Missouri.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Allen B. Kale to be United States marshal, eastern district of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

PUBLIC UTILITIES COMMISSION

The legislative clerk read the nomination of Riley E. Elgen to be a member of the Public Utilities Commission of the District of Columbia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That completes the calendar.

REPORTS OF COMMITTEES

Mr. McNARY, from the Committee on Agriculture and Forestry, reported favorably the following nominations, which were placed on the calendar:

Frank Evans, of Utah, to be a member of the Federal Farm Board for the unexpired term of six years from June 15, 1930, to which office he was appointed during the last recess of the Senate, vice Charles C. Teague;

William F. Schilling, of Minnesota, to be a member of the Federal Farm Board for a term of six years from June 15, 1931, to which office he was appointed during the last recess of the Senate (reappointment); and

Sam H. Thompson, of Illinois, to be a member of the Federal Farm Board for the unexpired term of six years from June 15, 1930, to which office he was appointed during the last recess of the Senate, vice Alexander Legge.

Mr. HEBERT, from the Committee on the Judiciary, reported favorably the nomination of Charles G. Briggie, of Illinois, to be United States district judge, southern district of Illinois (additional position), which was placed on the calendar.

ADJOURNMENT

Mr. McNARY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 36 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, January 20, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 19 (legislative day of January 18), 1932

ALABAMA

John Thompson to be postmaster at Altoona, Ala., in place of John Thompson. Incumbent's commission expired January 10, 1932.

Gus L. Camp to be postmaster at Arab, Ala., in place of G. L. Camp. Incumbent's commission expired January 11, 1932.

Thomas P. Bonner to be postmaster at Ashland, Ala., in place of T. P. Bonner. Incumbent's commission expired January 10, 1932.

Frances R. Gresham to be postmaster at Autaugaville, Ala., in place of F. R. Gresham. Incumbent's commission expired January 11, 1932.

Maude A. Bosarge to be postmaster at Bayou Labatre, Ala., in place of M. A. Bosarge. Incumbent's commission expired January 11, 1932.

Wert W. James to be postmaster at Brent, Ala., in place of W. W. James. Incumbent's commission expired January 11, 1932.

Jacob E. Hood to be postmaster at Cordova, Ala., in place of J. E. Hood. Incumbent's commission expired January 10, 1932.

Lawrence L. Mallette to be postmaster at Dozier, Ala., in place of L. L. Mallette. Incumbent's commission expired January 11, 1932.

Mary I. Hogan to be postmaster at East Tallassee, Ala., in place of J. L. Hinson, removed.

Robert B. Evans to be postmaster at Elkmont, Ala., in place of R. B. Evans. Incumbent's commission expired January 10, 1932.

Ada M. Burks to be postmaster at Fairfield, Ala., in place of A. M. Burks. Incumbent's commission expired January 10, 1932.

Lonnie W. Johnston to be postmaster at Hanceville, Ala., in place of L. W. Johnston. Incumbent's commission expired January 10, 1932.

Sylvanus L. Sherrill to be postmaster at Hartselle, Ala., in place of S. L. Sherrill. Incumbent's commission expired January 11, 1932.

Stephen H. Murphy to be postmaster at Huntsville, Ala., in place of S. H. Murphy. Incumbent's commission expired January 10, 1932.

Roy M. Boak to be postmaster at Lineville, Ala., in place of R. M. Boak. Incumbent's commission expired January 10, 1932.

Ruth K. Bullard to be postmaster at Lockhart, Ala., in place of R. K. Bullard. Incumbent's commission expired January 10, 1932.

Emmett C. Sellers to be postmaster at McKenzie, Ala., in place of B. F. Beesley. Incumbent's commission expired February 23, 1930.

Jake E. Wallace to be postmaster at Maplesville, Ala., in place of J. E. Wallace. Incumbent's commission expired January 11, 1932.

James Alexander to be postmaster at Marion Junction, Ala., in place of James Alexander. Incumbent's commission expired January 11, 1932.

George B. Butler to be postmaster at New Hope, Ala. Office became presidential July 1, 1930.

Clifford M. Cox to be postmaster at Ozark, Ala., in place of C. M. Cox. Incumbent's commission expired January 13, 1932.

James L. Ragland to be postmaster at Pell City, Ala., in place of J. L. Ragland. Incumbent's commission expired January 10, 1932.

Roger S. Bingham to be postmaster at Talladega, Ala., in place of J. S. Chambers. Incumbent's commission expired February 14, 1931.

Emerson E. Etheredge to be postmaster at Town Creek, Ala., in place of E. E. Etheredge. Incumbent's commission expired January 10, 1932.

Edna Young to be postmaster at Warrior, Ala., in place of Edna Young. Incumbent's commission expired January 10, 1932.

Charles S. Prescott to be postmaster at Wedowee, Ala., in place of C. S. Prescott. Incumbent's commission expired January 10, 1932.

Maggie Winningham to be postmaster at York, Ala., in place of Maggie Winningham. Incumbent's commission expired January 10, 1932.

ARIZONA

John R. Livingston to be postmaster at Chloride, Ariz., in place of J. R. Livingston. Incumbent's commission expired January 9, 1932.

William F. Haas to be postmaster at Naco, Ariz., in place of W. F. Haas. Incumbent's commission expired January 13, 1932.

Edith A. Macia to be postmaster at Tombstone, Ariz., in place of E. A. Macia. Incumbent's commission expired January 9, 1932.

ARKANSAS

Louis Reitzammer to be postmaster at Arkansas City, Ark., in place of Louis Reitzammer. Incumbent's commission expired January 11, 1932.

Little Watson to be postmaster at Batesville, Ark., in place of J. O. Burns. Incumbent's commission expired January 10, 1932.

Adolph O. Border to be postmaster at Knobel, Ark., in place of A. O. Border. Incumbent's commission expires January 23, 1932.

James L. Willson to be postmaster at Moro, Ark., in place of J. L. Willson. Incumbent's commission expires January 23, 1932.

Pauline Prescott to be postmaster at Rosston, Ark., in place of Pauline Prescott. Incumbent's commission expires January 23, 1932.

Reuben P. Allen to be postmaster at Smackover, Ark., in place of R. P. Allen. Incumbent's commission expired January 11, 1932.

Carleton H. Denslow to be postmaster at Stuttgart, Ark., in place of C. H. Denslow. Incumbent's commission expires January 23, 1932.

Charles E. Kemp to be postmaster at Trumann, Ark., in place of C. E. Kemp. Incumbent's commission expired January 10, 1932.

Leonidas G. Fitzpatrick to be postmaster at Wynne, Ark., in place of G. E. Davis, deceased.

CALIFORNIA

Walter L. Haley to be postmaster at Associated, Calif., in place of W. L. Haley. Incumbent's commission expired January 11, 1932.

Theodore Rueger to be postmaster at Benicia, Calif., in place of Theodore Rueger. Incumbent's commission expired January 11, 1932.

Presentation M. Soto to be postmaster at Concord, Calif., in place of P. M. Soto. Incumbent's commission expired January 11, 1932.

Mildred K. Blacow to be postmaster at Irvington, Calif., in place of K. F. Reynolds, deceased.

Anna Crossland to be postmaster at Loleta, Calif., in place of Anna Crossland. Incumbent's commission expired February 6, 1930.

Charles F. Riedle to be postmaster at Los Banos, Calif., in place of C. F. Riedle. Incumbent's commission expired January 11, 1932.

Ira B. Jones to be postmaster at Los Molinos, Calif., in place of I. B. Jones. Incumbent's commission expired January 11, 1932.

Raymond A. Rigor to be postmaster at McCloud, Calif., in place of R. A. Rigor. Incumbent's commission expired January 11, 1932.

Claude D. Richardson to be postmaster at McFarland, Calif., in place of C. D. Richardson. Incumbent's commission expired January 11, 1932.

Edmund V. Wahlberg to be postmaster at Manhattan Beach, Calif., in place of E. V. Wahlberg. Incumbent's commission expired January 11, 1932.

Charles G. Barnes to be postmaster at Morgan Hill, Calif., in place of C. G. Barnes. Incumbent's commission expired January 11, 1932.

Sula D. Abbott to be postmaster at Placentia, Calif., in place of S. D. Abbott. Incumbent's commission expired January 11, 1932.

Ellery M. Murray to be postmaster at St. Helena, Calif., in place of E. M. Murray. Incumbent's commission expired January 11, 1932.

George G. Hughes to be postmaster at San Bruno, Calif., in place of G. G. Hughes. Incumbent's commission expired January 11, 1932.

Harrie C. Caldwell to be postmaster at San Fernando, Calif., in place of H. C. Caldwell. Incumbent's commission expired January 11, 1932.

Pastor A. H. Arata to be postmaster at San Luis Obispo, Calif., in place of P. A. H. Arata. Incumbent's commission expired January 11, 1932.

Terry E. Stephenson to be postmaster at Santa Ana, Calif., in place of T. E. Stephenson. Incumbent's commission expired January 11, 1932.

Grace E. Tooker to be postmaster at Santa Monica, Calif., in place of G. E. Tooker. Incumbent's commission expired January 11, 1932.

Norman L. Henderson to be postmaster at Spring Garden, Calif. Office became presidential July 1, 1931.

Mary E. Rozier to be postmaster at Tuolumne, Calif., in place of M. E. Rozier. Incumbent's commission expired January 11, 1932.

Henry F. Stahl to be postmaster at Vallejo, Calif., in place of H. F. Stahl. Incumbent's commission expired January 11, 1932.

Ernest D. Gibson to be postmaster at Van Nuys, Calif., in place of E. D. Gibson. Incumbent's commission expired January 11, 1932.

William J. Murray to be postmaster at Yucaipa, Calif., in place of W. J. Murray. Incumbent's commission expired January 11, 1932.

COLORADO

Charles L. Rudel to be postmaster at Fleming, Colo., in place of C. L. Rudel. Incumbent's commission expired January 10, 1932.

Ethel M. Beggs to be postmaster at Keenesburg, Colo., in place of E. M. Beggs. Incumbent's commission expired December 15, 1931.

Zella M. Hutchens to be postmaster at Seibert, Colo., in place of Z. M. Hutchens. Incumbent's commission expired January 10, 1932.

CONNECTICUT

Frederick W. Griffin to be postmaster at Cheshire, Conn., in place of F. W. Griffin. Incumbent's commission expired January 10, 1932.

James J. Fitzpatrick to be postmaster at Meriden, Conn., in place of J. J. Fitzpatrick. Incumbent's commission expires January 25, 1932.

Allen C. Bennett to be postmaster at West Willington, Conn., in place of A. C. Bennett. Incumbent's commission expired January 10, 1932.

DELAWARE

Stephen W. Miller to be postmaster at Camden, Del., in place of S. W. Miller. Incumbent's commission expired January 17, 1932.

FLORIDA

Bertha F. Knight to be postmaster at Bartow, Fla., in place of B. F. Knight. Incumbent's commission expires January 31, 1932.

Carrie Bowers to be postmaster at Lake Placid, Fla., in place of Carrie Bowers. Incumbent's commission expired January 4, 1932.

Charles I. Matthews to be postmaster at Longwood, Fla., in place of C. I. Matthews. Incumbent's commission expired January 4, 1932.

Archibald I. Nearing to be postmaster at Marianna, Fla., in place of A. I. Nearing. Incumbent's commission expired February 1, 1931.

Samuel J. Yoder to be postmaster at Moore Haven, Fla., in place of S. J. Yoder. Incumbent's commission expired January 11, 1932.

Lola Miller to be postmaster at Palm Beach, Fla., in place of Lola Miller. Incumbent's commission expired January 11, 1932.

Lydia E. Ware to be postmaster at St. Andrew, Fla., in place of L. E. Ware. Incumbent's commission expired January 11, 1932.

Joseph P. Hall to be postmaster at Sanford, Fla., in place of J. P. Hall. Incumbent's commission expired January 11, 1932.

George H. Hauser to be postmaster at Venice, Fla., in place of W. M. Parker, deceased.

GEORGIA

H. Ralph Smith to be postmaster at Brunswick, Ga., in place of H. R. Smith. Incumbent's commission expired February 24, 1931.

Eunice G. Bragg to be postmaster at Gray, Ga., in place of N. H. Bragg, resigned.

Cicero F. Duffee to be postmaster at Jonesboro, Ga., in place of C. F. Duffee. Incumbent's commission expired December 19, 1931.

James M. Brophy to be postmaster at Rhine, Ga., in place of J. B. Williams. Incumbent's commission expired March 3, 1929.

George R. Burton to be postmaster at White Plains, Ga., in place of G. R. Burton. Incumbent's commission expired May 17, 1930.

IDAHO

Richard L. Baker to be postmaster at Ashton, Idaho, in place of R. L. Baker. Incumbent's commission expired January 18, 1932.

Roy M. Parsons to be postmaster at Hagerman, Idaho, in place of R. M. Parsons. Incumbent's commission expired January 18, 1932.

James M. Shaw to be postmaster at Kooskia, Idaho, in place of J. M. Shaw. Incumbent's commission expired January 18, 1932.

Wheeler W. Elledge to be postmaster at Lava Hot Springs, Idaho, in place of W. W. Elledge. Incumbent's commission expired January 18, 1932.

Elvira R. Denny to be postmaster at Leadore, Idaho, in place of E. R. Denny. Incumbent's commission expired January 18, 1932.

Helga M. Cook to be postmaster at McCall, Idaho, in place of H. M. Cook. Incumbent's commission expired January 18, 1932.

Charles L. Edwards to be postmaster at McCammon, Idaho, in place of C. L. Edwards. Incumbent's commission expired January 18, 1932.

Fred V. Diers to be postmaster at Mackay, Idaho, in place of F. V. Diers. Incumbent's commission expired January 18, 1932.

Charles W. Craney to be postmaster at St. Maries, Idaho, in place of C. W. Craney. Incumbent's commission expired January 9, 1932.

Kenneth E. McBride to be postmaster at Salmon, Idaho, in place of K. E. McBride. Incumbent's commission expired January 18, 1932.

Oakley A. West to be postmaster at Weiser, Idaho, in place of O. A. West. Incumbent's commission expired January 18, 1932.

ILLINOIS

Clayton O. Merricks to be postmaster at Abingdon, Ill., in place of C. O. Merricks. Incumbent's commission expired December 11, 1930.

Lewis B. Tuthill to be postmaster at Anna, Ill., in place of L. B. Tuthill. Incumbent's commission expired January 10, 1932.

Hugh Martin to be postmaster at Argenta, Ill., in place of Hugh Martin. Incumbent's commission expired January 10, 1932.

Frank Gain to be postmaster at Astoria, Ill., in place of Frank Gain. Incumbent's commission expired January 10, 1932.

John H. Holthaus to be postmaster at Aviston, Ill., in place of J. H. Holthaus. Incumbent's commission expired January 10, 1932.

Madison R. Hunter to be postmaster at Avon, Ill., in place of G. E. Simmons. Incumbent's commission expired January 16, 1930.

Raymond Phillips to be postmaster at Beecher City, Ill., in place of Raymond Phillips. Incumbent's commission expired January 10, 1932.

William Hughes to be postmaster at Bement, Ill., in place of William Hughes. Incumbent's commission expired January 10, 1932.

Frank C. Baker to be postmaster at Bridgeport, Ill., in place of L. D. Leach. Incumbent's commission expired February 6, 1930.

Alice Jenkins to be postmaster at Carriers Mills, Ill., in place of Alice Jenkins. Incumbent's commission expired January 10, 1932.

Cecil W. Bishop to be postmaster at Carterville, Ill., in place of C. W. Bishop. Incumbent's commission expired January 10, 1932.

Fred E. Flessner to be postmaster at Cullom, Ill., in place of F. E. Flessner. Incumbent's commission expired January 10, 1932.

George A. Kraus to be postmaster at Danvers, Ill., in place of G. A. Kraus. Incumbent's commission expired January 10, 1932.

Forrest E. Peterson to be postmaster at Depue, Ill., in place of F. E. Peterson. Incumbent's commission expired December 15, 1931.

John E. Moyer to be postmaster at Dixon, Ill., in place of J. E. Moyer. Incumbent's commission expired January 10, 1932.

Stanley L. Ryno to be postmaster at Easton, Ill., in place of S. L. Ryno. Incumbent's commission expired January 12, 1932.

Louis O. McKerrow to be postmaster at Elmwood, Ill., in place of L. O. McKerrow. Incumbent's commission expired January 10, 1932.

George L. Spangler to be postmaster at Franklin Grove, Ill., in place of G. L. Spangler. Incumbent's commission expired January 10, 1932.

Walter J. Ehrler to be postmaster at Galena, Ill., in place of W. J. Ehrler. Incumbent's commission expired January 10, 1932.

Elmer L. Trowbridge to be postmaster at Green Valley, Ill., in place of E. L. Trowbridge. Incumbent's commission expired January 10, 1932.

William Sutton to be postmaster at Kempton, Ill., in place of William Sutton. Incumbent's commission expired January 10, 1932.

Daisy M. Uphaus to be postmaster at Macon, Ill., in place of D. M. Uphaus. Incumbent's commission expired January 10, 1932.

William J. West to be postmaster at Odin, Ill., in place of W. J. West. Incumbent's commission expired January 12, 1932.

Luther G. Raymer to be postmaster at Park Ridge, Ill., in place of L. G. Raymer. Incumbent's commission expired December 11, 1930.

Lewis E. Selby to be postmaster at Pekin, Ill., in place of L. E. Selby. Incumbent's commission expired January 10, 1932.

Ted Henderson to be postmaster at Ridge Farm, Ill., in place of Ted Henderson. Incumbent's commission expired January 10, 1932.

Lewis H. Richards to be postmaster at Scales Mound, Ill., in place of L. H. Richards. Incumbent's commission expired January 10, 1932.

William A. Brian to be postmaster at St. Francisville, Ill., in place of E. H. McKelfresh. Incumbent's commission expired June 16, 1930.

Elgin C. Spivey to be postmaster at Shawneetown, Ill., in place of E. C. Spivey. Incumbent's commission expired January 12, 1932.

Leonard F. Richardson to be postmaster at Sheffield, Ill., in place of L. F. Richardson. Incumbent's commission expired December 15, 1931.

Henry J. Busefink to be postmaster at West Salem, Ill., in place of H. J. Busefink. Incumbent's commission expired January 10, 1932.

Elmer C. Thorp to be postmaster at Winslow, Ill., in place of E. C. Thorp. Incumbent's commission expired January 10, 1932.

INDIANA

John S. Moore to be postmaster at Battle Ground, Ind., in place of J. S. Moore. Incumbent's commission expired January 10, 1932.

Claude A. Warr to be postmaster at Brook, Ind., in place of C. A. Warr. Incumbent's commission expired January 10, 1932.

Hugh R. Foss to be postmaster at Cambridge City, Ind., in place of H. R. Foss. Incumbent's commission expired January 10, 1932.

Samuel C. Morgan to be postmaster at Campbellsburg, Ind., in place of S. C. Morgan. Incumbent's commission expired January 10, 1932.

Julia V. Clark to be postmaster at Colfax, Ind., in place of J. V. Clark. Incumbent's commission expired January 13, 1932.

Lionel A. Pratt to be postmaster at Dunkirk, Ind., in place of L. A. Pratt. Incumbent's commission expires January 27, 1932.

Erasmus R. Bartley to be postmaster at Greencastle, Ind., in place of E. R. Bartley. Incumbent's commission expired January 10, 1932.

Vernon D. Macy to be postmaster at Mooresville, Ind., in place of V. D. Macy. Incumbent's commission expired February 10, 1931.

Fred E. Meeker to be postmaster at Portland, Ind., in place of C. O. Rowland. Incumbent's commission expired February 24, 1931.

John W. Wood to be postmaster at Terre Haute, Ind., in place of W. G. Hays, resigned.

Reader J. Meroney to be postmaster at Topeka, Ind., in place of R. J. Meroney. Incumbent's commission expired January 10, 1932.

Ralph D. Gookins to be postmaster at Veedersburg, Ind., in place of R. D. Gookins. Incumbent's commission expired January 13, 1932.

Betty M. Miller to be postmaster at West Baden, Ind., in place of B. M. Miller. Incumbent's commission expired January 10, 1932.

Edmund H. Imes to be postmaster at Westville, Ind., in place of E. H. Imes. Incumbent's commission expired January 11, 1932.

IOWA

Roscoe W. Petersen to be postmaster at Bettendorf, Iowa, in place of R. W. Petersen. Incumbent's commission expired December 17, 1931.

Howard C. Copeland to be postmaster at Chariton, Iowa, in place of H. C. Copeland. Incumbent's commission expired January 10, 1932.

Andrew C. Link to be postmaster at Dyersville, Iowa, in place of A. C. Link. Incumbent's commission expired January 13, 1932.

Eliza K. Alldredge to be postmaster at Melbourne, Iowa, in place of E. K. Alldredge. Incumbent's commission expired January 13, 1932.

John A. Hale to be postmaster at Tripoli, Iowa, in place of J. A. Hale. Incumbent's commission expired January 13, 1932.

KANSAS

Lynn B. Mohler to be postmaster at Arkansas City, Kans., in place of M. E. Mollett. Incumbent's commission expired December 14, 1930.

Fred C. Oehler to be postmaster at Coffeyville, Kans., in place of L. C. Elliott. Incumbent's commission expired December 14, 1930.

Loraine A. Lyon to be postmaster at Edgerton, Kans., in place of L. A. Lyon. Incumbent's commission expired January 9, 1932.

Harry W. Adams to be postmaster at Elkhart, Kans., in place of H. W. Adams. Incumbent's commission expired January 10, 1932.

Francis M. Smith to be postmaster at Ford, Kans., in place of F. M. Smith. Incumbent's commission expired July 2, 1930.

Griffith R. Hughes to be postmaster at Fort Scott, Kans., in place of C. R. Fisher. Incumbent's commission expired March 2, 1930.

Clarence Haughwout to be postmaster at Onaga, Kans., in place of Clarence Haughwout. Incumbent's commission expired January 11, 1932.

John Quin to be postmaster at Ottawa, Kans., in place of John Quin. Incumbent's commission expired December 15, 1931.

Samuel M. Simmons to be postmaster at Spring Hill, Kans., in place of S. M. Simmons. Incumbent's commission expired January 9, 1932.

KENTUCKY

Roy Fraim to be postmaster at Alva, Ky., in place of Roy Fraim. Incumbent's commission expired January 5, 1932.

Emma A. Ellis to be postmaster at Campbellsville, Ky., in place of E. A. Ellis. Incumbent's commission expired December 15, 1929.

Benton W. Mauzy to be postmaster at Dixon, Ky., in place of C. S. Gentry, resigned.

Albert D. Bouland to be postmaster at Elva, Ky. Office became presidential July 1, 1931.

Arthur G. Powell to be postmaster at Irvine, Ky., in place of A. G. Powell. Incumbent's commission expired March 11, 1930.

Benoni H. Lott to be postmaster at Lewisport, Ky., in place of B. H. Lott. Incumbent's commission expired March 22, 1930.

Marsh F. Chumley to be postmaster at McHenry, Ky., in place of A. M. Smith. Incumbent's commission expired January 6, 1931.

John M. Miller to be postmaster at Middlesboro, Ky., in place of J. M. Miller. Incumbent's commission expired January 12, 1932.

Fred L. Sears to be postmaster at Nicholasville, Ky., in place of F. L. Sears. Incumbent's commission expired December 19, 1931.

Inez M. Christian to be postmaster at Sturgis, Ky., in place of T. B. Rhoades. Incumbent's commission expired May 14, 1928.

LOUISIANA

J. Rodney Murrel to be postmaster at Church Point, La., in place of J. R. Murrel. Incumbent's commission expired January 13, 1932.

Ralph N. Menetre to be postmaster at Covington, La., in place of R. N. Menetre. Incumbent's commission expired January 13, 1932.

Henry A. Forshag to be postmaster at Crowley, La., in place of H. A. Forshag. Incumbent's commission expired January 4, 1932.

Wiltz L. Barrow to be postmaster at Homer, La., in place of L. P. Fulmer. Incumbent's commission expired December 14, 1930.

H. Ernest Benefiel to be postmaster at Kenner, La., in place of H. E. Benefiel. Incumbent's commission expired March 23, 1930.

William R. Morgan to be postmaster at Mandeville, La., in place of W. R. Morgan. Incumbent's commission expired January 13, 1932.

Novilla T. King to be postmaster at Simsboro, La., in place of N. T. King. Incumbent's commission expired January 13, 1932.

Walter B. Eisely to be postmaster at Tallulah, La., in place of W. B. Eisely. Incumbent's commission expired January 13, 1932.

MAINE

William F. Holden to be postmaster at Bangor, Me., in place of W. F. Holden. Incumbent's commission expired December 19, 1931.

Donald W. Stackpole to be postmaster at Bridgewater, Me., in place of D. W. Stackpole. Incumbent's commission expired December 15, 1931.

Albert C. Bradbury to be postmaster at Newport, Me., in place of A. C. Bradbury. Incumbent's commission expired December 19, 1931.

Edith B. Holden to be postmaster at Oakfield, Me., in place of E. B. Holden. Incumbent's commission expired December 19, 1931.

Homer M. Orr to be postmaster at Old Town, Me., in place of H. M. Orr. Incumbent's commission expired December 19, 1931.

Louise R. Harding to be postmaster at Orono, Me., in place of L. R. Harding. Incumbent's commission expired December 19, 1931.

Ernest C. Butterfield to be postmaster at Springfield, Me., in place of E. C. Butterfield. Incumbent's commission expired December 19, 1931.

Robert L. Cyr to be postmaster at Van Buren, Me., in place of R. L. Cyr. Incumbent's commission expired December 15, 1931.

MARYLAND

Jessie P. Smith to be postmaster at Luke, Md., in place of J. P. Smith. Incumbent's commission expired January 10, 1932.

James J. Shoemaker to be postmaster at Sandy Spring, Md., in place of J. J. Shoemaker. Incumbent's commission expired January 10, 1932.

MASSACHUSETTS

Samuel L. Porter to be postmaster at Amesbury, Mass., in place of S. L. Porter. Incumbent's commission expired January 11, 1932.

John D. Quigley to be postmaster at Ashland, Mass., in place of J. D. Quigley. Incumbent's commission expired January 11, 1932.

Henry E. Bearse to be postmaster at Centerville, Mass., in place of A. M. Meigs, resigned.

Maynard N. Wetherell to be postmaster at Chartley, Mass., in place of M. N. Wetherell. Incumbent's commission expired January 11, 1932.

William H. Lilley to be postmaster at Chicopee, Mass., in place of W. H. Lilley. Incumbent's commission expired January 11, 1932.

Walter L. Tower to be postmaster at Dalton, Mass., in place of W. L. Tower. Incumbent's commission expired January 11, 1932.

Gilbert W. O'Neil to be postmaster at Gloucester, Mass., in place of G. W. O'Neil. Incumbent's commission expired January 11, 1932.

Charles H. Slocomb to be postmaster at Greenfield, Mass., in place of C. H. Slocomb. Incumbent's commission expired January 11, 1932.

Leroy E. Johnson to be postmaster at Groton, Mass., in place of L. E. Johnson. Incumbent's commission expired January 11, 1932.

William F. Keller to be postmaster at Holliston, Mass., in place of W. F. Keller. Incumbent's commission expired January 13, 1932.

George A. Coolidge to be postmaster at Hudson, Mass., in place of G. A. Coolidge. Incumbent's commission expired January 13, 1932.

Leon C. W. Foote to be postmaster at Lee, Mass., in place of L. C. W. Foote. Incumbent's commission expired January 13, 1932.

Ernest H. Wilcox to be postmaster at Manchester, Mass., in place of E. H. Wilcox. Incumbent's commission expired January 13, 1932.

Turner R. Bailey to be postmaster at Medfield, Mass., in place of T. R. Bailey. Incumbent's commission expired January 13, 1932.

Charles D. Streeter to be postmaster at Mount Hermon, Mass., in place of C. D. Streeter. Incumbent's commission expired January 13, 1932.

Harold Winslow to be postmaster at New Bedford, Mass., in place of Harold Winslow. Incumbent's commission expired January 13, 1932.

George W. Orcutt to be postmaster at North Abington, Mass., in place of G. W. Orcutt. Incumbent's commission expired January 13, 1932.

James T. Potter to be postmaster at North Adams, Mass., in place of J. T. Potter. Incumbent's commission expired January 13, 1932.

Alonzo W. Jones to be postmaster at Orleans, Mass., in place of A. W. Jones. Incumbent's commission expired January 13, 1932.

Margaret E. Rourke to be postmaster at Prides Crossing, Mass., in place of M. E. Rourke. Incumbent's commission expired January 13, 1932.

William E. Chaffin to be postmaster at Scituate, Mass., in place of W. E. Chaffin. Incumbent's commission expired January 13, 1932.

Wesley G. Ross to be postmaster at South Deerfield, Mass., in place of W. G. Ross. Incumbent's commission expired January 13, 1932.

Maurice Williams to be postmaster at South Easton, Mass., in place of Maurice Williams. Incumbent's commission expired January 13, 1932.

John H. Preston to be postmaster at South Hadley, Mass., in place of J. H. Preston. Incumbent's commission expired January 13, 1932.

Frederick C. Haigis to be postmaster at Turners Falls, Mass., in place of F. C. Haigis. Incumbent's commission expired January 13, 1932.

Otis J. A. Dionne to be postmaster at Walpole, Mass., in place of O. J. A. Dionne. Incumbent's commission expired January 13, 1932.

Blanche E. Robinson to be postmaster at Wareham, Mass., in place of B. E. Robinson. Incumbent's commission expired January 13, 1932.

Thomas E. Hynes to be postmaster at Wayland, Mass., in place of T. E. Hynes. Incumbent's commission expired January 13, 1932.

George D. Roe to be postmaster at Westfield, Mass., in place of G. D. Roe. Incumbent's commission expired January 13, 1932.

Henry O. Bailey to be postmaster at West Newbury, Mass., in place of H. O. Bailey. Incumbent's commission expired January 13, 1932.

Mary A. Fallon to be postmaster at West Stockbridge, Mass., in place of M. A. Fallon. Incumbent's commission expired January 13, 1932.

MICHIGAN

Volney W. Ferris to be postmaster at Allegan, Mich., in place of V. W. Ferris. Incumbent's commission expired January 9, 1932.

Ambrose C. Pack to be postmaster at Ann Arbor, Mich., in place of A. C. Pack. Incumbent's commission expired January 9, 1932.

Erva J. Mallory to be postmaster at Albion, Mich., in place of E. J. Mallory. Incumbent's commission expired January 9, 1932.

John C. Davis to be postmaster at Battle Creek, Mich., in place of J. C. Davis. Incumbent's commission expired January 3, 1932.

Aaron W. Miles to be postmaster at Big Rapids, Mich., in place of A. W. Miles. Incumbent's commission expired January 9, 1932.

Jesse A. Hurd to be postmaster at Ceresco, Mich., in place of J. A. Hurd. Incumbent's commission expired January 9, 1932.

Murl H. DeFoe to be postmaster at Charlotte, Mich., in place of M. H. DeFoe. Incumbent's commission expired January 11, 1932.

Charles F. Goetzen to be postmaster at Chesaning, Mich., in place of C. F. Goetzen. Incumbent's commission expired January 9, 1932.

Lois L. Lancaster to be postmaster at Clinton, Mich., in place of H. E. McClure, resigned.

Milford W. Covert to be postmaster at Clio, Mich., in place of M. W. Covert. Incumbent's commission expired January 9, 1932.

Hugh A. McLachlan to be postmaster at Evart, Mich., in place of H. A. McLachlan. Incumbent's commission expires January 25, 1932.

Walter J. Kern to be postmaster at Frankenmuth, Mich., in place of W. J. Kern. Incumbent's commission expired January 9, 1932.

Mary E. Chadwick to be postmaster at Frankfort, Mich., in place of M. E. Chadwick. Incumbent's commission expired January 9, 1932.

George L. Olsen to be postmaster at Grand Haven, Mich., in place of G. L. Olsen. Incumbent's commission expired January 9, 1932.

Henry C. Hemingsen to be postmaster at Grant, Mich., in place of H. C. Hemingsen. Incumbent's commission expired January 9, 1932.

Arthur A. Graves to be postmaster at Grosse Ile, Mich., in place of A. A. Graves. Incumbent's commission expired January 9, 1932.

Ernest C. Baldwin to be postmaster at Hudson, Mich., in place of E. C. Baldwin. Incumbent's commission expired January 9, 1932.

Gerald McKindles to be postmaster at L'Anse, Mich., in place of Gerald McKindles. Incumbent's commission expired January 9, 1932.

Norman E. Borgerson to be postmaster at Lowell, Mich., in place of N. E. Borgerson. Incumbent's commission expired January 9, 1932.

Mark Boyd to be postmaster at McBain, Mich., in place of Mark Boyd. Incumbent's commission expired January 9, 1932.

Sadie Wheeler to be postmaster at Manton, Mich., in place of Sadie Wheeler. Incumbent's commission expired January 9, 1932.

Vaughn A. Bartlett to be postmaster at Marcellus, Mich., in place of R. M. Krise. Incumbent's commission expired December 14, 1930.

Archie Lowry to be postmaster at Marion, Mich., in place of Archie Lowry. Incumbent's commission expired January 9, 1932.

Lincoln Rodgers to be postmaster at Muskegon, Mich., in place of Lincoln Rodgers. Incumbent's commission expired January 9, 1932.

Otto L. Sprague to be postmaster at Owosso, Mich., in place of O. L. Sprague. Incumbent's commission expired December 15, 1931.

Walter G. Wykoff to be postmaster at St. Johns, Mich., in place of W. G. Wykoff. Incumbent's commission expired January 9, 1932.

MINNESOTA

Malachy Ryan to be postmaster at Caledonia, Minn., in place of P. M. Dunn, resigned.

MISSISSIPPI

Lily B. Maxwell to be postmaster at Camden, Miss., in place of L. B. Maxwell. Incumbent's commission expired February 15, 1930.

Robert W. Kyzar to be postmaster at Columbia, Miss., in place of R. W. Kyzar. Incumbent's commission expired April 13, 1930.

Frances H. Cooke to be postmaster at Coffeerville, Miss., in place of F. H. Cooke. Incumbent's commission expired December 16, 1930.

Nancy A. Murphey to be postmaster at Doddsville, Miss., in place of N. A. Murphey. Incumbent's commission expired December 17, 1931.

William D. Fisher to be postmaster at Dundee, Miss., in place of J. R. Terry, removed.

David C. Branham, jr., to be postmaster at Itta Bena, Miss., in place of P. T. Smith, resigned.

Joseph H. Dent to be postmaster at Lorman, Miss., in place of M. L. James, deceased.

Catherine Fitzpatrick to be postmaster at Pass Christian, Miss., in place of R. J. Delpit. Incumbent's commission expired February 16, 1929.

Mary E. Holtzclaw to be postmaster at Utica Institute, Miss. Office became presidential July 1, 1931.

MISSOURI

Lester H. Pettit to be postmaster at Ava, Mo., in place of L. H. Pettit. Incumbent's commission expired January 13, 1932.

Verner H. Kirkendall to be postmaster at Birch Tree, Mo., in place of V. H. Kirkendall. Incumbent's commission expired January 13, 1932.

Frank W. Dunn to be postmaster at Chaffee, Mo., in place of F. W. Dunn. Incumbent's commission expired December 19, 1931.

Bransby B. Houghton to be postmaster at Crystal City, Mo., in place of B. B. Houghton. Incumbent's commission expired January 13, 1932.

Maurice Craig to be postmaster at Illmo, Mo., in place of Maurice Craig. Incumbent's commission expired January 13, 1932.

Benjamin H. Linhardt to be postmaster at Jefferson City, Mo., in place of B. H. Linhardt. Incumbent's commission expired January 31, 1932.

Victor M. Blankinship to be postmaster at Kennett, Mo., in place of V. M. Blankinship. Incumbent's commission expired January 13, 1932.

Charles S. Dickson to be postmaster at Milan, Mo., in place of C. S. Dickson. Incumbent's commission expired January 13, 1932.

John M. Medcalf to be postmaster at Monroe City, Mo., in place of J. M. Medcalf. Incumbent's commission expired January 13, 1932.

Eugene E. Wyatt to be postmaster at Oak Grove, Mo., in place of E. E. Wyatt. Incumbent's commission expired January 13, 1932.

Amy B. Burchard to be postmaster at Owensville, Mo., in place of A. B. Burchard. Incumbent's commission expired January 13, 1932.

Jesse A. Linthacum to be postmaster at Ridgeway, Mo., in place of J. A. Linthacum. Incumbent's commission expired January 13, 1932.

Lester S. Eddings to be postmaster at Rogersville, Mo., in place of L. S. Eddings. Incumbent's commission expired January 13, 1932.

Alfred A. Smith to be postmaster at Rolla, Mo., in place of A. A. Smith. Incumbent's commission expired January 13, 1932.

Estel G. Crawford to be postmaster at Tipton, Mo., in place of E. G. Crawford. Incumbent's commission expired January 13, 1932.

NEBRASKA

Elza Ury to be postmaster at Chapman, Nebr., in place of Elza Ury. Incumbent's commission expired January 22, 1931.

Gustav A. Koza to be postmaster at Clarkson, Nebr., in place of G. A. Koza. Incumbent's commission expired February 11, 1931.

Albert L. Hepp to be postmaster at Greeley, Nebr., in place of A. L. Hepp. Incumbent's commission expired December 19, 1931.

Lynn F. Cunningham to be postmaster at Gurley, Nebr., in place of L. F. Cunningham. Incumbent's commission expired December 19, 1931.

Elmer W. Couch to be postmaster at Henry, Nebr., in place of E. W. Couch. Incumbent's commission expired December 19, 1931.

Merle A. Brady to be postmaster at Kimball, Nebr., in place of M. A. Brady. Incumbent's commission expired December 19, 1931.

Edmund J. Barrett to be postmaster at Lawrence, Nebr., in place of H. H. Schroer, removed.

Otto C. Smith to be postmaster at Lyman, Nebr., in place of O. C. Smith. Incumbent's commission expired December 19, 1931.

James Nichols to be postmaster at Madison, Nebr., in place of F. H. Davis. Incumbent's commission expired February 9, 1931.

Dean H. Ehle to be postmaster at Newcastle, Nebr., in place of Ward Tuttle. Incumbent's commission expired June 19, 1930.

Harry B. Chronister to be postmaster at Schuyler, Nebr., in place of O. J. Zuelow, resigned.

Charles M. Steil to be postmaster at Scribner, Nebr., in place of C. M. Steil. Incumbent's commission expired March 3, 1931.

Roy Hauke to be postmaster at Shelton, Nebr., in place of Roy Hauke. Incumbent's commission expired December 19, 1931.

Merrell M. Stuart to be postmaster at Stuart, Nebr., in place of E. A. Walker, deceased.

Clyde H. Hodges to be postmaster at Superior, Nebr., in place of C. H. Hodges. Incumbent's commission expired December 19, 1931.

Claude A. MacDonald to be postmaster at Sutton, Nebr., in place of C. A. MacDonald. Incumbent's commission expired December 19, 1931.

NEW JERSEY

Frank J. Allen to be postmaster at Delair, N. J., in place of F. J. Allen. Incumbent's commission expired January 10, 1932.

Howard N. Parker to be postmaster at Gibbsboro, N. J., in place of H. N. Parker. Incumbent's commission expired December 19, 1931.

Thomas J. Willis to be postmaster at Lake Hopateong, N. J., in place of T. J. Willis. Incumbent's commission expired December 15, 1931.

Frank T. Buchanan to be postmaster at Bordentown, N. J., in place of F. T. Buchanan. Incumbent's commission expired December 19, 1931.

Raymond F. Peihl to be postmaster at East Paterson, N. J., in place of S. L. Caruth, resigned.

Harry H. Hilyard to be postmaster at Williamstown, N. J., in place of H. H. Hilyard. Incumbent's commission expired January 10, 1932.

Dorothy M. Adams to be postmaster at Yardville, N. J., in place of D. M. Adams. Incumbent's commission expired December 19, 1931.

NEW YORK

Annie J. McFadden to be postmaster at Ardsley, N. Y., in place of A. J. McFadden. Incumbent's commission expired January 10, 1932.

Howard E. Whealey to be postmaster at Baldwin, N. Y., in place of H. E. Whealey. Incumbent's commission expired January 10, 1932.

Clarence G. Jones to be postmaster at Barneveld, N. Y., in place of C. G. Jones. Incumbent's commission expired January 10, 1932.

Vida E. Freeman to be postmaster at Bloomingdale, N. Y. Office became presidential July 1, 1931.

William G. Fisher to be postmaster at Chadwicks, N. Y., in place of W. G. Fisher. Incumbent's commission expired January 16, 1932.

Clarence A. Bratt to be postmaster at Clarence Center, N. Y. Office became presidential July 1, 1931.

Norman D. Higby to be postmaster at Constableville, N. Y., in place of N. D. Higby. Incumbent's commission expired January 10, 1932.

George C. Palmer to be postmaster at Cuba, N. Y., in place of G. C. Palmer. Incumbent's commission expired January 10, 1932.

Frank P. Morstatt to be postmaster at Garnerville, N. Y., in place of S. M. Henderson, removed.

Edward T. Cole to be postmaster at Garrison, N. Y., in place of E. T. Cole. Incumbent's commission expired January 10, 1932.

John J. Cole to be postmaster at Jamesport, N. Y., in place of J. J. Cole. Incumbent's commission expired December 19, 1931.

Herbert L. Merritt to be postmaster at Katonah, N. Y., in place of H. L. Merritt. Incumbent's commission expired January 10, 1932.

Charles L. Stackpole to be postmaster at Lyon Mountain, N. Y., in place of C. L. Stackpole. Incumbent's commission expired January 10, 1932.

Ernest K. Smith to be postmaster at Middleburg, N. Y., in place of E. K. Smith. Incumbent's commission expired January 10, 1932.

Ambrose D. Eldred to be postmaster at New Hartford, N. Y., in place of A. D. Eldred. Incumbent's commission expired January 16, 1932.

Carl R. Allen to be postmaster at Oriskany Falls, N. Y., in place of C. R. Allen. Incumbent's commission expired January 10, 1932.

Frank V. Palmer to be postmaster at Philmont, N. Y., in place of F. V. Palmer. Incumbent's commission expired January 10, 1932.

William H. Savage to be postmaster at Seneca Falls, N. Y., in place of W. H. Savage. Incumbent's commission expired January 10, 1932.

William T. Williamson to be postmaster at Troy, N. Y., in place of W. T. Williamson. Incumbent's commission expired February 24, 1931.

Dennis W. Messler to be postmaster at Trumansburg, N. Y., in place of E. P. Bouton, resigned.

Ray C. Kelsey to be postmaster at Weedsport, N. Y., in place of R. L. Putnam, resigned.

Julius H. Fisher to be postmaster at Wellsville, N. Y., in place of J. H. Fisher. Incumbent's commission expired January 10, 1932.

Grace A. Harrington to be postmaster at West Point, N. Y., in place of G. A. Harrington. Incumbent's commission expired December 19, 1931.

George T. Anderson to be postmaster at Whitesboro, N. Y., in place of G. T. Anderson. Incumbent's commission expired January 10, 1932.

C. Irving Henderson to be postmaster at Worcester, N. Y., in place of C. I. Henderson. Incumbent's commission expired January 10, 1932.

NORTH CAROLINA

Harley E. Wright to be postmaster at Canton, N. C., in place of C. F. Smathers. Incumbent's commission expired January 22, 1931.

Charlie S. DeLoatch to be postmaster at Conway, N. C., in place of R. J. White. Incumbent's commission expired January 25, 1931.

Pat L. Whitehead to be postmaster at Enfield, N. C., in place of P. L. Whitehead. Incumbent's commission expired December 13, 1930.

John S. Downing to be postmaster at Fayetteville, N. C., in place of J. S. Downing. Incumbent's commission expired January 5, 1932.

Leah J. Franck to be postmaster at Jacksonville, N. C., in place of L. J. Franck. Incumbent's commission expired January 5, 1932.

Kenneth A. Whicker to be postmaster at Kernersville, N. C., in place of F. H. Morris. Incumbent's commission expired December 13, 1930.

Armand T. Daniel to be postmaster at Mocksville, N. C., in place of J. L. Shook, deceased.

John H. Williams to be postmaster at Pikeville, N. C., in place of J. H. Williams. Incumbent's commission expired January 5, 1932.

Philip N. Peacock to be postmaster at Salisbury, N. C., in place of J. H. Ramsay, deceased.

Sudie M. Morgan to be postmaster at Spindale, N. C., in place of S. M. Morgan. Incumbent's commission expired January 5, 1932.

Asa C. Parsons to be postmaster at Star, N. C., in place of A. C. Parsons. Incumbent's commission expired December 17, 1929.

Claude L. Tyson to be postmaster at Vase, N. C., in place of B. L. Matthews. Incumbent's commission expired March 25, 1930.

Robert E. Carmichael to be postmaster at Weaverville, N. C., in place of D. E. Penland. Incumbent's commission expired February 28, 1931.

Fred L. Wimer to be postmaster at Whitakers, N. C., in place of O. S. Woody, resigned.

William P. King to be postmaster at Windsor, N. C., in place of W. P. King. Incumbent's commission expired January 5, 1932.

NORTH DAKOTA

Evan S. Brown to be postmaster at Buffalo, N. Dak., in place of E. S. Brown. Incumbent's commission expired December 19, 1931.

Walter P. Osborne to be postmaster at Hunter, N. Dak., in place of W. P. Osborne. Incumbent's commission expired December 19, 1931.

Philip G. Zimmerman to be postmaster at Pembina, N. Dak., in place of J. F. McQueen, deceased.

Benjamin J. Schnedar to be postmaster at Pisek, N. Dak., in place of B. J. Schnedar. Incumbent's commission expired December 16, 1930.

Harriet C. Stensatter to be postmaster at West Fargo, N. Dak. Office became presidential July 1, 1929.

OHIO

Arthur L. Vanosdall to be postmaster at Ashland, Ohio, in place of A. L. Vanosdall. Incumbent's commission expires March 1, 1932.

Frank B. Pauly to be postmaster at Middletown, Ohio, in place of F. B. Pauly. Incumbent's commission expired January 12, 1932.

Charles T. Cline to be postmaster at New Matamoras, Ohio, in place of C. T. Cline. Incumbent's commission expired January 10, 1932.

Nellie Maddock to be postmaster at North Ridgeville, Ohio, in place of Nellie Maddock. Incumbent's commission expired December 15, 1931.

Frank B. McCullough to be postmaster at Plain City, Ohio, in place of F. B. McCullough. Incumbent's commission expired December 17, 1931.

Harry Oldham to be postmaster at Sidney, Ohio, in place of Harry Oldham. Incumbent's commission expired December 17, 1931.

OKLAHOMA

James K. Malone to be postmaster at Allen, Okla., in place of J. K. Malone. Incumbent's commission expired January 13, 1932.

R. Julian Miller to be postmaster at Bokchito, Okla., in place of R. J. Miller. Incumbent's commission expired January 13, 1932.

Downey Milburn to be postmaster at Coweta, Okla., in place of Downey Milburn. Incumbent's commission expired January 13, 1932.

John W. Brookman to be postmaster at Coyle, Okla., in place of J. W. Brookman. Incumbent's commission expired January 13, 1932.

Leroy J. Myers to be postmaster at Dustin, Okla., in place of L. J. Myers. Incumbent's commission expired January 13, 1932.

Thomas H. Henderson to be postmaster at Fort Cobb, Okla., in place of T. H. Henderson. Incumbent's commission expired January 13, 1932.

Alfred J. Canon to be postmaster at Hinton, Okla., in place of A. J. Canon. Incumbent's commission expired January 13, 1932.

Howard Morris to be postmaster at Soper, Okla., in place of Howard Morris. Incumbent's commission expired January 13, 1932.

OREGON

Fred D. Wagner to be postmaster at Ashland, Oreg., in place of F. D. Wagner. Incumbent's commission expired January 4, 1932.

Arthur C. Wahl to be postmaster at Banks, Oreg., in place of A. C. Wahl. Incumbent's commission expired January 4, 1932.

William H. Hays to be postmaster at Brownsville, Oreg., in place of W. H. Hays. Incumbent's commission expired January 4, 1932.

William G. Hoover to be postmaster at Fossil, Oreg., in place of W. G. Hoover. Incumbent's commission expired January 4, 1932.

Andrew R. Siegmund to be postmaster at Gervais, Oreg., in place of A. R. Siegmund. Incumbent's commission expired January 4, 1932.

Frank W. Castor to be postmaster at Haines, Oreg., in place of F. W. Castor. Incumbent's commission expired January 4, 1932.

Duncan E. Douglas to be postmaster at Marshfield, Oreg., in place of D. E. Douglas. Incumbent's commission expired January 4, 1932.

Gephart D. Ebner to be postmaster at Mount Angel, Oreg., in place of G. B. Ebner. Incumbent's commission expired January 4, 1932.

Lyle B. Chappell to be postmaster at North Bend, Oreg., in place of L. B. Chappell. Incumbent's commission expired January 12, 1932.

Evelyn D. Davenport to be postmaster at Oak Grove, Oreg., in place of E. D. Davenport. Incumbent's commission expired January 4, 1932.

Grace W. Gamwell to be postmaster at Powers, Oreg., in place of G. W. Gamwell. Incumbent's commission expired January 4, 1932.

Josephine T. Stark to be postmaster at Sutherlin, Oreg., in place of J. T. Stark. Incumbent's commission expired January 12, 1932.

Charles R. Tyler to be postmaster at Yamhill, Oreg., in place of C. R. Tyler. Incumbent's commission expired January 12, 1932.

PENNSYLVANIA

Annabelle Busler to be postmaster at Avis, Pa., in place of Annabelle Busler. Incumbent's commission expired January 13, 1932.

Otis J. Pandel to be postmaster at Burnham, Pa., in place of O. J. Pandel. Incumbent's commission expired January 14, 1932.

Thomas W. Greer to be postmaster at Carnegie, Pa., in place of J. T. Ritter. Incumbent's commission expired January 6, 1931.

Hope B. Sterner to be postmaster at Dewart, Pa., in place of H. B. Sterner. Incumbent's commission expires January 31, 1932.

Claus H. Fechtenburg to be postmaster at Eddington, Pa. Office became presidential July 1, 1931.

Mayme S. Porter to be postmaster at Hokendauqua, Pa., in place of James Matchette, resigned.

Henry M. Stauffer to be postmaster at Leola, Pa., in place of H. M. Stauffer. Incumbent's commission expired January 18, 1932.

Ethel H. Higgins to be postmaster at Linwood, Pa., in place of E. H. Higgins. Incumbent's commission expired January 10, 1932.

Albert W. Watts to be postmaster at McVeytown, Pa., in place of A. W. Watts. Incumbent's commission expired January 10, 1932.

William J. Lytle to be postmaster at Mayview, Pa., in place of W. J. Lytle. Incumbent's commission expired January 10, 1932.

Ralph E. Ruhl to be postmaster at Millmont, Pa. Office became presidential July 1, 1931.

Albert R. Harris to be postmaster at Mount Carmel, Pa., in place of W. W. Robertson, deceased.

William E. Henry to be postmaster at Nazareth, Pa., in place of W. E. Henry. Incumbent's commission expired January 11, 1932.

Ralph M. Galvin to be postmaster at New Brighton, Pa., in place of H. L. Couch, resigned.

Charles J. Hanley to be postmaster at Newton Square, Pa., in place of C. J. Hanley. Incumbent's commission expired December 16, 1930.

Raymond R. Strickler to be postmaster at Perryopolis, Pa., in place of R. R. Strickler. Incumbent's commission expired January 18, 1932.

George E. McGlennen to be postmaster at Sharon Hill, Pa., in place of G. E. McGlennen. Incumbent's commission expired January 10, 1932.

Gordon C. Kuhns to be postmaster at Trevorton, Pa., in place of G. C. Kuhns. Incumbent's commission expires January 31, 1932.

PORTO RICO

José D. Sanchez to be postmaster at Catano, P. R., in place of Ramona Quinones, deceased.

RHODE ISLAND

S. Martin Rose to be postmaster at Block Island, R. I., in place of S. M. Rose. Incumbent's commission expired January 11, 1932.

Thatcher T. Bowler to be postmaster at Newport, R. I., in place of T. T. Bowler. Incumbent's commission expired January 11, 1932.

Catherine M. Green to be postmaster at Portsmouth, R. I., in place of C. M. Green. Incumbent's commission expired January 11, 1932.

Edwin S. Babcock to be postmaster at Saunderstown, R. I., in place of E. S. Babcock. Incumbent's commission expired January 11, 1932.

SOUTH DAKOTA

Leroy A. Gage to be postmaster at Bryant, S. Dak., in place of L. A. Gage. Incumbent's commission expired January 11, 1932.

Leonard J. Walker to be postmaster at Carthage, S. Dak., in place of L. J. Walker. Incumbent's commission expired January 11, 1932.

William W. Sour to be postmaster at Castlewood, S. Dak., in place of W. W. Sour. Incumbent's commission expired January 11, 1932.

Winfred E. Whittemore to be postmaster at Estelline, S. Dak., in place of W. E. Whittemore. Incumbent's commission expired January 11, 1932.

John Larson to be postmaster at Pukwana, S. Dak., in place of John Larson. Incumbent's commission expired January 11, 1932.

Gust M. Eggen to be postmaster at Vienna, S. Dak., in place of G. M. Eggen. Incumbent's commission expired January 11, 1932.

Victor M. Dalthorp to be postmaster at Volga, S. Dak., in place of V. M. Dalthorp. Incumbent's commission expired January 11, 1932.

John W. Woods to be postmaster at Worthing, S. Dak., in place of J. W. Woods. Incumbent's commission expired January 11, 1932.

TENNESSEE

William E. Richardson, jr., to be postmaster at Halls, Tenn., in place of W. E. Richardson, jr. Incumbent's commission expired December 17, 1931.

Thomas H. Edgar to be postmaster at Jefferson City, Tenn., in place of B. W. Witt, resigned.

Walter P. Shipley to be postmaster at Jonesboro, Tenn., in place of J. T. E. Williams, removed.

Blanche P. Scott to be postmaster at Lancing, Tenn., in place of W. H. Jones. Incumbent's commission expired December 13, 1930.

Nona C. Armstrong to be postmaster at Martel, Tenn., in place of N. C. Armstrong. Incumbent's commission expired December 17, 1931.

E. Dan Smith to be postmaster at Mountpleasant, Tenn., in place of E. D. Smith. Incumbent's commission expired December 17, 1931.

Noble C. White to be postmaster at Pulaski, Tenn., in place of M. H. Webb. Incumbent's commission expired June 16, 1930.

Kester L. Pearson to be postmaster at White Pine, Tenn., in place of K. L. Pearson. Incumbent's commission expired December 20, 1930.

Mathew M. Huling to be postmaster at Winchester, Tenn., in place of M. M. Huling. Incumbent's commission expired December 17, 1931.

TEXAS

Eugene C. Arnold to be postmaster at Agua Dulce, Tex., in place of E. C. Arnold. Incumbent's commission expired December 15, 1931.

Henrietta Fricke to be postmaster at Brenham, Tex., in place of Henrietta Fricke. Incumbent's commission expired January 11, 1932.

Arno L. Wahrmond to be postmaster at Eagle Lake, Tex., in place of A. L. Wahrmond. Incumbent's commission expired January 11, 1932.

William D. Hawthorn to be postmaster at Elkhart, Tex., in place of W. D. Hawthorn. Incumbent's commission expired January 11, 1932.

David W. Thompson to be postmaster at Keltys, Tex., in place of D. W. Thompson. Incumbent's commission expired December 19, 1931.

William B. Byrd to be postmaster at Lipan, Tex., in place of W. B. Byrd. Incumbent's commission expired January 9, 1932.

August C. Koepsel to be postmaster at Mathis, Tex., in place of A. C. Koepsel. Incumbent's commission expired December 19, 1931.

Allen T. Baggett, jr., to be postmaster at Midlothian, Tex., in place of H. J. McKinzie, resigned.

Charlsie S. Witham to be postmaster at New Braunfels, Tex., in place of C. S. Witham. Incumbent's commission expired December 15, 1931.

Roscoe K. Garver to be postmaster at Van Alstyne, Tex., in place of R. K. Garver. Incumbent's commission expired December 19, 1931.

UTAH

Henry H. Lunt to be postmaster at Cedar City, Utah, in place of H. H. Lunt. Incumbent's commission expired December 19, 1931.

VERMONT

Edward H. Willis to be postmaster at Pittsford, Vt., in place of E. H. Willis. Incumbent's commission expired January 13, 1932.

Ernest W. Chase to be postmaster at Rochester, Vt., in place of E. W. Chase. Incumbent's commission expired January 13, 1932.

Jonas H. Brooks to be postmaster at Saint Johnsbury, Vt., in place of J. H. Brooks. Incumbent's commission expired March 3, 1931.

VIRGINIA

William B. Clark to be postmaster at Bird Haven, Va. Office became presidential April 1, 1931.

Charles R. Whitmore to be postmaster at Broadway, Va., in place of C. R. Whitmore. Incumbent's commission expired January 5, 1932.

John R. Yates to be postmaster at Brookneal, Va., in place of J. R. Yates. Incumbent's commission expired January 21, 1931.

William H. Haney to be postmaster at Claremont, Va., in place of W. H. Haney. Incumbent's commission expired January 5, 1932.

James K. Carter to be postmaster at Clinchport, Va., in place of J. K. Carter. Incumbent's commission expired December 22, 1930.

Charles J. Mullins to be postmaster at Clintwood, Va., in place of I. R. Damron. Incumbent's commission expired December 22, 1930.

Caroline E. Bristow to be postmaster at Ivor, Va., in place of C. E. Bristow. Incumbent's commission expired January 5, 1932.

William E. Shaver to be postmaster at Maurertown, Va., in place of W. E. Shaver. Incumbent's commission expired January 5, 1932.

James B. Porterfield to be postmaster at Newport, Va., in place of H. Y. Smith, resigned.

Robert E. Fugate to be postmaster at Nickelsville, Va., in place of R. E. Fugate. Incumbent's commission expired March 16, 1930.

Bryant B. Lipscomb to be postmaster at Portsmouth, Va., in place of P. J. Riley, deceased.

WASHINGTON

Louis H. Gurnsey to be postmaster at Addy, Wash., in place of L. H. Gurnsey. Incumbent's commission expired January 10, 1932.

Mary A. Brimmer to be postmaster at Alderwood Manor, Wash., in place of M. A. Brimmer. Incumbent's commission expired January 9, 1932.

Mark Harris to be postmaster at Brush Prairie, Wash., in place of Mark Harris. Incumbent's commission expired January 10, 1932.

Allison C. Presson to be postmaster at Buena, Wash., in place of A. C. Presson. Incumbent's commission expired January 10, 1932.

Julius C. Raaberg to be postmaster at Clarkston, Wash., in place of J. C. Raaberg. Incumbent's commission expired January 10, 1932.

Arthur B. Cass to be postmaster at Connell, Wash., in place of A. B. Cass. Incumbent's commission expired January 10, 1932.

Will T. Howard to be postmaster at Coupeville, Wash., in place of W. T. Howard. Incumbent's commission expired January 10, 1932.

Herbert P. Fisher to be postmaster at Garfield, Wash., in place of H. P. Fisher. Incumbent's commission expired January 10, 1932.

Tillman E. Kamerer to be postmaster at Hanford, Wash., in place of T. E. Kamerer. Incumbent's commission expired January 10, 1932.

Ernest R. Anderson to be postmaster at La Center, Wash., in place of E. R. Anderson. Incumbent's commission expired January 10, 1932.

Gertrude Eatherton to be postmaster at Manson, Wash., in place of Gertrude Eatherton. Incumbent's commission expired January 11, 1932.

Hubert L. Lockhart to be postmaster at Marcus, Wash., in place of H. L. Lockhart. Incumbent's commission expired January 9, 1932.

James C. Blevins to be postmaster at Naches, Wash., in place of J. C. Blevins. Incumbent's commission expired January 10, 1932.

Daniel L. Jackson to be postmaster at Port Gamble, Wash., in place of D. L. Jackson. Incumbent's commission expired January 9, 1932.

Alphonso F. Learned to be postmaster at Port Ludlow, Wash., in place of A. F. Learned. Incumbent's commission expired January 9, 1932.

Fred B. Goldsworthy to be postmaster at Rosalia, Wash., in place of F. B. Goldsworthy. Incumbent's commission expired January 10, 1932.

Robert O. Logsdon to be postmaster at Sprague, Wash., in place of R. O. Logsdon. Incumbent's commission expired January 10, 1932.

Emmett V. Fleming to be postmaster at Springdale, Wash., in place of E. V. Fleming. Incumbent's commission expired January 10, 1932.

James H. Adams to be postmaster at Waitsburg, Wash., in place of J. H. Adams. Incumbent's commission expired January 10, 1932.

WEST VIRGINIA

Rosa P. Oxley to be postmaster at Athens, W. Va., in place of R. P. Oxley. Incumbent's commission expired January 9, 1932.

Leonard E. White to be postmaster at Princeton, W. Va., in place of R. E. L. Holt. Incumbent's commission expired February 11, 1931.

Roscoe B. Holmes to be postmaster at Raleigh, W. Va., in place of J. E. Virgin, resigned.

WISCONSIN

Laurence J. Lane to be postmaster at Blackcreek, Wis., in place of W. A. Shaw. Incumbent's commission expired January 29, 1931.

William G. Froehlich to be postmaster at Glenbeulah, Wis., in place of F. B. Hesler, deceased.

Edward C. Rehfeld to be postmaster at Horicon, Wis., in place of E. C. Rehfeld. Incumbent's commission expired January 5, 1932.

Norma A. Rheingans to be postmaster at Jackson, Wis., in place of N. A. Rheingans. Incumbent's commission expired January 10, 1932.

Walter F. Martin to be postmaster at Mukwonago, Wis., in place of W. F. Martin. Incumbent's commission expired January 13, 1932.

Walter F. Dietlein to be postmaster at Sheldon, Wis., in place of W. F. Dietlein. Incumbent's commission expired December 19, 1931.

Mourits Mortenson to be postmaster at Stratford, Wis., in place of Mourits Mortenson. Incumbent's commission expired January 13, 1932.

Ernest W. Meredith to be postmaster at Union Grove, Wis., in place of E. W. Meredith. Incumbent's commission expired January 5, 1932.

Lewis H. Cook to be postmaster at Wausau, Wis., in place of L. H. Cook. Incumbent's commission expired January 10, 1932.

Melvin H. Schlytter to be postmaster at Wittenberg, Wis., in place of M. H. Schlytter. Incumbent's commission expired January 13, 1932.

WYOMING

Alvah J. Macy to be postmaster at Moorcroft, Wyo., in place of A. J. Macy. Incumbent's commission expired January 4, 1932.

Conrad Johnson to be postmaster at Pine Bluffs, Wyo., in place of Conrad Johnson. Incumbent's commission expired January 4, 1932.

Robert E. Chittick, jr., to be postmaster at Shoshoni, Wyo., in place of R. E. Chittick, jr. Incumbent's commission expired January 4, 1932.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 19 (legislative day of January 18), 1932

UNITED STATES CIRCUIT JUDGE

John B. Sanborn to be United States circuit judge, eighth circuit.

UNITED STATES MARSHALS

Theodore W. Hukriede to be United States marshal, eastern district of Missouri.

Allen B. Kale to be United States marshal, eastern district of South Carolina.

MEMBER OF THE BOARD OF TAX APPEALS

J. Russell Leech to be member of the Board of Tax Appeals.

MEMBER OF THE PUBLIC UTILITIES COMMISSION

Riley E. Elgen to be member Public Utilities Commission of the District of Columbia.

WITHDRAWALS

Executive nominations withdrawn from the Senate January 19 (legislative day of January 18), 1932

POSTMASTERS

Orlean P. Riordan to be postmaster at Correctionville, in the State of Iowa. (Nominee died January 2, 1932.)

Herman L. Snyder to be postmaster at Ajo, in the State of Arizona. (Nominee died January 5, 1932.)

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 19, 1932

The House met at 12 o'clock noon.

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

Heavenly Father, like a seam in the carpet we have passed through the doorway of another day! Oh, let Thine arms enfold us, and may we hear the sweet heart secrets which Thou alone canst impart. How we do thank Thee that here and there and always Thy mercy never faileth. Be very near any who are weak, any who are sick, and any who are in the gloom of trouble. Bless all of us with that tranquillity of soul, which is as deep as the ocean, as peaceful as its calm, and as grand as its might. Oh, throne of God, remember us in all the plenitude of Thy compassion and awaken in us a very deep sense of duty and inspire us with the determination to do our share nobly. Through Christ, our blessed Saviour. 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 passed with an amendment, in which the concurrence of the House is requested, the bill (H. R. 7360) entitled "An act to provide emergency financing facilities for financial institutions, to aid in financing agriculture, commerce, and industry, and for other purposes," requests a conference with the House on said bill, and appoints Mr. WALCOTT, Mr. NORBECK, Mr. BROOKHART, Mr. TOWNSEND, Mr. FLETCHER, Mr. GLASS, and Mr. BULKLEY to be the conferees on the part of the Senate.

MONETARY STABILIZATION

Mr. RAMSEYER. Mr. Speaker, I ask unanimous consent to print in the RECORD a radio speech delivered by me last Saturday on monetary stabilization.

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

There was no objection.

Mr. RAMSEYER. Mr. Speaker, under leave to extend my remarks, I offer for printing in the RECORD the following radio address delivered by me over the National Broadcasting System, from Washington, D. C., during the home and farm hour, sponsored by the National Grange, Saturday, January 16, 1932, at 12.30 o'clock p. m., to wit:

Women and men of the radio audience, I am delighted to greet you and for this opportunity to talk to you for a few minutes on the way out of our present economic difficulties.

We are in the midst of one of the most trying times of modern history. There is much economic distress and injustice in this country and throughout the world. We are confronted by the economic paradox of impoverishment in the midst of abundance. On the one hand we have in distress farmers because they can not get reasonable prices for the commodities they have to sell. On the other hand we have in distress millions of laborers, willing and anxious to work, because they can not earn money with which to buy the necessities of life for themselves and their families. The producers are unable to dispose of commodities and the potential consumers are unable to acquire commodities. Where is the wrong and what is the remedy?

We have in this country sufficient of goods to supply the necessities and comforts of life, and also the luxuries, to every man, woman, and child in the land. In 1921 President Hoover, then Secretary of Commerce, in his report as chairman of the President's conference on unemployment, said:

"There is no economic failure so terrible as that of a country possessing a surplus of every necessity of life, in which numbers, willing and anxious to work, are deprived of these necessities. It simply can not be if our moral and economic system is to survive."

There are many who look on the future with despair and without hope. I fully realize that the situation in this country and abroad is serious and bordering on the dangerous. There is much hardship and misery in the land, and those who suffer therefrom are in most cases in no wise to blame.

When young in the study of the law I learned this legal maxim: "Equity will not suffer a wrong to be without a remedy." I have carried this maxim into the realm of economics. Wherever I see an economic wrong, I know that there must be an economic remedy. There is economic wrong and injustice in the land. It is our business to find and apply the remedy. In this time of economic distress, pessimist and optimist see the same state of facts.

The pessimist sees no hope, gives up in despair, and surrenders. The optimist, realizing fully the seriousness of the situation, knows that for every wrong there is a remedy, and sets in to fight it out on this line "if it takes all summer."

In this world-wide depression two causes stand out conspicuously: (1) The aftermath of the war resulting in heavy national and international debts and a tremendous increase in taxation. That in itself is a difficult handicap to overcome; (2) The fall in commodity prices. Unless some way is found to raise the level of commodity prices so that debtors may be able to pay their debts, there is before us years of hard times, and possibly sweeping social changes.

There can be no question that the outstanding cause of our present economic difficulties is the fall in commodity prices. Take agriculture, which is our basic industry. The farmers assumed most of their debts, taxes, and other fixed charges on a commodity price level of several years ago. The last two years the commodity prices have been on a toboggan. Now the average price level is low. To meet those debts, taxes and charges assumed on a higher commodity price level with the present low prices simply can not be done. The result is defaults in debt payments, bankruptcies, and accompanying bank failures. If the average price level had remained stable during the last two years, there would have been very few bank failures.

The way out of these difficulties is to restore the general average of commodity prices to the pre-deflation basis. A moderate and controlled expansion of money and credit to restore the commodity price level is absolutely necessary. Such a restoration of the general price level is essential to economic recovery. That would restore debt paying and purchasing power to the farmers and in turn would create a demand for commodities from factories now idle to be manned by laborers now unemployed.

Much has been said about overproduction being the cause of depression. Facts and statistics do not warrant such a conclusion. On the whole it is underconsumption and not overproduction from which we suffer. It is perfectly normal occasionally for certain industries and certain crops to overproduce. On the other hand, when money and credit conditions are normal, the overproduced commodities right themselves in time without much trouble. The best economic thought of the country is coming more and more to the conclusion that economic depression is a money and credit trouble and is not a result of overproduction.

The restoration and stabilization of the commodity price level is the most important economic problem before the country today. Unless commodity prices are restored and stabilized on a higher level, all other remedies will give at best but temporary and partial relief. That is especially true of agriculture. For agriculture, the only hope lies in a higher level of prices. One of the objects to be attained in stabilizing prices on a higher level is the restoration of debtors to the relative position occupied by them a few years ago when a large part of existing debts, taxes, and other fixed charges were assumed, and to that much at least the debtors are in justice entitled.

There undoubtedly are many in my audience who agree with me on what is wrong and that to work out of this depression and to relieve the burden of debts and taxes there must be brought about a higher commodity price level. What, you are asking in your own minds, are the steps or means I propose to reach that end? That is a fair question.

I have introduced a bill (H. R. 128) directing the Federal reserve system to use all its powers to restore the general level of prices to that of 1926 and thereafter to stabilize on that basis. The Federal reserve system, in its control of the rate of discount and in its open-market operations, has the power to regulate the volume of money in circulation, the cost of money, and the expansion and contraction of credit. My bill does not give the system any added powers but does give the system a yardstick or standard to guide its future operations.

We have not had a money campaign in this country since 1896. Few people understand the relationship between the volume of money and credit at work and the commodity price level. We say commodities are cheap. But in relation to what are commodities cheap? The answer is in relation to money. If instead of saying commodities are cheaper than they were a few years ago we would say money is dearer than it was a few years ago, we would size up the situation in a more understandable way. A leading English financier and banker, with whom I am in entire agreement on this subject, recently made this statement:

"The fall in prices which has occurred is nothing more or less than the rise in prices of currency or means of payment. If the means of payment had been available in adequate quantity with adequate dispersion, the general fall in prices would not have occurred."

Get this in your minds. What I am proposing here is in no sense price fixing. It is price control as applied to the general average of commodity prices. When the price of one commodity falls, a number of causes may be responsible. When the price level of all commodities falls the principal cause responsible is the shortage of available money and credit. Falling prices indicate that money is getting dearer in relation to the things it buys. Rising prices indicate that money is getting cheaper in relation to the things it buys.

To get action to bring about a raise in price level, either by a law of Congress or on the initiative of the Federal reserve system, will require the organized and militant support of farmers, laborers, business men, and bankers throughout the country.

The sooner we realize that this is the only way out of our difficulties and get busy, the sooner we will begin to work out of this depression.

I take pleasure in telling you that the three national farm organizations, the National Grange, the National Farmers' Union, and the American Farm Bureau Federation, for the past year, aided by some of the best economists in the country, have been giving careful study to the problem of raising and stabilizing the commodity prices on a higher level. As a member of committees of two separate organizations tackling the same problem, I am quite familiar with the attitude and recommendations of the farm organizations.

The three presidents of the national farm organizations met in Washington last week and agreed on a program of action. To-day a week ago there was a meeting in one of the rooms of the National Capitol attended by about 100 Congressmen, representing all sections of the country, at which the three presidents of the national farm organizations presented their joint recommendations on raising and stabilizing the commodity price level. Since that time they have presented in writing their program to every Senator and Representative and to the President. Here is a paragraph from their recommendation on monetary stabilization:

"A stable price level is paramount to prosperity. We can not exist with rubber money and iron debts. Therefore we demand the adoption of effective measures to stabilize the purchasing power of money."

Other groups and organizations should at once get back of or join in with the farm organizations to bring about this relief.

During the past century, for lack of a definite currency and credit standard, we have been the victims of overexpansion and overliquidation, which have proved dangerous and costly. We can and must establish a currency and credit system governed by a definite yardstick or standard on which to build a more orderly prosperity for the future.

Additional capital to enable the Federal land banks to function again, adequate finances for the Reconstruction Finance Corporation, and the establishment of Federal home-loan banks will help to expand credit and to restore confidence. This is part of the President's economic recovery program, and I favor it. To render the foregoing measures effective for permanent economic recovery, the Federal reserve system must without delay either adopt or be given a definite yardstick or standard to guide its future operations as recommended by the farm organizations, making it mandatory upon that system to use all its powers to restore the general level of commodity prices to the predeflation basis and thereafter to stabilize as nearly as possible the general average of commodity prices on such basis.

This proposal of the farm organizations is conservative and constructive, and if carried out will restore purchasing power to the farmers, employ labor, revive business, save many banks, and will mark 1932 as a year of economic recovery.

AUTHORIZING AN INVESTIGATION BY THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. COX. Mr. Speaker, by direction of the chairman of the Committee on Rules, I call up House Resolution 59.

The Clerk read as follows:

House Resolution 59

Resolved, That for the purpose of obtaining information necessary as a basis for legislation, the Committee on Interstate and Foreign Commerce, as a whole or by subcommittee, is authorized to investigate (1) the ownership and control, direct or indirect (through stock ownership or control or otherwise), of stock securities, or capital interests in any public utility corporation engaged in the transportation of persons, or the transportation, transmission, or sale of property, energy, or intelligence, in interstate or foreign commerce, by holding companies, investment trusts, individuals, partnerships, corporations, associations, and trusts, and (2) the organization, financing, development, management, operation, and control of such holding companies, investment trusts, partnerships, corporations, associations, and trusts, with a view to determining the effect of such ownership and control on interstate and foreign commerce, and, to the extent necessary to determine the effect of such ownership and control, to make like investigation of public-utility corporations so engaged.

The committee shall report to the House the results of its investigation, including such recommendations for legislation as it deems advisable.

For such purposes the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places in the District of Columbia or elsewhere, whether or not the House is sitting, has recessed, or has adjourned; to hold such hearings, to employ such experts, and such clerical, stenographic, and other assistants; to require the attendance of such witnesses and the production of such books, papers, and documents; to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary.

With the following committee amendment:

Page 1, line 7, after the word "engaged," insert "otherwise than as a common carrier by railroad."

Mr. COX. Mr. Speaker, may I inquire of the gentleman from Indiana how much time he desires?

LXXV—143

Mr. PURNELL. Will the gentleman yield me 30 minutes?
Mr. COX. I yield the gentleman one-half the time—30 minutes.

Mr. Speaker, I yield myself five minutes. This resolution provides for the consideration of the Rayburn bill, which is in substance and effect the same resolution that was heretofore offered by the former chairman of the Committee on Interstate and Foreign Commerce, the gentleman from New York [Mr. PARKER].

The resolution simply empowers the Committee on Interstate and Foreign Commerce to conduct an investigation into the control and ownership of utility corporations.

The Committee on Interstate and Foreign Commerce finds itself confronted with the necessity of making a further study into all phases of the operations of utility corporations in order to develop facts necessary for the offering of well-considered legislation to the House.

I am sure that the purposes of the resolution appeal strongly to the membership of this body, for there is a realization of the necessity of the development and bringing together such information necessary to wise and well-considered action on the part of that committee.

Mr. BACON. Will the gentleman yield?

Mr. COX. I yield.

Mr. BACON. Is this a continuation of the investigation which has been conducted for the last two years?

Mr. COX. It may be in a sense a continuation, but would not be a duplication of any of the work of the Committee on Interstate and Foreign Commerce. They have already conducted a very fruitful investigation into the railroad situation, and as a result of the facts that were ascertained by that investigation, legislation has been reported from that committee to the House.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes.

Mr. JOHNSON of Texas. I observe a committee amendment which inserts in line 7, page 1, the words "otherwise than as a common carrier by railroad." Is it the purpose of that amendment to prevent a duplication of the investigation that we had before?

Mr. COX. That is the purpose of the amendment.

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

Mr. COX. Yes.

Mr. THATCHER. Will this involve any duplication of inquiry that has been undertaken by the other legislative body?

Mr. COX. It will not. Other investigations into the utility interests have rather dealt with the political phases of the question.

Mr. COOPER of Ohio. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes.

Mr. COOPER of Ohio. Does the gentleman know of any great demand to have this investigation on the part of Congress at this time? Here the Congress is authorizing these investigations and spending large sums of money in conducting them. Is there any great demand for this investigation?

Mr. COX. If the Congress is to legislate intelligently, then I would say that this investigation is absolutely necessary. There is a widespread and general demand for legislation of the character that will be expected as a result of the action of this committee in conducting this investigation, but such legislation the committee can not now propose because of a want of full information.

Mr. MICHENER. As a matter of fact, as a member of the Committee on Rules, the gentleman from Georgia knows that the chairman of the Interstate and Foreign Commerce Committee and the ranking member of the Interstate and Foreign Commerce Committee appeared before the Rules Committee and advised the Rules Committee that it was, with one exception possibly, the request of the Interstate and Foreign Commerce Committee that this resolution be adopted, and the gentleman from Ohio [Mr. COOPER], who just interrogated the gentleman from Georgia, is a member

of the Committee on Interstate and Foreign Commerce and should be more familiar with the purpose and the object to be accomplished by this investigation than is the gentleman from Georgia, a member of the Committee on Rules.

Mr. COX. That is true.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. SNELL. Mr. Speaker, will the gentleman from Georgia yield so that I may ask a question?

Mr. COX. Yes.

Mr. SNELL. This resolution has just come to my notice. In line 21, on page 2, I notice the language—

and to make such expenditures as it deems necessary.

Is not that going farther than we have ever gone before in connection with one of these rules for an investigation?

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

Mr. RAYBURN. Mr. Speaker, this resolution was drawn after consulting with the drafting service of the House of Representatives, and another resolution was drawn that would be referred to the Committee on Accounts for a definite amount. When this resolution is adopted, I have here a resolution that I shall introduce that will go to the Committee on Accounts asking for a definite sum of money.

Mr. SNELL. But when the House has gone on record giving authority to expend any amount necessary, how can the Committee on Accounts put any limit upon that amount?

Mr. RAYBURN. I think the Committee on Accounts has a right to limit any resolution that comes before it.

Mr. SNELL. But the House will be on record as saying that you can expend any amount that you desire.

Mr. RAYBURN. Our committee was authorized something more than a year ago to make an investigation into the holding companies in the railroad field, under a similar resolution. That investigation extended over something like 11 months. In this volume that I have here are to be found the full and complete findings of the committee through its investigation. That investigation cost less than \$40,000. We went into the ownership through stock control and through holding companies and all of the avenues of the control of railroads and expended less than \$40,000.

Mr. SNELL. I am not finding any fault with the work that they have done; I am not opposing the resolution. I think the committee practically did good work and got through as cheaply as possible in their last investigation, but I am objecting to the general policy of adding under this a phrase giving the right to expend whatever money the committee deems necessary and proper. I think that is going farther than usual in a resolution of this kind. I oppose that policy rather than the resolution itself.

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

Mr. COX. Yes.

Mr. UNDERHILL. I do not believe it makes much difference how this particular resolution is worded. As a matter of fact all of these resolutions have to go to the Committee on Accounts.

Mr. RAYBURN. That is my understanding.

Mr. UNDERHILL. The difficulty, then, is in the Committee on Accounts setting a bare amount, an amount that will be satisfactory to the chairman of the committee or the committee itself, and submitting that to the House for its approval.

The trouble is that the House passes these resolutions as recommended by the Committee on Rules without a word of protest. Then when the Committee on Accounts recommends an appropriation of \$50,000 out of the contingent fund, some Member rises to his feet and places the blame on the Committee on Accounts. Personally, I would like to say a word further with reference to this practice and the danger of it, and the lack of results that have been obtained.

Mr. CAMPBELL of Iowa. Will the gentleman yield for a question?

Mr. COX. I yield.

Mr. CAMPBELL of Iowa. In making this new investigation, what is there further than has been taken up in the old investigation?

Mr. COX. I yield to the gentleman from Texas [Mr. RAYBURN] to explain that.

Mr. RAYBURN. The investigation which was conducted last year did not touch the field into which we intend to go in this investigation.

Mr. CAMPBELL of Iowa. I would like to know the new field which the gentleman expects to go into.

Mr. RAYBURN. We expect to go into every other utility conducting an interstate business.

Mr. CAMPBELL of Iowa. Consolidation of railroads?

Mr. RAYBURN. No. This investigation does not touch the railroads at all, because our other investigation, the report of which I hold in my hand, covered that matter.

Mr. COX. Mr. Speaker, I yield the balance of my time to the gentlemen from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I had intended to speak after the rule was adopted, but I am willing to say what I have to say now.

Since I have been a member of the Committee on Interstate and Foreign Commerce, Mr. Speaker, that committee has conducted one investigation as far as my recollection goes. That was authorized by the House during the winter of 1930.

In the railroad field a new element of financing had grown up, known as the holding companies. It was a new thing to most of us, and great complaint came to us with reference to its activities in acquiring railroad properties. In the transportation act of 1920 a permissive consolidation feature was enacted. In other words, it provided that notwithstanding the antitrust laws, with the approval of the Interstate Commerce Commission railroad properties might be consolidated into single systems, believing that, under proper supervision, it would bring about better service, easier financing, better management, and probable reduction in the cost of the service.

We progressed under that for a few years, and we discovered that some of the railroads, at least, were practically consolidating their railroad with other railroads without the consent of the Interstate Commerce Commission, because they were using the device of the holding company. Our committee, under the recommendation of the Interstate Commerce Commission, and after considering the recommendation of that commission, thought enough of that recommendation to authorize an investigation, which the House agreed to conduct.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. COOPER of Ohio. The Interstate Commerce Commission desired an investigation of the holding companies of the railroads, did it not?

Mr. RAYBURN. It did.

Mr. COOPER of Ohio. Has the Interstate Commerce Commission asked the chairman of the committee to conduct this investigation?

Mr. RAYBURN. The Interstate Commerce Commission has not. It referred to it in its last report and said it was a matter upon which it had not been called upon to act, and made no recommendation.

Now, in the report of the investigation of the holding companies in the railroad field it was suggested that the activities of the holding companies were much greater and much more complicated in the field of the utilities than in the railroad field. We conducted an investigation into the field of holding companies in the railroad field because we wanted to know the facts. Before we proceeded to legislate with reference to holding companies, these new financial movements in the acquisition of railroads, the committee desired to know the facts. Our committee does not desire to legislate upon rumor and without the facts due the industry and the public, or to do an injustice.

In this report of 1,742 pages are all the facts with reference to the holding companies and their operation in the railroad field, and we are now prepared, if, in our judgment, we think it is necessary, to legislate upon the matter. I have a bill introduced to control the acquisition of railroads by holding companies, placing that acquisition under

the Interstate Commerce Commission, just as all systems of consolidation are now controlled.

In this report we developed the ownership of every class I railroad in the United States. In this report is set out the capitalization, the president, the board of directors, the 30 largest stockholders, and the percentage of voting stock that they hold, of every railroad in the United States; and in this report is a map drawn showing the mileage of every railroad in the United States. In other words, with this report in the hands of the committee the committee knows how railroad stock in the United States is held, owned, and controlled.

The Interstate Commerce Commission will tell you, just as the railroad executives of this country will tell you, that there is no other volume like this extant, and none that gives the information which this report gives about their own property.

Mr. UNDERHILL. Will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. UNDERHILL. Could the committee not have recommended to Congress that a similar resolution which the gentleman has prepared, placing these holding companies under the control of the Interstate Commerce Commission, without holding these extensive hearings, without taking so much of the time of the Members, and without the expenditure of \$50,000, and accomplish the same results which the committee expects to accomplish?

Mr. RAYBURN. If we had been willing to proceed without information; yes. If we desire to proceed with information, and in fairness to ourselves, in fairness to the people who own these properties, and in fairness to the House of Representatives whose servants we are; no.

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

Mr. RAYBURN. I yield.

Mr. SNELL. I find this resolution is practically in the same words as those used in previous similar resolutions, so that the criticism I made is not proper. I understand they should go before the Committee on Accounts and the Congress would then have the right to pass on it.

Mr. RAYBURN. I will say further in reply to the gentleman from Massachusetts [Mr. UNDERHILL] on the question of expenditure of money and taking of time: I venture the assertion that there has never been an investigation made by any department of the Government that gathered as much information as this that did not cost five or ten times as much as this invention cost. I want to say further to the gentleman, with reference to taking up the time of the committee, that a subcommittee was appointed to consult with the investigator and his corps. That subcommittee met in the chairman's office, Mr. PARKER at that time, and never left Washington, and only one time was it called to meet away from Washington, and that was in New York, when Mr. MAPES, a member of the subcommittee, and Mr. PARKER, chairman of the committee, met to pass on some little detail of policy.

I was in Texas and I did not attend, and that is the only expense that was incurred by any member of the committee in that investigation and that is the only time that was taken by the committee, because under Mr. PARKER's supervision the investigation was carried on so well and so thoroughly that when we got through with the investigation and this report was laid on the desk of the chairman, the committee assembled was asked if, after looking over this report, they wanted to call any witness from anywhere, and no member of the committee desired to call a single witness from anywhere else.

Mr. TILSON. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. TILSON. The gentleman has been speaking of an investigation of the holding companies of railroads. Now, the gentleman realizes that the railroads are engaged almost exclusively in interstate commerce, but as I understand the gentleman, this resolution goes into a different field, because the public utility corporations, which the gentleman is now proposing to investigate, are largely State corporations, and they are engaged in intrastate business rather than in-

terstate business, as are the railroads. Therefore, it seems to me, while what the gentleman has said applies with great force to the transportation of interstate commerce business, that it does not apply with equal force to the other public utilities which have their locations in the several States.

Mr. RAYBURN. Let me say, in reply to the gentleman on that point, that, as he states, the railroads are practically all engaged in interstate commerce.

Mr. TILSON. The larger part of their business, of course.

Mr. RAYBURN. That is true; but it is doubtful if the majority of the business they transact is interstate business. Now we come to these utilities. A great deal of their work is within the States, but there are few, if any, of the great companies that do not do a vast amount of business in interstate commerce. Let me say this to the gentleman and to those who may be fearful of our making this investigation, that we desire in our committee to proceed with caution; we desire in our committee, as we always have under every chairman under whom I have served, and I have served under five, to proceed only when we know the facts and have legislation based upon those facts. The gentleman must know that in articles in magazines and in speeches on the stump from one end of this land to the other for the last three, four, or five years it has been said that the utilities of the country have the people by the throat; that they are taking away the natural resources of the country and gobbling them up; that the people are being robbed in rates; that these companies are being overcapitalized three and four times, and that they are selling their guaranteed paper at 7 per cent, sometimes based upon an overcapitalization of three or four times the actual value of the property devoted to the service they are selling. I do not know whether the power companies have the country by the throat or not. I do not know whether the telephone companies are doing business in an interstate way as to make it possible to conclude that they are doing the things they are being accused of.

I do not know their financial set-up. I do not know what companies own stock in any of these utilities through holding companies, but I do know that one railroad company we investigated—and it is shown in the report filed here—in order to acquire the railroad properties it desired, outside of any law to control it, and through one financial group of this country, formed more than 30 holding companies.

Mr. TILSON. That was in regard to railroads.

Mr. RAYBURN. That was in regard to railroads. We did not know that with reference to railroads until we made this investigation and we will never know it with reference to the public utilities unless we get the facts.

Mr. TILSON. But my question is largely as to the two different fields. One covers the transportation of interstate business while the other is largely concerned with intrastate business. I am jealous of the rights of the States and am against the Federal Government interfering within the States in intrastate affairs.

Mr. RAYBURN. Allow me to say this to the gentleman: That the committee, after the investigation, will have no power to suggest legislation with reference to any of these utilities that do not do an interstate business, because under the Constitution and under the decisions of the Supreme Court we can not do that anyhow. Let me say to the gentleman that before our committee are pending bills with reference to the regulation of pipe lines doing business in oil and in gas; measures to regulate telegraph and telephone companies; and we would like to know the financial set-up, and what we are trying to find out or are going to find out in this investigation, as we did find out in the investigation with reference to the railroads, are the owners of these concerns, and I think the Congress of the United States, through its committees, has the right before it is called upon to legislate to find out what the situation is. I will say to the gentleman from Connecticut, for whom I have an affectionate regard, as he knows, that the Congress of the United States, in the present temper of the people, is going to be called upon to legislate upon these matters without information if we do not get the facts.

One of these days in this House an amendment or rider is going to be offered that will be germane to some bill, or in the Senate of the United States, the Members of which have been agitating this question for years, that may come to the House, and the Committee on Interstate and Foreign Commerce should know the facts, so as to be able to say whether or not such legislation is justified, and not have to legislate upon it in the dark. Our committee does not desire this to happen.

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield the gentleman from Texas five additional minutes.

Mr. RAYBURN. We want to find out the facts, and our major proposition is with respect to what these new devices in finance are doing in the public-utility field. We have found it out, as I have said, in the railroad field, and now we are prepared, with knowledge of the whole situation, to proceed with legislation in the railroad field. Before we proceed we want to know the facts with reference to the financial set-up, the interrelated ownership through holding companies, or otherwise, of the telegraph and telephone, pipe lines that carry both gas and oil, and power transmitted by wire and otherwise. It is our hope, however, to complete some of this investigation before this session of Congress closes, and this resolution, allow me to say, is not foreclosing us from proceeding at any hour upon any of these matters when we have the information.

The gentleman from Kansas [Mr. HOCH], one of the ablest members of our committee, has pending before the committee a bill for the regulation of pipe lines engaged in the transportation of oil, which, it seems to me, has a great deal of merit in it; but I would like to know a little more about that, and before we proceed with that legislation it is my hope that we may know considerable about that even before this present session of Congress adjourns.

We do not intend to overlap any investigation that has been conducted, because we are going into a branch and into a field of investigation that no other department of the Government has reached or intends to reach.

One of the members of the Rules Committee asked me, Whom are you after? We are after no individual; we are after no group; we are after no corporation; we are after facts. We, as the servants of this House, believe that in order to serve it we should know the facts about matters that we are called to pass upon, and that is all, simply and solely, that we want to find out by the enactment of this resolution and the making of this investigation. [Applause.]

Mr. PURNELL. Mr. Speaker, I do not as a rule favor these investigations. They seem to lead nowhere and usually serve to do little more than embarrass. But, as a member of the Committee on Rules, I think I was guided very largely in my judgment on this matter by the chairman of the Committee on Interstate and Foreign Commerce [Mr. RAYBURN] and his predecessor, the gentleman from New York [Mr. PARKER], for both of whom I have the very highest regard, as I also have for the other members of that committee.

I am convinced that this resolution sets out the exact purpose for which this investigation is sought. I am convinced further that the distinguished gentleman who heads the committee meant exactly what he said when he told us before the Rules Committee that this investigation would not be conducted in the newspapers. [Applause.]

If one thing more than another controlled me in my determination to support this resolution, it was that the existence of this authority and this power may, and perhaps will, prevent half-baked and ill-advised legislation being offered or perhaps written upon some bill as a rider.

I was further influenced by the statement of the chairman of the committee, who informed us that the same gentleman, Mr. Splawn, who conducted the previous investigation, would be in charge of this investigation if this resolution is agreed to.

With all of these facts taken into consideration, coupled with the high regard which I personally hold for the Committee on Interstate and Foreign Commerce, which is prac-

tically unanimous in support of this resolution, I was constrained to support it and hope it will be adopted.

Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. MAPES], a member of the committee.

Mr. MAPES. Mr. Speaker, I think this resolution ought to pass and that the investigation which it contemplates ought to be made. The former chairman of the Committee on Interstate and Foreign Commerce [Mr. PARKER] introduced a similar resolution during the closing days of the last Congress, but it came up too late to be acted upon.

Supplementing somewhat what the gentleman from Texas has said, the investigation is to be made by the same party. It will be under the control of the same man who made the investigation of the holding companies of railroads. It is easy to be captious in criticising any proposal such as this, but no one need have any fear that business will be unduly interfered with by this investigation, any more than it was by the investigation of the holding companies of railroads.

Questionnaires were sent out to the railroad companies, investment bankers, and others, and the gentlemen who had charge of the investigation visited railroad offices, the office of bankers and investment bankers, in New York and other places, obtained their cooperation and quietly obtained the information which is set out in the report that the gentleman from Texas has referred to. It is a report which does credit to the Congress of the United States and is one of the best pieces of work that the Congress has done in many a day.

Mr. Speaker, it is one thing to pass legislation to control and regulate the operation and activities of operating companies, but holding companies are another matter entirely. The Interstate Commerce Commission reported to the Committee on Interstate and Foreign Commerce that there were holding companies of railroads that did not come under the jurisdiction of the Interstate Commerce Commission at all, and it was necessary to get the information in regard to the holding companies of railroads in order to legislate intelligently about them. After securing the information relative to railroad holding companies, the present chairman of the Committee on Interstate and Foreign Commerce has introduced a bill, among other things, to bring them under the jurisdiction of the Interstate Commerce Commission, and the only reason that the committee is not now holding hearings on that bill is, as I understand it, because certain people who are interested in the legislation are otherwise engaged and would be greatly inconvenienced to attend hearings before the committee at this particular time.

Just last night I happened to be looking over the Financial World and read an article on utility holding companies. The article speaks of the propensity there was during the last two years to organize holding companies, and it makes this statement:

In many instances utility consolidations were effected for the primary purpose of enriching promotional interests or satisfying the vanity of individuals greedy for power and greater prestige. The plethora of funds available for speculative enterprise aided the movement, and few companies succeeded in escaping the holding company's tentacles.

This committee desires to get information as to what holding companies were organized for the benefit primarily of enriching promotional interests, and to what extent they were organized for the purpose of benefiting the public. That can not be done without an investigation along the lines that this resolution proposes.

I want to throw out this suggestion: It may be that it will not be possible to make this investigation with as little money as was expended in making the other, because the other investigation was conducted with the assistance and cooperation of the Interstate Commerce Commission, and that commission loaned some of its employees who were familiar with the railroad situation to assist in making the investigation. For that reason it may not be possible to make this investigation within the same limit of cost as the other investigation was made.

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. HOCH].

Mr. HOCH. Mr. Speaker, I want to add just a few words to what has already been said in support of the resolution. The gentleman from Texas called attention by way of illustration to the situation in the field of oil pipe lines. Let me make a brief further reference to that matter.

There has been a rapidly growing use of pipe lines as a means of transporting oil and gasoline. Under the law as it now exists, the oil pipe lines are compelled to file with the commission their financial reports.

During the past summer the Interstate Commerce Commission issued a bulletin giving a résumé of the reports filed for the year 1930 by the oil pipe line companies of the country. I am sure if any Member of this House will get a copy of that report he will find a perfectly amazing revelation. As everyone knows, 1930 was a period of great depression in the great oil fields of the country through which these pipe line companies were operating, and yet upon their own reports filed under the law, and without any effort on the part of the commission to develop further facts, we find that these oil companies in 1930 declared and paid dividends running all the way from a comparatively small percentage up to 400 per cent of their capitalization. I have in mind one oil company, a comparatively small one, it is true, which stated under oath to the commission that it had assets of something like \$700,000 and had a capital stock of \$1,000,000, and yet in 1930, when every one else was broke in the territory through which they operated, this pipe line company on a capitalization of \$1,000,000 declared and paid a cash dividend of \$4,000,000—400 per cent of its capital stock. The percentages in many cases ran up to as high as 50 or 60 per cent. That is, in dividends actually declared and paid in 1930 by these pipe-line companies. It is tremendously important to the oil-producing country, and to the whole country as far as that is concerned, to know just what the ownership relationship of these pipe-line companies is to the great producing and marketing companies. It is the opinion of many of us that these oil companies should be divorced, that the companies engaged in producing and marketing oil should be divorced from the transportation end of the business. These pipe-line companies are simply transportation companies, common carriers, and yet if they can earn 400 per cent upon their capital stock in a year of depression, in their transportation business, obviously they have it within their power to put out of business an independent producer who is not in possession of any means of transportation. What difference does it make to a great oil company engaged in producing and marketing and also in transportation, whether it produces at a loss, if it can turn around and reap unconscionable profits on the transportation end of the business? I give that as a striking illustration of the need of going thoroughly into the question of ownership through holding companies or otherwise, of these great agencies of interstate commerce.

Mr. COX. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

NATIONAL TRAINING SCHOOL FOR BOYS

Pursuant to the provisions of section 134, title 20, United States Code, the Speaker appointed as a member of the National Training School for Boys the gentleman from Nebraska [Mr. NORTON.]

ADDRESS BY HON. ARTHUR M. HYDE

Mr. HOPKINS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address delivered by Hon. Arthur M. Hyde, Secretary of Agriculture, over the radio Saturday evening, January 16, 1932.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOPKINS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the text of a speech broadcast over station WXYZ, Kunsy Trendle Broadcasting Corporation, by Hon. Arthur M. Hyde, United States Secretary of Agriculture, Saturday evening, January 16, 1932.

The speech is as follows:

Recently in one of the homes of this country a domestic tragedy occurred. Johnny, aged 6, heir apparent of the house, misbehaved and had to be spanked. The penalty having been paid and his sobs having subsided, Johnny demanded, "Mamma, did your mamma spank you?" "Yes, dear." "And did your mamma's mamma spank her?" "Yes, dear." "Did your mamma's mamma's mamma spank her?" "Yes, dear; why?" "O, nothing; but who in thunder started it, anyway?"

Of course, that's a foolish little story; but I can't help admiring the headwork of Johnny. He was reasoning from the effect back to the cause. There are millions of adults who never attempt it. A week ago the annual Jackson Day dinner was held in Washington. If Jackson could have slipped into that dinner he never would have learned that it was held in his honor. He was rarely mentioned. The talk was all about Herbert Hoover.

Three Democratic ex-candidates for President spoke. Unctuously they rolled over their tongues the details of the Nation's distress. In voices which were ecstatic they recounted business failures, bankruptcies, and unemployment. Eyes which glowed with pleasant visions emphasized their remarks.

I apologize for them. They do not really relish nor do they enjoy the distress of their neighbors and of their country. The delight was not due to lack of sympathy but to a party victory, which they imagine is coming to them. They would have done themselves and the country a greater service if they had asked themselves, "Who in thunder started it, anyway?"

Men have forgotten the fatal shot which, in the summer of 1914, slew the heir to the Hapsburg throne. From that shot, fired by a madcap Serbian youth, has come the long train of events which to-day distresses the world—a train of events which snuffed out millions of human lives; which destroyed eighty billion gold dollars of wealth; which plunged the world into a well-nigh hopeless welter of debt and taxation; and which disrupted and unbalanced the world's economic system. It ought not to be necessary, however, to say that it was Woodrow Wilson, not Herbert Hoover, who so valiantly "kept us out of war" in 1916.

As an incident of that great war, and because her great productive capacity was located outside the fighting zone, the United States was called upon to furnish vast quantities of munitions, provisions, and supplies. There can be nothing but praise for all those who, under the stress of war need, rose patriotically to the task. But the close of the war found us in a vastly different economic situation than we occupied in its beginning. Our productive capacity had been greatly increased. We had become the creditor rather than the debtor of Europe. We had advanced to our allies \$11,000,000,000 of the money of our people. These loans are debts owed directly to our people. We did not participate in reparations, and reparations are not conditions of their repayment. The political and economic consequences of those loans have been emphasized by the effort of the borrowing nations to discharge them, if at all, from collections of reparations. Thus have the loans to our allies become enmeshed in the political and economic problems of reparations.

Such is the genesis of the political problems which revolve around international debts, and which now resound so sonorously from Capitol Hill. Our Democratic friends, in their anxiety to make political thunder from the difficult and delicate economic and international problems which grow out of these debts, should pause long enough to remember that it was Woodrow Wilson, William G. McAdoo, and CARTER GLASS, not Herbert Hoover, who made those loans, nearly two billion of them, after the war closed and without a legal right to do so. And all of them were made without any provision whatever for the method or time of repayment.

We hear much in these days of overproduction as a cause of our distress.

Not only agriculture but industry was expanded by the war. The deflation policy of the Federal Reserve Board, born of the desire to have cheap food for political reasons in the 1920 election, succeeded in ruining the farmer in 1920 and in precipitating the depression of 1921. Industry, however, was given another lease on life by the stimuli of billions of foreign loans, drawn from the pockets of American investors, which served to inflate foreign buying power, to provide a market in export channels for a capacity volume of products. This gave employment to millions of our people, and in turn stimulated a still greater enlargement of our productive capacity. The expansion of our facilities and the development of mass production by machine methods created a volume of products for export which could not be sold except on the basis of more loans. But the appetite of our investors for foreign loans had abated and more money for this purpose was not available.

Let us not forget it was the international bankers, not Herbert Hoover, who made those loans.

The answer to the question, "Who in thunder started it, anyway?" is this: There is no question now confronting the Nation which has not grown out of the war or has been vastly influenced by it.

Not the least of the sinister results of the war was the disturbance of the moral and spiritual balance of hundreds of millions of people.

The world went in for an orgy of inflation. Each nation, seeking to repair war damage and to achieve self-sufficiency regardless of economic facts, expanded its productive capacity in agriculture and in industry. Reckless expenditures, extravagance, and speculation gripped the world. At the top of the speculative fever men lost their balance, mentally and financially. They turned their backs upon principles which had been proved by hundreds of years of experience. In America, under the influence of high prices, we further expanded our facilities, went equity-share crazy, blew a bubble of speculation which gathered force and victims over three or four years, and finally exploded.

The stock-market crash found Herbert Hoover prepared. With the precision of a prearranged plan he called captains of finance, of rails, and of industry into conference. From them came an agreement not to discharge men, not to cut wages, but rather to maintain fully their building and construction programs. The leaders of labor contributed a promise not to strike or to agitate for higher wages. The Federal Farm Board, feeling that the farmer had not participated in the orgy of speculation and ought not, therefore, be compelled to share in its losses, attempted to stabilize the prices of wheat and cotton. Panic was stayed.

For a time it seemed as if the situation would be righted. The slump in prices stopped, prices hesitated, even advanced. But the weight of world conditions and vast unsold surpluses was too great, and the fall continued.

President Hoover has been viciously criticized because, in the early days of the depression he was hopeful of stemming the tide, and because he issued optimistic statements. The criticism is in itself so petty as to deserve no notice, and in referring to it I plead as my justification the fact that all three of the ex-candidates for President at the Jackson dinner made it.

Let it be admitted. The President was optimistic and his statements did point out the constructive factors in the situation. If he was wrong, so was every other economist, financier, and statesman in the country. The New York bankers who pooled their resources to steady the market were optimistic, and made a profit for their faith. Even one of the critics, who was himself a candidate in 1928, and shows visible signs of interest in the approaching nomination, was optimistic. So was the chairman of the Democratic National Committee. I know they were, because they optimistically poured millions of dollars into a great building in New York City with the confident faith of filling it with tenants.

None of these gentlemen could foresee the financial wreckage in Austria and Germany. None of them had reason to believe that England and a score of other countries would abandon the gold standard. Is it fair to berate Herbert Hoover for an optimism in which his present critics shared?

And anyway, my friends, what would you have your President do? Would you have him a pessimist, forever skulking in the storm cellar, forever quaking in panic over the future of our country, forever cowering in fear behind an inky cloud of his own forebodings? I, for one, am proud of the fact that Herbert Hoover, in spite of the wreckage of the war and despite the crash the world around of governments and institutions, is still a bull on America.

For nearly three years the Democrats have screamed themselves hoarse about the 1930 tariff act. They have filled the air and the newspapers with lamentations and dire prophecies. They charged that the 1930 tariff bill would cost the people a billion dollars a year. They said it was venal, corrupt, iniquitous, written by selfish interests to rob the people.

When they obtained control in the House I naturally thought they would move to repeal so monstrous an iniquity. Not so, however. After long and anxious party conferences, they have produced their tariff bill. Not one single rate of the 1930 act is changed, repealed, or even mentioned. No new rate is suggested. The iniquity they charged is to stand. The billion dollar waste goes on!

Instead they side-step the issue, and duck the responsibility for their own words by requiring the Tariff Commission to find rates which will "most nearly insure equal competitive opportunity between domestic and foreign articles; to report to Congress instead of the President; and calling upon the President to call an international conference to deal with tariff matters. Thus, behind the skirts of the Tariff Commission our brave exponents of tariff righteousness now skulk—their criticisms stilled, their charges hushed, their wrath abated, and their mud batteries of yesterday spiked by their own hands. 'Tis an inspiring augury.

The fact, however, that their bill directs the Tariff Commission to find "competitive" rates must not be overlooked. Between protective tariffs and competitive tariff lies vast differences in theory and in effect. A competitive tariff gives the foreign producer an equal chance in our markets. A protective tariff gives our own producers the possession of the home market. If applied in such a time as the present a competitive tariff would give the jobless of other nations an equal opportunity to compete with our own unemployed for the jobs necessary to supply our own market—and jobs are all too few as it is. It would be all the more dangerous at this time when depreciated foreign currencies make wages abroad seem higher than, as measured by purchasing power, they really are. Tariff schedules, written as the Democrats would have them, to "most nearly equal competitive opportunity" means equal opportunity for foreigners in our markets and unequal opportunities in theirs. It means that our laborers, our farmers, and our industries must lower wages, costs, and living

standards to meet those of other nations in a competitive race to cheapen prices.

We have tried that before. We know what it means. It meant disaster in 1893 to 1896. In 1914, under the Underwood tariff, before the World War and when world conditions were favorable, it meant 5,000,000 unemployed. For 70 years, off and on, this country has experimented with that competitive-tariff idea, and we ought to know by now that however attractive cheap prices may seem to some buyers, cheap prices mean low wages for labor and low incomes for farmers; these in turn make low living standards for everybody, and in the end cheap prices mean cheap people.

That part of the Democratic tariff law which requires the President to call a permanent international conference on tariff matters is unique. Heretofore the protection of our industry and labor and agriculture has been a Republican doctrine; the lack of it has been a Democratic doctrine; but always it has been an American doctrine. Always it has been one of those questions, like American sovereignty, which our people have never been willing to submit to any conference, association, or League of Nations. I, for one, hope the tariff will always remain a purely domestic question. My confidence in international conferences has not been so implicit and unflinching as it was before the last Democratic administration set sail for Europe to write the peace treaty.

I call you to witness that three separate times the optimistic statesmanship of Herbert Hoover has started things upward: Once, at the very beginning, when he secured the cooperation of labor and industry; again, when he suggested the postponement of international debts for one year—a suggestion which unhappily lost its potency while Europe debated and negotiated; and third, when he proposed the National Credit Corporation, organized by the banks and now functioning to knit back together the raveled threads of our economic structure.

And now again, for the fourth time, in his message to Congress, Herbert Hoover has outlined a plan of rehabilitation and reconstruction. It includes the recapitalization of the Federal land banks, the creation of a Reconstruction Finance Corporation, and other measures designed to protect depositors in their savings, farmers in the possession of their farms, small home owners in the maintenance of their homes, as well as assistance to banks, railroads, insurance companies, and financial institutions.

Criticism has been heard in some quarters that this program benefits the larger institutions rather than the little fellows. Such criticism is either malicious or uninformed. We, who are little fellows, know the distress into which we have been plunged by the loss of employment and of savings and of credit by the failure or the stringency of some of our larger institutions, and, knowing that, we can not fail to see the benefits which will flow to us, if the grip of panic can be withdrawn from those institutions.

But more than this, the recapitalization of Federal land banks will enable them to grant extensions which will save the homes of thousands of farmers. The home loan discount banks will protect the homes, not of the rich, but of the small home owners of our towns and cities. Other measures are designed to thaw out assets of banks and release cash for productive purposes. In fact, the whole of the President's program is written with the "little fellows" in mind, and with the statesmanlike realization that only on the basis of the security of the little fellow, can America lead the world out of its woe.

To command the Ship of State when she rides buoyantly upon swelling tides of prosperity is one thing. Even then, there are problems enough but they are mainly those of holding the ship on her course. To command her in war, when opposition is stilled and all thought and effort are united and bent to the supreme purpose of victory is another thing. Even under such conditions, the load of responsibility is enough to break the strongest heart. But to command when storms have driven the Ship of State upon the rocks, when she strains from the shocks of successive seas which crash over her, is quite a different thing. Gone are the favoring winds and tides. Gone is the harmony of opinion and the unanimity of action. In their stead, mutiny, hostility, criticism, doubt, and panic. Lashed by the gales, stung by the spray, beaten down by the doubts and fears and the sullen response, the captain must be a man to command under such conditions.

Amid the din of the storm and the crash of the waves Herbert Hoover has kept his head. The greater the stress the more patiently he has bent to his task, the longer he has kept at his desk, the wider the horizon of his search for causes and remedies. He entered office with high hopes and lofty hope for constructive service to the general welfare of his country. Disillusioned, but not deterred, by the selfishness and partisan antagonisms of politics, forced to turn for the time from his dreams as a builder to cope with situations created not by him but by causes which are rooted in war, he has carried on, meeting crisis after crisis, patiently and constructively. Wholesale libels, caustic criticism, misrepresentation have not swerved him from his duty to the whole people.

"If you can bear to hear the truth you've spoken

Twisted by knaves to make a trap for fools,

If you can see the things you gave your life to, broken

And stoop to build them up with worn-out tools."

Herbert Hoover has refused to bow to panic. The heavy weight of executive responsibility which he has always borne has been his greatest defense. He has refused to give way to despair. In the face of international complications of far-reaching economic and political import, his broad experience and intimate knowledge of international affairs has equipped him for this task. In the

same special way that the qualifications of Washington fitted him for the difficult problems of the infant Republic and that the patient perseverance of Lincoln made him the man of destiny in the Civil War—in that same special sense his training, equipment, and experience have fitted Herbert Hoover for the stress of this economic crisis.

Already the skies are lifting. Already the horizon is clearing. Soon, it may be said that, the rock upon which the tempest spent its force, was the faith and courage of Herbert Hoover. And, next November, when the legions of our fellow citizens march to the polls, the universal answer to the question "Who but Hoover," will be "None but Hoover!"

During those years of falling prices, of decreasing purchasing power, of consequent shrinkage in business activity, and the resultant unemployment, no one has escaped injury or loss. It is worthy of note, however, that the same causes which operate here have produced a score of political revolutions or disorders in countries embracing over half the population of the world, among them many in South America, as well as in Spain and India and China; which have well-nigh broken down the economic systems of Austria and Germany; brought about the collapse of Australia; dragged England, Scandinavia, and other nations off the gold standard; and dictated defaults in scores of issues of foreign bonds.

Amid the crash of governments and of financial systems, the United States has had not even so much disturbance as a strike of major importance, and a dollar is still a dollar, not only in America but throughout the world. Do you think that we, as Americans, should apologize for a political and economic system which can do that? Do you think that we, as Republicans, should apologize for a leadership which has made it possible to say that? I do not apologize for that leadership. I boast about it.

REPUDIATION OF STATE INDEBTEDNESS

Mr. CLARKE of New York. Mr. Speaker, I ask unanimous consent to insert in the RECORD a search that I had made through our Legislative Service as to States which have defaulted in their bonds.

The SPEAKER. Is there objection?

There was no objection.

Mr. CLARKE of New York. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following report of a search made by the legislative reference division of the Library of Congress with regard to States which have defaulted on their bonds:

STATES DEFAULTING ON THEIR BONDS

In reply to the request for data relative to States which have defaulted in their bonds there is attached hereto the Treasury Department mimeographed report, "Repudiation of State Indebtedness," of June 12, 1925, revised May 15, 1930, and some supplementary notes which were compiled chiefly from the following sources:

1. Tenth Census, volume 7 (1884), valuation, taxation, and public indebtedness, pages 523-645.
2. Scott, William A.: The Repudiation of State Debts (1893) (HJ8224.S4).
3. Raymond, William L.: American and Foreign Investment Bonds (1916), ch. 3, pp. 100-128 (HG4651.R3).
4. International Review, vol. 9 (1880). State Debts and Repudiation, pp. 557-592 (by Robert P. Porter) (AP2178).
5. Randolph, Bessie C.: Foreign Bondholders and Repudiated Debts of the Southern States (1931) (HJ8110.R3).

None of the authorities examined gave sufficient information to cover all the points in the request. Robert P. Porter, compiler of the Tenth Census, volume 7, in his article in the International Review (1880), states: "It is doubtful if any two persons, equally eminent as writers and equally careful as statisticians, could examine and arrange the varied and oftentimes contradictory statements of State debts which annually emanate from the capitals of the several States of the Union and make their totals correspond." A study of the financial history of some of the States discloses the impossibility of obtaining accurate data. As regards South Carolina, Porter, in the above-mentioned article, says that it is almost impossible to state with any degree of accuracy the aggregate indebtedness at any time within the last 30 years. In an article in the Bankers' Magazine, volume 78, page 603 (May, 1904), on repudiated State bonds, it is stated that "as to the total amount of these bonds it is doubtful if the States themselves could compile accurate figures."

There were three periods of default, compromise, or repudiation: (1) From 1840-1842, when Pennsylvania, Maryland, Indiana, Illinois, Michigan, as well as Florida, Mississippi, and Arkansas defaulted; (2) from 1848-1860, when Minnesota, Texas, and California began certain adjustments of their debts; and (3) from the beginning of the Civil War down to the early nineties, when Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Tennessee, Louisiana, Arkansas, and Missouri defaulted on or compromised their bonds. In this period also arose the difficulties between Virginia and West Virginia.

ALABAMA

Railroad bonds indorsed by the State: Amount, \$18,686,000; when authorized, act app. February 19, 1867 (Laws 1866-67, p.

686), amended by act of August 7, 1868 (Laws 1868, p. 198); when issued, up to November 15, 1869, \$2,600,000, by September 30, 1870, \$8,480,000, by September 30, 1873, \$18,686,000; when matured: Under above acts, bonds were to be payable in not less than 15 nor more than 30 years.

Alabama & Chattanooga Railroad: Amount, \$2,000,000; when authorized, act of February 11, 1870 (Laws 1870, p. 89); when matured, under above act, bonds were to be payable in not less than 15 nor more than 30 years; laws 1872-73, page 45 (\$4,000 per mile act), provided for exchange of State-indorsed railroad bonds for direct bonds of the State bearing interest at 7 per cent in gold, and redeemable in 30 years, the rate of exchange being \$4,000 of the former for \$1,000 of the latter.

ARKANSAS

Bonds	Date bank chartered	Date bond due	Amount issued ¹
Bank of State of Arkansas.....	1837	1868	
Real Estate Bank.....	1838	1861	\$2,827,000

	Authorized	Issued	Amount ²
Railroad-aid bonds.....	Laws 1866-1868, p. 428.		\$5,300,000
Levee bonds.....		1860, 1870	2,000,000
Holford bonds.....			500,000

¹ Scott, p. 119: "Before the failure of these banks the State had issued bonds all told to the amount of more than \$3,500,000." (10th Census, Vol. VII, p. 603.)

² Porter, Robert P.: State debts and repudiation, International Review, Vol. IX (1880), p. 583: "In June, 1877, the Supreme Court of Arkansas declared null and void bonds issued to railroads to the amount of \$5,350,000, which, with accrued interest, amounted to \$6,135,000. The next year the Supreme Court declared void \$1,986,733 of the levee bonds on which interest had accrued, making a total of \$2,855,488." Tenth Census, Vol. VII, p. 603: "The amount of bonds issued in aid of railroads, including interest, was \$7,135,243.76; levee bonds, including interest, \$2,855,488.98; and the 6 per cent funding bonds of 1870, known as the Holford bonds, including interest, \$1,787,120."

CALIFORNIA

January, 1854: State was in default in interest. April 28, 1857: Act passed authorizing issue of bonds in amount of \$3,900,000 to fund State debt. (Laws, 1857, Ch. CCXLIV.)

Claims entitled to be funded were as follows:
1. Civil bonds issued under acts passed in 1851, 1852, 1853, 1855, 1856.

2. Comptroller's warrants, drawn under sanction of law, for civil expenses incurred prior to January 1, 1857.

3. Just or legal claims against the State incurred prior to January, 1857, and which were allowed and audited by act of the legislature.

April 30, 1860: Another act passed authorizing \$200,000 additional bonds to adjust an error in original refunding. (Laws, 1860, Ch. CCCLXIII.)

FLORIDA

Union Bank of Florida: Amount, \$3,000,000; when authorized, Laws 1833, pp. 76, 77; when matured, \$250,000 in 24 years, \$250,000 in 26 years, \$250,000 in 28 years, \$250,000 in 30 years, others not specified in law.

Bank of Pensacola: Amount, \$500,000; when authorized, Laws 1835, ch. 843, p. 303, app. February 14. When matured, payable after January 1, 1860.

Southern Life Insurance & Trust Co.: Amount, \$400,000; when authorized, Laws 1835, ch. 826, p. 271, app. February 14; when issued, the law authorized issue of certificates redeemable within the range and limit of the charter (50 years).

Jacksonville, Pensacola & Mobile R. R.; Florida Central R. R.: Amount, \$4,000,000; when authorized, act of January 6, 1855, ch. 610, p. 13, sec. 8; act of June 24, 1869, ch. 1716, and Laws 1870, ch. 1731; when matured, under act of 1855, bonds were to mature in not more than 35 years; under act of 1869 they were to be dated July, 1869, due in 30 years; under act of 1870, granting State aid to the amount of \$16,000 per mile, they were to be dated January, 1870, due in 30 years.

GEORGIA

	Authorized	Time to run	Amount repudiated
BONDS			
Central bank.....	Feb. 17, 1854		\$375,000
Currency bonds.....	Aug. 27, 1870		2,000,000
Gold bonds.....	Sept. 15, 1870	20 years	102,000
Brunswick & Albany R. R.....	Oct. 17, 1870	25 years	1,800,000
INDORSED BONDS			
Bainbridge, Cuthbert & Columbus R. R.....	Mar. 18, 1869		600,000
Cartersville & Van Wirt R. R.....	Mar. 12, 1869		275,000
Cherokee Valley R. R.....			300,000
Brunswick & Albany R. R.....	Mar. 18, 1869		3,300,000
Macon & Brunswick R. R.....	(¹)		600,000
Alabama & Chattanooga R. R.....	Mar. 20, 1869		

¹ Laws 1870, p. 336.

ILLINOIS

July, 1841: State suspended payment of interest on debt.
State debt in 1842:

Total bank stock	\$2,665,000
Total internal-improvement debt	5,614,196
Total canal debt	4,338,907
Total statehouse	116,000
Total college, school, and seminary fund	808,085
Total due State bank for warrants	294,190
	13,836,378

Within a few years the Illinois and Michigan Canal was completed, interest on that part of the State debt was paid to date, and the process of discharging the principal was begun.

In 1847 part of the debt was funded (Pub. Laws 1846-47, pp. 161-65), and to take care of the State debt, other than the canal debt, annual taxes were provided. (Constitution of Illinois, 1848, Art. XV.)

January 1, 1857, the governor gave a favorable account of the continued liquidation of the State debt, saying that there was now no doubt about the State being prepared to pay interest on the whole debt as it matured. The record of Illinois is one of delayed payments, but of payments in full.

INDIANA

Aggregate debt in 1840, \$14,057,000. Bonded indebtedness contracted under authority of act of 1832 for canal purposes, \$1,727,000.

Contracted under authority of act of 1836:

White Water Canal	\$1,400,000
White River Canal	3,500,000
Wabash and Erie extension	1,300,000
Wabash River improvements	50,000
Madison & Lafayette Railroad	1,300,000
Turnpike from Vincennes to New Albany	1,150,000
Turnpike from New Albany to Crawfordsville	1,300,000
	10,000,000

January, 1840-1847, State suspended interest payments.
Bonds outstanding November 1, 1845, \$11,090,000.

Statement of bonds issued as of Nov. 1, 1845:

Internal-improvement bonds	\$8,900,000
Wabash and Erie Canal bonds	1,727,000
State bank bonds	2,413,000
Surplus revenue bonds	294,000
Madison & Indianapolis Railroad bonds	456,000
Seven per cent bonds issued to pay interest	1,100,000
Lawrenceburgh & Indianapolis Railroad bonds	221,000
	15,111,000

Of the above, \$11,090,000 was amount outstanding on November 1, 1845 (supra).

Principal and back interest of debt funded by acts of January 19, 1846, and January 27, 1847.

MARYLAND

State debt in 1842, \$15,000,000: All except \$215,947 was contracted for purpose of internal improvements, partly by subscriptions to stock in canal and railroad companies on account of the State and partly in form of grants by loans to such companies.

January, 1842: State failed to pay interest on its debt.
1844-1846: Partial payments were made on interest, current and accrued.

January 1, 1848: State resumed current interest on its debt in full.

MICHIGAN

July 1, 1841: State defaulted in its interest payments.
For interest from July 1, 1841, to July 1, 1845, the State issued new 6 per cent bonds under authority of act approved March 8, 1843.

MINNESOTA

Railroad bonds	Date authorized	Date issued	Date redeemable	Amount
Minnesota & Pacific				\$800,000
Minneapolis & Cedar Valley	Laws 1857, p. 3	1858, 1859	1883	600,000
Transit Co.				500,000
Southern Minnesota Co.				575,000
				2,275,000

MISSISSIPPI

Union bank bonds. (Scott, William A.: Repudiation of State Debts, pp. 278-281; North American Review, 1844, vol. lviii, p. 130; Fifty-fifth Annual Report of Corporation of Foreign Bondholders, 1928, which contains a replica of the bond.)

Number of bonds and amount, 2,500 bonds; total amount, \$5,000,000; authority, Laws 1838, p. 9; p. 33; date issued, June, 1838; date of maturity, February, 1850.

Planters' Bank bonds. (Scott, p. 41, Tenth Census, p. 597, states: "The State also issued to the Planters' Bank, by acts passed December 16, 1830, and February 5, 1833, the sum of \$2,000,000.")

Amount, \$2,000,000; date issued (Scott, p. 41, Tenth Census, p. 597, states: "The State also issued to the Planters' Bank, by acts passed December 16, 1830, and February 5, 1833, the sum of \$2,000,000"): \$500,000 in July, 1831; \$1,500,000 in March, 1832.

MISSOURI

1861-1867: State in default in interest on its railroad debt.

1862: Auditor's report of debt at end of year was as follows:

1. Miscellaneous debts	\$602,000
2. Pacific Railroad bonds (main)	7,000,000
3. Pacific Railroad bonds (southwest branch)	4,500,000
4. Hannibal & St. Joseph	3,000,000
5. North Missouri	4,350,000
6. Iron Mountain	3,600,000
7. Cairo & Fulton	650,000
8. Platte County	700,000
9. Revenue bonds	431,000
10. State defense warrants	725,000
11. Arrears of interest due	1,812,000
	27,370,000

March 12, 1867: An act was passed authorizing a tax of 4 mills to be applied to the credit of the State interest fund and providing that certain sums received from the United States be applied to the payment of overdue coupons. The act also provided for the issue of 6 per cent funding bonds for the remaining overdue coupons. (Laws 1867, p. 168.)

March 30, 1874: A further funding act provided for \$1,000,000 in 6 per cent 20-year funding bonds to be used from time to time to pay maturing bonds.

NORTH CAROLINA

Bonds not recognized by the State and repudiated under the act of March 4, 1879 ("compromise act"):

Purpose	Authority	Date issued	Years to run	Amount
Chatham R. R.	Ord. 1862	Jan. 1, 1863	20	\$215,000
Do.	Ord. 1868	Apr. 1, 1868	30	1,030,000
Williamston & Tarboro R. R.	do.	Oct. 1, 1869	30	150,000
Do ¹	Act. 1868-69	do.	30	300,000
Western R. R. ¹	do.	Apr. 1, 1869	30	1,320,000
Western North Carolina R. R. ¹	Act 1868	Oct. 1, 1868	30	4,000,000
Do ¹	Act 1868-69	Apr. 1, 1869	30	2,640,000
Wilmington, Charlotte & Rutherford R. R. ¹	do.	do.	30	3,000,000
Atlanta, Tennessee & Ohio R. R. ¹	do.	do.	30	106,000
Penitentiary	Act 1868	Oct. 1, 1868	30	44,000
				12,805,000
Bonds issued during war for other than war purposes.		{ Oct. 1, 1861 July 1, 1862 }		913,000
<i>Bonded debt contracted prior to Civil War²</i>				
To pay State debt	Acts of 1848, 1849, 1850, 1851.	1849-1852	10	370,000
Fayetteville & Weston Plank Road	Act of 1849	1849-1852	20	120,000
Gaston & Weston R. R., etc.	do.	{ July 1, 1854 Jan. 1, 1855 July 1, 1855 }	10	152,000
North Carolina R. R.	do.	{ July 1, 1853 Jan. 1, 1855 Apr. 1, 1855 }	30	2,000,000
Do.	Act of 1855	do.	30	1,000,000
Fayetteville & Centre Plank Road	{ Acts of 1854 and 1855.	{ July 1, 1858 July 1, 1855 }	20	50,000
Fayetteville & Warsaw Plank Road	do.	{ July 1, 1857 July 1, 1857 }	20	20,000
Tar River	do.	{ Jan. 1, 1856 Jan. 1, 1858 }	30	15,000
Insane asylum	Acts of 1854, 1855, 1856, 1857.	do.	10	115,000
Do.	Acts of 1858-59.	July 1, 1859	30	10,000
Atlanta & North Carolina R. R.	{ Acts of 1854, 1855, 1856, 1857.	{ Jan. 1, 1856 Oct. 1, 1857 }	30	1,466,500
Albemarle & Chesapeake Canal	Acts of 1856-57.	{ Apr. 1, 1857 Apr. 1, 1859 }	30	350,000
Western R. R. from Fayetteville.	Acts of 1858, 1859, 1860, 1861.	Sundry dates.	30	600,000
Western North Carolina R. R.	Acts of 1854-55	do.	30	4,000,000
Wilmington, Charlotte & Rutherford R. R.	Acts of 1858-59 and 1860-61.	do.	30	2,000,000
Certain purposes	Acts of 1858-59	do.	30	1,193,000
Do.	do.	do.	10	167,000
Cape Fear & Deep River	Acts of 1854-58	do.	10 and 30	400,000
Bonds issued under authority of funding acts.	Act of Mar. 10, 1866.	Jan. 1, 1866	34	2,417,000
Do.	Act of Aug. 20, 1868.	Oct. 1, 1868	30	1,721,400
Total				18,167,300

¹ Special tax issues.

² Except bonds issued under acts of 1866 and 1868 posts.

Unpaid portions of this debt came under the compromise act of March 4, 1879, as listed on page 20 of the Treasury memorandum forwarded herewith. The table of bonded debts contracted prior

¹ Items 2-8, inclusive, amounting to \$23,800,000, were contracted under authority of act passed in the early fifties. (1853?)

to the Civil War was taken from "valuation, taxation, and public indebtedness," Tenth Census, volume 7, page 567.

PENNSYLVANIA

State debt in 1842, \$37,319,395. (Issued largely in aid of railroads and canals.)

August 1, 1842: State defaulted interest on its bonds.
February, 1845: Interest payments resumed.

TENNESSEE

Between 1861 and 1864 small portions of the principal of the State debt matured and was not paid.

1865: Provision made for paying all past-due bonds and interest.
July, 1868: Interest on debt was not met.
1868: Interest was funded.

March 17, 1873: Act approved to fund the legally issued bonds and coupons of the State with new 6 per cent bonds.

July, 1875: Interest was not paid.
1879: The governor said the State had been able to pay only three installments of interest in 10 years.

1881: The funding act of 1881 was held unconstitutional by the State supreme court (76 Tenn. 121).

1882: Funding act passed (laws 1881-1883, 3d extra session, 42d G. A., ch. 4, p. 6).

1883: State treasurer absconded, leaving a large deficit. The legislature repudiated the settlement and stopped payment of the January coupons.

1883: Funding act passed (laws 1883, ch. LXXXIV, p. 76).

TEXAS

In 1848 the State legislature passed an act to provide for ascertaining and auditing the debt of the late Republic of Texas, interest of which was in default. For a large part of the debt, it was claimed, Texas had not received anywhere near face value. The entire amount of claims, including interest, was given as \$9,647,253.14, to which was assigned a value of \$4,807,764.37. On this basis it was proposed to settle the debt. Under the "boundary bill" (acts of 31st Cong., 1st sess., ch. XLIX, approved September 9, 1850, 9 Stat. L. 446) and act of February 28, 1855 (acts of 33d Cong., 2d sess., ch. CXXIX, 10 Stat. L. 617), certain payments were made to the creditors of Texas so that the State auditor could report at the close of 1856 that the State was out of debt.

VIRGINIA

July 1, 1861: State defaulted in interest.

July 1, 1867: After settling for back interest with new bonds, the State resumed cash-interest payments at the rate of 4 per cent and issued coupons for remainder of interest due.

January 1, 1869: State again defaulted.

1871: State passed the funding bill (Laws 1870-71, ch. 282).

December, 1871: Resolution passed legislature discontinuing refunding.

January, 1872: State failed to pay interest due.

March 7, 1872: Legislature passed act repealing the receivability of coupons for taxes and other public dues. The legislature also agreed to pay 4 per cent interest to holders of "consolidated bonds" issued under act of 1871, who acquiesced in repeal of the tax-receivable feature of the coupons. This was origin of class of bonds known as "pealers."

January, 1874: State defaulted in interest.

1879: McCulloch bill passed, providing for refunding of part of debt. Under it a portion of the debt was exchanged for "ten-forty dollar bonds."

Later refunding ceased and interest on the "ten-forty dollar bonds" was defaulted.

1882: Riddleberger Act passed for settlement of debt. (Laws 1881-82, ch. 84, app. February 14, 1882.)

1892: Final settlement of debt made under act of February 20. (Laws 1891-92, ch. 325, as amended by Laws 1893-94, ch. 110, Laws 1897-98, chs. 113, 287.)

For many years the bonds issued under the Riddleberger Act were the only bonds of the State receiving interest in cash. The "consols" received no interest in cash and the "pealers" no interest at all from 1874, and the "ten-forties" received no cash interest after July, 1880.

AGNES M. BROWN.

JANUARY 12, 1932.

REPUDIATION OF STATE INDEBTEDNESS

In view of the number of current inquiries regarding the repudiated indebtedness of American States, the following brief summary of the available material on that subject has been prepared. It is not an original study, but simply a summary of the results of the investigations of others, and is based very largely on *The Repudiation of State Debts*, by William A. Scott, published in 1893 by T. Y. Crowell & Co. That study represents the most comprehensive treatment of the subject that has been made, and while it was prepared over 30 years ago there has apparently been little if any change in the situation since that time, except in the case of the settlement of the dispute between Virginia and West Virginia. The later developments in that case are covered in the summary.

AMOUNTS OF REPUDIATED DEBTS*

In his treatment Scott has included both the debts which were "scaled down" in settlement as well as those wholly repudiated, and in some cases it is difficult to gather from the text a figure representing the latter as distinguished from the former. The following table, however, gives for each State what appears to be the amount of debt wholly repudiated according to his account:

Approximate repudiations by States

State	Approximate principal amount of debt repudiation	Date of repudiation act
Mississippi.....	\$8,000,000	1842
Florida.....	2,000,000	1852
Alabama.....	3,900,000	1845
North Carolina.....	4,000,000	1876
South Carolina.....	4,700,000	1876
Georgia.....	12,800,000	1879
Louisiana.....	16,000,000	1873
Arkansas.....	19,350,000	1872
		1875
		1876
		1874
		1881
	22,000,000	
	7,900,000	
	77,650,000	

* Scott implies that there were probably further repudiations.

There is no general agreement, however, as to the exact amounts repudiated by each State. The annual report of the British Corporation of Foreign Bondholders, which is generally accepted as the most authoritative statement of defaulted and repudiated government debts, gives the following as the amounts repudiated by the various States:

Name of State	Description of debt	Approximate amount in default
Alabama.....	Guaranties to railways, etc.; no reliable data available.	\$13,000,000
Arkansas.....	Principally railway guaranties, estimated at.....	8,700,000
Florida.....	Bonds issued to establish banks and for railway guaranties, estimated at.....	8,000,000
Georgia.....	Principally railway guaranties, estimated at.....	13,500,000
Louisiana.....	"Baby bonds," railway guaranties, and certificates of claim issued under settlement of 1874, estimated at.....	6,000,000
Mississippi.....	Planters' Bank bonds, 1831-1833.....	\$2,000,000
North Carolina.....	Union Bank bonds, 1838.....	5,000,000
South Carolina.....	Special tax bonds and railway guaranties, estimated at.....	13,000,000
	Conversion bonds, estimated at.....	6,000,000
		75,200,000

Accompanying the table (p. 375 of the 56th report) is a statement that "It has not been possible to obtain reliable information with regard to most of these debts," and that the figures "with the exception of Mississippi, must not be regarded as complete or accurate."

Interest on these debts has been in arrears for various periods, ranging from 55 to 85 years. If an average interest rate of 5 per cent for an average period of 60 years is assumed, the accrued simple interest on the total repudiated debt would amount to about \$230,000,000 on the basis of Scott's figures and to about \$225,000,000 on the basis of the Corporation of Foreign Bondholders' figures. The report of that corporation calculates 6 per cent for 57 years, amounting to about \$250,000,000.

	Approximate principal amounts by which the debts were scaled down	Date of settlement
Alabama.....	\$3,500,000	1873
Do.....	5,000,000	1876
North Carolina.....	14,000,000	1879
South Carolina.....	16,000,000	1879
Louisiana.....	8,000,000	1874
Tennessee.....	19,000,000	1882-83
Minnesota.....	1,137,500	1881
Michigan.....	2,500,000	1842
Virginia.....	5,000,000	1882
Do.....	9,000,000	1892
	83,137,500	

* Includes about \$500,000 accrued interest.

* Plus 50 per cent of interest accrued between 1859 and 1881, at 7 per cent per annum—approximately \$1,751,750.

Neither Scott nor the table from the report of the Corporation of Foreign Bondholders includes Confederate bonds or war debts in their tabulations of repudiations. These war debts were voided by the fourteenth amendment to the Constitution, which reads as follows:

"Neither the United States nor any State shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States * * * but all such debts * * * shall be held illegal and void."

Under this amendment debts contracted for war purposes by the individual States were perforce repudiated by the Southern State legislatures after the Civil War.

In addition to the obligations wholly repudiated a number of States have made settlements in which the principal of the debt was scaled down. The above table appears to be the amounts, according to Scott, by which the debts of the various States were scaled down in making settlements.

CAUSES OF REPUDIATION

Repudiation by the State governments may be divided into two periods. The early period preceded the Civil War, dating from 1842 in Mississippi and 1845 in Florida. An adjustment of debt in Michigan, which belongs in the scaled-down class, was made in 1842. The later period covered the years 1872 to 1884, and included a second repudiation by Florida as well as repudiation by Alabama, North Carolina, South Carolina, Georgia, Louisiana, and Arkansas. Tennessee and Minnesota made scaling-down settlements in this later period, while Virginia did not come to a final agreement with her bondholders until 1892.

Probably the principal cause of repudiation in each period lay in the general condition of the country. The early repudiation followed the disastrous financial crisis of 1837; the later occurred in the reconstruction period following the Civil War.

In the early forties the people of the country were in a condition of gloom and despair which succeeded the crisis of 1837 and 1838. The years immediately preceding had been years of unparalleled prosperity in the United States. The population had increased from 7,000,000 to 17,000,000 since 1812; commerce, manufacturing, and agriculture had developed greatly. Communication was greatly extended by the building of canals and railroads, and cities sprang up in the wilderness. Part of this prosperity had a real basis in the development of the country, but it rested in considerable degree upon an inflated currency and a superstructure of credit, which could not long stand the strain upon it.

As a result of the war against the United States Bank carried on at this time local banks throughout the country had multiplied rapidly; their nominal capital was doubled between 1830 and 1837, and the country was flooded with their bank notes. This increased bank-note circulation, together with the deposit currency and credit based on the enlarged capitalization of these banks, and the use of bills of exchange which became general during this period vastly added to the currency facilities of the country, resulting in inflation and a high level of prices. Subsidies, in the form of shares of the surplus Federal revenue, which were distributed to the States in 1836 by the Treasury of the United States, added to the general feeling of extravagant financial well-being.

Under the influence of all these circumstances the States contracted obligations in the most reckless fashion and launched upon huge public-improvement programs. Because of the apparent great prosperity of the country the bonds of the States sold readily in Europe. This European capital itself added to the already greatly inflated bubble of prosperity. Few people realized the insecurity of the country's financial situation, and they had expected the public improvements not only to pay for themselves but to be productive of wealth as well. Instead, when the bubble burst the States found themselves with enormous debts and no resources with which to meet even their interest payments. No more money could be borrowed, and the only recourse of the States was an increased taxation on a taxable basis much diminished by the liquidations brought about by the crisis.

Most of the embarrassed States, however, issued duebills of some sort and managed to get through the difficult period without repudiation. But in Mississippi and Florida the cry of illegality was raised, the question got into politics, and the bonds were repudiated. Michigan recognized only that part of her bonds for which she had received payment. (See p. 27 of this summary.)

In the group of States where debt repudiation occurred after 1870 we find that all the repudiating States, and all except Minnesota of the States which scaled down their debt, were seceders from the Union in 1861. This fact suggests that a causal relation existed between the disasters suffered during and after the Civil War and the fact of repudiation.

	Taxable basis		Debt	
	1860	1870	1860	Highest point reached by the debt
Virginia.....	\$657,021,336	\$505,978,190	\$31,779,062	\$47,390,839
North Carolina.....	292,297,602	130,378,190	9,699,000	29,900,045
South Carolina.....	489,319,128	183,913,327	4,046,540	24,782,906
Georgia.....	618,232,387	227,219,519	2,670,750	20,197,500
Florida.....	68,929,685	32,480,843	4,120,000	5,512,268
Alabama.....	432,198,762	155,582,595	6,700,000	31,952,000
Louisiana.....	435,787,265	253,371,890	4,561,109	40,416,734
Arkansas.....	180,211,330	94,528,843	3,092,623	18,287,273
Tennessee.....	382,495,200	253,782,161	20,898,606	41,863,406

The Civil War greatly reduced the taxable basis in these States. The accumulation of unpaid interest during and after the war and the legitimate and illegitimate expenditures of the reconstruction period greatly increased the debts of these States. The above table shows the decrease in the taxable basis of these States between 1860 and 1870, and the increase in their debts between 1860 and the high points. The debt figures are from an article by R. P. Porter published in the *International Review* for November, 1880.

The Civil War, moreover, greatly weakened the idea of State sovereignty and the feeling of State responsibility. The fourteenth amendment required the repudiation of all debts contracted in the United States in aid of the rebellion, and it was not easy for the Southern States to discriminate between those and their other debts. Therefore, they did not feel themselves responsible for the increase of debts due to interest accumulated during the war and to the alleged extravagance and fraud of the "carpet-bagger" régimes, which they considered as usurpations due to the war.

The general belief in the fraud and extravagance of State governments during the period is supported by an abundance of facts in the case of at least two States, according to Scott. The report of the joint investigating committee on public frauds of South Carolina contains a record of frauds and extravagance which is unequalled in the annals of this country and hardly surpassed in those of any other. Gigantic frauds were revealed which completely destroyed the confidence of the people in the validity of the greater part of the State debt.

Investigations made by legislative committees of the State of Georgia revealed a most suspicious mass of facts regarding the official acts of those concerned in the negotiations of many of her bonds. Absolute proof of fraud was not obtained, but the unquestioned impression went forth among the people of the State that they had been fearfully swindled. Fraud was also charged against the State governments of Alabama, Tennessee, Louisiana, and also Mississippi.

In both periods a large part of the repudiated debts was rolled upon the shoulders of the States by defaulting and bankrupt railroads or banking corporations whose enterprises the States had attempted to advance by indorsing their bonds or by issuing bonds to them directly. When the enterprises aided were railroads, the property mortgaged to the State for security was of little value when the mortgage was foreclosed. In the case of banks, as in Mississippi, Florida, and Tennessee in part, the matter was still worse, for usually the States had invested heavily in bank stocks which became worthless when the banks failed.

Only in one or two cases did the repudiating States allow their debts to go by simple default without attempting some legal justification. As a rule, they alleged illegality of their bonds. In some States this was a mere pretext; in others the allegations were true, as in the cases of Arkansas, Georgia, and South Carolina. The repudiated issues have been classified by Scott according to the legal reasons given for repudiation, as follows:

1. Those which were not authorized by any law.
2. Those which were authorized by laws which were unconstitutional.
3. Those in which the laws authorizing them had not been strictly complied with.

He does not attempt to analyze, however, the reasons offered by each State or to show which repudiations were probably justified and which were not. He does conclude that "If the specific cases of repudiation on the grounds of illegality described in preceding pages be adjudged in accordance with the principles of the law here laid down, it will be found that some of them were legally justifiable, but that others were not."

LEGAL REMEDIES AGAINST REPUDIATION

Under the Federal Constitution the holder of a repudiated State bond has no remedy in the Federal courts, and there is no recourse from the decision of a State to repudiate. Under section 10, Article I, of the Constitution, a State is prohibited from passing any law "impairing the obligation of contracts." This clause has been held by the Supreme Court of the United States to apply to State as well as to individual contracts, and the decisions of that court leave no doubt concerning the constitutional prohibition against the impairment by States of contracts into which they have entered. By itself, however, this cause is nothing more than a statement of principle; it provides no means of preventing a repudiation of debts.

Section 2, Article III, of the United States Constitution would seem to make this "contract clause" enforceable by provision for the institution of suit against a State by an individual. This was apparently the original intent of the Constitution, but the clause was not long allowed to remain in force. In 1793 the State of Georgia was arraigned in the Supreme Court by one Chisholm, and that court allowed the case as proper and within its jurisdiction under section 2, Article III, of the Constitution. This case, together with a similar one brought against Massachusetts, so aroused the indignation of the people that the eleventh amendment to the Constitution of the United States was passed, destroying the force of the unpopular section 2, Article III. The eleventh amendment provides that:

"The judicial power of the United States shall not be construed to extend to any suit in law or equity commenced or prosecuted against one of the United States by citizens of another State or by citizens or subjects of any foreign state."

Under this amendment the individual is deprived of the power to bring suit against a State and the "contract clause" of the Constitution is consequently not enforceable against a State.

The Supreme Court has ruled that the eleventh amendment applies only to cases brought by individuals against States and not to suits brought by States against individuals. It has also ruled that the eleventh amendment does not prevent the court from pronouncing an opinion concerning the constitutionality of State laws which may be involved in cases which come under their jurisdiction, and from thus restraining State officers from executing unconstitutional laws. The real utility of these decisions to holders

of repudiated State bonds, however, has been negligible. In practice, the holder of such a bond has no legal remedy against the repudiating State.

SUGGESTED ASSUMPTION BY THE FEDERAL GOVERNMENT

It has been suggested that the Federal Government of the United States assume the repudiated State debts. To the European mind especially this is not an illogical idea, because the European is not generally familiar with the dual nature of the American form of government. To the American mind, however, the suggestion has little appeal.

The United States is a republic made up of individual States possessing many independent sovereign powers, one of which is the right to contract financial obligations. The Federal Government is in nowise responsible for State obligations so incurred, and has no power whatever to enforce the payment thereof by the States.

That it would be unwise to assume obligations incurred by Government units, over the expenditures of which the assuming power has no control whatever, can not be questioned. To establish a policy of Federal assumption of State debts would not only encourage recklessness and extravagance on the part of the States, but it would be equivalent to giving the State legislatures the power to appropriate for their use moneys out of the Federal Treasury. Such a policy would be contrary to that fundamental principle of republican government which places the power to appropriate money and the responsibility in the same hands.

SUMMARY BY STATES

The data in the following summary by States are taken from Scott, except where otherwise stated:

Mississippi

Mississippi was the first State to practice repudiation. In June, 1838, \$5,000,000 in State bonds were issued in payment of 50,000 shares of stock in the Union Bank of Mississippi. In less than two years after this date the bank was hopelessly insolvent. In 1841 the governor recommended that the \$5,000,000 in bonds be repudiated, and in 1842 the legislature denied that the State was under legal and moral obligations to pay the bonds in question. The chief argument for repudiation was the unconstitutionality of the supplemental act under which these bonds were issued.

The Planters' Bank was chartered by the State in 1830 and State bonds to the amount of \$2,000,000 were issued in 1831 and 1832 in payment for a like amount of the capital stock of this bank. In 1839 the bank was unable to pay the interest on these bonds and the State was called upon to meet the deficiency. No one at this time seriously proposed the repudiation of the bonds, but the State was delinquent in letting the interest go by default. At the election in 1852 the question was submitted to popular vote whether a tax should be levied to pay the interest on the Planters' Bank bonds, and a majority of 4,000 against the levy of such a tax was returned. This vote undoubtedly meant that the people were in favor of the repudiation of these bonds and willing legislatures so interpreted it. The fate of both these bonds and the Union Bank bonds was sealed by the constitution adopted in 1875, which contained the following clause:

"Nor shall the State assume, redeem, secure, or pay any indebtedness claimed to be due by the State of Mississippi to any person, association, or corporation whatsoever, claiming the same as owners, holders, or assignees of any bond or bonds known as the Union Bank bonds or the Planters' Bank bonds."

This constituted a repudiation of bonds amounting to \$7,000,000. The interest on these bonds was apparently not paid after 1841, and is given as amounting to \$21,000,000 on the Union Bank bonds and \$10,140,000 on the Planters' Bank bonds by the 1924 report of the British Corporation of Foreign Bondholders.

Florida

Florida repudiated \$3,900,000 of bonds issued or indorsed for banks in the years from 1834 to 1839, and \$4,000,000 in bonds issued in aid of railroads in 1870. (The International Review, vol. 9, p. 579.) The issues were as follows:

Union Bank of Florida.....	\$3,000,000
Bank of Pensacola.....	500,000
Southern Life Insurance & Trust Co.....	400,000
Total.....	3,900,000
Jacksonville, Pensacola & Mobile R. R. and Florida Central R. R.....	4,000,000
Grand total.....	7,900,000

The banks failed in the early forties, and the obligation of meeting both principal and interest on the bonds was thrown upon the State. In 1840 the judiciary committee of the Territorial legislature, to whom the question of the legality of these bonds was referred, passed a resolution—

"That the power of the Governor and Legislative Council of the Territory of Florida * * * does not extend to the creation of banks with exclusive privileges and franchises, nor to the issuing of bonds and guaranties in aid of such institutions * * * that such pledge of the faith and credit of the people of Florida is null and void."

Florida, consequently, entered the Union as a State in 1845, adhering to the doctrine that her new form of political life released her from these obligations. The State really had a much better excuse for repudiating these bonds than those alleged. It was practically impossible for her to pay even the interest on

these debts and meet her operating expenses, as the population and wealth of the Territory were so small.

The railroads defaulted on the interest payments early in the seventies. The State took possession of the properties, but was prevented from selling them by litigation. In the course of this litigation (1876) these bonds were declared unconstitutional (William L. Raymond, State and Municipal Bonds, p. 95). After this decision the State no longer troubled herself about the railroad-aid bonds and subsequently omitted to mention them among her liabilities.

Alabama

The early debt of Alabama was contracted in the aid of banks. Between 1823 and 1826 the State became possessed of bank stock to the amount of \$8,000,000. These banks went into liquidation in 1842, and the State was responsible for their bills and most of their obligations. She had reduced this debt, however, by 1861 to \$3,445,000. The remainder of her debt arose from deficits in her budget and indorsements made and bonds issued in the aid of railroads. The Alabama & Chattanooga Railroad Co. defaulted in its interest payment by 1871 and other roads by 1873, making the State of Alabama responsible for interest on over \$18,000,000 of railroad-aid bonds beside her regular debt.

An attempt at settlement was made on April 21, 1873, in the "4,000 per mile act," which provided for the exchange of State-indorsed railroad bonds for direct State bonds at the rate of \$4,000 of the former for \$1,000 of the latter. The total amount of new bonds issued under this act was \$1,192,000, constituting a scaling down of about \$3,500,000.

The State made other laudable attempts to meet her increasing obligations, but the obligations were too great. The final settlement was accomplished by the funding act of February 23, 1876. The amounts and dates of issues of Alabama's entire debt, together with the provisions of the funding act, are shown below:

	Old debt	New debt authorized
Five per cent State certificates: Issued between 1866 and 1873 to meet deficits in the budget.....	\$1,040,000	\$1,040,000
Educational fund indebtedness: Stock in State banks issued between 1823 and 1826.....	2,810,670	2,810,670
Class A: Ordinary debt of the State representing part of State bank debt and issues to meet deficits between 1855 and 1873.....	7,416,800	7,127,709
Class B: State bonds issued in 1873 under "4,000 per mile act" in exchange for State indorsed railroad bonds.....	1,192,000	596,000
Class C: Bonds indorsed for the Alabama & Chattanooga R. R. Co. between 1867 and 1873.....	5,300,000	1,000,000
Total scaled-down debt.....	17,759,470	12,574,379
State bonds issued to Alabama & Chattanooga R. R. Co. about 1870.....	2,000,000	(?)
Bonds of various railroads indorsed by the State.....	4,705,000	(?)
	6,705,000	-----

¹ Interest which had accrued for a number of years was repudiated.
² The land of the Alabama & Chattanooga R. R. Co., variously estimated from 500,000 to 1,200,000 acres, was turned over to the bondholders.
³ Includes accrued interest of about \$1,000,000. (The International Review, vol. 9, p. 579.)

This constituted a direct repudiation of about \$4,700,000 in principal amount, plus the overdue interest on most of these classes and a scaling down of \$8,500,000, including the scaling down under the "4,000 per mile act" mentioned above. In addition to this there was \$2,000,000 in bonds whose holders received in settlement land of questionable value.

South Carolina

Previous to the war South Carolina had a debt amounting to \$3,814,862.91. This figure included some debts contracted in 1861 and 1863 which were not for war purposes. By October, 1867, the debt had increased through accrued interest to \$5,407,215. A number of acts were passed during the next three years, which led to a great increase in the debt. As to this increase the records are so confused and the reports of officials so conflicting that scarcely any two persons who have investigated the matter have agreed on the exact figure of the debt. In 1871 we find several figures for the amount of the State debt and State indorsements. Scott quotes the estimate of the committee appointed by the legislature on November 28, 1871, that there were outstanding against the State, bonds to the amount of \$20,827,608.20, to which, they said, must be added certain other items and a contingent railroad debt of \$6,787,608.20, making a grand total of \$28,997,608.20. The confusion in regard to the amount of bonds which were actually issued under these acts can scarcely be accounted for on any theory which will not reflect upon the honor and integrity of the State officials. Indeed, an abundance of facts point to their corruption and extravagance and lend support to the claim that the State was being mercilessly fleeced by her own legally appointed guardians.

On December 22, 1873, the so-called "consolidation act" was passed. This authorized the exchange of outstanding bonds and stocks of the State for new bonds equal in amount to 50 per cent of the face value of bonds and stocks surrendered. Under this act \$5,965,000 in bonds were repudiated on the ground that they had been fraudulently issued. Other bonds were later repudiated, but the exact amount can not be stated.

On December 23, 1879, an act was passed (amended February 20, 1880)¹ which constituted a final settlement of the debt controversy and reduced the debt to a figure which the State could handle. The comptroller's report for 1879 gave the State debt as \$7,175,454.² This would constitute a known repudiation of some \$6,000,000, with a repudiation and scaling of some \$16,000,000.

North Carolina

The amount of the debt of North Carolina, dates of issue, purpose for which issued, and final disposition, are as follows:

Bonds not recognized by the State and entirely repudiated under the act of March 4, 1879:

Chatham Railroad, 1863.....	\$215,000
Chatham Railroad, 1868-69.....	1,030,000
Williamston & Tarboro Railroad, 1868-69.....	450,000
Western Railroad, 1868-69.....	1,320,000
Western North Carolina Railroad, 1868-69.....	6,640,000
Wilmington, Charlotte & Rutherford Railroad, 1868-69.....	3,000,000
Atlantic, Tennessee & Ohio Railroad, 1868-69.....	106,000
State Penitentiary, 1868-69.....	44,000

Total³..... 12,805,000

Bonds issued during the war for other than war purposes⁴..... 913,000

The act of March 4, 1879, provided the following settlement for the recognized debt of the State. The detail of amounts is given in so far as available:

Bonds issued before May 20, 1861, under acts dating from 1848 to 1858 in aid of railroad, plank road, and canal companies (to be scaled 60 per cent).....	\$8,761,245
Bonds issued under authority of funding act of Mar. 10, 1866 (to be scaled 85 per cent), which amounted to.....	2,417,400
Bonds issued under funding act of Aug. 20, 1868, for the funding of overdue bonds and coupons (to be scaled 85 per cent).....	1,721,400
Bonds issued by the State in aid of railroads and registered certificates of the literary fund (to be scaled 75 per cent):	
Wilmington, Charlotte & Rutherford R. R., 1862.....	430,000
Western North Carolina R. R., 1865 and 1867.....	2,217,000
Chatham R. R., 1867.....	1,200,000
Williamston & Tarboro R. R., 1868.....	150,000
Western R. R., October, 1861.....	
Certificates of literary fund.....	1,995,600
Total.....	18,892,645

This amount was authorized to be funded into a debt of \$5,006,616, which constituted a scaling down of about \$14,000,000. Some few million of unpaid interest was also repudiated, but an authoritative figure is not obtainable.

Georgia

Georgia had used her credit in aid of railroads as early as 1836; also in 1856 and again some few years later. The legislatures of 1868, 1869, and 1870, however, dealt out State aid to railroads with extravagant hand. During these three years aid was granted to over 30 railroads in the form of bonds issued or indorsed, aggregating about \$8,000,000 in face value.

The repudiated State debt of Georgia, so far as data are available thereon, with the dates of issue and of repudiation acts, is stated below:

Date of issue	Bonds	Amount repudiated	Date of repudiation
1854	Direct bonds:		
	Central Bank.....	\$375,000	1876
1870	Currency bonds ¹	2,000,000	1872
	Gold bonds ¹	102,000	
1870	Brunswick & Albany R. R.....	1,800,000	1872
	Indorsed bonds:		
	Bainbridge, Cuthbert & Columbus R. R.....	600,000	1872
	Cartersville & Van Wirt R. R.....	275,000	
	Cherokee Valley R. R.....	300,000	
1868-1870	Brunswick & Albany R. R.....	3,300,000	
	Macon & Brunswick R. R.....	600,000	1875
	Alabama & Chattanooga R. R.....		

¹ Issued to redeem overdue bonds and coupons.

This gives a total of \$9,352,000 repudiated debt. There may have been other bonds repudiated, but the record is not clear. The British Corporation of Foreign Bondholders makes an estimate of \$13,500,000 repudiated debt, which includes, in addition to the above, bonds to the amount of about \$4,800,000 issued in 1866.

The work of repudiation accomplished by these various acts was secured for all time, first by constitutional amendment, and then by a new constitution. The clause of the latter relating to the debt reads as follows:

¹ Wm. L. Raymond, *State and Municipal Bonds*, p. 157.

² *The International Review*, vol. 9, p. 569.

³ Items from the *International Review*, vol. 9, p. 573.

⁴ They were made payable in "good and lawful money of the Confederate States." On this account they had no market value and the State failed to recognize them.

"The general assembly shall have no authority to appropriate money, either directly or indirectly, to pay the whole or any part of the principal or interest of the bonds or other obligations which have been pronounced illegal, null, and void by the general assembly and the constitutional amendments ratified by the people on the first day of May, 1877."

Louisiana

The State debt of Louisiana stood at a little more than \$10,000,000 in 1861. This was the remains of a debt contracted in aid of banks and railroads, for levees, for seminary and school funds, for a charity hospital, for aid to the city of New Orleans, and for various trust funds. This debt was increased by another million during the Civil War for purposes not connected with the war. Additional bonds up to 1871 were issued as follows, and for the following purposes:

In 1866 or 1867 for the construction of levees.....	\$1,000,000
In 1866 or 1867 for paying overdue bonds and coupons.....	997,500
In 1867 or 1868 for levees.....	4,000,000
In 1869 and 1870 for levees, the State penitentiary, aid to the Mississippi & Mexican Gulf Ship Canal Co.....	7,000,000
In 1871 to the New Orleans, Mobile & Texas R. R. Co.....	2,500,000

Sufficient additional bonds were issued for various purposes by authority of the legislature of 1871 to bring the total debt in 1871 to about \$42,000,000, although an amendment to the constitution adopted December 15, 1870, limited the debt of the State to \$25,000,000.

By the passage of the act of January 24, 1874, about \$22,000,000 of this debt was repudiated and about \$20,000,000 was scaled down to approximately \$12,000,000. (William L. Raymond, "State and Municipal Bonds," p. 109.) This was accomplished by the declaration of some parts of the debt as unconstitutional on the basis of the debt limitation of \$25,000,000, and by refunding the remainder at the rate of 60 cents on the dollar. The new bonds bore a 7 per cent rate of interest. This was considered too high by many, and a contest on the point raged until 1884, when an amendment to the constitution providing that interest on the consolidated bonds be fixed at 2 per cent for the first five years and at 4 per cent thereafter was passed. Interest on the entire debt up to the date of repudiation was paid, but after that date the State was often in arrears on interest up to 1884. The legislature in that year provided for the payment of the interest on the consolidated debt thereafter.

Arkansas

The debt of the State of Arkansas arose in the following manner: Beginning in 1837 and 1838 bonds were issued to a total amount of more than \$3,500,000 in aid of the Bank of the State of Arkansas and the Real Estate Bank. These banks speedily became insolvent, leaving the payment of the bonds, with accumulated interest, to the State. By 1869 this debt with accumulated interest had reached \$4,225,000. On April 6, 1869, the legislature passed an act funding the matured bank debt and the entire interest due thereon. By January, 1873, new bonds to the amount of \$3,050,000 had been issued under authority of this act.

The same legislature passed an act under which bonds to the amount of \$5,300,000 were issued in aid of railroads. All the roads defaulted in interest payments in 1873. Two million dollars in bonds for the building of levees were also issued at about the same time as those for the railroads. The State allowed the interest to accumulate on all these bonds.

The debt matter was finally settled by an amendment to the constitution passed in September, 1884, after some years of agitation and court cases, declaring that the general assembly should have no power to levy a tax or to make an appropriation to pay the interest or principal of the bonds or the claims upon which they were based, known as the Holford bonds, the railroad-aid bonds, and the levee bonds. This constituted a repudiation in principal amount of about \$7,900,000, which, with accrued interest, amounted to between \$12,000,000 and \$13,000,000. The acts under which these bonds were issued were declared unconstitutional by the Supreme Court.

In addition to the States which actually repudiated all or part of their indebtedness, a number of States scaled down their debts contracted in the same period. In some cases these settlements were accepted by the bondholders, but in others they were arbitrarily carried through. Tennessee, Minnesota, Michigan, and Virginia are included in this list. A discussion of events in each State is presented below:

Tennessee

The State debt of Tennessee was created for the most part under the authority of a series of acts providing for aid to companies engaged in the construction of public improvements, the most important act of which was passed February 11, 1852. Under the authority of these acts State bonds to the amount of \$27,678,000 were loaned to the railroad companies, some being issued before the war and others immediately succeeding it. In addition there was a State debt proper, a portion of which had been created between 1833 and 1838 for the Union Bank and the Bank of Tennessee, between 1848 and 1860 for the building of the capitol, and in 1856 for the agricultural bureau and the purchase of the old home of President Jackson. This State debt proper seems to have been about \$8,000,000 in 1861. The accumulation of interest during the war was funded by the act of 1865, and later accrued interest was funded by the act of 1868. In the legislatures of 1869 and 1870 four acts were passed which resulted in reducing the total debt from about \$43,000,000 in 1870 to about \$28,000,000 in 1874. Pro-

vision for the funding of all coupons and bonds due up to January 1, 1874, was made by the act of March 15, 1873.

After many attempts at compromise, the act of May 20, 1882, provided for the refunding of the debt and accrued interest into a new issue, the face value of which should equal 60 per cent of the total debt. Twelve million dollars of the old debt was refunded under this act, which apparently constituted a scaling down of some \$4,800,000.

The debt question was finally settled by the act of March 20, 1883, which detailed the debt as follows, with the following scale provisions:

State debt proper to be scaled from 20 per cent to 24 per cent and new bonds to bear same interest rate as old bonds, being 6 per cent, 5 per cent, and 5½ per cent:

Capital bonds.....	\$493,000
Hermitage bonds.....	35,000
Agricultural bonds.....	18,000
Union Bank bonds.....	125,000
Bank of Tennessee bonds.....	214,000
Turnpike companies' bonds.....	741,000
Hiwassee R. R. bonds.....	280,000
East Tennessee & Georgia R. R. bonds.....	144,000
Memphis & LaGrange R. R. bonds.....	68,000

12,118,000

Contingent debt to be scaled 50 per cent and the new issue to bear 3 per cent interest:

Antewar railroad bonds.....	8,583,000
Postwar railroad bonds.....	2,638,000
Bonds funded under act of 1866.....	2,246,000
Bonds funded under act of 1868.....	596,000
Bonds funded under act of 1873.....	4,867,000

18,930,000

Bonds funded under act of 1882 to be scaled down in accordance with the above provisions applicable to the class to which they belong, about.....

7,200,000

This constituted a scaling down of about \$19,000,000. The interest from 1875 on all but \$2,118,000 of the debt was repudiated. The new bonds were payable in 30 years and redeemable after five years.

Michigan

On March 21, 1837, the first State legislature authorized a loan of \$5,000,000, the proceeds of which were to be employed in constructing a system of public improvements. The Morris Canal & Banking Co. was hired to sell the bonds as agent for the State. This company turned over a certain amount of bonds to the United States Bank of Pennsylvania, some of which were sold to foreign bankers. Both the Morris Canal & Banking Co. and the United States Bank of Pennsylvania failed and the State of Michigan received full payment for only \$1,387,000 of the bonds. Michigan announced that she would recognize bonds only to the extent to which she had received payment for the same.

The act of February 17, 1842, provided for the payment of \$302.73 in the form of new bonds per \$1,000 of the original bonds for which she had received only partial payment. This, Michigan claimed, represented the actual value received by her. This act constituted a scaling down by Michigan of her debt by practically \$2,500,000 in principal amount. Interest seems to have been paid on the fully paid bonds, and interest up to July, 1841, included in the settlement on the partially paid bonds.

Minnesota

By an act of Congress passed March 3, 1857, a grant of land was made to the Territory of Minnesota to aid in the construction of four railroads. These railroads applied to the State for more aid, the granting of which required an amendment to the Constitution, which was approved by the people April 15, 1858. Under this amendment Minnesota issued \$2,275,000 in 7 per cent bonds, the interest upon which the railroad companies were to pay. The companies defaulted, however, in 1859; the State foreclosed her mortgages and acquired about 250 miles of graded road, the franchises of the companies, and their lands, amounting to about 5,000,000 acres.

The people of the State, judging by their defeat of all attempts of the legislature to settle with the bondholders, were determined to repudiate the entire debt. The legislature of 1881 consequently passed an act constituting the Supreme Court a tribunal to decide the question of the power of the legislature to settle with the bondholders without submitting the matter to the people. The decision of the Supreme Court allowed the legislature to proceed, and an act was passed which provided for the exchange of the old bonds, and interest accrued thereon, for new bonds at the rate of \$50 of the former for \$100 of the latter, the new bonds to be dated July 1, 1881, with interest at 5 per cent. This constituted a scaling down of the debt by \$1,137,500, plus 50 per cent of the accrued interest, which amounted to about \$1,751,750.

Virginia

The Civil War left the old State of Virginia an enormous debt. In 1861 it amounted to more than \$33,000,000, and with accrued interest, on January 1, 1870, to more than \$45,000,000. The debt was refunded and accrued interest funded under the act of 1871 at 6 per cent interest. Under this act Virginia agreed to recog-

nize about \$31,000,000 of this debt—the other one-third, or about \$15,000,000, she claimed was the share of West Virginia, which had become a separate State in 1863. The legislature of 1872 attacked the funding act of 1871, an attack which was renewed at intervals for 16 years. The controversy centered around the scaling down of the debt, the rate of interest on the debt, and whether or not coupons from the bonds should be receivable for taxes and other dues to the State.

The famous Riddleberger Act of 1882 provided for the scaling down of a debt of some \$31,000,000 to about \$19,500,000. The scaling down was justified in the following manner: The estimated debt at the time of the passage of the funding act of March 30, 1871 (a little more than \$45,000,000), included about \$15,000,000 of capitalized interest, or about one-third of the debt as at that time reckoned.

Not only was the debt, therefore, too large by \$15,000,000, but also by the interest on that sum which had accumulated and been funded; so the total justified debt was claimed to be about \$19,500,000 at that date. Only about \$14,000,000 of bonds were presented for exchange under this act, so that some \$9,000,000 new bonds were issued. (Information furnished by second State auditor of Virginia for A National Survey of State Debts and Securities, compiled by Bank of America.)

The act of February 18, 1892, brought a final settlement of the debt question. The scaling down was again justified on the principles of the Riddleberger bill. The issue of a maximum amount of \$19,000,000 was provided for to be exchanged for the outstanding obligations of the State mentioned in the Riddleberger Act (other than those held by schools and colleges) now in the hands of the public, but not including bonds already funded under this act, such new bonds to run for 100 years and to bear 2 per cent interest for 10 years and 3 per cent interest for 90 years. The coupons were not to be receivable for taxes, and the old bonds were exchangeable for the new at the rate of 28 of the former for 19 of the latter.

The total amount of the debt to which this act applied was considered to be about \$28,000,000. (William L. Raymond, State and Municipal Bonds, p. 170.) The operation of the above provisions constitutes a scaling down of about \$9,000,000.

West Virginia

The part of the Virginian debt assigned to West Virginia was not recognized by the latter State until 1919. The representatives of the two States had never been able to agree on West Virginia's obligation, and West Virginia had refused to do anything about the matter. On June 14, 1915, the Supreme Court decided that the total amount due by West Virginia, including interest up to July 1, 1915, was \$12,393,929.50. (Information regarding the payment of West Virginia debt from the biennial report of the treasurer of West Virginia, 1919-20.) The court further decreed that this amount should draw interest at 5 per cent until paid. The total of principal and accrued interest on January 1, 1919, was \$14,562,867.16. As a result of this decision the West Virginia Legislature, at its regular 1919 session, passed a law providing for the settlement of the debt under the following terms: West Virginia was to pay Virginia \$1,062,867.16 in cash and \$13,500,000 in 20-year 3½ per cent bonds. The cash payment was made on April 18, 1919, and the bonds were delivered on July 3, 1919, except \$1,133,500 held in escrow by the State Board of Public Works pending the filing of the balance of the outstanding Virginia debt certificates.

ABSENCE OF A QUORUM

Mr. BANKHEAD. Mr. Speaker, important matters are coming up, and I suggest the absence of a quorum.

The SPEAKER. The gentleman from Alabama makes the point of order that there is no quorum present. The Chair will count.

Mr. BANKHEAD (interrupting the count). Mr. Speaker, I withdraw the point of order of no quorum.

RECONSTRUCTION FINANCE CORPORATION

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7360) to provide emergency financing facilities for financial institutions, to aid in financing agriculture, commerce, and industry, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to a conference.

The SPEAKER. The gentleman from Alabama asks unanimous consent to take from the Speaker's table the bill H. R. 7360, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

Mr. LA GUARDIA. Mr. Speaker, reserving the right to object, I note that the Senate adopted an amendment, the so-called 5 per cent amendment, reducing the amount of a loan to any one borrower to \$100,000,000. If it is proper, may I ask the gentleman from Alabama whether he expects

¹ Plus accrued interest to July, 1883 (about \$1,000,000).

to resist that amendment, or will we have an opportunity to vote upon it should the committee disagree?

Mr. STEAGALL. I can not give a definite answer to that. I can not speak for the conferees in respect to their action on the provision. There are quite a number of disagreements between the two Houses, and it is impossible to answer the gentleman's question as he may desire. I say this personally, that I do not look upon that difference as of such transcendent importance as to prevent an agreement between the two Houses.

Mr. LA GUARDIA. Of course a matter of \$100,000,000 is not very important.

Mr. STEAGALL. Oh, the gentleman does not understand me. I did not say the amount of \$100,000,000 was unimportant, but I spoke of the difference between the Houses as not being of such transcendent importance as to prevent an agreement.

Mr. LA GUARDIA. I believe the gentleman is convinced at this time that a majority of the membership of the House is in favor of putting that limitation upon it. It almost passed in the House.

Mr. BACON. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. BACON. As a matter of fact, did not the gentleman from New York [Mr. LA GUARDIA] offer a motion to recommit on that point, and the House has already expressed itself on the point by voting down the resolution offered by the gentleman from New York [Mr. LA GUARDIA]?

Mr. STEAGALL. That is true, but the matter is still in disagreement between the two houses to be settled in conference.

Mr. BACON. In other words, it seems to me that the conferees ought to follow the expressed will of the House as it was shown by the vote which came on the motion to recommit.

Mr. LA GUARDIA. Mr. Speaker, further reserving the right to object, may I propound a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. LA GUARDIA. Would it be proper at this time to move to concur in the Senate amendment covering the subject upon which I interrogated the gentleman from Alabama?

The SPEAKER. Not at the present moment.

Mr. CRISP. Mr. Speaker, may I say under the strict letter of the rules of the House, this amendment would go to the Committee on Banking and Currency for the committee to consider it. This matter now is not privileged. The committee must first consider it and report it back. The gentleman from Alabama [Mr. STEAGALL] is asking unanimous consent to take up the bill and disagree to the amendments and agree to the conference asked. Clearly, under those conditions, it is not in order to move to concur in the amendment. The matter does not come before the House unless this unanimous consent is granted.

Mr. SNELL. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. SNELL. I think this bill should go to conference at the earliest possible moment. I think we can trust the House conferees in this matter, and as far as I am concerned, I hope there will be no objection.

The SPEAKER. Is there objection?

Mr. LA GUARDIA. Further reserving the right to object, Mr. Speaker, five minutes, more or less, is not going to disturb the condition of the country on this \$2,000,000,000 proposition. Nobody in this House likes that bill, and I would like to have some more reassuring statement from the gentleman from Alabama [Mr. STEAGALL] that we will have an opportunity to pass upon that amendment before we lose control of it.

Mr. STEAGALL. As has been clearly stated by the gentleman from Georgia [Mr. CRISP], there is nothing in the parliamentary situation that will deprive the gentleman from New York of the full right, if he desires again to test the sentiment of the House, with reference to that provision of the bill.

Mr. LA GUARDIA. Then, for the present, I shall object to the gentleman's request.

Mr. CRISP. Mr. Speaker, may I say I am anxious to have this go to conference. If unanimous consent is given to the request of the gentleman from Alabama to disagree to the Senate amendments and agree to the conference requested, immediately, before the conferees are appointed, the gentleman from New York can offer a motion to instruct the conferees as to that particular matter, and thereby he will have a chance for the House to go on record.

Mr. LA GUARDIA. Mr. Speaker, I will follow that suggestion.

Mr. JONES. Mr. Speaker, further reserving the right to object, I hope the conferees will insist on the House amendment which definitely allocates a portion of this fund to agriculture, and I hope also the conferees will be disposed to agree to the Senate amendment known as the Smith amendment, which the House evidently favored, but which it was not given an opportunity to vote upon.

Mr. STEAGALL. I am sure the gentleman from Texas needs no assurance from the chairman of the committee as to his personal views with reference to that feature of the legislation, and the gentleman may also fortify his faith by recalling the fact that the chairman of the Committee on Banking and Currency attempted to offer, in fact, did offer, this particular amendment in the House and it went out on a point of order. So the gentleman can find in the RECORD ample basis for faith in the committee, though, of course, I can not say in advance what will be done by the conference committee.

The SPEAKER. Is there objection?

Mr. SABATH. Reserving the right to object, I desire some information from the chairman of the committee. Many Members of the House have been interested in securing the adoption of an amendment that would relieve the condition of our municipalities. It has been ruled out on a point of order. I am wondering whether there is any way on the part of the conferees to embody that provision in the bill before it is finally brought back to the House.

Mr. STEAGALL. The parliamentary situation is such that the conferees have no jurisdiction whatsoever over that question. That is not in conference. The gentleman's only remedy will be by new legislation.

Mr. SABATH. And the chairman is ready to help us out in that respect, I take it?

Mr. STEAGALL. Well, that is another matter. I could not attempt to go into that at this time.

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

Mr. LA GUARDIA. Mr. Speaker, I have a preferential motion.

The SPEAKER. The gentleman from New York [Mr. LA GUARDIA] offers a preferential motion, which the Clerk will report.

The Clerk read as follows:

Mr. LA GUARDIA moves to instruct the conferees to agree to the Howell amendment to the Senate bill, which provides that the limit of a loan to any one borrower is 5 per cent of the capital stock and outstanding bonds of the corporation.

Mr. STEAGALL. Mr. Speaker, I move the previous question on that motion.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion of the gentleman from New York to instruct the conferees.

The question was taken; and on a division (demanded by Mr. LA GUARDIA) there were—ayes 69, noes 71.

Mr. LA GUARDIA. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 183, nays 157, answered "present" 1, not voting 92, as follows:

[Roll No. 13]

YEAS—183

Allgood	Drane	Kading	Parks
Almon	Drewry	Karch	Parsons
Arentz	Driver	Keller	Patman
Arnold	Eslick	Kniffin	Patterson
Ayres	Evans, Mont.	Kopp	Person
Baldrige	Fishburne	Kvale	Pittenger
Barton	Flannagan	LaGuardia	Polk
Beam	Frear	Lambertson	Ragon
Blanton	Fulbright	Lamneck	Ramspeck
Boehne	Fulmer	Lanham	Rankin
Bolleau	Gambrill	Lankford, Ga.	Rayburn
Boland	Garber	Larrabee	Robinson
Brand, Ohio	Gasque	Lewis	Romjue
Briggs	Gilchrist	Lichtenwalner	Rutherford
Buchanan	Gillen	Linthicum	Sabath
Bulwinkle	Glover	Loofbourow	Sanders, Tex.
Burch	Granfield	Lovette	Sandlin
Burtness	Green	Lozier	Schneider
Butler	Gregory	McClintic, Okla.	Shallenberger
Byrns	Griswold	McCormack	Shannon
Cable	Guyer	McCugin	Simmons
Campbell, Iowa	Haines	McKeown	Sinclair
Canfield	Hall, Miss.	McReynolds	Strovich
Cannon	Hall, N. Dak.	McSwain	Spence
Carden	Hardy	Maas	Stafford
Cartwright	Harlan	Major	Summers, Wash.
Chavez	Hart	Manlove	Summers, Tex.
Cochran, Mo.	Hastings	Mansfield	Swank
Collier	Haugen	Mapes	Tarver
Collins	Hill, Wash.	Martin, Oreg.	Taylor, Colo.
Condon	Hoch	May	Taylor, Tenn.
Cooper, Tenn.	Hogg, Ind.	Mead	Thomason
Cox	Hogg, W. Va.	Miller	Thurston
Crail	Holiday	Milligan	Tucker
Crisp	Hope	Mitchell	Underwood
Crosser	Hopkins	Montague	White
Crowe	Hornor	Moore, Ky.	Whittington
Davis	Howard	Morehead	Williams, Tex.
DeRouen	Huddleston	Murphy	Williamson
Dickinson	Jacobsen	Nelson, Mo.	Wilson
Dies	James	Nolan	Wingo
Dieterich	Jeffers	Norton, Nebr.	Withrow
Dominick	Johnson, Mo.	Oliver, Ala.	Wolfenden
Douglass, Mass.	Johnson, Okla.	Owen	Wright
Dowell	Johnson, Tex.	Palmisano	Yon
Doxey	Jones	Parker, Ga.	

NAYS—157

Abernethy	Cooper, Ohio	Houston, Del.	Rogers
Adkins	Coyle	Hull, Morton D.	Rudd
Aldrich	Darrow	Jenkins	Schafer
Allen	Davenport	Johnson, Wash.	Seeger
Andrew, Mass.	Delaney	Kahn	Seiberling
Andrews, N. Y.	Dickstein	Kelly, Pa.	Shott
Bacharach	Disney	Kendall	Smith, Idaho
Bachmann	Doughton	Kurtz	Smith, W. Va.
Bacon	Dyer	Lambeth	Snell
Bankhead	Eaton, Colo.	Lankford, Va.	Snow
Barbour	Eaton, N. J.	Leavitt	Somers, N. Y.
Beck	Englebright	Leach	Stalker
Beedy	Erk	Lehibach	Steagall
Beers	Estep	Lindsay	Stevenson
Bloom	Evans, Calif.	Loneragan	Stewart
Bohn	Fiesinger	Luce	Strong, Kans.
Bolton	Finley	McClintock, Ohio	Strong, Pa.
Bowman	Fish	McFadden	Sullivan, N. Y.
Brand, Ga.	Fitzpatrick	McLaughlin	Sutphin
Britten	Foss	Magrady	Swanson
Browning	Free	Martin, Mass.	Swing
Brumm	French	Michener	Temple
Busby	Gavagan	Millard	Thatcher
Campbell, Pa.	Gibson	Moore, Ohio	Tilson
Carter, Calif.	Gifford	Mouser	Timberlake
Cavichia	Goldsborough	Nelson, Me.	Tinkham
Celler	Goodwin	Niedringhaus	Underhill
Chapman	Goss	Norton, N. J.	Vestal
Chindblom	Hadley	Oliver, N. Y.	Vinson, Ga.
Chiperfield	Hall, Ill.	Parker, N. Y.	Warren
Christopherson	Hancock, N. Y.	Partridge	Wason
Clague	Hancock, N. C.	Perkins	Weaver
Clancy	Hartley	Pou	Weich, Calif.
Clark, N. C.	Hawley	Prall	Whitley
Clarke, N. Y.	Hess	Pratt, Harcourt J.	Williams, Mo.
Cochran, Pa.	Hill, Ala.	Pratt, Ruth	Wolcott
Cole, Md.	Hollister	Rainey	Wood, Ind.
Colton	Holmes	Ramseyer	
Connery	Hooper	Ransley	
Cooke	Horr	Reilly	

ANSWERED "PRESENT"—1

Griffin

NOT VOTING—92

Amlie	Carley	Crowther	Fernandez
Andresen	Carter, Wyo.	Crump	Freeman
Auf der Helde	Cary	Culkin	Fuller
Black	Chase	Cullen	Garrett
Bland	Christgau	Curry	Gilbert
Boylan	Cole, Iowa	Dallinger	Golder
Brunner	Connolly	De Priest	Granata
Buckbee	Corning	Douglas, Ariz.	Greenwood
Burdick	Cross	Doutrich	Hare

Hull, William E.	Ludlow	Reid, Ill.	Treadway
Igoe	McDuffie	Rich	Turpin
Johnson, Ill.	McLeod	Sanders, N. Y.	Vinson, Ky.
Johnson, S. Dak.	McMillan	Schuetz	Watson
Kelly, Ill.	Maloney	Selvig	Weeks
Kemp	Montet	Shreve	Welsh, Pa.
Kennedy	Nelson, Wis.	Smith, Va.	West
Kerr	O'Connor	Sparks	Wigglesworth
Ketcham	Overton	Stokes	Wolverton
Kinzer	Peavey	Sullivan, Pa.	Wood, Ga.
Kleberg	Pettengill	Sweeney	Woodruff
Knutson	Purnell	Swick	Woodrum
Larsen	Quin	Taber	Wyant
Lea	Reed, N. Y.	Tierney	Yates

So the motion to instruct the conferees was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Christgau (for) with Mr. Shreve (against).
 Mr. Schuetz (for) with Mr. Connolly (against).
 Mr. Cross (for) with Mr. Kleberg (against).
 Mr. Johnson of South Dakota (for) with Mr. Douglas of Arizona (against).

Until further notice:

Mr. Woodrum with Mr. Welsh of Pennsylvania.
 Mr. McDuffie with Mr. Reed of New York.
 Mr. Cullen with Mr. Culkin.
 Mr. Garrett with Mr. Turpin.
 Mr. Kerr with Mr. Reid of Illinois.
 Mr. Sweeney with Mr. Watson.
 Mr. Montet with Mr. Buckbee.
 Mr. Carley with Mr. Golder.
 Mr. Quin with Mr. McLeod.
 Mr. Greenwood with Mr. Purnell.
 Mr. Larsen with Mr. Wyant.
 Mr. Vinson of Kentucky with Mr. Wolverton.
 Mr. Bland with Mr. Treadway.
 Mr. O'Connor with Mr. Rich.
 Mr. Corning with Mr. Crowther.
 Mr. Smith of Virginia with Mr. Doutrich.
 Mr. Crump with Mr. Curry.
 Mr. Boylan with Mr. William E. Hull.
 Mr. Overton with Mr. Kinzer.
 Mr. Fuller with Mr. Johnson of Illinois.
 Mr. Hare with Mr. Woodruff.
 Mr. Wood of Georgia with Mr. Weeks.
 Mr. Kemp with Mr. Swick.
 Mr. West with Mr. Yates.
 Mr. Pettengill with Mr. Wigglesworth.
 Mr. Black with Mr. Taber.
 Mr. McMillan with Mr. Dallinger.
 Mr. Brunner with Mr. Sullivan of Pennsylvania.
 Mr. Maloney with Mr. Chase.
 Mr. Auf der Helde with Mr. Carter of Wyoming.
 Mr. Fernandez with Mr. Andresen.
 Mr. Tierney with Mr. Cole of Iowa.
 Mr. Cary with Mr. Burdick.
 Mr. Gilbert with Mr. Freeman.
 Mr. Lea with Mr. Knutson.
 Mr. Kelly of Illinois with Mr. Ketcham.
 Mr. Igoe with Mr. Nelson of Wisconsin.
 Mr. Kennedy with Mr. Sanders of New York.
 Mr. Ludlow with Mr. Stokes.
 Mr. Amlie with Mr. Granata.
 Mr. Sparks with Mr. De Priest.
 Mr. Peavey with Mr. Selvig.

Mr. CROSS. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman in the Chamber and listening when his name was called?

Mr. CROSS. No; I was at lunch.

The SPEAKER. The gentleman does not qualify.

Mr. KETCHAM. Mr. Speaker, I was temporarily absent from the Hall on department business. Had I been present, I would have voted "yea."

Mr. KLEBERG. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman in the Chamber and listening when his name was called?

Mr. KLEBERG. No; I was at lunch.

The SPEAKER. The gentleman does not qualify.

Mr. YATES. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman in the Chamber and listening when his name was called?

Mr. YATES. No, Mr. Speaker.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

The SPEAKER. The Chair appoints the following conferees: MESSRS. STEAGALL, BRAND of Georgia, STEVENSON, McFADDEN, and STRONG of Kansas.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

AGRICULTURAL APPROPRIATION BILL

Mr. BUCHANAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7912) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1933, and for other purposes. Pending that motion, Mr. Speaker, I ask unanimous consent that the time for general debate may be equally divided and controlled by the gentleman from Nebraska [Mr. SIMMONS] and myself.

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

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7912) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1933, and for other purposes, with Mr. McCORMACK in the chair.

The Clerk read the title of the bill.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SIMMONS. Mr. Chairman, in order that the gentleman from Indiana [Mr. Wood] may attend a committee meeting at 2 o'clock, I now yield the gentleman from Indiana 30 minutes.

Mr. WOOD of Indiana. Mr. Chairman, I was surprised, and I suspect many Members of the House were surprised, and I feel the country was astounded, when on the 11th day of this month the Washington Post published a statement setting forth the number of measures that had already been introduced in this House. We had then actually been in session about one month. These measures, if enacted into law, would authorize appropriations in the staggering sum of very nearly \$30,000,000,000.

Of course, I realize that many of these measures were introduced, making up this great amount, when the authors of them did not expect them to become law. Many of them, however, were introduced, I dare say, in good faith.

No matter what the purpose of the authors of these measures may have been, I think this is a most unfortunate time to introduce them in this session of the Congress. The whole country is not as well aware of the workings of the Congress as we who participate in its deliberations. A very bad impression, indeed, goes out over the country when in this, the most distressful period through which our country has ever passed, and when all of the eyes of the Nation are turned on the Congress as they were never turned before looking for relief, to see that within 30 days of actual sessions measures amounting to more than \$29,000,000,000 are introduced.

I was amazed in looking over this statement to see who the various authors of these measures were to find that one gentleman—and I am pleased that he is not a Member of this House, but at the other end of the Capitol, who but a few days before had criticized the President of the United States in the severest possible language, and had criticized the administration as being a most extravagant administration and the President as being the most extravagant President that had ever occupied that position—according to this statement had introduced measures in the Senate of the United States which if enacted into law would carry \$860,000,000. For construction of post offices he provides \$300,000,000; canal across Nicaragua, a thing that is not needed now and will not be needed, in my opinion, in 100 years, \$150,000,000; aid to agriculture, \$100,000,000; veterans' insurance relief, \$60,000,000; amendment to veterans' act, \$250,000,000.

How this gentleman within a very few days after he had criticized the administration and the President for extrava-

gance could introduce measures aggregating more than \$800,000,000 is beyond my ken.

Mr. SIMMONS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SIMMONS. A number of us did not understand the name of the person to whom the gentleman referred.

Mr. WOOD of Indiana. Of course, I am not permitted to say; but if I were to guess his name, I would say it is McKELLAR, of Tennessee.

Mr. OLIVER of New York. Mr. Chairman, I make a point of order on the gentleman's remarks as reflecting on a Senator of the United States.

Mr. WOOD of Indiana. I am not reflecting on him. I am merely stating facts.

Mr. OLIVER of New York. I think the remarks in themselves show such a reflection; and if the gentleman thinks he is not reflecting, I am afraid he is not exercising very good judgment himself.

The CHAIRMAN. The gentleman from Indiana will proceed in order.

Mr. WOOD of Indiana. Mr. Chairman, I wish as briefly as I may to point out some of the abuses against the Treasury of the United States which I think it is high time for us to remedy. We are directly the cause of these abuses; and if they are abuses or if the laws which we passed in good faith, thinking there would be no abuse, we now find are being abused, it is up to us to amend them, and most of them can only be remedied by affirmative legislation.

I wish to call attention to several such items. First, if no person making an income-tax return were entitled to receive allowances or pensions, there would be a saving to the Treasury of the United States of \$24,500,000.

Think of this. There are persons who are drawing compensation and pension who are paying income taxes into the Treasury of the United States, whereas if such compensations and pensions were not paid the sum would aggregate \$24,500,000. I admire patriotism in war, I admire patriotism in peace; but I say it is a poor exposition of patriotism for any man in the United States who is sufficiently able to pay an income tax to draw out of the Treasury compensation or pension, and there are so many of them that they are drawing out of the Treasury of the United States \$24,500,000 a year.

If no person employed by the Federal Government were entitled to such allowances, there would be a further saving of \$12,000,000.

We have case after case called to the attention of this House, cases that have come to you and to me in private conversation or through communications, of men who are drawing total disability pensions that are in the employ of the Government, some of them receiving as much as \$7,000 a year.

I call your attention to a letter I received on the 9th day of this month:

LINCOLN, NEBR., January 9, 1932.

Representative Wood,

Washington, D. C.

DEAR SIR: I am inclosing to you an article from the Lincoln Star dated June 15, 1931. According to this article one of the officials of the Veterans' Bureau of Lincoln, Nebr., has been awarded \$150 a month compensation from the Government.

At the time this claim was allowed this official was working for the Veterans' Bureau at a salary of \$3,300 a year.

I have heard it said a number of times that a good many of the Veterans' Bureau officials and employees draw compensation, but still they are able to follow a gainful occupation working for the Veterans' Bureau.

Every year Congress appropriates hundreds of millions of dollars (and each year it increases) which is put at the disposal of the Veterans' Bureau for the World War veterans' relief. A very small percentage of this money is received by the ex-soldier who did actual fighting on the battlefields of France.

The largest percentage is used to pay overhead and compensation to ex-soldiers who never saw foreign service.

There are hundreds of ex-soldiers scattered over the United States who were wounded and gassed and lost their health on the battlefields of France who at the present time do not receive any aid from the United States Government for their service rendered for their country.

These same ex-soldiers who were wounded are paying taxes to the Federal Government, taxes which go to pay compensation to a lot of ex-soldiers who never tasted the pains of war or left the

shores of the United States, and some of whom had served only a few days in some Army camp.

In every locality you will find ex-soldiers who have been wounded and gassed and who have lost their health in foreign service, and at the present time their only means of existence is the few miserable crumbs that charity gives them, for them and their dependents. As a taxpayer, I think the Veterans' Bureau should be discontinued or new management put over it.

Now, my dear friend, if you think you have been misinformed, just take the matter up and investigate, and I think you will find the truth has been revealed to you.

If you will please read this to the United States Congress, it will be appreciated by an ex-soldier who saw actual service on the battlefields of France.

I remain,

Yours respectfully,

JOHN CHANEY,
3108 North Fortieth Street, Lincoln, Nebr.

I have another one here that reads as follows. These are not anonymous letters. They are all signed:

STATE OF MICHIGAN,
THE CRIME COMMISSION,
St. Joseph, January 9, 1932.

Hon. WILLIAM WOOD,
Washington, D. C.

DEAR MR. WOOD: I cut the inclosed clipping from last night's local paper. You have certainly hit the nail on the head in regards to payments to veterans.

The Government has gone crazy and it is a disgust to see how some of the veterans are getting their hands into the United States Treasury while holding Government jobs or State jobs.

In the local post office at Benton Harbor there are four or five veterans drawing more pay than they ever received in their life from the United States Government and could not go out and get a job at one-half the pay they are receiving from the United States Government, and at the same time are receiving pensions from the United States Government, while under civil service and holding jobs for life.

My God! How much longer can the American people stand this outrage? If you want, I can give you the names of these veterans, some of whom never smelt gunpowder and never cocked a gun.

Hoping you will continue your fight and have these cases struck from the pension roll by an amendment to the pension act, I am,
Yours very sincerely,

WILLARD J. BANYON.

P. S. I know of one Spanish War veteran who is drawing a salary of \$4,200 a year as a secretary of a chamber of commerce and is receiving a pension, and another receiving a salary of \$200 to \$250 a month and receiving a pension.

Here is another:

WASHINGTON, D. C., January 9, 1932.

Hon. WILL R. WOOD,
Washington, D. C.

DEAR SIR: I am from Evansville, Ind., and have just completed an 8-week course of treatment at naval hospital here through Veterans' Administration, and was much interested in articles today in newspapers quoting your ideas regarding economizing in Government departments, especially those in connection with veterans' compensation and disability allowances, and heartily agree with you that anyone paying income tax should not be entitled to Government pensions, regardless of whether it is a soldiers' allowance or any other sort of pension.

I am a veteran, and am sorry to say, after seeing the "workings" of the Veterans' Administration, I lost some of my admiration for the Government, and am ashamed to see some of the things pulled off for the benefit of the few.

As an illustration—and you can easily verify these statements by a little inquiry—the Veterans' Administration maintains a contact officer at naval hospital, which is within 10 minutes' walk of Veterans' Bureau, whose duties seem to be usually to read magazines and refer veterans to the bureau to settle any claims they may have.

This man, according to the records, draws a pension of \$150 per month (I don't know on what grounds), also a salary of \$2,700 per year from the Government. Many veterans actually hungry would be glad to have the job at half the salary and claim no pension at all.

Look this man over and see if he looks disabled or earns his salary or big pension, and then look at some of the poor, ragged devils drawing \$18 per month and no job or anywhere to go when discharged from hospital.

Here is another picture: To my knowledge there are at least two patients at this same hospital that have been there for years, both drawing \$150 and more a month compensation. One of them has a wife employed at Veterans' Bureau at a good salary. He stays at hospital, not for treatment but to save money. He is "bothered" with asthma, but never misses a show or any other performance. Another there draws \$150 or more and is a regular attendant at all race meets or poker games. The hospital is merely a convenient place to get free board and room. This one has no dependents, and is "suffering" with an inherited disease that does not interfere with his operations.

Please understand me, I don't claim these men are able to work and earn a living, but the Government is paying them

LXXV—144

enough to enable them to live comfortably, and yet through some "pull" or connection they keep a bed and place to eat in addition to their compensation.

It is not fair at all; as thousands are really sick and on the waiting list for hospitalization that have no income and are confident their Government is doing all it can for them, while it really is catering to a few and leaving the ones really needing go.

Thank God, I am fortunate enough to have sufficient means of supporting myself at present. But if I were in the shoes of some of the poor ones that have even more claim than those I mentioned, and are turned out cold and ragged, I would see "red."

The main trouble with the Veterans' Administration is a few are "hogging" it all, and cause you gentlemen to think the veteran is well cared for, when that is not true.

Neither legally nor morally has any man or woman any right for a claim for pension, compensation, or disability allowance that earns or has an income of \$2,000 a year or more when others are hungry, and neither has anyone a right to occupy a hospital bed that is drawing \$100 a month, just for a convenient place to live.

Seeing and learning what I have in the past two months has opened my eyes. The shrewd, sharp, able boys are simply making it a racket, while the great majority of deserving but ignorant and trusting veterans are still wondering what it is all about. I think anyone fair will agree that a \$2,000 yearly income from any source would void any pension claim, and \$1,000 yearly should void claimants with no dependents.

You may think it strange a veteran would have such ideas. But I am thinking about what I would be up against if I were down and out, ragged and hungry, and had a case of real merit or was in the same fix, but really sick, in need of medical care, but denied, because of the hospitals being filled with folk as described above.

I know none of those described personally, but did check them carefully, and you can easily verify my statements by calling the naval hospital and asking for a list of patients (not bed patients) they have had over a year. You can check contact officer's salary and pension from public records.

I am writing you because I wish you to know the great bulk of veterans' expenditures are going not to those that need it but to those that "know enough to get it." Stand out, Mr. Wood, for no Government pension or allowance for those with sufficient income to live on, and those drawing enough to live on to get out and give those drawing not enough to exist on.

That goes both as to jobs and occupying sleeping space at veterans' hospitals.

But you must remember those fellows are smart and are hard to "get at," as they usually have influential connections, and it takes a real fearless man to get after them.

Believe me, with best wishes for you and pulling for more for needy vets and less for those not needing.

Yours sincerely,

IRA L. HOOPER.

EVANSVILLE, IND., Route 2.

Mr. MANLOVE. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. MANLOVE. Would the correction of these incongruities which the gentleman has outlined, and which he says would save the Government \$24,000,000 a year, equal the amount that it is proposed in certain other measures now introduced in Congress to offset the salary reduction?

Mr. WOOD. No; but it would go a long way.

Mr. MANLOVE. I wondered whether it would be enough to meet that amount.

Mr. WOOD. No; it would not meet that amount. The newspaper clipping referred to in the letter from St. Joseph, Mich., reads as follows:

PUBLIC PAY ROLL

The cartoon on this page expresses quite clearly the attitude of the public on the one hand and of the politician on the other in the matter of governmental expenditures. Facing a further increase of the already heavy tax burden the public demands the elimination of waste and inefficiency through curtailment in the salaries and personnel of Federal officeholders. Four hundred and forty Representatives and 96 Senators in Congress look over the pay roll, and seeing the names of relatives and friends whom for political reasons or otherwise are holding public office at their behest, advance flimsy excuses for maintaining the present standard of salaries and the present personnel of the pay roll, including, of course, their own salaries. While before them is the tragic picture of 7,000,000 men out of employment and in distress. And in face of the fact that in practically every avenue of human enterprise and endeavor other millions of men and women workers have and are making sacrifices to maintain themselves, their families, and their Government.

Appearing before the members of the House Ways and Means Committee, Under Secretary of the Treasury Ogden Mills told the committee on Wednesday "that the Federal Government must stop the 'cowardly policy' of borrowing and adopt tax increases sufficient to balance the Budget." Stressing the emergency that faces the credit and the stability of the Government with its deficit of upwards of \$2,000,000,000 he emphasized that the Government must live within its income, and warned Congress that it must practice not merely self-restraint but self-sacrifice.

Thorough in his presentation of fact and logical in his deductions and argument based upon the facts, as revealed in the report of the Treasury Department, he said further:

"We are fully justified in calling upon the people to make further sacrifices in order to supply their Government with adequate revenue, but we are justified only in making this call if at the same time we eliminate every unnecessary expenditure and see to it that just as enforced economy prevails in every home in the land so must it be observed in every operation of the Federal Government."

The warning of Mr. Mills is timely. Sanity and patriotism on the part of the Members of Congress, that exalted sense of patriotism that is expected of the people of the country, and in which they never have and never will fail their Government, demands, first, that Congress put its own house in order by paring down the Government pay roll, beginning with its own; and second, that as the legislative branch of the Government it cease its unrestrained and destructive "racket" upon the Public Treasury; and third, that it function within its sphere, not as the branch of a paternalistic and bureaucratic government but rather as a great democracy of a great people, as was intended by its founders.

Here is another abuse. If all the inmates of the soldiers' homes or hospitals to-day were required to turn over all loans and pensions except \$20 a month for a single person and \$60 for a married person, there would be an addition of \$8,900,000.

Think of it. The hospitals of the country are being filled by men who are paid disability pensions and they are not contributing one cent toward the upkeep of these institutions.

Under the old law, following the Civil War and the Spanish-American War, when soldiers of these wars entered a Government or a State hospital, or a Government or a State soldiers' home, they took all of his pension away from him except a small amount if he was a single man and less if he was a married man. A single man has no expenses in the hospital—he is furnished with everything except the clothing he wears, and \$20 a month would be more than sufficient to furnish his needs. On the other hand, for a married man \$60 a month when he is there helpless would be sufficient to contribute to his family, and the remainder should go to the institution that gives him a home.

Now, here is another thing. It applies to the Federal Treasury and the various State treasuries.

The Board of Vocational Training is costing the Federal Government \$10,000,000 a year, and imposing the same expenditure upon the States. To my mind that should be abolished entirely. We could thus save \$10,000,000 to the Treasury of the United States and \$10,000,000 to the various States of the United States that are participating under that act.

Mr. COCHRAN of Missouri. Did the gentleman vote against the bill brought in in the last Congress to increase that amount of money?

Mr. WOOD of Indiana. I did; and I have been opposing it and I am now opposing it. I think it should be abolished. This paternalism that has been growing here year after year and mounting higher and higher with each session of Congress should be brought to an end, and the best way to do it is to correct the mistakes that we have made by rectifying them now when we have the best excuse in the world for doing so, when we have to economize wherever possible, and chop off these paternalistic functions.

The closing of the Charleston Navy Yard and the Boston Navy Yard, whose closing has been recommended by the technical officers of the Navy, would save the Government \$2,000,000 a year. Why in the world are we keeping these things up when the Navy itself says that we have no need for them?

The closing of the Army posts that has been recommended by the War Department would save \$2,000,000 more a year. You gentlemen who have had experience with the War Department know that they do not give up anything as long as they can hold to it. Yet they have advised the closing of sufficient posts that are obsolete or obsolescent that would result in a saving to the United States Government of \$2,000,000 a year.

What would be the result of such an attempt? When the committee that has to do with making appropriations for

the Army brings in its bill and suggests a closing of these posts every Member of this House, with a few exceptions that I know of now, who has one of these forts in his district will be here trying to get it put back in the bill again. It is time for us to overcome our own selfish purposes, it is time for us to overlook the selfish purposes of our districts, for the betterment of this Government. I remember, and many of you older men here remember, when we had what is called the United States pension commissioners, a creation of the Civil War. We had them in every State of the Union. They were a pure sinecure. They served no useful purpose, yet it took years and years and years to abolish them. Since I have been in the Congress, when the sub-treasuries of the United States became useless after the creation of the reserve system, we tried again and again to abolish them. We finally succeeded when the Members of this Congress realized the utter uselessness of them and the outlay and waste of money in keeping them up.

Another thing I adverted to the other day and repeat now is that if you will abolish the transport system carried on by the Army and the Navy you will save the American people \$2,000,000 more a year, and aside from that you can do a duty to the merchant marine of the country and to the people of the country who are not permitted to participate in competition with these transports of the United States.

This brings me to another item about which there has been and no doubt will be considerable controversy. I can not understand why the Government clerks who are being paid out of the Treasury of the United States are so insistent that their salaries shall not be decreased. It is absolutely inconsistent with everything, with existing conditions, with conditions that are prevailing throughout the United States and throughout the rest of the civilized world. Every nation on the face of the earth of any consequence has reduced the salaries of its Federal employees except the United States. Many of the States have likewise done it. Many of the cities have done it, and some of them are now undertaking to do it, and why the salaries of the Federal employees of this Government should be kept up on the basis on which they are now being paid I can not understand. We all know that their salaries were increased four times during and since the war because of the high cost of living. The cost of living has gone down. In some instances it has been reduced as much as 50 per cent, and in many 20 to 30 per cent. Yet these people insist that their salaries shall not be reduced. They have been advocating through the press that they should not be reduced because the President of the United States is opposed to their reduction. That is a mistake, and it should not be uttered again. The President of the United States is not opposed to a reduction of these salaries.

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

Mr. WOOD of Indiana. Yes.

Mr. GIBSON. Can the gentleman tell us what the aggregate of the pay roll of the Government of the United States is?

Mr. WOOD of Indiana. About \$1,000,000,000, I am informed, not including the Army and Navy.

Mr. GIBSON. I would like to know how much it would save if there were a reduction of 10 per cent.

Mr. WOOD of Indiana. A reduction of 10 per cent would save more than \$100,000,000, I am informed by persons who have been figuring upon it. What that reduction should be is a matter concerning which I have my ideas, and concerning which you gentlemen have yours, but that question is bound to be raised. It is being raised to-day in every hamlet in the United States. Take the farmers of the country who do not get enough on the return of their farms to even pay their taxes. They do not think very well of it when they see the rural carrier passing their places who is receiving from \$2,100 to \$2,300 and \$2,500 a year, when he works about three hours a day, and who spends the rest of the time at whatever employment he may find to do.

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

Mr. WOOD of Indiana. Yes.

Mr. ALLGOOD. The gentleman refers to the President's view in regard to a decrease of Government salaries. If we are going to have a decrease in salaries, why not start at the top, with the President, if possible, and go down?

Mr. WOOD of Indiana. That is at the top. I will say to you I will join with the gentleman in that, and I expect Congress to take the initiative. We can not reduce by law the salaries of the President or of Federal judges. Everybody knows that, for it is prohibited by the Constitution. But I say that I have faith enough to believe that if the salaries of the Federal employees are reduced, President Hoover will reduce his own salary. He has reduced it time and time again since this depression has come on by donations he has made. Hardly a week passes but what we see in the papers where he has made a donation to this charity or that charity or some other charity.

Mr. ALLGOOD. If there is going to be a reduction in salaries it should start at the top and be uniform, and it should not be taken out on the little fellows.

Mr. WOOD of Indiana. Absolutely; and I do not propose to take it out of the little fellows. But I receive letters every day saying, "What are you people down there in Washington going to do about reducing Federal salaries?" They realize that those who are working for Uncle Sam receive higher wages than are paid for like services any place else in this country or in the world, and they are sure of their pay. In addition, they have 30 days' leave of absence. Who else receives that kind of leave? They also have 30 days' sick leave. They have all the holidays, and they have Saturday afternoons. It has been figured that they do not work two-thirds of the time for which they are being paid.

Mr. SHANNON. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. SHANNON. Would the gentleman please give us some information of the reputed wealth of the President?

Mr. WOOD of Indiana. I do not know anything about the reputed wealth of the President.

Mr. SHANNON. Is it not common rumor that he is worth many, many millions?

Mr. WOOD of Indiana. Yes; and I say to the gentleman that I am informed that that is a mistake. Of course, that is a matter with which the gentleman and I have little concern; but in answer to the gentleman's question and in order to set right the false impression that has gone over the country, I am informed that the President is not worth a million. He has made a lot of money, but he has given it away. My information, from a reliable source, is that the President to-day is not worth a million dollars.

Mr. SHANNON. Did not his home in Palo Alto, Calif., cost a half million?

Mr. WOOD of Indiana. I do not know anything about it, and I do not know that the gentleman does.

Mr. MEAD. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. MEAD. The gentleman is making an interesting speech, but with regard to the Post Office employees, is it not true that they have, in great measure, taken a very large decrease in salary already, due to the law by which they are paid?

As an example, if the gentleman will bear with me a moment, first, second, third, and fourth class postmasters are paid in proportion to the receipts of their offices. The employees under them are graded according to the receipts of the office. The volume has dropped 30 per cent, and the salaries of first, second, third, and fourth class postmasters, and the employees under them, have been reduced in proportion. The rural letter carriers, of whom the gentleman spoke as working three hours a day, have had their routes extended by the present Postmaster General by from 25 to as high as 60 and 70 miles.

Mr. WOOD of Indiana. And they are paid for it, too.

Mr. MEAD. The city carriers and city clerks have 6,000 less employees now than they had in 1929.

Mr. WOOD of Indiana. More than two-thirds of the employees of the Federal Government are in the Post Office

Department. There are more than 360,000 men and women employed in the Post Office Department. The gentleman from New York will remember that at the last session those who were proponents of the Saturday half holiday told us that they considered the half holiday would not cost the Government a single cent; that by reason of the extra efficiency created it would be absorbed. The fact of the matter is the Post Office Department alone, by reason of that half-day vacation, is costing the Government more than \$500,000 a year. The fact of the matter is that the half holiday is costing the Bureau of Engraving and Printing \$250,000 a year and what this additional cost in other departments is I do not know.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. COCHRAN of Missouri. The gentleman spoke of the low cost of living and the lowered price that the farmer is receiving for his products. The gentleman is certainly in favor of the farmer receiving a reasonable price for his products?

Mr. WOOD of Indiana. Certainly I am in favor of it.

Mr. COCHRAN of Missouri. Then does the gentleman not realize that if the price of the farmer's products goes up, the cost of living rises, and if the cost of living rises and the salaries of these employees are reduced, how are they going to buy the necessities of life for themselves and their families?

Mr. WOOD of Indiana. I hope that the time will come when the farmers will receive an increased price for their products. [Applause.] When that time does come and when the farmers are being paid in proportion to the amount of labor which they put in as compared with the amount of labor that the Federal employees put in, then I will say, "Let us go back and pay them what they are now getting and more if necessary."

Mr. HART. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. HART. The bill now before the committee provides about \$20,000,000 for advice to the farmers. There is a good chance for a saving. I do not think the farmer wants it, because it has not done him any good.

Mr. WOOD of Indiana. I hope something will happen for the farmer, because if the farmer ultimately fails, this Republic fails. The whole wealth of this Nation depends upon the farm, so it is unthinkable that the farmer will not come out of this slough of despond in which he finds himself.

[Here the gavel fell.]

Mr. SIMMONS. I yield to the gentleman from Indiana [Mr. Wood] 10 additional minutes.

Mr. LOZIER. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LOZIER. Apropos of the suggestion that an increase in farm products would increase the cost of living, is it not true that when the prices of farm commodities decline there is no comparative decline in the cost of living?

Mr. WOOD of Indiana. That is what I tried to explain a while ago. I want to call your attention to what Mr. James P. Goodrich, who was formerly Governor of the State of Indiana, has to say on this subject. I think there is no better business man in the State of Indiana or a more conservative man or a man who takes more interest in the affairs of his State and of the Nation than Mr. Goodrich. This is what he says on this subject:

HON. WILL R. WOOD, M. C.,
Washington, D. C.

MY DEAR WILL: I have not always agreed with you on matters outside of Congress, but in the discharge of your duties in Congress I have always agreed with you and especially now when you are standing for the most rigid economy in public affairs.

I do not believe anything could be done that would help more than the dealing with the matter of salaries of public officials in a courageous way. The working people all over the country have taken a reduction and done it in splendid fashion. No strikes at all, in contrast with what happened during the Cleveland administration when we had strikes, lockouts, and martial law all over the country, with bloodshed and riot everywhere.

If salaries of public officials were to be reduced, it would meet with universal approval. There is no excuse, with heavy burdens resting upon taxpayers now, for continuing salaries adjusted with

JANUARY 7, 1932.

the high cost formerly obtained. We are down now to about the 1914 level of commodity prices, and there is no reason why salaries and wages in the Government service should not be brought down to a corresponding level.

The salaries paid postal employees are outrageously high. The clerks in our post office get more money than the president of any bank in Randolph County and are paid more than double what they could earn outside of the Government service, and in addition to that they have their vacation, sick leave, and a pension at the end of their service. Rural carriers' positions net over \$2,000 a year, and none of them work to exceed four hours a day.

Taxes must be increased, but that increase should be tempered wherever possible by cutting down unnecessary expense.

I had a letter the other day from a man living in my district telling me that the rural carrier who carries his mail gets \$2,100 a year and works three hours a day. This man owns 160 acres of land and has a family of four or five children. He said, "Economize as best I could, I could not make ends meet." He said, "I had a fair crop this year, but with the cheap prices we received for our products I did not have enough money left to pay my taxes."

Now, I want to say to you gentlemen that when everybody else is sacrificing, when you and I are being called upon every day to sacrifice—and we will be called upon to sacrifice further by a reduction in our salaries—I want to say it does not set well with me or with the country, and it does not set well with those who are bearing the burdens of taxation to see these high salaries paid to Federal employees, who work less hours than any other employees and who receive better pay than others who render a like service. They do not like the high salaries that the Government employees are receiving, and if this thing is permitted to continue, I want to say to you there will be a revolt among the people who are bearing this burden of taxation.

We know that within a few days we are going to be called upon to increase taxes. We know that this burden of taxation, already heavy, is going to be heavier in order that we may balance our Budget. So wherever there is a chance, as the President of the United States said the other day, we should cut, and cut to the bone. He said to me and he said to our splendid chairman, JOE BYRNS, "You need not be guided by the Budget I sent to you. Wherever you want to make a cut do so." He said another thing we should bear in mind, that we can not relieve this depression by riotous spending, because that is what got us into it, and it is time we were curbing and curtailing these expenditures wherever there is a possibility of doing so.

So I say to you that in order to meet this question and meet it squarely and so it will not be presented during the consideration of every bill that comes in here, I am going to ask, and have asked, the Rules Committee to make in order an amendment to this bill which will settle once for all this question of salary decreases.

Mr. GRISWOLD. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GRISWOLD. Is it not true that Governor Goodrich, who advocated a reduction in his letter, is at the present time before the Utilities Commission of Indiana opposing any reduction in the rates of his utilities companies below the rates of 1929?

Mr. WOOD of Indiana. I do not know anything about that. Mr. Goodrich is a lawyer, and I suspect he takes legitimate employment.

Mr. GRISWOLD. He is the owner of various utilities in Indiana, is he not?

Mr. WOOD of Indiana. He may be. But salaries everywhere have been reduced. Where can you mention a section of our country in which salaries have not been reduced? Go back to your own home and you will find they have been reducing salaries there.

I was on the Eastern Shore the other day and found that common labor down there is seeking work at \$1 a day, with their dinners thrown in, or \$1.15 a day and boarding themselves. Think of it. When common laborers are receiving only \$1 a day then you ask me to approve of a policy which will pay common laborers in Government employ \$3 and \$4 a day. It is not right, gentlemen. It is unfair to the people

of this country, to the business of this country, and to those who are seeking employment and can not find it.

Mr. BEAM. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BEAM. Does the gentleman think that \$1 a day is a proper standard living wage for an American citizen?

Mr. WOOD of Indiana. No; I do not.

Mr. BEAM. Or that \$3 or \$4 is a proper standard wage?

Mr. WOOD of Indiana. Well, we are paying \$4 and \$5 per day, and under existing conditions I think it a splendid wage for common labor; and will not the gentleman admit that the 6,000,000 or 7,000,000 men who are out of employment would be glad to accept \$4 or \$5 a day if they had the chance?

Mr. BEAM. Does the gentleman advocate cutting the wages of those receiving \$3 or \$4 a day to the extent of \$1 a day; and does the gentleman think that that would result in maintaining a proper standard living wage for American citizens?

Mr. WOOD of Indiana. Nobody is advocating the cutting down of a salary to \$1 a day, and I did not say that at all. I said that on the Eastern Shore common laborers were getting \$1 a day, and were glad to get it, because of the fact that they are glad to get everything to do. When these people are compelled by their necessities to accept \$1 a day when the Government is paying for the same kind of labor \$4 and \$5 a day, I want to say it does not set very well with a man who has to accept \$1 in order to live.

Mr. PARSONS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. PARSONS. The gentleman is making a very interesting speech, but I am wondering if the gentleman has considered the figures or ascertained whether or not the reduction in the cost of living, including clothing, food, and so on, which the average individual must buy, is in accordance with his schedule providing for a reduction of salaries?

Mr. WOOD of Indiana. Yes; the fact of the business is, it is much lower.

Mr. PARSONS. I have not seen it reflected in the prices here in Washington on any of the hotel menus.

Mr. WOOD of Indiana. If you investigate, you will find that eggs are selling to-day at 16 cents a dozen, whereas I remember a few years ago they were selling at 45 cents a dozen. Other things are selling in proportion. If he reads these Montgomery Ward and Sears-Roebuck advertisements the gentleman will find he can buy canned goods for 5 cents that he could not buy for less than 20 cents a few years ago.

Mr. PARSONS. Of course, the farmer is not getting the price he ought to get for his products, but when they come to the ultimate purchaser, the reduction in price is not there.

Mr. WOOD of Indiana. I agree with the gentleman that that is not what it should be, but you can not remedy that situation by keeping up these wages or even making them higher. Every time you do that you are adding to the burden of the farmer who pays the great bulk of the taxes, so far as our country is concerned.

Mr. YON. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. YON. Does not the gentleman think that if we are going to reduce Government expenses, it is high time we were putting a stop to the creation of bureaus, boards, and commissions?

Mr. WOOD of Indiana. Yes.

Mr. YON. And does not the gentleman think it would be a pretty good idea to start the pruning knife there and cut out about one-third or one-half of those we already have, so that we can begin with some real economy in government?

Mr. WOOD of Indiana. I have expressed myself on that subject and I agree with the gentleman, but we are responsible for every one of these bureaus. So we had better get rid of them and discharge our responsibility in that respect.

[Here the gavel fell.]

Mr. SIMMONS. Mr. Chairman, I yield the gentleman one more minute in order to ask a question. In view of the

statement just made by the good Member on the other side, I think it is fair to state that the first bill they have put through, about which they are boasting, the so-called tariff bill, creates and sets up another high-salaried aggregation of employees here in Washington.

Mr. WOOD of Indiana. As I stated here the other day, the Congress itself is responsible for these bureaus and for these conditions. Not one of the bureaus would be in existence if it were not for our action, and when we decry them, we ought to stop to think that we are responsible for their being established. I admit that we are rapidly getting away from a republican or democratic form of government in favor of a bureaucratic government, to the very great detriment of our country; and I predict if this so-called tariff bill this House passed the other day becomes a law, the producers' counsel, provided for in that measure, will have a force of more than ten hundred in his office inside of 10 years. [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield myself one minute merely to state to my colleagues that I realize it is my duty to give a full analysis of the pending bill; but I am not feeling very well to-day, and as I hope to feel better to-morrow, I shall give you an analysis of the bill and a statement as to the manner in which we are speeding up an economy program when the House convenes to-morrow.

I now yield 30 minutes to the gentleman from Missouri [Mr. COCHRAN.]

Mr. COCHRAN of Missouri. Mr. Chairman, in the near future this House will be called upon to express itself on an amendment to the Volstead Act permitting the manufacture and sale of beer.

Beer is made from the products of the farm. The legalization of beer would mean nothing unless the farmer produced the grain that is used in the manufacture of this pure cereal beverage. It is absolutely impossible without the aid of the farmer to make beer. Therefore, I feel justified in presenting to the House to-day indisputable evidence as to how and why prohibition has brought ruin to the American farmers. I say indisputable evidence because this evidence comes from departments of the United States Government in the form of official statistics. If this evidence could be placed in the hands of all the farmers in the United States they could not help but be convinced that prohibition has brought ruin to the American farmer. Let me list some of the facts taken from official Government records:

Farm values increased \$50,000,000,000 in the 20 years prior to prohibition.

The farmers of the United States had an income in 1919 of \$15,434,000,000.

In 10 years of prohibition farm values dropped \$18,446,164,244, and the mortgage indebtedness increased \$1,610,826,000.

In 1931 the farm income was \$8,514,000,000 less than it was in 1919.

For every dollar of taxes paid by farmers in 1913 they were required to pay \$2.49 in 1929.

Farmers lost \$54,217,000,000 in income in 10 years of prohibition.

Prohibition has deprived farmers of a market for 1,296,000,000 bushels of grain since 1920.

One million, two hundred and ninety-six thousand farmers have lost a year's work and income during 12 years of prohibition.

Repeal of prohibition would prevent the annual surplus of grain.

The late Wayne B. Wheeler before a Senate committee, said prohibition would deprive 1,000,000 men of employment and release them for war purposes.

Professor Fisher of Yale stated to a congressional committee, that the brewery industry used 675,000 freight cars annually.

The Federal Government could collect a tax of \$400,000,000 annually by legalizing the manufacture and sale of beer.

Government has lost \$4,800,000,000 in taxes in 12 years of prohibition, enough to meet Government expenses for one full year.

When the national prohibition law became effective in 1920 there were 30 brewing plants in St. Louis representing an invested capital of more than \$200,000,000. They gave employment, at remunerative wages, directly and indirectly, to nearly 50,000 persons.

Out of these 30 brewing plants only one of any consequence has been able to withstand the shock of prohibition. That is the plant of Anheuser-Busch (Inc.). One or two of the remaining plants were sold for about eight cents on the dollar of valuation, and the others are standing idle to-day. They are dead property.

Before the adoption of the national prohibition law this firm shipped the products of American farms, in freight train loads, around the world. There was not a city of any size on the face of the globe where these products were not sold. This tremendous export business, as well as the domestic business, was wiped out by the enactment of the prohibition law. It was a complete confiscation of business by fiat of government.

Before prohibition the company was a large buyer of farm grains for conversion into beverages and other food and medicinal products.

In this discussion it is pertinent to compare the conditions of agriculture before and after prohibition. Are the farmers more prosperous or less prosperous under prohibition, and why?

The national prohibition law became effective January 16, 1920. I shall designate, in this discussion, the 20-year period before 1920 as the preprohibition era and the period after that date as the prohibition era.

FARMERS HAPPY AND PROSPEROUS BEFORE PROHIBITION

Fortunately for this discussion the United States Department of Agriculture and the Census Bureau have fully collected facts and figures concerning agriculture for both the preprohibition and the prohibition eras. Nothing is left to guesswork. It is all a matter of Government record.

The honorable Secretary of Agriculture, Mr. Arthur M. Hyde, in his annual report to Congress for 1931 says:

The average valuation of farm real estate in the United States doubled from 1900 to 1910, and the gain continued at an increasing rate until 1920.

I have examined the census reports to ascertain, in dollars and cents, what this great increase in the value of farm real estate meant to the American farmers. I find:

That farm real estate values increased almost \$50,000,000,000 in the 20-year period before prohibition.

In 1900 the value of farm lands and buildings was \$16,614,647,491.

In 1910 the value of farm lands and buildings had increased to \$34,614,125,697.

That was an increase of \$18,191,478,206 in 10 years, or 109.5 per cent.

In 1920 the value of farm lands and buildings was \$66,316,002,602.

That was an increase of \$31,702,876,905, or 90.6 per cent.

In the 20-year period before prohibition the exact increase in farm real estate values was \$49,894,355,111.

In 1919, the year before the national prohibition law became effective, the farmers of the United States had an income of \$15,434,000,000.

Farm income in 1919 was only \$1,180,640,491 less than the value of all farm lands and buildings in the United States in 1900.

These figures, from the United States Department of Agriculture and the Census Bureau, accurately measure the marvelous increase in the wealth and income of the American farmers in the 20-year period before the national prohibition law wiped out the home market for an enormous quantity of farm products.

PINNACLE OF FARM PROSPERITY

Figuratively speaking, the American farmers were sitting on top of the world in 1919. From this pinnacle of pros-

perity they could survey their 6,448,343 farms, having an aggregate value of \$66,316,002,602, and yielding an income of \$15,434,000,000. In addition to lands and buildings they had implements and farm machinery valued at \$3,594,772,428, increasing their wealth to approximately \$70,000,000,000.

Happy and prosperous were the American farmers before prohibition.

THE 12-YEAR PERIOD AFTER PROHIBITION

I have shown that according to the United States census reports the farm lands and buildings in the United States were valued at \$66,316,002,602 in 1920, the beginning of the prohibition era.

In 1930, after 10 years of prohibition, the value of farm lands and buildings had dropped to \$47,879,838,358—a decline of \$18,446,164,244.

The mortgage indebtedness on the rapidly declining value of the farms increased from \$7,857,700,000 in 1920 to \$9,468,526,000 in 1930—an increase of \$1,610,826,000 in the 10 prohibition years.

In his 1931 annual report to Congress Secretary Hyde estimated the farm income of 1931 at \$7,000,000,000, but the Bureau of Agricultural Economics, at the end of the year, fixed the farm income at \$6,920,000,000.

That is a decline of \$8,514,000,000 from the farm income of 1919.

We have it upon the authority of the Secretary of Agriculture, in his 1931 report, that for every dollar in taxes the American farmers paid in 1913 they had to pay \$2.49 in 1929. The farmer will recall that among the many benefits promised for prohibition great reduction in taxes was one. But the records of the Government show that after 10 years of prohibition they are paying two and one-half times as much taxes as before prohibition.

FARMERS \$74,273,990,244 POORER AFTER 10 YEARS OF PROHIBITION

Taking the 1919 income of the American farmers as a basis for calculation, I find, on checking the records of the United States Department of Agriculture, that they have lost \$54,217,000,000 in income during 10 years of prohibition. If we add to this the decline in farm real-estate values and the increase in mortgage indebtedness, we find that the American farmers are \$74,273,990,244 poorer than they would have been if agriculture had continued on the prosperous basis of 1919.

In 10 years of prohibition the American farmers suffered a loss in income, or buying power, greater than the wealth of all the millionaires of the United States, including the Rockefellers and the Fords.

161,143 FARMS SOLD FOR TAXES AND MORTGAGES LAST YEAR

But the saddest part of the story is yet to be told.

The reports of the Department of Agriculture show that for the year ending March 15, 1931, 26.1 farms out of every 1,000 in the United States were sold for delinquent taxes and under mortgage foreclosure.

The census reports show that there were 6,288,648 farms in the United States in 1930. Therefore, there were 161,143 farms sold for tax and mortgage delinquencies in the fiscal year ended March 15, 1931.

That is at the rate of 450 farms going under the hammer of forced sale every day of the year, including Sundays.

If the average farm family contains 5 persons, then 820,715 farm people were rendered homeless and helpless in a single year by the forced sale of their property. That is the picture of the deplorable plight of our American farmers in the eleventh year of national prohibition, as drawn from the records of the United States Government.

BEFORE PROHIBITION: RICH HAPPY FARMERS—AFTER PROHIBITION BEGGING FOR GOVERNMENT HELP

A recapitulation of the foregoing facts shows that at the beginning of 1920, which was also the beginning of the national prohibition era, the American farmers were prosperous beyond their fondest dreams. In the 20 years preceding prohibition their real estate wealth had increased

\$50,000,000,000, and their income had mounted to \$15,434,000,000.

Then came national prohibition. In 10 years, from shrinkage of income alone, the farmers lost \$54,000,000,000 in buying power; the value of their farm lands declined nearly \$20,000,000,000; their taxes were more than doubled; and their homes are being taken away from them, under forced sale, at the rate of more than 160,000 a year. They have been driven by the sheer force of circumstances to throw themselves at the feet of the Government and beg for relief.

WHAT PROHIBITION HAS DONE TO FARMERS

What has prohibition had to do with this farm debacle? Again, I turn to the records of the Government for answer.

In 1917, the Senate Committee on Agriculture and Forestry held hearings on a bill to prohibit the use of grain in the manufacture of beverages. This was really a prohibition bill, sponsored by all the accredited prohibition organizations, to force prohibition upon the country in the guise of a food-conservation measure.

These hearings gave the prohibitionists an opportunity to present to the Congress statistics showing the enormous quantities of grain, coal, and other raw materials consumed in the brewing industry in the manufacture of beer.

DRY LAW COST FARMERS MARKET FOR 1,296,000,000 BUSHELS OF GRAIN

There was presented to the Senate committee on behalf of the War Prohibition Conservation Committee a statement that 108,000,000 bushels of grain were used in 1916 in the manufacture of beverages.

This statement was signed by Irving Fisher, professor of political economy of Yale University, and T. N. Carver, Edmund E. Day, William N. Ripley, and Edwin F. Gay, professors in the department of economics of Harvard University.

On behalf of the War Prohibition Conservation Committee this statement was distributed to members of the Senate committee by Edwin F. Dinwiddee, then chief legislative agent of the Anti-Saloon League and now director of the united prohibition organizations.

There was attached to this statement a certification signed by Profs. Walter Cannon and Percy G. Styles, of the department of physiology of Harvard University, and by Professor Fisher, of Yale, that this grain was sufficient to feed 7,000,000 people for an entire year.

Of the 108,000,000 bushels, it was shown that 80,000,000 bushels were used in the manufacture of beer.

Twelve crop years have passed since the enactment of national prohibition. On the basis of 1916 production of grain beverages the American farmers, therefore, have lost a market for 1,296,000,000 bushels of grain.

EMPLOYMENT OF 108,000 FARMERS TO GROW GRAIN FOR BEER

In November, 1931, the Senate Committee on Agriculture and Forestry held another hearing. The committee was trying to find out why the Federal farm relief bill, for which \$500,000,000 had been appropriated, had failed to benefit agriculture. There appeared at this hearing Mr. George S. Milnor, the \$50,000-a-year grain expert of the Federal Farm Board and the Farmers National Grain Corporation, a subsidy of the Federal Farm Board.

Mr. Milnor testified that it gave full-time employment to 25,000 farmers to grow the 25,000,000 bushels of wheat exchanged by the board for Brazilian coffee.

I have examined the records of the Department of Agriculture to ascertain how much grain an average farmer, working under average conditions, could produce for the market in a year.

The department has no figures on this subject. But experts of the Bureau of Farm Management of the department estimated that under average conditions a farmer could cultivate 80 acres of grain, 40 in corn and 40 in small grains. The average yield of corn and barley in the United States is 25 bushels to the acre. But as only a small part of the corn crop and about one-third of the barley crop reach the market for sale, it is evident that one farmer can

not produce more than 1,000 bushels of grain for the market in a year.

It would, therefore, give full-time employment to 108,000 farmers to grow and market the grain that was used in the manufacture of beverages in 1916.

If production of beverages had continued, without interruption, in proportion to the increase in population, it would have required the full time of 131,000 farmers to grow the grain that would have been consumed in 1931.

On the basis of 1916 production of beverages, and taking no account in the increase in population, 1,296,000 farmers have lost a year's work and income during the 12 years of prohibition.

Taking into account the increase in population 131,000 farmers lost a year's work and income last year on account of prohibition.

131,000 FARM HOMES COULD HAVE BEEN SAVED

I have shown from computations based upon the records of the Department of Agriculture that the homes and lands of 161,143 farmers were sold under mortgage foreclosure and for taxes in the fiscal year ending March 15, 1931. The repeal, or sane amendment of the national prohibition act, would have saved 131,000 of these homes to their owners, and would have prevented 655,000 farm people from being turned out of house and home.

EXPORT SURPLUS CONTROLS GRAIN PRICES AT HOME

The destruction by prohibition of an American market for more than 100,000,000 bushels of grain annually has greatly augmented the accumulated surplus of grains in the domestic markets. Let us, for a moment, consider the effect of surplus grain, on the market price. I turn again to the official records of the Federal Government.

Says Secretary of Agriculture Hyde in his 1931 report to Congress:

Our agriculture is burdened with surpluses
When any country from year to year has an exportable surplus of a commodity, or group of commodities, the price realized for the export surplus determines the price of the whole supply.

This statement of Secretary Hyde makes it emphatic that it is the surpluses that have brought ruin to the American farmers. Prohibition has contributed at least 1,256,000,000 bushels to the surplus of grains in the United States during the 12 prohibition years. Now, says Secretary Hyde, quite correctly, our agriculture is burdened with surpluses, and it is these surpluses that control the price paid to the farmers for their entire crops.

AMERICAN AGRICULTURE UNDER FOREIGN DOMINATION

Again I quote from Secretary Hyde's 1931 report to Congress:

* * * our export trade in farm products brings a large part of our agricultural industry under foreign market influence. * * * If a surplus must be sold, the price falls in the domestic market to a point at which foreigners will buy. This explains why foreign takings have a much greater influence on prices than their proportion to the total would indicate. No device can be a remedy which tends to increase these exportable surpluses. Actually to reduce these surpluses is the only logical course. They can not be forced into unwilling markets.

REPEAL OF PROHIBITION WOULD ABSORB THE SURPLUSES

The reasoning of the Secretary of Agriculture is based on sound economics. He points out plainly that there can be no remedy for this situation which tends to increase surpluses, and adds that the only effective remedy is to reduce the surpluses. The repeal or sane amendment of the prohibition law to legalize four per cent beer would create a domestic market for these surplus grains and thereby provide the remedy which the Secretary of Agriculture is unable to find.

In this crisis neither the President, nor the Secretary of Agriculture, nor the Federal Farm Board, has offered a constructive remedy. At a loss of hundreds of millions of dollars of taxpayers' money the Federal Farm Board attempted to control the surpluses of wheat and cotton by outright purchase. That did not dispose of the surpluses, but left them hanging over the market like a deadly miasma. Agriculture has gone from bad to worse.

GRAPE SURPLUS INTO WINE

In one particular instance the Secretary of Agriculture and the Federal Farm Board practiced sound economics. They found a home market not only for the surplus grape crop, but a very large part of the entire crop, by permitting grapes to be converted into wine.

In his annual report Secretary Hyde makes it clear that the appeals of both the Department of Agriculture and the Federal Farm Board to the farmers to grow smaller crops have merely resulted in larger crops. But if the administration, which is committed to prohibition, had permitted the surplus of grains to be manufactured into beverages, as it did permit the grapes to be manufactured into wine, then the problem of grain surpluses would have been as effectively disposed of in the domestic markets as were the grapes.

\$23,000,000 OF FEDERAL AID TO WINE MAKERS

The Federal Farm Board solved the problem of surpluses for the California grape growers by lending them \$23,000,000 of Government money to convert 80,000 tons of grapes into wines containing 12 to 20 per cent of alcohol, or into concentrates from which wine and champagne are easily produced. Not only the surplus of the crop went into wines and concentrates but practically the entire grape-juice crops of California. This is being done at the present time with money loaned out of the Federal Treasury, but it has been done successfully ever since the enactment of the national prohibition law. Federal Prohibition Director Woodcock, in a recent survey, fixes the amount of wine made from California grapes between 1923 and 1929 at 1,086,569,000 gallons, all containing 12 per cent of alcohol. He computes the amount of absolute alcohol in this wine at 130,288,286 gallons.

200,000 PEOPLE DEPENDENT ON WINE INDUSTRY

We are told in the literature of the California grape growers that 150,000 to 200,000 people are dependent upon this industry. The enforcement of the prohibition law against the grape growers, as it is enforced against the grain growers, would, therefore, deprive that number of people of a livelihood. It would lay waste a strip of land 100 miles wide and 1,000 miles long. But under the Government policy of permitting the manufacture of wine, and aiding its manufacture with Government loans, much of the California grape lands are valued at more than \$1,000 an acre, in contrast with the rapidly declining value of grain lands.

GOVERNMENT ACTS WISELY

It was a splendid example of governmental wisdom to save the great California grape industry by financing the conversion of 80,000 carloads of California grapes into 12 per cent wines. Under section 29 of the national prohibition act, as passed by Congress, and interpreted by the courts and the Federal Prohibition Department, it is entirely legal to make wines and ciders in the home, without regard to quantity or alcoholic content. This policy on the part of the Government has resulted in great benefits to the grape growers.

A similar policy on the part of the Government with respect to the manufacture of 4 per cent beer, which contains only one-third as much alcohol as the legal Government-financed wines and champagnes, would have disposed of a large part of the marketable surplus of grains and likewise would have contributed greatly to the prosperity of the grain farmers.

GRAIN SURPLUSES ANALYZED

Consider for a moment the problem of surpluses. I have shown upon the authority of Professors Fisher, of Yale, and Carver and others, of Harvard, that, in 1916, 108,000,000 bushels of grain were converted into beverages. They based these figures on Government reports. According to their computations this grain amounted to 2.3 per cent of the entire corn, wheat, oats, rice, and barley crops grown in the United States. The principal grains used in the manufacture of beer are barley, corn, and rice. Hops are also an essential ingredient.

The records of the Department of Agriculture show that only 69 to 71 per cent of the wheat crop reaches the market for sale, 14 to 21 per cent of the corn crop, 27 to 43 per cent of the barley crop, and 95 to 96 per cent of the rice crop.

Analysis of the exports of wheat, corn, barley, and rice shows that on the average about 10.5 per cent of the total crop is exported. It is this comparatively small export surplus that is bringing ruin to the American farmers, if the economic reasoning of the Secretary of Agriculture is correct.

BEVERAGE GRAINS EQUAL 8.7 PER CENT OF CROPS MARKETED

Further analysis shows that the amount of grains consumed in making beverages in 1916 is equivalent to 8.7 per cent of the entire wheat, corn, barley, and rice crops actually sold in both the domestic and foreign markets during three average years of the prohibition period. If the consumption of grain in making beverages had continued to increase in proportion to population, the amount would now be sufficient to wipe out the exportable surplus that controls the home market to the disaster of our farmers.

MORE THAN TWICE THE WORLD SURPLUS

The Secretary of Agriculture, in his 1931 report to Congress, states that the world surplus of wheat on July 31 last was 679,000,000 bushels. The amount of grain that would have been consumed in the manufacture of beverages during the 12 years of prohibition would be more than twice the world surplus of wheat. After 12 years of accumulated grain surpluses the American farmers, according to Secretary Hyde's report, received 36.1 cents a bushel for their wheat on October 15, 1931. In 1919, before national prohibition, the farmers received \$2.18 a bushel for their wheat. During the World War they might have received \$5 a bushel if the Government had not limited the price.

GOVERNMENT RECORDS PROVE PROHIBITION RUINED FARMERS

The foregoing records of the United States Government present incontrovertible and convincing proof that the American farmers are the victims of the cruel and destructive prohibition law.

It may be argued that since large quantities of illegal liquor are everywhere available in the United States that a good deal of farm products has been used in this illegal manufacture. It is undoubtedly true that some farm products have been so used.

It was recently stated on the floor of Congress by one of our colleagues, the honorable WILLIAM E. HULL, of Illinois, that the greater part of the alcohol, legal and illegal, manufactured in the United States is from blackstrap molasses imported from Cuba. It is also true that large quantities of whisky and beer, made from foreign-grown grains, have been smuggled into this country. Mr. Woodcock's survey shows that more than three times as much wine is made now than before prohibition, but that is legal.

The farmers have also been hurt because the confiscation of the brewing industry by prohibition threw great numbers of laboring men in the cities out of employment and rendered practically useless property worth a billion dollars. These idle men, all buyers and consumers of farm products, had their buying power greatly reduced.

MORE THAN 1,000,000 MEN EMPLOYED BY INDUSTRY

In the hearings on the war-time prohibition measures before the Senate Committee on Agriculture in 1917 the late Wayne B. Wheeler, then chief lobbyist for the Antisaloon League, said that the enactment of this legislation would deprive more than 1,000,000 men of employment and release them for war purposes. During the war the million men could readily be absorbed in other employment, but after the war was over the problem was more difficult.

Professor Fisher, of Yale, represented to Congress that the brewing industry created 13,500,000 tons of freight annually. That would load 675,000 freight cars.

If Mr. Wheeler's statement was true in 1917—and I think it was—then the reestablishment of the brewing industry would provide employment for at least 1,000,000 persons,

of whom 130,000 would be farmers to produce the 130,000,000 bushels of grain that would be required for conversion into beer.

If Professor Fisher was right—and I think he was—the legalization of beer would start 675,000 loaded freight cars to moving on the tracks of our railroads. That would help the railroads, give employment to many working men, and put large sums of money into circulation.

The Federal Government now has a deficit in its Treasury of nearly \$2,000,000,000 with a prospect that it will be doubled within the next two years. On the basis of the existing tax of \$6 a barrel on beer, and the preprohibition production of more than 66,000,000 barrels, the Federal Government could collect \$400,000,000 a year on beer taxes. Suppose the Government had collected \$400,000,000 a year during the 12 prohibition years. The total would have been \$4,800,000,000, enough to take care of the present \$2,000,000,000 deficit and leave \$2,800,000,000 to be applied to the prospective additional \$2,000,000,000 deficit just around the corner.

The effect of the employment of a million men at this time when millions are unemployed, and the revival of numerous industries dependent upon the brewing industry, would be immediately beneficial to the farmers of the United States by increasing the home market for their grains, fruits, and vegetables, timber for barrels and boxes, and other products of farm and forest and mine needed in these industries.

FARMERS CRUELLY VICTIMIZED BY PROHIBITION PROPAGANDISTS

The American farmers have been cruelly victimized by the professional prohibition agitators. These propagandists for pay, who are largely responsible for the ruin of the farmers, live on the fat of the land. Former Senator James A. Reed, of Missouri, investigated the Antisaloon League in 1926 and found that it had spent \$67,000,000 in prohibition activities, more than half of which went into the pockets of its political agents and employees as salaries and expenses.

EASY LIVING FOR PROPAGANDISTS—BACK-BREAKING TOIL AND RUIN FOR FARMERS

There are 33 professional prohibition organizations spending in the aggregate \$5,000,000 a year. While the homes of the farmers are being sold under the hammer for tax and mortgage delinquencies at the rate of 160,000 a year, the superintendents of the Antisaloon League are drawing salaries of \$4,000 to \$15,000 a year and expenses. There are thousands of these people who do no other work. They travel all over the United States and Europe. They ride in luxurious Pullman cars and steamship and live in the finest hotels. Their work is easy and pleasant; but the farmers, who were misled by their representations to support prohibition, are working 12 to 16 hours a day at back-breaking toil and getting as their reward at the end of the year a notice from the sheriff or tax collector that they are to be sold out of house and home. Prosperity, luxury, a life of ease for the prohibition "reformers," but for the farmers, the poor house, or worse.

FARMERS WILL ACT WHEN THEY KNOW THE TRUTH

It is my judgment that when the American farmers become acquainted with the foregoing facts from the records of their Government that they will instruct their representatives in Congress to enact the only logical farm-relief legislation—the repeal or amendment of the national prohibition law. When the farmers insist their Representatives in Congress vote for a restoration of a home market for 130,000,000 bushels of grain annually for conversion into beer, then they will get farm relief that will remove them from the domination of foreign markets—and not until then.

I have quoted the honorable Secretary of Agriculture that it is surpluses that have brought ruin to the farmers. Congress and the administration took the same view when they passed a farm relief bill and appropriated \$500,000,000 to control the surpluses. Makeshift remedies have miserably failed. Everything has been tried except the common-sense remedy, increasing the home markets by prohibition repeal

or modification to wipe out the price-demoralizing grain surpluses.

Relegalizing wholesome 4 per cent beer, which certainly can not be in violation of the eighteenth amendment when more than 1,000,000,000 gallons of 12 per cent wines and champagnes have been legally manufactured under that amendment, would create a home market for not less than 130,000,000 bushels of farm grains annually and reduce the price-destroying surplus to the vanishing point. Therein lies the road back to prosperity for our farmers, and temperance and good fellowship for the American people.

On January 4, by adopting a resolution submitted by Senator Bingham, the Senate called upon the Department of Commerce for information relative to employment in connection with the liquor industry as well as the amount of freight attributed to the industry.

Government agencies can not repudiate statistics I have quoted. I have checked them and I say the quotations can not be assailed.

No one wants to force the sale of beer upon States that desire to remain dry. Amendment to the Volstead law will in no way deprive a State of its right to prohibit the sale and manufacture of beer. The Congress could amend the Volstead Act and the 48 States in the Union would all be able, if their legislatures so voted, to keep all the States dry.

I contend each State should have the right to exercise its own discretion and I would never support any legislation that would deprive a State of that right.

If the farmers of the country will insist that their Representatives vote for an amendment to the Volstead law that will let each State decide this question for itself, they will have "worked out their own salvation," as former President Coolidge told them they must do, and at the same time will save themselves a further increase in taxes. [Applause.]

Mr. ALLGOOD. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. ALLGOOD. The gentleman seems to be claiming that the welfare of the farmer is dependent on the repeal of prohibition. During the last few months I have been all over the United States and studied farm conditions. I find that the cotton farmers are in worse condition financially than farmers who are producing other products. They are selling their cotton for 5 cents a pound, or \$25 a bale. I would like to know how the cotton farmer is going to get back on his feet by the repeal of prohibition. If prohibition is repealed, can the farmer take his cotton, make wine or beer out of cotton or cottonseed, and thereby bring back prosperity?

Mr. COCHRAN of Missouri. If the farmers of the Nation as a whole become prosperous, there will be a market for cotton. Until the farmers as a whole become prosperous there will be no market for the cotton the gentleman refers to. There will be no market for our commodities manufactured in the great industrial centers. Agriculture must become prosperous as a whole if we are to expect real prosperity in this country. When the buying power of this great country is restored, then the gentleman's farmers can sell their cotton. The condition of the farmers, yours included, is at the bottom of all our troubles.

Mr. MEAD. If the gentleman will yield, I want to ask him if it is not a fact that no part of this country has been prosperous since prohibition?

Mr. COCHRAN of Missouri. My examination of statistics warrants me in saying that no farmers have been prosperous since prohibition. The grain farmers have not been able to buy the cotton goods of the State of Alabama or anywhere else. If the people of the State of Alabama and other dry States will permit the States of the Union to exercise their own discretion on prohibition, you will have prosperity, for the grain farmers will be enabled to buy clothing, which consists mainly of cotton goods.

Mr. ALLGOOD. The gentleman is trying to lay all the ills of the farmers to prohibition? Is that true?

Mr. COCHRAN of Missouri. Absolutely.

Mr. ALLGOOD. You place all the blame on prohibition? Mr. COCHRAN of Missouri. I insist that the grain farmers of this country could not be deprived of a market of over a hundred million bushels of grain a year without putting them in a position where they have no purchasing power.

Mr. ALLGOOD. But our farmers are cotton farmers.

Mr. COCHRAN of Missouri. If the grain farmers of the country can not sell their commodities at a reasonable price, how are they going to buy cotton goods which come from the State of Alabama? Prohibition deprives you of customers.

Mr. ALLGOOD. But the grain farmers are not the only ones interested here. One-half of the people of the Nation live in the cities.

Mr. COCHRAN of Missouri. The market for over 100,000,000 bushels of grain would bring prosperity to the grain farmer. He could buy our products and have means to buy the cotton goods made from the cotton that the gentleman speaks about in Alabama.

Mr. ALLGOOD. In order for the southern cotton farmer to receive a living price for his cotton it has been necessary for us to export 6,000,000 bales of cotton each year into countries where they have no prohibition but where they have whisky and beer, and yet these people are not able to buy our cotton, notwithstanding the fact that they have all the whisky and beer they want.

Mr. SCHAFER. Will the gentleman from Alabama yield?

Mr. ALLGOOD. Oh, no, no; I refuse to yield to the gentleman. [Laughter.]

Mr. COCHRAN of Missouri. Does the gentleman from Alabama realize that a revision of the tariff law now on the statute books would provide a market for cotton in foreign countries? The people in foreign countries can not sell their commodities in this country, owing to our high tariff, and therefore they have no money with which to buy your cotton. I will say for the gentleman from Alabama [Mr. ALLGOOD], who I know was the former commissioner of agriculture in his State, that there is no Member in this House who has tried to help the cotton farmer more than he has. He is always present on the floor, never overlooking an opportunity to further legislation that will benefit the people he represents. His knowledge of the subject is second to none, and I can assure him that I will support him in his efforts to assist his people who are suffering now because of the large surplus of cotton. I hope he can find a way whereby legislation will help his people. I realize it is a most difficult matter to advance any legislation that will be of benefit; but if a way can be found to solve the problem, I am sure he will advance it. We from the large cities know that you must have help, for when your people's buying power is restored then you can buy what we manufacture in the cities. Our prosperity depends upon the ability of the farmer—grain and cotton—to buy.

Mr. ALLGOOD. Oh, well, the gentleman is getting away from prohibition now, and onto another subject, that of the tariff. I am with the gentleman on the question of the tariff. We both opposed its passage with all the power we had. The Hawley tariff measure was supposed to be a bill for the relief of the farmer, and the fact of the business is that it has practically relieved him of every thing he has, and it is my opinion that it is the repeal of this robber tariff measure that the farmers are most interested in at this time.

Mr. SIMMONS. Mr. Chairman, I yield 30 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, after failure to obtain time yesterday to discuss the Reduction of Armament Conference at Geneva on February 2, to which we are sending delegates this week, I avail myself of the first opportunity to express what I believe are the grateful acknowledgments of all Members for eloquent and forceful tributes to its peace efforts, voiced by Mr. BANKHEAD, Mr. NELSON of Maine, and the distinguished daughter of a great man and gifted orator the lady from Florida, Mrs. OWEN.

I listened with interest to the gentleman from North Carolina who demands an "efficient Navy," a phrase as inexact as the length of a piece of string in view of the greatest and most expensive Navy to-day this country ever has had in war or peace, and also the argument of the eminent gentleman, who will never surrender to any ignoble peace. His protest, I am sure, was not made with any belief that other Members of this great body would be less willing to do so than himself. Both champions of a Navy, bigger than any ever dreamed of in times of peace, they simply constructed straw men that they then easily knocked down by patriotic utterances, usually offered in profusion by those who have no monopoly of patriotism over their fellow Members.

In my judgment it is more patriotic for Congress at the present time in heated, feverish world affairs to set an example of peaceful purposes to other countries rather than to build a billion-dollar addition to our present great Navy, as is proposed in committee, primarily I believe because of the insistence of the Navy League, local navy yards, munition makers, and a great army of surrounding admirals and lesser officers who are trained in the lessons of war and receive pay and promotions because of that fact.

Yet all that army of many thousands of naval officers during the last war did not suffer as many fatalities from actual battle as one little company from my home town. And it is for this splendid little company that saw battle and suffering and their mothers, who suffered more than the dead, and their comrades in arms that I would speak to-day.

Thirteen years after we helped win a war to end all wars in Europe the United States is spending more for armaments than any other country in the world. It is spending annually over \$800,000,000 for Army and Navy maintenance, or far more than double our pre-war expenditures in 1914.

PREPARING FOR THE NEXT EUROPEAN WAR

Although assured another war with poison gases, airplanes, and bombs will wipe out whole armies, whole cities of non-combatants, and put the world back a quarter of a century, war agencies of the Army are also seeking an Army mobilization measure for 4,000,000 "selected" men to send into the next European slaughterhouse. In times of the greatest world business depression known to man, Congress is now asked to begin a billion-dollar parity shipbuilding race, with England. Admirals are quoted in the press or before committees daily supporting this "parity" billion-dollar demand in addition to our \$800,000,000 annual war burden.

Every hypocritical and illogical reason that can be advanced by "war experts" is employed to justify great war preparedness. The people who pay the bills, now groaning under heavy tax burdens, are befogged in an atmosphere of doubt and fear seized upon by these war interests. It is known that over \$70 out of every \$100 is a tax now paid in this country for wars past or future; that not one sane reason has been advanced for engaging in another European war, and yet the Army staff and naval experts, not 2 per cent of whom ever engaged in a real battle, are to-day frightening our people into a war fever. Practically every so-called war expert has a direct interest in so doing.

Europe is reasonably certain to get into another war, now in the making. France hates Italy, and a return hatred is intensified by the Italians. Germany hates both, and Russia does not love Poland, France, or other European powers. Austria and Hungary are bitter toward their conquerors. Japan and China are both signers of the Kellogg peace treaty and are now lustily engaged in killing each other. That is the world we are to join in. As one who has visited most of these countries, I believe conditions exist as stated.

NATIONS THAT DID NOT ENGAGE IN THE WAR

Although Norway, Sweden, Denmark, Holland, Switzerland, Spain, and other European noncombatants, though surrounded by belligerents, kept out of the last war without forfeiting their national honor, we are told it is an evidence of pacifism for the United States to do so. Reckless men and women enjoy adventuring into the war zone be-

cause assured they will be protected everywhere by Uncle Sam with all his millions. That excuse is generally used to fan the flames of hatred and of war by those who profit by war. Congress and those carrying chips on their shoulders rarely fight but send others to do the actual killing.

At a time when the nations of the world are spending over \$4,000,000,000 annually in preparing for the next war, our own country is spending over \$6 annually for every man, woman, and child for war purposes and over \$150 annually, on the average, for every family of five for past and future wars.

The United States is sending a group of splendid men and women to Geneva to ask the nations of the world to disarm. A Senator who leads in the proposed haggling-over-arms convention, however, is a firm believer in battleships, and recently publicly predicted that two of the battleships then to be remodeled, he hoped or expected, would get their \$20,000,000 remodeling done in his particular navy yard. This expenditure was to be for battleships that are now discarded by the average European Government.

He is about as good a peace negotiator as would be Mr. Du Pont, the munitions maker, or Shearer, the \$250,000 big-navy propagandist formerly at Geneva, or the average admiral or general looking for a promotion, usually advanced by war. The only way to stop wars is to keep out. All the flirting with war and with countries that through fear, hatred, or greed want war will only serve to get us into war.

A fear exists that the Geneva meeting will be useless, like all other; but if we would keep out of war, the people and not the American Congress should first vote by referendum on the next war and on all wars. That with a constitutional prohibition against sending a conscripted American Army to fight Europe's battles will do more to stop war for us, judging from past experience, than all the Geneva conferences and Kellogg peace pacts combined. Congress will surrender that right to declare war only when its members are threatened with retirement unless they approve constitutional amendments to permit the people to act.

"NAVAL-MINDED CONGRESS" AND WAR-MINDED NAVY

War is the greatest problem before the world and before the American people to-day. Greater than unemployment, great as that has now become. Another war may wipe out not only men, property, and our own form of government but if we are caught in the threatened maelstrom, it may doom a civilization which we now enjoy.

Mr. Chairman, that is the picture presented by many students of history. I speak not from the standpoint of a pacifist but from an experience of many years in military service, of which five were spent in the Regular Army. A father and son each served throughout one of the last two great wars as volunteers in active service at the front, so I speak with some understanding of what war means. I know the weakness and the futility of war in settling questions.

Those who win are among the chief losers in war. The only way to keep out is by a decision from the people who fight and pay. Let them first decide. I speak feelingly because the Thirty-second Division of Wisconsin and Michigan troops in the World War suffered 13,000 casualties, or nearly one-half of the entire force were disabled, and a small company from my home city lost 88 men in killed or dead in France, about one-third of its effective force. That is war.

The Associated Press of January 17, carrying a half page of Navy propaganda, declares that Congress "has become Navy-minded." Constant propaganda by Navy League and other interests, with those in Congress interested in navy yards and naval appointees, has combined to capture congressional fancy. This is no idle boast. Congress that is easily "war-minded" by propaganda will yield to the next demand of big Navy and other war interests for a declaration of war to protect American interests against any potential enemy, whether England or Japan. The only barrier to a big Navy to-day is President Hoover and his influence over Congress. Never in all history has there been more need of sending back to the people the right to decide war before Congress acts. Never before has Congress so com-

pletely surrendered to a war fever, navy parity, and war preparedness in times of peace.

Ten years ago we were nursing our war wounds, and the country was sick of war and of war debts. To-day Congress is Navy-minded and, with the Navy, war-minded. Not to fight themselves, but to have others fight.

The country that pays for war has no voice in the matter. Congress is certain to respond to propaganda when again voiced, even as in the past over the sinking of the *Maine* or sinking of the *Lusitania*. When Europe sets off the bomb, we will follow. If naval officers, Congress, and other war-minded interests were put in the front ranks to face real fighting, Congress would not be so naval-minded nor war-minded. The people who have no voice, however, will do the fighting until a war-minded Congress surrenders its right to declare war.

Is this an idle statement? Let me recall to your minds later how we were swept into the last war that the people six months before had elected a President on the issue to prevent war.

In the discussion yesterday on the subject of the Geneva conference the distinguished chairman of the Committee on Rules, Mr. POT, in a vigorous address said, in substance, he expected to vote on the subject of the conference, but he was "opposed to every effort to lower the efficiency of the American Navy."

It may be said that this is the argument of every admiral, of every exponent of a big Navy, whether representing Government navy yards or generally interested in the subject of a big Navy.

ENORMOUS INCREASES ARE ASKED FROM CONGRESS IN PEACE TIMES

There is now pending before the American Congress a proposal to increase the present enormous naval force more than 100,000 tons to put us on a parity with Great Britain, with Canada on our north border—a country we never expect to fight—and for other reasons and yet in addition to this a proposed \$1,000,000,000 expenditure for the new Navy, pared down in a bill for this session to \$600,000,000.

We are expending annually over \$800,000,000 for military and naval purposes, far more than double what the taxpayers of this country were paying prior to the war, as shown by the accompanying table:

	Army	Navy	Total
1916.....	\$164,635,577	\$155,029,426	\$319,665,003
1926.....	355,072,226	312,743,410	667,815,636
1927.....	360,808,777	318,909,096	679,717,873
1928.....	390,540,803	331,335,492	721,876,295
1929.....	416,901,546	364,561,544	781,463,090
1930.....	453,524,973	374,165,039	827,690,012
1931.....	478,418,974	354,071,004	832,489,978

The foregoing figures were taken from the World Almanac of 1932, and show an increase in 15 years of a total naval expenditure of more than 266 per cent. Without considering the Army bill, fast approaching a half billion dollars annually.

Anyone who suggests that there is any effort to lower the efficiency of the American Army or Navy should keep in mind all this enormous expenditure is apart from and in addition to the \$1,000,000,000 parity Navy bill now under consideration by the Naval Affairs Committee of the House.

Let me add in this connection the following appropriations or expenditures for naval purposes by the five principal powers, taken from page 370, World Almanac, 1932:

	Great Britain	United States	France	Italy	Japan
1928.....	£58,123,257	\$356,597,546	\$98,046,348	\$57,589,000	\$128,203,000
1929.....	57,300,000	364,233,362	101,600,000	60,021,000	131,222,000
1930.....	55,865,000	378,874,067	137,516,120	80,795,701	131,468,844
1931.....	51,739,000	357,806,219	118,970,598	84,599,254	105,437,569
1932.....	\$273,397,800	1,832,718,022	456,123,066	282,974,955	496,331,413
Annual average ¹	\$276,000,000	366,543,604	91,224,613	56,594,991	99,266,283

¹ Approximately.

Forty million active and reserve soldiers, according to the same authority, including four million "selected" soldiers in this country, are to be in readiness for the next world war and add enormously to the above war-preparedness costs.

This is offered particularly to show a feverish race in naval expenditures during the past five years, of which the United States has contributed \$1,832,718,022, or more than three times the expenditures of Great Britain, to which we are asked further to build a billion dollar parity Navy—for a few more American battleships to be used as naval targets.

The appropriations by France and Italy are set forth because these countries had a reduction in debt settlements with the United States of 50 per cent in round numbers for France and of 75 per cent for Italy, while they are now spending many billions of dollars for navies and armies with which to fight each other. Now, both countries ask for debt cancellations, yet threaten another world war by their vast war preparations.

The Geneva conference, even if a failure, will be infinitesimal in cost compared with the annual naval expenditures by the United States or the cost of a single useless battleship. About 1 per cent of the latter for money actually used by a peace commission apart from that used to meet the league expenses of \$99,000. That is a picture of war preparations compared with peace efforts worth studying by the American Congress.

EUROPE WANTS US TO GUARANTEE AID IN CASE OF WAR

Yesterday I sought to connect the prediction of Mr. Frank Simonds, a recognized war authority, quoted by the gentleman from Texas [Mr. BLANTON]. Along the line with Simonds's prediction in the Sunday Star that France and Italy wanted our aid in case of war, the following extract with brief comment is from the White House social secretary, who was with President Wilson and Mrs. Wilson in Italy following the war. At that time the war poker game was being played by Clemenceau, Lloyd George, and Orlando, with the President of the United States seeking to be initiated into the mysteries of European war treaties.

Her information must be accurate, because it has never been denied, and appeared in the October, 1930, *Cosmopolitan*, about which I commented at some length in the RECORD of January 9, 1931. On page 1825 of the RECORD she says:

After luncheon the President (Wilson) told us of an amusing quarrel between Clemenceau and Lloyd George. The question of mandatories for Asia Minor was being discussed, and as Italy had shown bad faith, they did not want her to have any part therein. The French want northern Anatolia, the British southern, and they want the United States to take Armenia. The French felt they were not being treated fairly.

Yesterday he (the President) sat on a chair while Lloyd George and Clemenceau renewed again * * * their fight of the day before. The President (of the United States) was constituted umpire, and he said it was fun to watch the two pointing out plans on the map and to hear one saying to the other, "You promised us this or that in Asia Minor for this thing or the other," and he sat there quite out of sympathy or understanding of the bargaining away of peoples.

Last night Clemenceau attempted a curious thing. The treaty was being printed and word came to the President that he (Clemenceau) had had inserted a whole paragraph saying that the Americans and English bound themselves to come to the assistance of France if she was attacked.

This treaty had been prepared and drafted by the representatives of all the powers, 27 in all, and no one had a right to change a word without the consent of the whole session.

The paragraph was stricken out, but it was again put in. After much difficulty the President kept out this determination to keep us in future wars. That is the inglorious ending of a treaty that instead of leaving us some little national respect for our participation in the war presents us in a rôle of simple-minded novices used by past masters in the game to divide up the spoils we helped them secure.

I have introduced two resolutions that have gone to the Committee on the Judiciary. They are both for constitutional amendments to reduce the dangers of war. I was here during the last declaration of war, and I am going to quote to you, if you care to listen to it, what occurred on that day

in this Chamber, and will quote from some of the leading men who were here at the time.

RESOLUTION TO KEEP US OUT OF WAR

House Joint Resolution No. 103, which I have reintroduced, provides, in two brief paragraphs, as follows:

House Joint Resolution 103

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"Congress shall have power to declare war only after the proposition shall have been submitted by the President to the several States and a majority of the States, at general or special elections called by the governors thereof, shall have approved the same. This amendment shall not be construed to prevent the President from using the Army and Navy to suppress insurrections and to repel invasions.

"The right of the people to be secure in their persons shall not be violated by conscription or forced military service, but when public safety demands, Congress may provide for forced military service on the North American Continent and in no other place."

When I made that statement before the War Policies Commission, the New York newspapers particularly criticized me because I uttered a proposal of that kind—to say that you can conscript men to fight at home, but not abroad. We have the right to-day to call on the men of our country to protect our country at home. There is no combination of countries that could ever threaten us here, but to conscript our soldiers and send them abroad again it seems to me is inconceivable after the experience we had during the World War.

Before discussing the general subject of prevention of war and necessity therefor, including war propaganda that overwhelms Congress, when the hysteria, actual or apparent, is on, I quote briefly from House proceedings of April 5, 1917, immediately before the declaration by Congress for war. In this I am not discussing the merits of the last war. That is water over the wheel, but I am presenting influences that always surround Congress when a war declaration is presented.

Uncle Joe Cannon, out of a 44-year service, said in the heat of the debate, page 343, April 5:

Under the Constitution the President is Commander in Chief of the Army and Navy * * *. The House is one part of the legislative body. Presidents have made conditions time and again that have forced the legislative body to declare war. Mr. Polk was the first one.

PRESIDENTS FORCE CONGRESS INTO WARS

Practically every war declaration by Congress since that date, including the last one, has been so influenced by the President. In other words, the President produces a situation that Congress can not resist. Throughout the speeches for a war declaration in 1917 ran the cry by Members and laymen, iterated and reiterated, "stand by the President." That I wish briefly to discuss, without reflection upon President Wilson, who was elected six months before for keeping us out of war. Under the present system, he, like Congress, is ever subjected to a flood of war propaganda hard to determine its truth or falsity, or responsible interest, a pressure equally hard to resist during war hysteria.

Quoting President Wilson's message presented in person to Congress February 3, two months prior to the war declaration by Congress, Congressman Cooper, of Wisconsin, dean of the House, read on April 5 to the House from the President's message:

Let me remind the Congress that on the 18th of April (1916) last, in view of the sinking on the 24th of March of the steamer *Sussex* by a German submarine, without summons or warning, and the consequent loss of lives of several citizens of the United States, who were passengers aboard her—

And so forth.

In predicating a duty of Congress to declare war, the President gave as a determining reason therefor, among others, the loss of lives of Americans sailing on the North Sea—in the war zone—over a year before, and in face of

warnings by belligerents of that danger. The President believed that statement of losses to be true. It was not true, for Congressman Cooper read extracts from a letter dated March 27, 1917, or only 10 days before the declaration was passed, which contained the following:

You are informed that no American citizens lost their lives on the *Sussex* and *Evelyn*.

Very sincerely yours,

ROBERT LANSING,
Secretary of State.

That letter appears in full in the RECORD of April 5. A misinformed President, with all the power and influence of his position, urged upon Congress as a cause for war a reason that did not exist. A reason, even if true, that alone should not have caused the loss of 100,000 American lives and \$35,000,000,000 war expenditures because of venturesome or reckless American travelers. Only war's hysteria made it impossible to resist. It was found to be untrue, as stated by Lansing.

Like the sinking of the *Maine* in Habana harbor, such reports will always stir national anger, whether the facts and responsibility therefor are true or not. Future wars are certain to result from like reports. Emotional insanity should not plunge the people into wars. It will not do so if they decide. A leading Democratic Member, Congressman Keating, during the heated war debate, page 343, RECORD, April 5, aptly expressed the feeling of the country when he said:

I ask Members of the House who among you last October and November, when asking votes from your constituents, dared suggest to them that if elected you would send their boys to Europe? Why my friends, Woodrow Wilson, running on that kind of a platform would not have carried a single State in this Union.

Six months before President Wilson had been reelected "because he kept us out of war." Yet, within that six months we were in.

NOT ONE PERSON IN TEN WOULD HAVE VOTED FOR WAR

Congressman BRITTEN, at present a leading member of the Naval Committee, page 397, April 5, declared—

I have traveled over the great Central West, and I tell you sincerely that 90 per cent of the people of this country are opposed to the declaration of war against Germany at this time. The truth is that 90 per cent of your people and mine do not want this declaration of war, and are distinctly opposed to our going into that bloody mire on the other side.

Mr. BRITTEN then offered an amendment to the war declaration as follows:

Provided, however, That no part of the military forces of the United States shall be ordered to do land duty in any part of Europe, Asia, or Africa until so directed by Congress, excepting those troops who specifically volunteer for such service.

The amendment was defeated.

Among many impressive words in debate on that same day, I quote from Representative Sherwood (Democrat), a lovable man, who enlisted in the Civil War as a private. He was in 42 engagements and battles; promoted repeatedly for bravery, and finally was mustered out of that war with a brilliant record, second to none, as a brigadier general.

No more courageous man ever represented his countrymen in Congress. He said, page 335, April 5—

I can not keep faith with my people by voting for this war resolution in its present form. I will vote for it if the provision to authorize an army to be sent across the Atlantic to participate in this European conflict is stricken out.

In striking support of the brave words of this noted warrior who opposed the President of his own party and country, I quote once more from the caustic but good-natured criticism of Representative Keating, who gave a correct picture of the responsibility of Congress in sending others to fight when he said in debate, page 348, the same day:

CONGRESSMEN DO NOT CROWD RECRUITING STATIONS

When Congress declares war it does not mean that Congressmen are ordered to the front. Congress has declared war heretofore, but the recruiting offices of this country have not been uncomfortably crowded with Senators and Representatives who wanted to enlist.

No comment is offered beyond saying this picture is too true to be questioned, for of Congressmen then loudest for war, not 2 per cent, possibly not 1 per cent, were found fighting at the front, whereas several who had valiantly served their country before or enlisted in the World War had the courage to vote with the minority their convictions against that war. In this I criticize no one, but offer that comment in support of the proposition that the people who are to fight or pay for the war ought to be allowed to determine the question before Congress votes any declaration of war, and that no American troops be conscripted for European wars.

CLAUDE KITCHIN'S WAR STATEMENT

One of the bravest men in that war Congress, and one of the ablest, was Democratic Leader Claude Kitchin, who also broke with his President on the war declaration. In a paragraph he sounded a message to the country that will be true of any other European war in which we engage. He said, in debate, on page 333:

We are about to make the cause of Great Britain, France, and Russia, right or wrong, our cause. We are to make their quarrel our quarrel. We are to help fight with all the resources in men, money, and credit a difference between the belligerents of Europe, to which we were and are utter strangers.

That proposition will confront us again if those with personal interests to serve—influences which enveloped Congress in 1917—are again unleashed. That is sure to occur again with redoubled war propaganda by forces that rarely serve at the front but urge war declarations on Congress.

Similar expressions to those quoted came from the Senate side, but when once declared no war ever had more complete support, irrespective of individual views of its merits. Once in, there was nothing to do but win the war.

That is the argument pressed every time; and though we may have no bitterness against any people, as stated by President Wilson, when war lords responsible for the peace of Europe again disagree or great commercial rivals differ, our aid will be sought by the same foreign and domestic propaganda from all sides that encompassed the President and the American Congress in 1917.

A recent writer, a student of military strategy who, as a commissioned officer, served with his father, a brigadier general, in the World War, now declares that colossal blunders in the handling of troops were never more striking than in that war. Yet no ante mortem statement ever appears on the subject, because war losses are accepted as a certainty and losses, however unnecessary or colossal, are a closed book.

In the RECORD of January 9, 1931, I discussed at some length war propaganda and methods employed in the past to urge wars on the United States.

PRESIDENT WILSON FLOODED BY PROPAGANDA

President Wilson was flooded with war propaganda before our entrance into war. Wilson's closest Cabinet member was his son-in-law, Secretary McAdoo. In McAdoo's "Crowded Years," just published, he says:

British propaganda in America was undoubtedly a violation of American neutrality—

And adds—

A man may be like Ananias, but you can't put him in jail for that.

The man or agency whose lies and propaganda help to involve this country in war is infinitely worse than all the gangsters combined who have ever been prosecuted by the Government for concealing their income receipts. Surrounded by untrue propaganda, Presidents occasion situations that force Congresses to declare war. I have heretofore discussed the amazement of the President when confronted after the war with the conflicting claims of Clemenceau and Lloyd George over a division of the war spoils, during which it is stated (RECORD, January 9, 1931), after printing of the treaty, "Clemenceau inserted a whole paragraph saying the Americans and English bound themselves to help France if attacked.

When war threatens, propagandists are practically lawless, and Representative Tavenner's disclosures prior to our entrance into the World War gave a startling picture of influences then behind the Navy League. Influences by munitions, shipbuilding, and other financial interests that controlled the Navy League then, now declare a great parity Navy must be built to match that of England and advocates a billion dollars extra expenditure for that purpose in these times of great business depression. Hair-splitting claims of comparative naval power with ships obsolete or soon to become so receive ten times the public attention devoted to peace efforts because of the vast financial powers that press naval competition upon Congress.

SHEARER, THE "NAVAL EXPERT," SUES FOR HIS COMMISSION

The American public soon forgets that Shearer testified before the Senate committee he was paid \$2,000 a month by an American publisher to discredit the Geneva disarmament conference. Shearer's statements, he then declared, prevented any disarmament action at Geneva; yet it later appeared Shearer based false propaganda on admittedly forged and faked British papers. His suit for \$250,000 against his employers, large shipbuilding companies, failed when his methods were exposed. Yet these false statements were potent at Geneva, even as mistaken statements by the President were offered to Congress to declare war, and a crazy act at Habana plunged us into the war with Spain.

Page after page of propaganda to inspire war, arouse hatred and a war hysteria that controls Congress were set forth in my speech of January 9, last session. That propaganda from a new Northcliffe and others will come again as in the past, inspired in part by good men, often misled, and by men not good who throw all lives into the balance when their own commercial, financial, or other interests are involved.

In a country that embraces a citizenship composed largely of people from practically every European country, such efforts to provoke national hatred serve to arouse neighbor against neighbor in order "to make Europe's quarrel our quarrel," as declared by Democratic Leader Kitchin.

Yet, with all this record of dishonest propaganda and reprehensible lying, those responsible defend their methods by professing patriotic motives and the unrestrained liberty of the press as their justification. By passage of my resolutions the responsibility for war would rest with the people instead of with Congress that to-day fiddles over many inconsequential issues while Rome waits to be burned again.

The inducement for war is gone when a great American Navy and American Army can not be suddenly thrown in the conflict to turn the tide. That will not again occur if these resolutions or their substance are written into the Constitution.

Although during and since the war I sought repeatedly to disclose false propaganda published by a "Security League" and by other agencies within and without my own State of poisoned wells, of ground glass, of arms gathered in cellars all shown to be false, and have presented to Congress indisputable evidence of the existence of war hatreds abroad that menace the peace of the world, I have no illusions regarding counteragencies in this country which believe in war and in war propaganda as a cure for national supineness. Another war may change the form of this Government as it has some governments of Europe, and then, possibly, unless too late, a sane course will be pursued to keep this country out of foreign wars.

As was stated yesterday by my friend from Texas, there is liable to be another war in Europe at any time. I think Mr. Frank Simonds is as good an authority as can be found in the United States, and he declares that to be so. I have been myself in practically every country in Europe with three exceptions, and the sentiment abroad everywhere is one of jealousy and fear and envy, one toward the other. I am going to put into the RECORD something that will confirm the statement made by Mr. Simonds about the condition under which France and Italy to-day expect us to help

them and protect them, just as we did immediately after the war.

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

Mr. FREAR. Yes.

Mr. BLANTON. With regard to those who voted for war, I remind the gentleman that the distinguished gentleman from New York [Mr. LaGuardia], who passed a very important amendment here this morning, was one of those who did walk down this aisle and say, "Mr. Speaker, I am going to the front." When the gentleman knows that Europe is in a turmoil, when the public mind is in distress, when they are armed to the teeth, and he says that war is going to come about at any moment, how is it that he would vote as he did yesterday to spend \$450,000 to send a big delegation of Americans over there at this particular time?

Mr. FREAR. For this purpose: I do not believe it will do very much good, if the gentleman wants to know my own sentiment, but I believe it is an effort in the right direction. We sent them over the last time, and what happened? They agreed to 100,000 extra tons of armament, to bring us to a parity with England at that time, involving a billion dollars expenditure. That was a reduction of armament conference. I have been there. I have been there with Mr. Hugh Gibson. When I came back on the boat five admirals sat at the same table with me. They were men who had been there to advise in the matter of a reduction of armament. Reduction of armament? No; of course not, if the same surroundings are there again; but I am hoping that the nations of Europe may be willing to consider peace proposals, and that with our aid in bringing them together that may occur this year.

WE SHOULD NOT SELL MUNITIONS DURING WARS

In Joint Resolution 102, also reintroduced from last session, I ask Congress to pass a provision that the President be authorized and requested to urge certain governments mentioned to hold a conference at which, among other things, first of all—

The representative governments agree not to permit any public or private interests therein hereafter to render military or naval aid to any belligerents, either by selling or otherwise disposing of any ships, arms, munitions, or other war supplies to such belligerents or by gift or loan of any money or property to those engaged in war.

Every student of history knows that these conditions are impelling forces which have dragged peaceful people into wars, and will do so again. Publisher Hearst, whose graphic picturing of any proposition is unexcelled, gave out a signed editorial on November 16 last year which is directly on that point, when he says in part:

It is horribly hypocritical for us to prate of peace while we encourage war by supplying all the necessities of war to battling nations. How can we claim to be opposed to war when we take advantage of a state of conflict to fill our pockets with the profits on the materials we supply to continue the war. Nothing is more contemptible than hypocrisy. It is the vilest of vices.

It is vicious, but no more hypocritical than efforts of the Navy League or big shipbuilding companies or munition makers and countless others in times of peace to pretend patriotic motives for advocacy of great parity navies and vast conscripted armies, primarily to protect foreign investments and arouse hatred to provoke war. History discloses it is often a controlling motive, and its inwardness is not known until after we are plunged into war. No more danger exists for war with Great Britain than with China, nor need for a billion-dollar "parity" navy with which to attempt any intimidation of foreign war powers. No unprejudiced war expert will so say.

No possible way of eliminating plunder and profiteering from war has yet been devised and the most certain way to avoid war is by removing the ease by which innocent people the world over, including ourselves, are swayed by hysteria and yield to the hands behind the scenes that pull the war-curtain strings.

It is sometimes argued that refusal to mix in foreign wars or international controversies ignores a duty to humanity

that smacks of national selfishness. On the other hand, by Europeans, we are frequently termed to have become the great international meddler.

INTERNATIONAL GRATITUDE (?) TO AMERICA

Following America's intervention in the "war to end wars" this Government has been roundly criticized abroad because it entered war so late, the critics saying the Allies would have won the war without us. European debtors to the amount of over \$11,000,000,000 are almost a unit in declaring those debts should be canceled by our Government and American taxpayers left to bear the burden. All this justifies the great wisdom of Washington's warning to beware of foreign entanglements.

When a half dozen European countries adjoining one or the other of the World War belligerents managed to maintain their own self-respect and neutrality without serious effort during four years of the World War, which frequently reached across their borders, it is certain that any spirit of jingoism, self-interest, financial or otherwise, should be suppressed by a country 3,000 miles distant from such wars. Adequate defense against insurrection or invasion will provide all air, chemical, and other needed protection, but my resolutions are offered against European entanglements.

Peaceful offers to aid with advice and friendly counsel in the future as in the past would be better than carrying an international chip on each shoulder to invite friction.

Yet war is reasonably sure to occur abroad, and numerous pretexts will be urged to involve us again, as in the past. Remembering the instigation of the Spanish-American War and efforts to embroil us in controversies with Mexico, Japan, and other countries by powerful news agencies and untruthful propaganda prior to and during the World War, it is reasonably certain that great preparedness or other efforts to anticipate war are a last and futile means for its prevention.

It should be determined by the people who have to fight and pay and who are not so easily stampeded as Congress has been in the past—and again is sure to be.

NO REFERENDUM NEEDED TO REPEL INVASION

No referendum would occur in an insurrection or invasion like the Civil War or the American Revolution, for constitutional powers lie with the President, as Commander in Chief, for disposal of our military and naval forces if such an emergency should again arise. An army of 10,000,000 would be available for either purpose, but will never be needed, because no threatening force can be combined against us.

Wars are always justified by their champions as "defensive," even as "adequate defense" means arming to the limit. A referendum to the people should be had when an aggressive war, like the average foreign war, seeks our aid.

"Disarmament" proposals have been characterized as an idle dream. They are disclosed by frequent failures to be that, and the only way to stop another war nightmare is by taking away the direct war power from Congress and placing it in the people, with exceptions noted. No disarmament will ever occur with this country while others are arming, but naval races and military races have been unprofitable throughout all history and only hasten the use of the ships and armies in a real war.

Treaties during war talk and war propaganda become little more than "scraps of paper" when any pretext is used to justify war. Practically all of the 27 countries participating in the last war had such treaties with one another. Secret treaties were trotted out for international study after the war was over and disclosed that war is always expected to be a source of plunder and of a division of lands and spoils among those who were our Allies.

In this connection any present effort to limit war profiteering by repeal of the constitutional property rights in Article V should be supported, but all laws are nullified in times of war by the military powers then in control and such proposal ought not be used as a subterfuge for the passage of a man-power conscription law, that military

powers eagerly seize upon through a pretense of taking profits out of war.

WAR A MONSTROUS FORCE IN ITS ULTIMATE RESULTS

I have presented imperfectly a brief picture of influences that bring on wars, their false and inhuman efforts to arouse hatreds so men will fight to kill each other. Men who desire equally to live will pray to the same God for success and then wonder what the war was all about, what great question was at stake for which so many millions of lives were staked and lost. Civilization was set back a quarter of a century or more by the last war, with deep-seated enmities never to be removed, but certain to fire desire for future wars among those who deem themselves to have been wronged.

Cumulative evidence that would weigh down the heavily laden scales all confirms this estimate of the effect of recent wars. Possibly it is impossible to arouse the present generation or our own people to the logical result of the next war. Personally I have discussed before at some length this subject, but I shall offer no evidence here excepting to say that the series of blunders by military leaders of practically every nation are set forth graphically by Stratford in a comprehensive history of those "that take the sword."

A COMPETENT WITNESS

It is just off the press this year; the author was a captain who saw real service in the World War. His father, a retired brigadier general in the British Army, returned to service when the World War broke out and was commander of a brigade on the western front. The author's brother, a major, served with distinction through the war. That is his background.

Criticisms well supported are strongly urged by him against the management of the English, as well as of the French, German, Russian, and Austrian Armies. He had no illusions or delusions, but saw war in all its frightfulness and uselessness.

Countless witnesses can picture what occurred "over there," but this writer seeks to set forth the uselessness of the last war and the probable result of the next in over 400 pages of valuable war information not to be refuted.

From the preface I quote a passage he sustains with facts:

That prolonged act of criminal lunacy in which the military mind was revealed as more stupid and unteachable not only stripped the last rags of romance and decency from the business of international butchery but made it clear as day that civilized man had received his last warning. * * *

Mr. Chairman, I am offering for your consideration a definite and specific remedy to prevent, so far as possible, our participation in the next European war, now brewing.

The exact terms of a constitutional amendment are not material, but that which I have offered will do the work more effectively than all the conferences carried on at Geneva and The Hague combined.

I am in favor of those conferences if in any way they advance the cause of world peace, but I am certain that a leader of the American group who has great naval-construction yards and great private shipbuilding yards in his home surroundings has not lived within a proper atmosphere for world peace. A retinue of admirals and naval experts now with him for advisers, whose present place is made more secure and promotions more certain by war, are not agencies for advancing world peace.

With admirals now before congressional committees demanding a parity navy with Great Britain and admirals at Geneva constantly in the forefront, it is time for Congress to inquire as to influences and motives that seek to shape our big Navy program at an approximate cost of a billion dollars additional to American taxpayers. As long as these naval experts are in the saddle little hope exists of convincing the world of our peace purposes or our people of reduced armament taxes.

Men engaged in a particular line of governmental work are always extreme in their demands for control and that

applies to the Army and Navy and practically every bureau of the Government.

Their influence is most serious now when we are trying to impress the world with our Kellogg peace treaties and professions of world-wide friendship.

The way to make peace progress and insure against wars in Europe is by giving to the people, those whom we profess to represent and in whom we express complete confidence, a right to vote on all foreign wars before Congress assumes to act. That course will insure peace more than all the conferences that will occur in a century to come.

Mr. FIESINGER. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. FIESINGER. I voted for the resolution yesterday. I will vote for similar resolutions to accomplish that end. I sometimes hear the question asked, "Suppose the United States did disarm, what would become of the men now engaged in military service in these times?" I wonder if the gentleman has an answer to that. I believe that is propaganda that is going over the country.

Mr. FREAR. I think so; just as propaganda that we are to build the Navy up to parity, so that boys who are constantly graduating from Annapolis will have naval positions; just as we are asked for more ships to give work in the navy yards at Norfolk and elsewhere in order to furnish employment to men. Those are all arguments; but peace is more valuable, even if those men go out of the service; but this will not occur.

We are not proposing for disarmament. Each country will preserve a policing force on land and sea for its own use. Gradually we will reduce the force to a real peace-time footing. Our Army, instead of being 118,000 men, is more nearly a force of 500,000 men. I said to the Secretary of War when I was before his War Policies Commission, "118,000 men is not the total force of the Army." He said, "What is the Army?" I replied, "200,000 men in the National Guard must be added—you do not count those—and you have the Officers' Reserve and other forces on part-time pay, which total over 500,000." We have that many in the military service to-day. We are not going to take them all out, but if we can gradually reduce the number we ought to do that. Every man who is in favor of peace and against war will say that is the proper thing to do. Otherwise we can or should give employment to every man in need by putting him in the Army.

Mr. BLANTON. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. BLANTON. Congress will probably adjourn in June. The conference over there then may first vote for the cancellation of war debts. Then they can go further and demand of Japan that Japan remove all troops from Manchuria, and if Japan does not remove the troops, a declaration of war can follow that, and with Congress not in session, and then the gentleman will be brought back from Wisconsin, just as he was in April, 1917, with the war cry "Stand behind the President." What will the gentleman do then?

Mr. FREAR. I will not have to stand behind the President on any declaration of debts or war because those people who have gone to the Geneva conference have no authority to discuss cancellation of debts. I wrote in committee into the original resolution amendments that there should be no cancellation of debts, no substitution of debts, and it is in there, and no one has authority to change it except the Congress of the United States.

Mr. BLANTON. They are liable at this conference this summer to do all sorts of things, and I do not want our Government ever to tell a nation that it must do something without making that nation do it. Much may be done over there that the gentleman from Wisconsin and the gentleman from Texas will not approve of. And they may force us into war when we do not want war.

Mr. FREAR. But we will not permit of it being done by Congress. Neither will the conference do it.

Mr. LANKFORD of Virginia. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. LANKFORD of Virginia. I am wondering if the gentleman is not unfair to the naval "butterflies" he has been speaking about—

Mr. FREAR. Oh, I was quoting somebody else.

Mr. LANKFORD of Virginia. During every war since the beginning of this country they have conducted themselves very wonderfully and then left such a bright page in our history in the last war when they took our troops over and back without the loss of a single life; is the gentleman not unfair to the American Navy in referring to them as "butterflies"?

Mr. FREAR. No; I am not unfair, because it was not my expression. I was quoting a high naval expert's statement.

But I will say that after agreeing with you as to their high character, all the naval officers, including admirals, commodores, and all others, never suffered all together as many fatalities during the last war from fighting as the little company from my home town which lost 88 men.

Mr. LANKFORD of Virginia. That is perfectly true.

Mr. FREAR. And the Thirty-second Division, National Guard "shock troops" from Wisconsin and Michigan had 13,000 casualties in that single division. I was quoting another naval authority as to their easy assignments, for which Congress may be equally responsible.

Mr. LANKFORD of Virginia. Of course, it so happened that this was not a naval war.

Mr. FREAR. I am not discrediting them at all. I was quoting another naval authority as to their assignments, for which Congress may be equally responsible.

[Here the gavel fell.]

Mr. BUCHANAN. I yield 30 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, we are in the midst of the most far-reaching and important economic revolution the world has ever witnessed. This revolution threatens the destruction of the individualism of the American people. During the past decade a radical change has taken place in our economic life. Although we still retain the external form, the professions and precepts of a democratic Government, there has grown up in our midst an industrial and financial oligarchy as absolute in its sway as ever existed in the heyday of medieval feudalism. If the present trend is not checked we will have two systems diametrically opposed to each other but existing side by side under the same laws and institutions of government. One is our political system that was erected upon the pillars of individualism, competition, and equality of opportunity. It is the chief tenet of our political creed that although all men can not be equal in brains, energy, or property, they can be equal in the opportunity to achieve independence and success in their respective pursuits. It was for this principle that our fathers fought and died and incarnated the battlefields of this Republic with their blood. It was to establish this principle upon a firm foundation that the immortal scenes at Lexington and Valley Forge were enacted. But despite the fundamental principles of equal and exact justice to all and equality of opportunity for every man, woman, and child, an industrial and financial feudalism has risen in the United States that threatens to nullify the intentions and ideas of the founders of this Republic and stultify in letter and spirit the Constitution of the United States and the Declaration of Independence.

We are living in a tragic era when some political leaders consume their time in paltry disputes and unprofitable controversies while the giants of concentrated wealth and financial control stalk over our land unopposed and unresisted, and, in fact, encouraged by the indifferent attitude and tacit consent of the Government. These giants have become so dominant in our political, financial, and industrial life that few men dare to cross swords with them and challenge their right to trample underneath mailed fist and iron heel the individualism and economic freedom of the American people.

No nation in all the annals of time has witnessed in such a short time the rapidity with which financial control and

industrial power have been concentrated in the hands of a few as the peoples of these United States. Between 1919 and 1930, 8,003 independent manufacturing and mining establishments disappeared in the process of consolidation engineered by the giants of finance and industry. Less than one-half of 1 per cent of the total number of the Nation's factories employ nearly a fourth of the Nation's factory labor forces and between 8 and 9 per cent of the factories employ 71 per cent of its wage earners. On the other extreme, 85 per cent of the factories support less than one-fifth of the factory hands.

Several years ago James W. Gerard, former ambassador to Germany, declared "that sixty-odd citizens of the United States—chiefly leaders in finance and in industry—were the real rulers of America." This statement is particularly interesting in view of the assertion made by President Hoover in his presidential campaign that the economic system of the United States is a system of "rugged individualism," and that the essence of this happy state of society is "that there shall be no domination by any group or combination in the Republic, whether it be business or political."

In the public-utility field only 22 mergers were noted in 1919. Seven years later, in 1926, however, this number had increased to an astonishing total of 1,029. Gardiner C. Means, of Columbia University, conducted, under the auspices of the Social Science Research Council, a detailed and careful investigation of the growing size of corporate units in the United States. As a result of this study Doctor Means declared that "200 of the largest nonfinancial corporations controlled in 1927 over 40 per cent of the corporate income, controlled over 35 per cent of all business wealth, and between 15 per cent and 20 per cent of all national wealth." "Between 1919 and 1927," declared Doctor Means, "the assets of the 200 largest corporations increased more than twice as fast as the assets of other non-financial corporations. They reinvested a larger proportion of their earnings, secured a larger proportion of new capital in the open market, and increased in size through mergers. If recent rates of growth were to continue, 80 per cent of nonfinancial corporate wealth would be in the hands of 200 corporations by 1950."

Laidler, in his exhaustive treatise on Concentration in American Industry, summarized the trend toward concentration in a very accurate and intelligent manner:

In anthracite coal we have found that nearly four-fifths of the recoverable tonnage is controlled by eight companies closely affiliated with railroads. Four companies produce one-half of the total output. In the soft-coal industry, where less concentration prevails, some 30 producers mine about one-third of the total and own more than one-third of the coal reserves. In the case of iron ore one corporation, the United States Steel, controls from one-half to three-fourths of the iron-ore reserves and two-fifths of the industry's steel-making capacity, while two corporations control some 52 per cent of steel capacity and nine over 80 per cent.

In the copper industry four companies control nearly one-half of the copper reserves. A few large companies dominate the field in the production of lead and zinc. Keen competition, however, still persists in these three metals. One company—the International Nickel—owns more than 90 per cent of the known nickel resources of the world. One company—the Aluminum Co. of America—holds a position of practical monopoly as far as the domestic market is concerned in the ownership of bauxite deposits, used in the manufacture of aluminum, while two others control most of the world's sulphur supply.

In the gigantic business of communication that one system—the Bell Telephone—controlled about four-fifths of the telephone service of the country; that another company—the Western Union—had jurisdiction over three-fourths of the telegraph service; that another company controlled the major part of radio communications; and that two companies presided over the destinies of most of the Nation's cables.

In transportation, the country still supports some hundreds of steam railroad lines, although the Interstate Commerce Commission is now trying to funnel them into a score of systems and the investment trust is concentrating control in a startling fashion.

Electric railway lines are local monopolies and are being increasingly controlled by great electric systems. Three corporations are outstanding leaders in the new aviation industry, with General Motors taking an increasingly important place therein. Bus systems are being more and more absorbed by the steam and electric railways, while large taxi corporations are dividing the taxi field between them in the important cities of the country.

In the power utility, four electrical groups control a majority of electricity produced in the country, with the Morgan-Drexel-Bonbright-controlled United Corporation rapidly forging to the front as the most important electrical interest in the world to-day. In the manufactured and natural gas industry a similar development is taking place, with the great oil companies taking an active part, while water-works corporations are at the threshold of a significant consolidation movement. In the whole utility field only 22 mergers were recorded in 1919. Seven years later, in 1926, that number was over 1,000.

When we enter the general manufacturing industry, we find the situation more varied. However, the consolidation movement has here advanced with remarkable speed since the World War, with over 7,000 mergers during the decade 1919-1928. In the automobile industry General Motors and Ford sell nearly three-fourths of motor cars. In our food industry two packing companies handle over 50 per cent of the meat entering interstate commerce. The American Sugar Refining Co. and its affiliates do a large proportion of the sugar-refining business of the country.

Four huge corporations, three of them formerly dominated by one family, are supplying about a fourth of the Nation's bread. The National Biscuit Co. is a dominant figure in the biscuit world. The General Foods Corporation is gradually reaching out over a larger part of the cereal field, with Quaker Oats and Kellogg's vigorous competitors. The National Dairy Products Co. and Borden are becoming the great giants in milk, butter, and egg distribution, while these and other corporations, as circular trusts, are encompassing many other branches of the food industry.

Turning to tobacco, we find that three corporations control over 70 per cent of the cigarette trade of the country, while a similar situation is developing in other branches of the industry.

In the field of entertainment mass production is taking the place of the individualistically directed artist. In the radio field the National Broadcasting Co. and the Columbia chain are extending their tentacles to all parts of the country, while the Radio Corporation of America, through its patents and licenses, occupies a supreme position in the radio field. In the movie industry the Radio-Keith-Orpheum Corporation, the General Theaters Equipment, and the Paramount Publix Corporation are without rivals. Each of them constitutes a great movie empire of its own. In the field of legitimate theaters the Shubert Theater Corporation is outstanding. The manufacture of phonographs is being integrated with the radio. The piano manufacturers are becoming fewer in number. Entertainment has succumbed to big business.

Nor has the movement toward concentration ignored the printing press. In the publication and distribution of periodicals and newspapers large-scale production has made itself felt. In the newspaper realm, chain newspapers, press associations, and press syndicates, and the merging of local newspapers, have led to a degree of concentration in the collection and publication of news such as was scarcely dreamed of a generation ago. New printing inventions are accelerating the movement toward standardization and centralization. In the actual production of paper, the International Paper & Power Co. is the outstanding example of large corporate control.

The equipment of our industries is, for the most part, in the hands of the great capitalistic concerns. The General Electric and Westinghouse manufacture more than half of the equipment for the electrical industry. The Western Electric supplies most of the wants of the telephone industry.

The American Locomotive, the Baldwin Locomotive, and the Bethlehem Steel Corporations divide the locomotive field among them. Two corporations dominate the manufacture of passenger and freight cars; one corporation monopolizes the parlor-car business; one corporation manufactures around half of the agricultural machinery in the country; and one manufactures the great mass of shoe machinery used in the shoe factories of the country. In the supplying of elevators and radiators, the significant business is going increasingly to a few great industrial units. The same thing is happening with store and office supplies.

The housewife, in equipping her home, finds it more and more necessary to patronize the large concerns. In securing her aluminum utensils she pays tribute to the Aluminum Co. of America. In purchasing her sewing machines she helps swell the large profits of the Singer Co. Every time she strikes a match she helps the Diamond or the Swedish match concerns. In furniture, in vacuum cleaners, etc., she finds the domain of the great corporation enlarging while the empire of the small corporation is becoming proportionately smaller in extent.

The Du Ponts, the American Chemical & Dye, and the Union Carbide & Carbon are preempting increasingly the expanding field of chemical manufacture. In textiles, while concentration has proceeded to far less an extent than in many other industries, such corporations as the American Woolen Co. have made themselves symbolic of future trends, while in silk, in rayon, in cotton goods the movement toward further consolidation is on. In the shoe industry the International Shoe and the Endicott-Johnson companies are forerunners of larger combinations yet to come. In the rubber industry four corporations take charge of the vast majority of the business, and new consolidations are being heatedly discussed. And so one might analyze trends in many other manufactures, trends that point for the most part in one direction.

Although there may not be a money trust in the narrow definition of the word trust, remarkable strides toward concentration have been taken in the fields of banking and credit. Banks with resources of \$2,000,000,000 and more have made their appearance in the last few years. These have taken on an increasing variety of functions. Chain banks, branch banks, investment trusts, holding corporations have all aided in the movement toward concentrated control. Already 1 per cent of the banks of the country hold resources almost equal to the other 99 per cent.

In the field of marketing, one giant does a business of over a billion dollars a year, and the chain stores and great department stores are daily reducing the profits and prestige of the small independent unit store. Even in agriculture, capitalistic farming is appearing; and chain farms, "factory farms," corporation farms, are more and more to be seen, while the farmer is increasingly dependent for his supplies and equipment on huge trustified concerns. On the other hand, a vigorous cooperative movement has here developed in the marketing end.

Concentration, furthermore, has been advanced through interlocking directorates. A most casual survey of Poor's Register of Directors will indicate how extensive are such interconnections between large industrial and financial concerns through powerful personalities. Thus we find Albert H. Wiggin, chairman of the board of the Chase National, the largest bank in the world; a member of the boards of nearly half a hundred public-utility, manufacturing, and financial concerns. Samuel Insull, in 1930, was serving on over 80 boards; Richard B. Mellon on nearly 50; William L. Mellon on 38; P. A. Rockefeller on 68; Oris P. Van Sweringen on 32; Patrick E. Crowley, president of the New York Central, on over 70; Sidney Z. Mitchell on 35; Charles E. Mitchell, president of the National City Bank, on 32.

Other powerful figures are more selective in their choice of directorates, but their appearance is frequently more significant. Thus we find J. P. Morgan as chairman of the United States Steel and on the boards of the Pullman Co., of the International Mercantile Marine, of Drexel & Co., of Philadelphia, of the First Security Co., of New York, and of the Etna Insurance Co. The du Pont family is strongly represented on the General Motors and on several banking institutions. Owen D. Young appears on numerous radio and electric boards. Thomas W. Lamont functions on some of the great railroads, on the Guaranty Trust board, the International Harvester, the Lehigh Valley Coal Co., and the Crowell Publishing Co., among others.

Concentrated ownership and control has invaded the great field of agriculture, and it is threatening to create two classes of farmers—the absentee owner and a multitude of tenants. The proportion of tenants, as compared with owners, has definitely increased. In 1900 the percentage of land, improved and unimproved, held by tenants was 23.3 per cent. By 1925 that percentage had grown to 28.7 per cent. The percentage of improved land alone held by tenants had, on the other hand, advanced during these years from 30.2 per cent of the total to 40.6 per cent. But this concentration has not resulted from any desire or attempt on the part of high finance and big business to take over agriculture. Big business is not bothered about the ownership of land or the cultivation of it "when by fixing the price of the things the farmer buys and the things the farmer sells it can secure all of the profit and have to assume none of the risk."

The farmer occupies two positions in the economic world. On the one hand he is a producer and a seller, on the other hand he is a consumer and a purchaser. In the capacity of a producer and seller he is subjected to the laws of competition and supply and demand. He is not only compelled to compete with millions of other farmers in the production and sale of his commodities, but, in many instances, he is compelled to compete with the cheap pauper labor of India, Egypt, and other foreign countries. Although he pays high taxes, decent wages, and undertakes to maintain the standard of American living, he must directly compete in the production and sale of his cotton with the farmer in Egypt or India who pays low taxes, starvation wages, and produces his cotton on the most fertile land in the world. The farmer's life is one of constant toil and sacrifice from early in the morning until late at night. His time is taken up in the discharge of a thousand duties and tasks. In the summer he bares his tanned and weathered face to the burning rays of the noonday sun. In the winter he faces the bitter winds that chill him to the marrow. Finally, after he and his family have toiled and milled and conquered rain and storm, insects, and a thousand set-backs, if he is fortunate he gathers his little crop and hauls it to the nearest market. When he arrives there he is compelled to unload the fruits of his toil upon an unprotected market with the other man fixing the price. After he has been paid, or rather underpaid for his crop, he is compelled to buy his clothes and the other necessities of life at a price fixed by

the giants of industry. Those from whom he buys are protected from foreign competition by a prohibitive tariff wall and from domestic competition by mergers, consolidations, and numerous other ingenious devices to restrict competition and stabilize prices.

Laidler has very graphically described the condition of the farmer:

He is still permitted to cultivate the soil, to pay off the mortgage, to exploit his wife and children and his hired help, if such help be available, to drive himself to his many tasks from dawn until dark, to assume all the risks of drought, of hail, of frost, of hurricane, of overproduction. He is permitted to hold the bag after having paid to big business the price which it decides that the traffic will bear and after having received from big business that which it feels it must pay in order to insure further production.

As a result, in the year 1927, according to the National Bureau of Economic Research, the farmer found himself collectively assuming a deficit of some \$1,717,000,000, on the assumption that he set aside for himself some \$540 a year, or slightly more than \$10 a week as wages, and, in addition, that he paid himself some 4½ per cent on the market value of his owner's equity in his farm. His deficit at present will run into billions of dollars. Compare this deficit with the tremendous profits made by the concerns from whom the farmer purchased the things he required and you will get some idea of how high agriculture must be lifted in order to place it on the same plane of economic equality with other industries.

The total gross income of American farmers amounted to \$6,920,000,000 in 1931, a decline of 26 per cent from the 1930 figure, and a drop of 92 per cent from the 1929 total.

That there is a definite and increasing trend toward concentration in industry and finance and in every field of human activities is so apparent as to admit of no contradiction. Individualism, which has always formed the foundation of our political and economic system, is being rapidly destroyed. Individualism still exists in agriculture, independent business and labor, but it is being pushed lower and lower in our economic life. The paramount question before us is, Shall individualism survive in the United States, and, if so, what shall we do to preserve it from the invasion of organized minorities? What shall we do to place labor, agriculture, and independent business upon the same plane of economic equality with the more favored groups in our economic life? If individualism is to survive we must make a bona fide effort and adopt a permanent policy to vigorously and energetically enforce the Sherman antitrust law, the Clayton Act, and carry out the Federal Trade Commission act in accordance with the intention of those who established it. That the Government has made no serious effort to guard against these monopolies during the past 12 years is generally admitted by every impartial person. It has been the policy of our Republican administration in the past 12 years to encourage great consolidations and their various efforts to restrict competition. But it would prove inadequate to merely enforce the Sherman antitrust law and the Clayton Act as they are now interpreted by the Supreme Court. The judicial interpretation of the antitrust law has had the effect of legalizing almost any degree of consolidation of economic power if certain legal formalities are observed.

Under the interpretation of the Sherman antitrust law by the Supreme Court in the United States Steel case, the International Harvester case, and many others, it is held that the mere size of a corporation, however impressive, or the existence of an unexercised power to monopolize does not make such concern a violator of the law. In the United Machinery case the corporation was held to be a legal entity not in violation of the Sherman antitrust law, although it controlled over 90 per cent of the shoe machinery of the United States. Two conclusions might be arrived at as a result of the decisions of our Supreme Court: First, a concern may attain almost any size without falling afoul of the antitrust laws; and, second, practices which are recog-

nized as unfair are likely to bring more serious penalties to very large concerns than to those of average size. Almost every student of economic affairs is convinced that a concern which dominates an industry, without rivals of comparable size, is able to determine in a large measure the policies of the industry without resorting to compulsive tactics. It is, therefore, apparent that in order to preserve individualism in our economic life our antitrust laws must be consistently enforced and that they should be amended to make them more enforceable and to eliminate uncertainty and loopholes. Under the present interpretation business organizers can restrict competition through mergers and consolidations without the slightest fear of prosecution and conviction under the antitrust laws, whereas independent business men are forbidden to achieve the same ends through agreements and cooperative efforts.

This is largely responsible for the fact that, between 1919 and 1928, 1,268 resulting consolidations were formed, and 8,003 independent establishments disappeared. Under our present laws, many consolidations and mergers are permitted to be formed, although there is no industrial or economic justification for their existence. Also, many consolidations and mergers are permitted to exist long after industrial justification for their existence has ceased to exist. Consolidations and mergers that are formed for the purpose of enabling business organizers and business promoters to make a tremendous fortune through overcapitalization and issuance and sale of watered stock should be prohibited. Consolidations, mergers, and acquisitions effected to enable the restriction of competition should also be prohibited. Consolidations and mergers formed for the purpose of enabling business organizers to monopolize patents and natural resources should be forbidden by specific enactment. I have heretofore had occasion to discuss the various classes of consolidations and mergers that are formed not to bring about economies in the interest of the public, but for purely selfish and aggrandizing purposes. The methods and processes by which these combinations and consolidations are formed should be forbidden item by item, so that, regardless of the changing political views and economic ideas of the Supreme Court, the law can be consistently and intelligently enforced, and capital can be definitely notified as to what is legal and what is illegal.

Of course, we must be careful not to hamstring business and industry so that it can not improve its efficiency and take advantage of the economies effected through large-scale operations, integration and technological improvements. It is undisputed that technological integration—the completion of all the processes within a single plant—yield many economies, such as continuity of process, saving of fuel, and so forth. It is admitted that the uniting of factories so as to bring under a single ownership several distinct plants in successive stages in the production of goods yield many economies. In many industries technical integration is not as economical and efficient as plant specialization up to the most economical point. Some consolidations link only plants that have been, and continue to be engaged upon different stages of the processes from raw materials to finished products, and that were thus, before consolidation in the relationship of buyer and seller, not in that of competitors. These character consolidations or mergers often permit mass production at each mill, which would devote itself exclusively to one stage or process of product—all rails, all plates, all cars, and so forth. But in many instances these economies can be obtained in a single plant without the necessity of uniting under one ownership plants and mills of the same kind. Combinations that are formed to secure better financing can be prevented by so regulating our financial system as to enable independent units of business to secure the necessary financial backing.

Combinations that are formed to secure the increased profits through stock manipulations, or the pooling of patents and licenses, or on account of the enlarged political influence in securing tariff and other favors, or in fighting effective

regulation, should be absolutely prohibited in such terms as to permit of no evasion whatsoever. There is a point beyond which the enlargement of individual plants is uneconomical, and a corporation or combine can grow to such size that it becomes unwieldy and cumbersome so as to prevent that effective control and higher supervision so necessary to economical and efficient management. Sometimes these corporations or combines become so immense that it is impossible to secure men of large enough managerial capacity or to bring about a proper subdivision of functions among the constituent members of the consolidation. Some of the objections to consolidations and mergers are expressed by Laidler in his great book as follows:

It is true, as Samuel Crowther declares, that recent years have shown certain limitations to the so-called vertical trust formation and have demonstrated the economy of independent concerns in the production of special parts of automobiles and other goods. It is true that many at the head of the corporations have to decide questions of great importance connected with the subsidiaries at the bottom of the pyramid with little or no knowledge of the situation. It is true that as an industry reaches the monopoly stage there is no little danger of regimentation and stagnation, and it is true that a haphazard consolidation of a number of inefficient plants gives no guaranty that the resultant organizations will be successful.

But when the consolidation is once formed it is difficult to unscramble it. It may be less efficient than the constituent members that make it up, when they were separate and independent, but its ability to artificially restrict competition, the difficulty of finding new capital to enter an already overcrowded field, and the widespread and powerful financial interest involved in the success or failure of the combination often serve to keep it alive long after industrial justification for its existence has ceased to exist.

In all industries where competition is ineffective or non-existent, such as railroads, telephones, telegraphs, radio, gas companies, electric companies, and so forth, we must devise some effective and uniform regulations that will protect the public from discrimination and unreasonable rates, low wages, and inadequate service. Although it has the power, the Federal Government is giving little attention to the regulation of telephone, telegraph, cable, and radio communications. The Federal Power Commission act does not apply to water power generally, and in 1929 less than one-fourth of the developed water power was operating under the authority of the Federal Power Commission, and only about 6 per cent of the installed electric power was under such control. The legal right of public utilities to charge almost any sum to operating expenses and to put exaggerated valuations on their assets render it almost impossible for the State commissions to effectively regulate the electrical industry, as well as electric railway, telephones, telegraphs, gas, and water supply.

The American Telephone & Telegraph Co., a holding company, has been permitted to charge its own subsidiary, the Southwestern Co., an unreasonable rent for receivers, transmitters, for licenses, and various services. The valuation which the Supreme Court permitted the Indianapolis Water Co. to put upon its assets enabled that concern, according to Prof. John A. Ryan, to earn a generous return on the common stock of over 300 per cent. This, of course, was paid by the consumers and laborers. I merely cite these well-known instances to illustrate the ineffectiveness of our present method of regulating public utilities.

In view of this dangerous trend toward concentration it is unbelievable that some captains of industry and high finance would advocate, as they are now doing, that we scrap our present antitrust laws and permit, through legislative enactment, the organization of business and monopolies of any size. Such a disastrous course would result in the complete establishment of an economic feudalism in the United States. Such a feudalism would differ from communism or socialism only in the matter of ownership. In such an economic feudalism the ownership would be concentrated in the hands of a few individuals or groups, whereas in the case of communism or socialism the ownership would vest in the State. Such a feudalism might be more efficient

than Government ownership and control, but in common with socialism and communism it would completely stifle the private initiative and the individualism of our citizenship. Those who advocate this disastrous course may not perceive it, but they are advocating the same thing in effect as do the socialist or the communist, namely, the destruction of individualism.

There are those who advocate socialism or communism as a cure for the economic ills that afflict our Nation. Socialism and communism are derived from the same source, Karl Marx. They differ only in the means by which they endeavor to destroy property and individualism. The communist advocates violence and revolution, whereas the socialists advocate change through elections. One advocates the bullet, the other the ballot. The foundation stone of modern socialism, the communist manifesto of Marx and Engels declares:

The theory of the communists may be summed up in the single sentence: Abolition of private property.

Wherever socialism or communism has been tried it has resulted in miserable failure. The socialists controlled Queensland, Australia, for 14 years and were defeated overwhelmingly. Under the rule of the socialist in Queensland business and the Government were practically bankrupt. Although Russia in theory is a communistic form of government, yet in practice it is making one concession after another to capitalist theory and practice in the guise of various "new economic policies." Bolsheviki have found that the pure socialistic theory does not work. Under socialism or communism incentives to wealth production are removed. It deprives men of the capacity to acquire property and thereby removes the main incentive to labor; in the guise of public assistance it would remove the necessity for thrift and self-help. Under socialism or communism inventors will not be adequately rewarded, consequently there will be no incentive to invent; the more efficient workers will not be paid any more than the less efficient, therefore, the more efficient will soon descend to the level of the poorest.

If the workers elect their bosses the temptation will be to elect an easy boss and, therefore, production and management will become inefficient; if on the other hand the production bosses are appointed by political chiefs, such bosses will more than likely be politicians who are not qualified. The science of government is separate and apart from the science of business. A politician is no more qualified to run business than business is to run the government. The enormous increase in physical production in this country in the past 30 years has been responsible for the increase in wages and the standards of living and a decline of about 18 per cent in individual hours of labor. This increased production has been partly the result of new or improved machines and processes utilized and installed by management—the representatives of capitalism.

The writings of socialism—especially of its founders—advocate scientific socialism, a socialism based on the materialistic conception of history. The principle of historic materialism in which Marxian or scientific socialism is founded is opposed to religion because it denies the existence of a Supreme Being. Karl Marx, the founder of modern socialism, states—

Religion is a fantastic degradation of human nature.

All the great leaders of socialism have uttered similar declarations.

Not only do industrial and financial feudalism, communism, and socialism destroy private initiative and individualism, but Fascism, as preached by Mussolini and now practiced by Italy, also has the same effect. Mussolini's formula is: "Everything for the state, nothing outside the state, and nothing against the state." Under socialism, communism, or Fascism the individual exists for the state. Under our theory of government, the state exists for the individual. Fascism, communism, and socialism have this in common: They destroy freedom of speech, freedom of thought, and the right to worship God according to the dic-

tates of one's conscience. None of these systems rest on the active growth and moral value of the individuals, without whom the state is a fiction or a monster.

And so the titanic struggle, not only in the United States but in the world at large, is between individualism on one hand and collectivism on the other. The question is, Shall a few, whether that few be feudal lords under a system of concentrated ownership and control, or a dictatorship under systems such as prevail in Russia and Italy, govern the masses, or shall individual and political freedom be preserved? Shall individualism, as proclaimed by Thomas Jefferson, applied by Andrew Jackson, and interpreted by Woodrow Wilson, be retained as the basis of our political, religious, and economic life, or shall we relapse into the tyranny of an enthroned and governing minority, whether that minority be the Communist of Russia, the Fascist of Italy, or the great industrial and financial lords who are seeking control of the wealth, the natural resources, and the industrial power of this country?

Fortunately, under our system of government there is no need to resort to any of these alternatives. Extreme measures of all kinds are equally bad. The only wise and happy course to pursue is the one that lies in the middle of the extremes. Let us keep constantly in mind that our sacred duty to our Nation and our children's children yet unborn is to preserve individualism in our economic and political life. We can shape our economic and political policies and laws to achieve this end. We can do so without destroying or impairing the efficiency of legitimate industry and business. In some fields of human activity large-scale operations are necessary, but even in these classes of industry individualism can be preserved by distributing a fair share of the economies of large-scale operations to the laborers who are employed and by voluntary effort on the part of capital to give to labor some protection during periods of unemployment.

The capitalist can no longer escape the great responsibility which he owes to society and the laboring people who created his fortune. It was once thought that the capitalist could do whatever he wanted to with his own money and property. There are still those who think that he has this right and that so long as he pays his debts and his taxes he is doing his full duty to mankind and society; but the better and higher conception of to-day places upon the capitalist responsibility for humane policies in industrial enterprises. No longer can the capitalist be indifferent as to the means by which his wealth is increased.

The capitalist must so order his affairs that the earning of his money and the uses he makes of it will be for the general social betterment. One of the highest social services the individual can render is to engage in the manufacture and distribution of goods which are useful or beautiful, or both. To do this is to give remunerative employment to the largest possible number of people under working conditions which give full opportunity to ability and likewise satisfy the requirements of human dignity and self-respect. Much has been done in this respect, but much more remains to be done. A great deal of our output is ugly and unuseful; insecurity of employment is the haunting specter in the workingman's vision of the future.

There are many capitalists to-day who have this high conception of social service, and for these capitalists I entertain profound respect. Instead of using their money for idle pleasure, they invest it in business and manufacture where men are given honorable employment. This type of capitalists does not need an irresistible and implacable public sentiment to enforce its ideals of social responsibility upon him. They are exercising themselves to the utmost to promote the economic security and dignity of their workmen. Some of them voluntarily reduce the hours of work and the days of work so that their employees may have leisure hours.

These unselfish capitalists know that in spite of the shortened working hours the economic balance is such that the

worker can earn in these shorter periods not only enough to house and feed his family on a scale not previously dreamed of as remotely possible but he has a surplus with which to purchase such things as automobiles, radios, musical instruments, washing machines, refrigerators, and many other things regarded not so long ago as luxuries available only to a favored few. The wise capitalist knows that the surplus earnings and the leisure time of his employees result in the creation of new jobs in an endless fashion. Workers who have surplus earnings and leisure time can buy automobiles. With these automobiles they can go to the country or elsewhere on holidays or week-ends and during vacations. This creates a necessity for filling stations, parking and eating accommodations, and many other things which give employment to great masses of people. Back of the gasoline sold at the filling station lies a trail of activities. Land is leased for a bonus, wells are put down, and refineries are operated; all giving employment to thousands of men. The automobile requires good roads and the improvement of public roads on an extensive scale creates a demand for huge labor, and the building of roads extends back to quarry and coal mines, and other original sources. It also becomes necessary that thousands of people be employed in the registration of automobiles, collection of taxes, policing of roads, and other things not necessary to mention.

The worker, with surplus earnings and leisure time, can also go to the moving-picture show. This means that more cotton will be used to make films; that theaters will be erected, creating a market for the iron, brick, and stone out of which the theater is constructed; and that thousands of people will be employed to operate the moving-picture industry. As the purchasing power of labor increases the consumption of farm products increases.

In order to preserve individualism in large-scale operations we must evolve a program whereby employees will have some reasonable assurance of definite and regular employment in times of financial depression. Capital must be willing to shoulder its part of the responsibility and not throw it entirely upon the shoulders of labor. Widespread unemployment at regular intervals is a great social, political, and economic evil. It only increases the depression and makes times worse. We can partly solve the problem of periodical unemployment by preserving the independent unit of business wherever economically possible. Doctor Thorpe clearly shows that in periods of depression the larger corporations are more inclined than are the smaller concerns to shut down their plants completely, discharge their men, and accept the losses from idleness rather than from greatly reduced prices. He says that prices are maintained to a large extent by this policy and that there is a greater stability of earning power for the stockholders of the corporations but greater hardships for the laborers.

Unemployment can also be partly solved by the suspension of immigration, or the restriction of it to a minimum. This is a prerequisite to any intelligent and sincere attempt to solve the unemployment problem. Unless we do this, other methods will be insufficient to absorb the labor surplus and give everyone employment. There is no excuse or justification for immigration to a country where 7,000,000 men and women are unemployed, and where the inventive genius of the country is constantly supplying the industrial world with new labor-saving devices that constantly displace labor. In order to offset the displacement of labor by those labor-saving devices and in order to increase the purchasing power of the people so that mass consumption may keep abreast with mass production, we must stop immigration and distribute to labor its just and fair proportion of the economies effected through the installation of machines. In order to preserve individualism in agriculture we must lift from the shoulders of the farmer some of the oppressive burdens of unequal taxation, and assist him to develop a marketing system that will enable him to earn a fair return upon his labor and investment.

But we can not assist business, labor, or agriculture by putting the Government in business; neither can we assist

by creating boards, commissions, and bureaus that increase the public expenditures, and consequently the burdens of taxation that weigh heavily upon the shoulders of many groups in our economic life. We can not restore individualism by appropriating millions of dollars out of the Public Treasury to prevent the disintegration of vast consolidations that have no economic justification for their existence. We must be courageous enough to confess that the prime function of our Government is to protect life, liberty, and property, and to give every man an equal chance in the race of life.

I do not mean by this that I subscribe wholly to the old doctrine of "Let alone" that was once suitable to our pioneering Nation. At that time it was necessary to insure the full development of our economic life by giving to capital unrestricted opportunity for profit. I recognize that our changing economic conditions require wholesome and salutary restrictions in some instances, but this does not justify our Government going into business. I recognize that natural monopolies, such as railroads, telephones, telegraphs, cables, electric industries, and so forth, must be effectively regulated in the protection of the public, but it does seem to me, Mr. Chairman, that the only possible solution of the grave problems that confront us is a courageous return to the fundamental principles of Jeffersonian democracy. When we return to these principles and courageously apply the chief tenet of democratic faith, "Equal and exact justice to all men of whatever state or persuasion, religious or political," we will be able to rescue this Nation from the rocks of socialism, bureaucracy, and extravagance against which she is now being hurled. This "equal and exact justice" would prevent vast appropriations for the benefit of privileged and favored classes. It would prevent legislation enacted for the benefit of a few at the expense of the many. It would necessitate the enforcement of laws that have for their purpose the preservation of individualism and the enactment of necessary laws to facilitate and strengthen the chief purpose of a democratic form of government—the preservation of individualism. If this eternal principle were applied, we would preserve true competition in real markets, and prevent unfair practices and cutthroat competition.

In industries where competition is nonexistent or ineffective, such as exist in public utilities, this principle would compel us to bring about effective governmental regulation that would protect labor from unfair wages, the consuming public from discrimination and unreasonable rates, and the investing public from watered stock, and at the same time allow sufficient room for the fair play of private initiative and individual ambition. This principle would necessitate the prevention of mergers and consolidations, where they are economically unsound and unjustified industrially, or where the consolidation results in a monopoly. This "equal and exact justice" to all classes and groups in our economic life would restore the correct balance and give to capital, labor, and agriculture an equal opportunity for a fair return upon labor, capital, brains, energy, and thrift. The failure to apply this principle consistently and courageously in legislation and enforcement of existing laws is largely responsible for the concentration of wealth and power in the hands of a few and the many inequalities that exist in our economic life.

There are some who believe that these great principles are no longer applicable to the problems of our advanced civilization. They continue to experiment with the fallacies of other doctrines. They advocate various and sundry artificial expedients to interfere with or suspend, in so far as favored groups are concerned, the natural and orderly operation of the great laws that underlie the economic world.

Although each experiment results in dismal failure to the detriment of the people and the Republic, they continue to urge new experiments of similar nature and equal futility. They refuse to profit by the experience of the past and the light that history offers to guide our erring steps. They are

not even as wise as Mark Twain's cat. This cat sat on a hot stove and not only learned the lesson not to sit on a hot stove but was impressed so deeply by the experience that it refused to sit on any stove. It seems to me that in view of the deplorable condition to which folly has reduced us we could at least become as wise as the cat and not repeat our disastrous experiments.

As for me, Mr. Chairman, I am old-fashioned enough to continue to believe in the fundamental principles of Jeffersonian democracy. I still believe in individualism in politics and in business. I still believe in the system of independent business and independent farming, which are based upon individualism. This system places the employee in direct and friendly relationship with the employer, and in this manner develops the initiative and inspires the ambition of the employee. He is stimulated to emulate the example of his employer, and he is permitted to indulge the fond hope that some day he, too, can establish a successful business. This system induces the employee to take a more active and lively interest in his work and to apply himself more diligently to its needs and requirements. He is working always with a goal in view and objective to strive toward. He is an integral part of the business, even though he owns no share in it. He is inspired by the encouraging words with which a grateful employer rewards honest endeavor, and he enjoys the great privilege of personal contact and its consequent advantage of advice, suggestion, and aid.

Not only is this true but the independent business man and the independent farmer dispense charity with a generous hand and a kindly smile. Honest poverty and genuine want are never driven from their doors with empty hands. Their hands are ever open to the needy, and their hearts ever open to the sorrowing.

Such men are a vital part of the community in which they live. They contribute heavily to its churches, its schools, and its civic activities. In their business or farms they invest more than dollars and cents and honest toil. In it they put their lives, their ideals, their conceptions of ethics, and their noble desire for service. They measure the success of their business or farm not by the amount of profit which they derive from its operation but by the service which they render to their community, their country, and their God. Their greatest business assets are their names, and they guard them with jealous care. They do not regard the community in which they live as fertile ground for exploitation but rather as a place where they may live the life of service and leave their footsteps on the sands of time. They are ever ready to cooperate without stint in every civic movement that promises to promote the happiness, the welfare, and the prosperity of the community, town, or city in which they live. They never shirk the responsibility of good citizenship, and their names may be found on the roster of every worthy civic organization. Without them the existence of civic and fraternal organizations would be practically impossible. Every town and every community and every State owes a debt of gratitude to the unselfish and fearless business men and farmers and laborers who have contributed in a large measure to the success and power of this Republic.

Believing that the preservation of these groups in our economic life is essential to the happiness and welfare of society, I shall devote my feeble efforts to this end. It is the greatest issue before the American Congress, and it challenges the best thought of our leadership. It at least demands that we resist the further encroachments of monopoly upon those fields of human activity still left to independent business.

Those who prate about the productive efficiency of monopoly fail to realize that for every glittering advantage that monopoly offers there are a hundred disadvantages. Centralized industry, commerce, and finance may be for a time more efficient than independent units, but they inevitably lead to the exercise of tyranny and the abuse of power. It was the efficiency of centralized government that Hamil-

ton and the Federalists clamored for. But the immortal sage of Monticello knew that there were more important ends in life than efficiency; and it was for this reason that he and his compatriots insisted upon a decentralized form of government. It was for this reason that he found fault with the Constitution of the United States in not containing a specific pronouncement against monopolies. It was for this reason that many States in the Union adopted pronouncements against monopolies in their constitutions.

Jefferson realized that no democracy could long survive the ravages of time and the wreck of ages, whose economic organization became monopolistic as to the few and competitive as to the many. He realized that economic freedom was essential to political freedom, and that no nation could be free politically that was enslaved economically and industrially. He knew that so long as centralized governments were administered by wise and patriotic men, they might be more efficient than decentralized governments, but when they eventually fell into the hands of time serving politicians, ambitious dictators, and unscrupulous demagogues, they would become the master of the people instead of the servant. The annals of all history attest the wisdom of this view, and it would be treason against democratic government for us to sacrifice to expediency, a principle that is indispensable to the very life of this Republic and the perpetuation of free government among the children of men. If our economic system is to become monopolistic, then our political system will become monopolistic, because two systems diametrically opposed to each other, as light and darkness, or right and wrong, can not coexist under the same structure and fabric of government.

Mr. KNUTSON. Will the gentleman yield?

Mr. DIES. I yield.

Mr. KNUTSON. Has it ever occurred to the gentleman that this Government started in its un-American policy of engaging in this, that, or the other since we adopted the primary system of nominating public officials?

Mr. DIES. That point never occurred to me.

Mr. KNUTSON. We are getting too many "yes-yes" men under the primaries.

Mr. FIESINGER. Will the gentleman yield?

Mr. DIES. I yield.

Mr. FIESINGER. The gentleman said something about the small merchant disappearing.

Mr. DIES. Yes.

Mr. FIESINGER. Has the gentleman any plan to stop that?

Mr. DIES. Yes. The plan that will stop it is a strict enforcement of the Sherman antitrust law and a revision of it where it is necessary, and I think there is necessity for revision, which will prevent the Supreme Court from judicially misinterpreting the spirit and the intention of the authors of that great bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas [Mr. DIES] has expired.

Mr. SIMMONS. Mr. Chairman, I yield 25 minutes to the gentleman from Kentucky [Mr. FINLEY].

Mr. FINLEY. Mr. Chairman, on the 9th of this month, during the course of debate on the tariff bill, the gentleman from Illinois [Mr. RAINEY] spoke as follows, as reported on page 1592 of the RECORD:

Going back to the Civil War days, Abraham Lincoln we find to be the first protectionist President. * * * We might go back a little further to the first protective tariff in 1816.

This is my first opportunity to advert to the statements which I have just read.

I wish I could have the time to notice, seriatim, all the misstatements contained in the paragraph from which those two were taken.

I have not. But I can not let those two go unchallenged. I must protest against miswriting our economic history on the floor of this Chamber. Abraham Lincoln was not the first protectionist President. The tariff law of 1816 was not the first protective tariff law.

I can account for those statements by the gentleman from Illinois solely upon the theory that he does not know that the distinguishing and fundamental difference between a protective tariff law and a tariff law for revenue only—or free trade—tariff law is not the difference in the height of the duties, but the difference in the articles on which the duties are imposed.

Mr. CABLE. Will the gentleman yield?

Mr. FINLEY. Yes.

Mr. CABLE. If the gentleman will investigate the first record of the First Congress of the United States, he will find that the first bill passed was a protective tariff bill, I believe signed by George Washington. It was passed because there were petitions filed by the industries at that time against foreign goods coming into the United States and doing damage to the farm and industry here.

Mr. FINLEY. If the gentleman will bear with me, I will develop that more fully.

Far be it from me to deny to Abraham Lincoln one iota of that just fame which will forever be his. His name through all generations will be—

As some tall cliff that lifts its awful form,
Swells from the vale and midway leaves the storm,
Though round its breast the rolling clouds are spread,
Eternal sunshine settles on its head.

But Abraham Lincoln was not our first protectionist President. That distinction belongs to him who was first in war, first in peace, first in the hearts of his countrymen, and first in his yearning for the prosperity and happiness of the country he had fathered.

Let us briefly consider the history of our country:

When our forefathers had won their independence they found themselves free to form a new government—a government after the counsels of their own hearts. But for generations they had suffered under the power of the British Empire, centralized in the hands of despotic kings.

They had just fought a long and bloody and cruel war to emancipate themselves from that power. During that war that same power had brought upon them heartless mercenaries from abroad and pitiless savages from the wilderness. Thus they came to the formation of their new government dominated and controlled by hatred and fear of centralized power. In that frame of mind, and strongly influenced by Thomas Jefferson, the new States associated themselves together under the Articles of Confederation.

That instrument embodied, and the new government exemplified, the theory of government advocated by Thomas Jefferson. Under it each State reserved to itself most of its original sovereign powers over its domestic affairs. Few and feeble were the powers over such matters granted to the general government. Particularly, and because the power to impose duties on foreign imports had been so often used to oppress them, each State reserved that power to itself and denied it to the general government.

Thus by reserving to themselves most of their sovereign powers over their domestic matters and ceding only negligible powers to the general government the new States guarded themselves against centralized power in their own government.

But they soon discovered that they had planted in their new government the seeds of its own destruction. In avoiding the Scylla of centralized power they had fallen into the Charybdis of industrial ruin.

For the power to impose duties on foreign imports, reserved by each State to itself, soon began to be used by some of the States against each other.

One State imposed a certain rate of duty upon a certain article; another State imposed a lower rate in order to bring commerce to its own ports; another a still lower rate for the same purpose, and so forth. Thus the interests of the country as a whole were crucified between conflicting interests of rival States.

The results were inevitable. Even during the war, and under its protection, feeble beginnings of industry and enterprise were born. These were drowned in their cradles

by the unrestricted flood of British goods which poured into the land.

No country ever grew rich, prosperous, or truly independent as a producer of raw materials. And that our country soon became, with its market for those raw materials 3,000 miles away by sail. Industry perished. Agriculture languished on a virgin soil. Commerce stagnated. Debt was well-nigh universal; poverty everywhere. Rebellion lifted its head. Our fathers had won their political independence from the British. Under the Articles of Confederation and national free trade the British had reduced us to industrial servitude.

Of this period, and of the Articles of Confederation, Andrew Jackson said:

But the defects of the confederation need not be detailed. Under its operations we could hardly be called a nation. We had neither prosperity at home nor consideration abroad. This state of things could not be endured; and our present happy Constitution was formed. (Messages and Papers of the Presidents, vol. 2, p. 643.)

In 1787, after four years of the Articles of Confederation and national free trade, our fathers met in convention, presided over by George Washington, to frame a constitution. That Constitution was ratified and became operative in 1789.

Thomas Jefferson was the dominant influence of the Articles of Confederation. Alexander Hamilton's was the guiding mind of the Constitution.

Our fathers lived under the Articles of Confederation for six years, abandoned it forever, and adopted the Constitution, under which we have lived for 143 years.

The Articles of Confederation created an association of States with a general government powerless to sustain itself, powerless to protect itself or to protect its subjects at home or abroad.

The Constitution created a nation—a nation strong enough to sustain itself, strong enough to protect itself, strong enough to compel obedience at home and command respect abroad, and strong enough to promote and foster the prosperity of its people.

That Constitution took away from the several States the power to impose duties on foreign imports and gave that power to the General Government to be exercised through Congress.

The first law passed by the first Congress to convene under the Constitution was, naturally, a law prescribing the oath officials under the Government should take. The second had this preamble—

Whereas it is necessary for the support of Government, the payment of the debts of the United States, and for the protection of industry that duties be levied on imports: Be it enacted, etc.

Our fathers had no doubt as to what was the trouble with their country. Likewise they had no doubt of what the proper remedy was.

So after completing the organization of their Government by prescribing the oath officials should take, they immediately applied that remedy.

Note that the preamble declares it necessary to protect American industry. Note also that that preamble boldly declares that the law about to be passed is for the protection of industry.

George Washington approved and signed that law. How, then, can any man say that Abraham Lincoln was the first protectionist President? And how can anybody say that the first protective tariff law was that of 1816?

And there were other protectionist Presidents before Lincoln. I undertake to say that Thomas Jefferson, alleged founder of the Democratic Party, and Andrew Jackson, alleged father of it, both were protectionists. And I need no other testimony to support that assertion than the utterances of Andrew Jackson, claimed by modern Democrats as their patron saint.

In his first inaugural address Jackson said:

With regard to the proper selection of the subjects of imposts with a view to revenue, it would seem to me that the spirit of equity, caution, and compromise in which the Constitution was

formed requires that the great interests of agriculture, commerce, and manufactures should be equally favored, and that perhaps the only exception to this rule should consist in the peculiar encouragement of any products of either of them that may be found essential to our national independence. (Messages and Papers of the Presidents, vol. 2, p. 457.)

Will self-styled Jackson Democrats on the south side of the aisle accept that doctrine of their patron saint? If not, why not?

And if they will not, will they cease claiming to be Jackson Democrats? If not, why not?

Let us go a step farther. In 1832 Jackson was a candidate for reelection against Henry Clay, an outstanding protectionist. Jackson's party did not adopt a platform in that campaign. Pennsylvania had already laid the foundation of her present mighty manufacturing system. Jackson was a southern man by birth and residence. The southern wing of Jackson's party, led by John C. Calhoun, had committed itself to an economic policy of cotton produced by slave labor and free trade. Pennsylvanians were profoundly interested to know if Jackson shared the views of his southern brethren. Doctor Coleman, of Pennsylvania, sought an expression of Jackson's views. Whereupon Jackson wrote the following characteristic letter:

Heaven smiled upon us and gave us liberty and independence. The same Providence has filled our mountains with lead, iron, and copper, and given us a climate for the growing of hemp and wool. These being the grand materials of our national defense, they ought to have extended to them adequate and fair protection, in order that we may have within our own country a supply of these important things so essential in time of war, and in order that our own workmen may be placed on an equality with those of Europe. If we neglect to avail ourselves of the opportunities with which Providence has blessed us, we deserve not a continuation of her favor.

[Applause.]

Will self-styled Jackson Democrats on the south side of the aisle subscribe to that declaration of their patron saint? If not, why not? And if they will not, do they not think they ought, in all sincerity, to cease calling themselves Jackson Democrats? If not, why not?

Never in our whole history has the case for protection to American labor and American industry been stated more clearly or more forcibly than in those words of Andrew Jackson.

The gentleman from Illinois twitted Republicans upon still using the same tariff arguments used by Henry Clay. In reply, we dare him to go on the hustings and use the same arguments used by Andrew Jackson, claimed by his party as its father and patron saint.

The Democratic Party has apostatized from the faith taught by Andrew Jackson. We have remained true to the faith taught by Andrew Jackson, Henry Clay, and the fathers of our country.

But let us go one step farther. Let Andrew Jackson speak once more:

In his second annual message to Congress he wrote as follows:

The object of the tariff is objected to by some as unconstitutional, and it is considered by almost all as defective in many of its parts. The power to impose duties on imports originally belonged to the several States. The right to adjust those duties with a view to the encouragement of domestic branches of industry is so completely incidental to that power that it is difficult to suppose the existence of the one without the other. The States have delegated their whole authority over imports to the General Government without limitation or restriction, saving the very inconsiderable reservation relating to their inspection laws. This authority having thus entirely passed from the States, the right to exercise it for the purpose of protection does not exist in them, and, consequently, if it be not possessed by the General Government it must be extinct. Our political system would thus present the anomaly of a people stripped of the right to foster their own industry, and to counteract the most selfish and destructive policy which might be adopted by foreign nations. This surely can not be the case. This indispensable power thus surrendered by the States must be within the scope of the authority on the subject expressly delegated to Congress. In this conclusion I am confirmed by the opinions of Presidents Washington, Jefferson, Madison, and Monroe, who have repeatedly recommended the exercise of this right under the Constitution, as by the uniform

practice of Congress, the continued acquiescence of the States, and the general understanding of the people. (Messages and Papers of the Presidents, vol. 2, p. 523.)

Again I ask if self-styled Jackson Democrats on the south side of the aisle will subscribe to that utterance of the father and patron saint of their party. If not, why not?

And if they will not, will they cease trying to delude the people by claiming to be Jackson Democrats? If not, why not?

Again I say that the case for the constitutionality of protection has never been more clearly or more strongly stated than in those words of Andrew Jackson. That argument has never been met or answered; and it never can be.

And his declaration that Presidents Washington, Jefferson, Madison, and Monroe repeatedly recommended to Congress exercise of the right to pass protective tariff laws disposes for all time of any doubt that they, as well as Jackson himself, were protectionists.

The truth is the free-trade, State-rights Democratic Party of to-day is the offspring of that great advocate of free trade, State rights, and nullification, John C. Calhoun. It is no more akin to Andrew Jackson than a stepson is to his mother's husband. [Applause.]

Mr. SANDLIN. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, during a membership in this House which is now approaching five years, I have consumed little time of its membership in discussions on the floor. I did not desire unnecessarily to consume its time to-day. I rise to submit a very brief observation concerning an article recently appearing in the Christian Index. I do not wish to read that article. The time allotted me is amply sufficient, however, for that purpose. Therefore, to save time, I ask unanimous consent that the article in question may be printed in the RECORD as a part of my remarks.

Mr. SIMMONS. The gentleman expects to comment upon the article?

Mr. TARVER. I propose to insert into the RECORD an article appearing in a recent issue of the Christian Index, which relates to one of the greatest governmental problems now pending before the Congress. That article I propose to discuss in the course of my remarks. It is not my desire to read the article, preferring not to consume the time of the House for that purpose.

Mr. SIMMONS. How long is it?

Mr. TARVER. Two short pages.

The CHAIRMAN. Is there objection?

Mr. LAMNECK. Mr. Chairman, reserving the right to object, this same request has been made twice before. I do not know what the article is or what it pertains to or what the object is, but I notice that the two Republican Members who objected to this are not now on the floor. In view of that fact I object.

Mr. TARVER. May I ask the gentleman upon what basis he makes the statement that this request has been made twice before?

Mr. LAMNECK. I assume that.

Mr. TARVER. The gentleman means that he has heard me twice request permission to insert in the RECORD an article. He assumes that it is the same article?

Mr. LAMNECK. I judge that from the gentleman's own statement.

The CHAIRMAN. Is there objection?

Mr. LAMNECK. I object, because it has been objected to twice before.

Mr. TARVER. Then I read to the membership of the committee within my time, as a basis for the discussion which I propose to indulge in, an article from the Christian Index of December 24, 1931, as follows:

SOCIAL SERVICE REPORT, GEORGIA BAPTIST CONVENTION, NOVEMBER 19, 1931

PROHIBITION

Prohibition has been in our National Constitution now for nearly 12 years. It came as the culmination of more than 100

years of organized temperance work in the Nation. The first temperance society of which we have any knowledge was organized in 1808. From then on the movement assumed many forms, sometimes it flourished and sometimes it languished, but at the last it issued in the eighteenth amendment, the greatest piece of social legislation in the history of the country. To be sure it is imperfectly administered, to be sure its enforcement has too often been in the hands of its enemies and therefore lax, but it has reduced the consumption of alcoholic liquors 70 per cent, and that fact alone is an irrefutable argument in favor of prohibition, even as we have it. Any measure that reduces the liquor drinking more than two-thirds can not be otherwise than of tremendous value to the Nation.

Oh, yes, we have bootlegging, but we had that before prohibition just the same as now. The United States district courts have always had to spend most of their time to the trying of liquor cases; this was just as true in the days of legal liquor selling as it is now under prohibition.

The liquor forces are making propositions for the modification and the repeal of our prohibition laws. Their proposals mostly revolve around State rights in the liquor matter, or governmental control. Both of these plans have been tried and found unsatisfactory and were therefore rejected.

The temperance people have tried every known plan. They first tried moral suasion, but the sight of the saloon hard by, legalized by the State, nullified moral suasion. They tried pledges, but the sight of drinkers passing in and out of the groggery, operating under the legal sanction, discounted every pledge. They tried restriction on the sale of liquor, hours of sale, no sales on Sunday, or on holidays, or to minors, or to confirmed drinkers, or near to school houses or churches, but these did not help very much. Liquor has ever been a lawbreaker. Then they tried precinct option, but all the drinker had to do was to go a mile or so and drink his fill. Then they tried county option, but the next county was not far away and it was easy to lay in a supply. Next State prohibition was tried, but train loads of liquor were sent into the State under the interstate commerce laws, and unbroken packages were shipped in by mail. And we can easily remember how at Chattanooga and Jacksonville were great depots from which liquor was poured into Georgia in defiance of our State prohibition law. Each of these steps meant an advancement in the war for the destruction of the liquor traffic. By 1920, 33 States had adopted State prohibition. It was an easy step from State prohibition to national prohibition under these circumstances, and prohibition was placed in the National Constitution with practical unanimity, 46 States ratifying the amendment in the way prescribed by the Constitution itself.

South Carolina tried governmental distribution and control and it proved a miserable failure.

Some wets are advocating that we legalize the sale of light wines and beer, and so give employment to 2,000,000 people now out of work, thus relieving to that extent the unemployment situation.

But they figure greatly wrong. Statistics show that even in 1914 there were only 498,906 workers employed in the liquor business, including allied trades. Of this number 409,465 were employed in the retail trade. As the wets generally assert that they do not want the saloon back, that would leave only 89,541 employees, which is far short of 2,000,000, and which would do very little to relieve unemployment.

If the return of liquor would be such a blessing to us in this country we would ask: "What about Europe?" England has millions of workmen dependent on public charity, supported by the dole. Ireland, Scotland, and Germany have their serious unemployment situations. And yet the sale of liquor is legalized in all these countries.

But they point us to Canada. There, however, the government plan has not worked for temperance but quite the contrary. In 1920 during the prohibition period there were operating in Canada 4 distilleries and 57 breweries; there are now 28 distilleries and 86 breweries. In 1920 the joint capitalization of all distilleries and breweries was \$49,000,000; in 1928 it had reached the sum of \$128,000,000. In 1920 the consumption of liquor was \$16,000,000 worth; in 1930 \$56,000,000. This indicates a great increase in the amount of liquor consumed.

Nor have they gotten rid of the bootleggers and dives. They are there just the same. The biggest work of their "morality squad" is "putting the bootlegger out of business." And "bootlegging and blind-piggery are rampant."

The wets say, "Permit light wines and beer and tax them and turn great sums into the Government to help it in these times of deficits."

One of the great glories of the eighteenth amendment was that the Nation, in adopting it, broke its alliance with liquor. We do not believe that our Government should have any alliance with the liquor business and therefore we would oppose to the uttermost any tax on liquor. It is an unholy tax, a blood-money tax. Nearly 200 years ago Lord Chesterfield in an address in the House of Lords, protesting against the British excise and revenue derived from intoxicating liquors said: "Luxury is to be taxed, but vice must be prohibited. Let the difficulties in executing the law be what they may. Will you lay a tax on the breach of the commandments? Would not such a tax be wicked and scandalous, because it would imply an indulgence to all who would pay the tax? This bill contains the conditions on which the people are to be allowed henceforth to riot in debauchery, licensed by law

and countenanced by magistrates." Subsequent experience has justified his warning.

Our tax on liquors was first laid as a war measure. The first year and a half of the Civil War was decidedly favorable to the Confederacy. The United States Government found it increasingly difficult to secure funds with which to carry on the war. The Cabinet appealed to President Lincoln to lay a tax on liquor. Three times he refused to do so, but at the last, under great pressure, he agreed, with the positive stipulation that immediately upon the close of the war the tax should be abolished. The tax was not abolished, however, but continued until the adoption of national prohibition.

The Government must not be put back again in the liquor business.

They say, "Legalize beer, and create a market for the farmer's grain." However, statistics show that in 1916 only 2 per cent of the grain crop of the country for that year was used in the manufacture of beer.

Even if wines and beer were legalized by Congress, 38 of the States have laws prohibiting the manufacture of beer, and these laws would have to be repealed before the law of Congress would be effective in those States.

And even should the legalizing of wines and beer give employment to a considerable number of workmen, many of them would be men now employed in other lines of work.

No; as imperfectly as prohibition is being administered, it is better than anything we have yet had.

It has reduced the consumption of liquor.

It has reduced the number of drunkards.

It has reduced deaths from alcoholism from 5.22 per hundred thousand in 1910-1916 to 3.7 in 1929.

It has put the United States out of the liquor business.

It has confined the drinking of liquor to those who are in favor of bootlegging.

There is in this connection a new note being sounded in the war on crime and lawlessness. It is that the way to reduce lawlessness is to repeal the law against the manufacture and sale of liquor and there will be no liquor violations. True. But if the proposition is sound it ought to work in other cases also. Why not abolish all traffic ordinances; they are being constantly violated. And laws against holdups, thievery, and ad infinitum.

If you have a good law and a poor enforcement officer, repeal the officer, not the law.

This commission would sound a strong call for law observance and law enforcement. The prohibition law is a part of the law of the land and it is the duty of all good and loyal citizens to observe it. It should be remembered that in all good conscience and morals the man who buys liquor is just as guilty as the man who sells it. To select one portion of the Constitution or the public law for loyalty and obedience and reject other portions of the Constitution and the law is selective anarchy, whether the persons guilty of such conduct know it or not. The communist who rails at the fifth amendment is no more of a lawbreaker than the man who breaks the eighteenth amendment.

We Baptists are constitutionalists, not nullificationists.

The great rank and file of our people, we believe, honor and observe the prohibition law. It is with this great body of our people that the law is of such benefit. The violations for the most part are from a relatively small upper fringe and lower fringe of society.

Enforcement and observance will grow better.

Thomas A. Edison's death is fresh on our minds. Within a year before he died he said, in answer to questions, that prohibition had helped the industrial and economic life of America, and to a greater extent than realized; that children are better fed and clothed and educated than before the coming of prohibition; that the eighteenth amendment should be retained as a blessing to our American homes to-day and to those of future generations. And he closed by saying that prohibition enforcement was getting more practical every day. And Henry Ford has said that if liquor had to go in the horse-and-buggy age, so much the more should it be gone in this high-powered automobile age.

Let no one be fooled by the enemy of prohibition who says that he would never tolerate the saloon. As sure as night follows day the fall of prohibition means the reenthronement of the saloon. It may be called by some other name, but any place where liquor is sold and distributed is a saloon.

Let us encourage faithful officials who enforce the law; and there are very many of them. And let us relieve unfaithful officials.

And let us be sure never at any time in any election to cast a vote that would give any encouragement to the foes of prohibition.

We are emphatically opposed to any referendum on prohibition. This commission has a feeling that the subject of temperance is not receiving the attention and emphasis in our churches and in our young people's organizations and in our Sunday schools that it ought to have. In the days before prohibition the baneful effects of alcohol were constantly held up before the citizenry, particularly the youth. Since liquor has been outlawed we have acted as though the victory was finally won and there was nothing more necessary to be done. But it is a problem for every generation. In our day many great newspapers are constantly featuring in headlines, in editorials, and in news columns attacks on our

prohibition laws. Most of our metropolitan newspapers, sad to say, are either wet or neutral. They print very little in the interest of prohibition. Good literature and good teaching are needed to counteract the baneful influence of much of the big daily press.

I have read this statement at length in order to get the position of almost half a million people composing the Baptist Church in my native State of Georgia before the House of Representatives of the United States, and so that there may be publication of their position in the RECORD on this great question with which the Congress is being now urged to deal by the wet minority in Congress, because my effort to get it inserted without reading was resisted by a gentleman who took advantage of the fact that one Member of the House is able to prevent such publication by unanimous consent.

On February 16 next, the Committee on the Judiciary of the House of Representatives begins the consideration of a bill agreed upon by that wet minority, in executive session; in a session, in other words, where the American people will have no right to be heard. Perhaps hearings are not necessary. But all sorts of propoganda have from time to time been printed in the CONGRESSIONAL RECORD by unanimous consent, touching every conceivable governmental problem coming before this Congress. Nobody objected; but when half a million honest, upright, conservative American citizens express their views on this great question of prohibition, about which they can not be heard by a committee considering it, and it is desired to have their views placed in the RECORD for the purpose of consideration by the Congress of the United States, gentleman take advantage of their right to do so under the unanimous-consent rule and undertake to keep those views out of the RECORD. I have undertaken to obviate the effect of objections made by reading the article.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BUCHANAN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 7912 and had come to no resolution thereon.

PHILIPPINE INDEPENDENCE

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

There are transmitted herewith a number of resolutions and other communications relative to Philippine independence which have recently been received in the War Department from the Philippine Islands.

HERBERT HOOVER.

THE WHITE HOUSE, January 19, 1932.

EXTENSION OF REMARKS

Mr. CONDON. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD the petition of Harriet H. Gallagher against the Alabama-New Orleans Transportation Co. This is a petition that has to do with the complaint of several hundred bondholders and stockholders in a matter now pending in the District Court of the District of Massachusetts. I would like to have it extended in the RECORD so that it may be available to Members who may be interested in it after it is considered by the Committee on the Judiciary.

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

Mr. SIMMONS. Mr. Speaker, for the present time I must object.

CALENDAR WEDNESDAY

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that Calendar Wednesday business, in order to-morrow, may

be dispensed with in order that we may proceed with the pending agricultural appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BUCHANAN]?

There was no objection.

ADJOURNMENT

Mr. BUCHANAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 47 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 20, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Wednesday, January 20, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON WAYS AND MEANS

(10 a. m. and 2 p. m.)

Estate and gift taxes.

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(10 a. m.)

General inquiry into the American Merchant Marine, the United States Shipping Board, and Merchant Fleet Corporation affairs.

COMMITTEE ON AGRICULTURE

(10 a. m.)

Commodity short selling.

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

Construction bill (H. R. 6661).

COMMITTEE ON RIVERS AND HARBORS

(10.30 a. m.)

Wrangell Narrows, Alaska, House Document 647-71-3.
Sacramento, San Joaquin, and Kern Rivers, Calif., House Document 791-71-3.

Napa River, Calif., Committee Document 6-72-1.

Lake Washington Waterways, Wash., House Document 140-72-1.

Port Gamble Harbor, Wash., House Document 152-72-1.

Tacoma Harbor, Wash., House Document 140-72-1.

Wrangell Harbor, Alaska, House Document 202-72-1.

Kodiak Harbor, Alaska, House Document 208-72-1.

Youngs Bay and Youngs River, Alaska, House Document 209-72-1.

Stikine River, Alaska, House Document 210-72-1.

Seattle Harbor (east waterway), Wash., House Document 211-72-1.

EXECUTIVE COMMUNICATIONS, ETC.

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

388. A letter from the Secretary of Navy, proposing the recovery of loss sustained by Lieut. J. E. Bolt, United States Navy; to the Committee on Claims.

389. A letter from the Secretary of War, transmitting a draft of a bill to authorize the settlement of individual claims of military personnel for damages to/and loss of private property incident to the training, practice, operation, or maintenance of the Army; to the Committee on Claims.

390. A letter from the Secretary of Treasury, transmitting a draft of a bill for the relief of John L. Summers, disbursing clerk, Treasury Department, and other purposes; to the Committee on Claims.

391. A letter from the Secretary of War, transmitting a report dated January 14, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Port Royal Harbor, Beaufort River, and adjacent waters; to the Committee on Rivers and Harbors.

392. A letter from the Secretary of War, transmitting a report dated January 14, 1932, from the Chief of Engineers, United States Army, preliminary examination and survey of Siletz River, Oreg.; to the Committee on Rivers and Harbors.

393. A letter from the Secretary of War, transmitting a report dated January 15, 1932, from the Chief of Engineers, United States Army, on preliminary examination of Bayfield Harbor, Wis.; to the Committee on Rivers and Harbors.

394. A letter from the Secretary of the Navy, transmitting a draft of a bill for the relief of Lieut. Jack C. Richardson, United States Navy; to the Committee on Claims.

395. A letter from the Secretary of the Navy, transmitting a letter requesting that H. R. 6335 be withdrawn; to the Committee on Naval Affairs.

396. A letter from the Secretary of War, transmitting a reported dated January 13, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Anclote River, Fla. (H. Doc. No. 229); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EVANS of Montana: Committee on the Public Lands. H. R. 268. A bill to excuse certain persons from residence upon homestead lands during 1930 and 1931 in the drought-stricken areas; with amendment (Rept. No. 185). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLTON: Committee on the Public Lands. H. R. 5062. A bill to authorize the exchange of potassium-bearing lands in Tooele County, Utah, between the United States and private owners; without amendment (Rept. No. 186). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHAVEZ: Committee on the Public Lands. S. 1588. An act to authorize the Secretary of the Interior to issue patents for lands held under color of title; without amendment (Rept. No. 187). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. H. R. 571. A bill for the relief of William T. Roche; without amendment (Rept. No. 157). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 756. A bill for the relief of R. L. Wilson; without amendment (Rept. No. 158). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1172. A bill for the relief of Moreau M. Casler; without amendment (Rept. No. 159). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1846. A bill for the relief of John J. Corcoran; without amendment (Rept. No. 160). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2153. A bill for the relief of Mary Cooper; without amendment (Rept. No. 161). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2304. A bill for the relief of John W. Barnum; without amendment (Rept. No. 162). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2417. A bill for the relief of Charles A. Holder; with amendment (Rept. No. 163). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2633. A bill for the relief of William R. Cox; without amendment (Rept. No. 164). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2775. A bill for the relief of Dr. Luis H. Debayle; without amendment (Rept. No. 165). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 2804. A bill for the relief of Philip F. Hamsch; without amendment (Rept. No. 166). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3373. A bill for the relief of Fireman's Fund Insurance Co.; with amendment (Rept. No. 167). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 3379. A bill for the relief of W. F. Nash; without amendment (Rept. No. 168). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4144. A bill for the relief of H. H. Lee; without amendment (Rept. No. 169). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4147. A bill for the relief of Halvor H. Groven; without amendment (Rept. No. 170). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4232. A bill for the relief of Jens H. Larsen; without amendment (Rept. No. 171). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4868. A bill for the relief of George E. Casey; without amendment (Rept. No. 172). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 4989. A bill for the relief of James B. Conner; without amendment (Rept. No. 173). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5047. A bill for the relief of the Yosemite Lumber Co.; without amendment (Rept. No. 174). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5048. A bill for the relief of James E. Dethlefsen; without amendment (Rept. No. 175). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5146. A bill for the relief of Edward J. Devine; without amendment (Rept. No. 176). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5202. A bill for the relief of Bernis Brien and John M. Springer; without amendment (Rept. No. 177). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5221. A bill for the relief of Mary S. Neel; without amendment (Rept. No. 178). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5242. A bill for the relief of D. Emmett Hamilton; without amendment (Rept. No. 179). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5259. A bill for the relief of Steve Fekete; without amendment (Rept. No. 180). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5267. A bill to authorize and direct the Comptroller General to settle and allow the claim of Harden F. Taylor for services rendered to the Bureau of Fisheries; without amendment (Rept. No. 181). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5272. A bill for the relief of Frank Bayer; without amendment (Rept. No. 182). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5283. A bill for the relief of Blanche Knight; without amendment (Rept. No. 183). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 5794. A bill to extend the benefits of the employers' liability act of September 7, 1916, to Mary Ford Conrad; without amendment (Rept. No. 184). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7770) granting an increase of pension to Gus Cook; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4976) granting an increase of pension to Alfred Barker; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7683) for the relief of Stillwell Bros. (Inc.); Committee on Naval Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 7784) granting a pension to Angus G. Irvine; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 5002) granting a pension to Zattoo Adkins; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 5003) granting a pension to Marion Litton; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4433) granting a pension to Louie B. Reibold and Louis Reibold, jr.; Committee on Invalid Pensions discharged, and 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 Mrs. NORTON of New Jersey: A bill (H. R. 8012) to authorize the Commissioners of the District of Columbia to settle small claims, and for other purposes; to the Committee on the District of Columbia.

Also, a bill (H. R. 8013) to amend the act of the Legislative Assembly of the District of Columbia creating the office of steam-boiler inspector for the District of Columbia; to the Committee on the District of Columbia.

By Mr. DRANE: A bill (H. R. 8014) providing for the establishment of a term of the district court of the United States for the southern district of Florida at Fort Myers, Lee County, Fla.; to the Committee on the Judiciary.

By Mr. MITCHELL: A bill (H. R. 8015) granting extension of time for the payment of fertilizer, feed, and seed loans made by the Government to farmers for a period not to exceed two years at a rate of interest not to exceed 3 per cent per annum; to the Committee on Agriculture.

Also, a bill (H. R. 8016) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates without interest deductions; to the Committee on Ways and Means.

By Mr. WHITE: A bill (H. R. 8017) to limit the purchase of executive departments so far as possible to articles of the growth, production, or manufacture of the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. SANDERS of Texas: A bill (H. R. 8018) providing import duties on crude petroleum and all products of crude petroleum imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. BACHMANN: A bill (H. R. 8019) to amend section 113 of the Judicial Code as amended (U. S. C., title 23, sec. 194); to the Committee on the Judiciary.

By Mr. CRAIL: A bill (H. R. 8020) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the war with Spain and who were held to service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899; to the Committee on War Claims.

By Mrs. KAHN: A bill (H. R. 8021) to extend the times for commencing and completing the construction of a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland; to the Committee on Interstate and Foreign Commerce.

By Mr. YON: A bill (H. R. 8022) to authorize the Secretary of the Navy to proceed with the construction of certain public works; to the Committee on Naval Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 8023) providing for the erection of an Indian exhibit building on the eastern Idaho district fair grounds, at Blackfoot, Idaho; to the Committee on Indian Affairs.

Also, a bill (H. R. 8024) providing for the diversion of proceeds from hunting and fishing permits within Indian reservations, to be expended under the direction of the tribal council for the benefit of the Indians; to the Committee on Indian Affairs.

By Mr. KELLY of Pennsylvania: A bill (H. R. 8025) to provide for the transportation and the distribution of mails on motor-vehicle routes; to the Committee on the Post Office and Post Roads.

By Mr. GOLDSBOROUGH: A bill (H. R. 8026) to provide for increasing and stabilizing the price level of commodities, and for other purposes; to the Committee on Banking and Currency.

By Mr. GIBSON: A bill (H. R. 8027) to establish a woman's bureau in the Metropolitan police department of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. AYRES: A bill (H. R. 8028) providing import duties on crude petroleum and all products of crude petroleum imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. DAVENPORT: A bill (H. R. 8029) separating and allotting between the Secretary of Commerce and the United States Shipping Board various duties and powers arising under the shipping act, 1916, the merchant marine act, 1920, and the merchant marine act, 1928, amending these acts accordingly, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. FULBRIGHT: A bill (H. R. 8030) granting pensions and increase of pensions to certain soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition, to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes; to the Committee on Pensions.

By Mr. LEAVITT: A bill (H. R. 8031) to provide for expenses of the Crow Indian tribal council and authorized delegates of the tribe; to the Committee on Indian Affairs.

By Mr. McKEOWN: Resolution (H. Res. 114) providing that the Secretary of the Interior shall not dispose of any property of the Seminole Indians without their consent; to the Committee on Indian Affairs.

By Mr. RAYBURN: Resolution (H. Res. 115) authorizing the expenses of the Committee on Interstate and Foreign Commerce; to the Committee on Accounts.

By Mr. CONDON: Resolution (H. Res. 116) to provide for an investigation of wage cutting, particularly in those industries which either directly or indirectly are favored by Federal laws, and generally in the United States since 1929; to the Committee on Rules.

By Mr. SNELL: Joint resolution (H. J. Res. 223) granting permission to Lieut. Col. Dan I. Sultan, Corps of Engineers, United States Army, to accept decorations and medals bestowed upon him by the Government of the Republic of Nicaragua; to the Committee on Military Affairs.

Also, joint resolution (H. J. Res. 224) granting permission to First Lieut. Leslie R. Groves, jr., Corps of Engineers, United States Army, to accept certain medals bestowed upon him by the Government of the Republic of Nicaragua; to the Committee on Military Affairs.

Also, joint resolution (H. J. Res. 225) granting permission to Paul R. Hawley, major, Medical Corps, United States Army, to accept certain medals bestowed upon him by the Government of the Republic of Nicaragua; to the Committee on Military Affairs.

By Mr. LINDSAY: Joint resolution (H. J. Res. 226) empowering the President to proclaim October 12 a legal public holiday; to the Committee on the Judiciary.

By Mr. SIROVICH: Joint resolution (H. J. Res. 227) to create a civil-service board of appeals; to the Committee on the Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLGOOD: A bill (H. R. 8032) granting a pension to Nancy C. Morgan; to the Committee on Pensions.

Also, a bill (H. R. 8033) granting a pension to Margaret E. Cantrell; to the Committee on Pensions.

By Mr. BOLTON: A bill (H. R. 8034) granting an increase of pension to Hannah Margaret Acheson; to the Committee on Invalid Pensions.

By Mr. BRAND of Ohio: A bill (H. R. 8035) granting an increase of pension to Lucy S. Tolles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8036) granting an increase of pension to Ada M. Young; to the Committee on Pensions.

By Mr. CULKIN: A bill (H. R. 8037) granting an increase of pension to Margaret M. Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8038) granting an increase of pension to Florine F. Seaman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8039) granting an increase of pension to Mary H. Ackley; to the Committee on Invalid Pensions.

By Mr. DARROW (by request): A bill (H. R. 8040) for the relief of the Ancona Printing Co. (Inc.); to the Committee on Claims.

By Mr. DRANE: A bill (H. R. 8041) granting a pension to Della Bond; to the Committee on Invalid Pensions.

By Mr. EVANS of Montana: A bill (H. R. 8042) for the relief of M. M. Twichel; to the Committee on Claims.

By Mr. FINLEY: A bill (H. R. 8043) granting a pension to Elizabeth Saylor; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 8044) granting a pension to L. V. Katheren Trambley; to the Committee on Pensions.

By Mr. GAMBRILL: A bill (H. R. 8045) for the relief of Walter J. Bienemann; to the Committee on Claims.

By Mr. GLOVER: A bill (H. R. 8046) granting a pension to Elijah Walters; to the Committee on Invalid Pensions.

By Mr. HALL of Mississippi: A bill (H. R. 8047) for the relief of I. J. Taylor; to the Committee on Claims.

By Mr. HOLLISTER: A bill (H. R. 8048) for the relief of Sarah Daily; to the Committee on Claims.

By Mr. JOHNSON of Washington: A bill (H. R. 8049) for the relief of Alfred W. Bishop; to the Committee on Naval Affairs.

By Mr. LAMBERTSON: A bill (H. R. 8050) granting a pension to George H. Hunter; to the Committee on Invalid Pensions.

By Mr. McREYNOLDS: A bill (H. R. 8051) granting a pension to Bell D. Qualls; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 8052) for the relief of Joseph M. Haska; to the Committee on Naval Affairs.

Also, a bill (H. R. 8053) granting an increase of pension to Martha J. Wilcox; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 8054) granting an increase of pension to Jemima E. Stephens; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 8055) granting an increase of pension to Hallie Redfern; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 8056) granting an increase of pension to Harriet M. Chamberlin; to the Committee on Invalid Pensions.

By Mr. PARKER of New York: A bill (H. R. 8057) for the relief of Ruth Relyea; to the Committee on Claims.

Also, a bill (H. R. 8058) for the relief of Ettie A. Shepard; to the Committee on Claims.

Also, a bill (H. R. 8059) granting an increase of pension to Nellie Murray; to the Committee on Pensions.

By Mr. RAINEY: A bill (H. R. 8060) granting a pension to Agnes G. Smith; to the Committee on Invalid Pensions.

By Mrs. ROGERS: A bill (H. R. 8061) granting a pension to Alma A. DeCoen; to the Committee on Pensions.

By Mr. SWANK: A bill (H. R. 8062) granting a pension to Joe W. George; to the Committee on Pensions.

By Mr. SWEENEY: A bill (H. R. 8063) granting a pension to Florence G. Schultz; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 8064) for the relief of John Oscar Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 8065) granting a pension to Sarah J. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8066) for the relief of William W. Perryman; to the Committee on Military Affairs.

By Mr. WHITE: A bill (H. R. 8067) for the relief of Ben F. Osborn; to the Committee on Claims.

By Mr. WILLIAMS of Texas: A bill (H. R. 8068) granting an increase of pension to David R. Majors; to the Committee on Pensions.

Also, a bill (H. R. 8069) granting a pension to William Newton Johnson; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 8070) granting a pension to Mary Long; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 8071) granting an increase of pension to Anna Duplanta; 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:

506. By Mr. ALDRICH: Petition of 22 citizens of Rhode Island, opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

507. By Mr. BACHMANN: Petition of Mrs. John W. Bickett, Mrs. R. J. Baggs, Mrs. Wesley R. Baumberger, Mrs. Margaret Scott, Mrs. L. D. Cole, Mrs. M. E. Hillyer, Mrs. Charles F. Folmer, and Mrs. A. W. Crowther, opposing a resubmission resolution of the eighteenth amendment by Congress; to the Committee on the Judiciary.

508. Also, petition of Fairview Woman's Christian Temperance Union, Rev. Gordon Withers, Rev. J. A. Wright, Walter Lough, Worley Powell, Alfred Knosely, Gay Basnett, and Walter Toothman, opposing a resubmission resolution of the eighteenth amendment by Congress; to the Committee on the Judiciary.

509. By Mr. BOHN: Petition of Michigan association of probate judges, indorsing and urging the continuation of rehabilitation services; to the Committee on Agriculture.

510. By Mr. CONDON (by request): Petition of certain bond owners, stockholders, and creditors of the Alabama & New Orleans Transportation Co., requesting a hearing and other relief in the case of Harriet H. Gallagher, petitioner, v. Alabama & New Orleans Transportation Co., a corporation, defendant, now pending in the United States District Court for the District of Massachusetts; to the Committee on the Judiciary.

511. Also (by request), petition of Mary J. Broadbent and several other citizens of Rhode Island, opposing repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

512. By Mr. GARBER: Petition of Court No. 946, Catholic Daughters of America, of Ponca City, Okla., protesting against House bill 4757; to the Committee on Education.

513. Also, petition of Court St. Mary, No. 946, of the Catholic Daughters of America, of Ponca City, Okla., in opposition to House bill 4739; to the Committee on Interstate and Foreign Commerce.

514. Also, petition of the Quaker Line, Philadelphia, Pa., urging support of House bill 28, providing for the construction of a vessel designed for ice breaking and assistance

work in the Hudson River, N. Y.; to the Committee on Interstate and Foreign Commerce.

515. Also, petition of the women's study clubs of Miami, Okla., urging legislation in the furtherance of world peace; to the Committee on the Judiciary.

516. By Mr. HOCH: Petition of various residents of Hamilton, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

517. Also, petition of various residents of Fall River, Kans., urging support of the maintenance of the prohibition law and its enforcement, and against any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

518. By Mr. JOHNSON of Texas: Petition of Texas division of the Mid-Continent Oil & Gas Association, opposing a Federal tax on gasoline; to the Committee on Ways and Means.

519. Also, petition of C. A. Middleton, Corsicana, Tex., favoring a reduction of Federal expenditures rather than increase in taxes; to the Committee on Ways and Means.

520. Also, petition of Raphael Levine, Corsicana, Tex., ex-president Local Union 393, International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States, opposing Federal admission tax; to the Committee on Ways and Means.

521. Also, petition of Denie D. Posey, of Henderson, Tex., favoring payment in full of adjusted-service certificates; to the Committee on Ways and Means.

522. Also, petition of Fort Worth Chamber of Commerce, Fort Worth, Tex., favoring a tariff on oil; to the Committee on Ways and Means.

523. By Mr. LONERGAN: Petition of Federal Bar Association of New York, New Jersey, and Connecticut for additional permanent judgeship; to the Committee on the Judiciary.

524. By Mr. McKEOWN: Petition of Enid (Okla.) Chapter of Business and Professional Women's Club, urging tariff on crude oil; to the Committee on Ways and Means.

525. By Mr. MURPHY: Petition of Harry R. Flitton, of Bellaire, Ohio, protesting against a tax on admissions to motion-picture shows; to the Committee on Ways and Means.

526. Also, petition of Jennie Baker, of Jewett, Ohio, and 53 other members of the Woman's Christian Temperance Union, asking for the retention of the prohibition laws; to the Committee on the Judiciary.

527. By Mrs. OWEN: Petition from Miami (Fla.) Woman's Christian Temperance Union, requesting that there shall not be a resubmission of the eighteenth amendment to the States; to the Committee on the Judiciary.

528. By Mr. PERSON: Resolution of board of directors of the Michigan Real Estate Association, protesting against the proposed enactment of a stamp tax on realty conveyances; to the Committee on Ways and Means.

529. Also, petition of 294 citizens of Detroit, Mich., favoring the enactment of legislation to curb the activities of the chain-store system; to the Committee on Interstate and Foreign Commerce.

530. By Mr. ROBINSON: Petition signed by L. F. Wolcott, manager of the Grand Theater, Eldora, Iowa, and about 85 other citizens of Eldora, protesting against a 10 per cent tax on theater admissions; to the Committee on Ways and Means.

531. By Mr. ROMJUE: Petition of Mason Contractors Association of St. Louis, Mo., favoring the passage of House bill 4680; to the Committee on Expenditures in the Executive Departments.

532. By Mr. RUDD: Petition of the Federal Bar Association of New York, New Jersey, and Connecticut, favoring the passage of Senate bill 1335 and House bill 5342, for additional judges for the district of New Jersey; to the Committee on the Judiciary.

533. Also, petition of the Maritime Association of the Port of New York, opposing the passage of Senate bill 7 and

House bill 4648, for the deportation of alien seamen; to the Committee on Immigration and Naturalization.

534. Also, petition of E. W. Holmes, of Flushing, N. Y., opposing a tax on automobiles, tires, and accessories as an unjust burden on this industry; to the Committee on Ways and Means.

535. By Mr. SNOW: Petition of F. C. Soule and many other residents of Smyrna Mills, Me., requesting that some action be taken by Congress to place highway trucks and bus lines under regulations; to the Committee on Interstate and Foreign Commerce.

536. By Mr. SWANK: Petition of Business and Professional Women's Club, Cushing, Okla., in favor of a tariff on oil; to the Committee on Ways and Means.

537. By Mr. TREADWAY: Memorial of Bertha Day and other residents of North Adams, Mass., urging maintenance of the prohibition law and its enforcement, and protesting against modification, resubmission, or repeal; to the Committee on the Judiciary.

538. By Mr. YON: Petition signed by N. F. Nelson, of Bay Harbor, and 34 other citizens of Panama City, St. Andrews, and Millville, Fla., protesting against compulsory Sunday observance; to the Committee on the Judiciary.

539. By the SPEAKER: Petition of Manuel L. Lummerio, that the pension laws be extended to include the house boys employed by United States Army officers during the Spanish American War; to the Committee on Pensions.