Also, a bill (H.R. 6025) granting a pension to Guy H. Stedham; to the Committee on Pensions.

Also, a bill (H.R. 6026) granting a pension to Lon G. Cody; to the Committee on Pensions.

Also, a bill (H.R. 6027) for the relief of the estate of W. Y. Carver, deceased; to the Committee on Claims.

Also, a bill (H.R. 6028) for the relief of Chilton Craddock; to the Committee on Naval Affairs.

By Mr. SNYDER: A bill (H.R. 6029) granting an increase of pension to Sarah J. Hochstetler; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6030) granting an increase of pension to Margaret C. Mills; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6031) granting an increase of pension to Mary E. Wetmiller; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H.R. 6032) granting a pension to Leander Simonson; 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:

1347. By Mr. DONDERO: Petition of the Common Council of the Legislative Body of the City of Detroit, urging and requesting the President of the United States of America to transmit a message to Congress urging the passage of the so-called "Sumner bill", H.R. 5885, or legislation to enable the city of Detroit to refund its bonded indebtedness in order to prevent default and to continue and maintain orderly government and to preserve the peace, health, and safety of its citizens; to the Committee on the Judiciary.

1348. By Mr. JOHNSON of Minnesota: Resolution by the Vincent L. Gantvalley Post, No. 234, American Legion, protesting against harshness of veteran reductions under Economy Act; to the Committee on Expenditures in the Executive Departments.

1349. By Mr. LEA of California: Petition of 442 residents of California, to restore to all service-connected disabled veterans their former benefits, privileges, etc., which existed prior to the enactment of the so-called "Economy Act"; to the Committee on Expenditures in the Executive Departments.

1350. By Mr. LINDSAY: Petition of Advertising Topographers of America, New York City, urging Congress and the Senate to approve labor provision amendment to the national industrial recovery bill, S. 1712; to the Committee on Ways and Means.

1351. Also, petition of Rochester Chamber of Commerce, Rochester, N.Y., concerning the National Industrial Recovery Act; to the Committee on Ways and Means.

1352. Also, petition of Joint Committee of Affiliated Substitutes of Brooklyn, favoring House bills 5206, 4017, 3101—the 30-year retirement bill, adoption of 2-cent letter rate, etc.; to the Committee on the Post Office and Post Roads.

1353. Also, petition of Nelson H. Budd, editor, Canning Age, New York City, concerning the national industrial recovery bill; to the Committee on Ways and Means.

1354. By Mr. McCORMACK: Petition of Dorchester Board of Trade, Dorchester, Mass., Patrick J. Connelly, president, representing a district of 200,000 people, urging early passage of the Industrial Recovery Act; to the Committee on Ways and Means.

1355. By Mr. WELCH: Petition of citizens of the State of California, requesting Congress to restore to all service-connected disabled veterans their former benefits, ratings, etc.; to the Committee on Expenditures in the Executive Departments.

1356. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to give serious consideration to allotting for highways a larger proportion of the funds set aside for the public-works program; to the Committee on Banking and Currency.

1357. Also, memorial of the Legislature of the State of Wisconsin, relating to the purchase of additional lands for Federal forest purposes in Wisconsin; to the Committee on the Public Lands.

1358. By the SPEAKER: Petition of the committee on grievances of Supreme Court of the District of Columbia in regard to complaint against Alfred A. Wheat, Chief Justice of Supreme Court of the District of Columbia, for impeachment and removal from office; to the Committee on the Judiciary.

SENATE

SATURDAY, JUNE 10, 1933

(Legislative day of Tuesday, June 6, 1933)

The Senate met at 10 o'clock a.m., on the expiration of the recess.

Mr. ROBINSON of Arkansas. 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:

Austin	Copeland	McCarran	Sheppard
Bachman	Cutting	McGill	Smith
Barkley	Frazier	McKellar	Thomas, Okla.
Black	Hale	McNary	Thompson
Bratton	Hatfield	Metcalf	Trammell
Brown	Hayden	Patterson	Vandenberg
Bulow	Kendrick	Pope	Walsh
Byrnes	Keyes	Robinson, Ark.	
Capper	Logan	Robinson, Ind.	
Coolidge	Long	Russell	

Mr. VANDENBERG. I desire to announce that my colleague the senior Senator from Michigan [Mr. COUZENS] is necessarily absent from the Senate in attendance upon the London Economic Conference.

Mr. McNARY. I wish to announce that the senior Senator from South Dakota [Mr. NORBECK] is unavoidably absent from the Senate.

Mr. ROBINSON of Arkansas. I desire to announce that the Senator from Nevada [Mr. PITTMAN] is necessarily detained from the Senate by reason of his attendance as a delegate representing our Government at the London Economic Conference. I wish this announcement to stand for the day.

The VICE PRESIDENT. Thirty-seven Senators have answered to their names. There is not a quorum present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. LONERGAN and Mr. WHITE answered to their names when called.

Mr. ADAMS, Mr. ASHURST, Mr. BAILEY, Mr. BANKHEAD, Mr. BARBOUR, Mr. BONE, Mr. BORAH, Mr. BULKLEY, Mr. BYRD, Mrs. CARAWAY, Mr. CAREY, Mr. CLARK, Mr. CONNALLY, Mr. COSTIGAN, Mr. DAVIS, Mr. DICKINSON, Mr. DIETERICH, Mr. DILL, Mr. DUFFY, Mr. ERICKSON, Mr. FESS, Mr. FLETCHER, Mr. GEORGE, Mr. GLASS, Mr. GOLDSBOROUGH, Mr. GORE, Mr. HARRISON, Mr. HASTINGS, Mr. HEBERT, Mr. JOHNSON, Mr. KEAN, Mr. KING, Mr. LA FOLLETTE, Mr. LEWIS, Mr. McADOO, Mr. MURPHY, Mr. NEELY, Mr. NORRIS, Mr. NYE, Mr. OVERTON, Mr. REED, Mr. REYNOLDS, Mr. SCHALL, Mr. SHIPSTEAD, Mr. STEIWER, Mr. STEPHENS, Mr. THOMAS of Utah, Mr. TOWNSEND, Mr. TYDINGS, Mr. VAN NUYS, Mr. WAGNER, Mr. WALCOTT, and Mr. WHEELER entered the Chamber and answered to their names.

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by veterans and ex-service men assembled at the United States Soldiers' Home in Washington, D.C., favoring the prompt repeal of the so-called "Economy Act" and the immediate restoration of the compensations, pensions, disability allowances, and hospital and domiciliary rights of veterans without discrimination as to race, color, creed, or political affiliations, and also favoring the immediate cash payment of the remainder of the adjusted-service certificates (bonus), which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by Beckley Chapter, No. 9, Disabled American Veterans of the World War, of Beckley, W.Va., favoring the restoration of

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benefits and allowances to veterans of the World War, which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by U.S.S. Jacob Jones Post, No. 2, the American Legion, Washington, D.C., protesting against the passage of any law or the issuance of any regulation to deprive honorably discharged veterans of preference of retention in the Civil Service granted to them under previous laws and Executive orders, etc., which was referred to the Committee on Civil Service.

He also laid before the Senate the petition of Samuel Tilden Ansell, Esq., praying for an investigation of alleged acts and conduct of Hon. HUEY P. LONG, a Senator from the State of Louisiana, and of his qualifications to be a Senator, which was referred to the Committee on the Judiciary.

He also laid before the Senate memorials of sundry citizens of Amite and Mansfield, in the State of Louisiana, endorsing Hon. HUEY P. LONG, a Senator from the State of Louisiana, condemning attacks made upon him, and remonstrating against a senatorial investigation relative to his alleged acts and conduct, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Camden County Central Labor Union of Camden County, N.J., endorsing House bill 5755, the national industrial-recovery bill, which was ordered to lie on the table.

Mr. BARBOUR presented a resolution adopted by Golden Rule Council, No. 148, Sons and Daughters of Liberty, of Williamstown, N.J., favoring the passage of the so-called "Dies bill", fixing a quota pertaining to the admission of aliens to the United States, which was referred to the Committee on Immigration.

REPORTS OF COMMITTEES

Mr. NEELY, from the Committee on the Judiciary, to which was referred the resolution (S.Res. 92) creating a special committee to investigate certain phases of the petroleum industry, reported it without amendment.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H.R. 5767) to authorize the appointment of the Governor of Hawaii without regard to his being a citizen or resident of Hawaii, reported it without amendment.

Mr. BARKLEY, from the Committee on the Library, to which was referred the bill (S. 1867) authorizing an appropriation to provide for the completion of the George Rogers Clark Memorial at Vincennes, Ind., reported it without amendment.

PRINTING OF HEARINGS ON 30-HOUR WORKWEEK

Mr. HAYDEN. By direction of the Committee on Printing I report back favorably without amendment Senate Resolution 71, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, Senate Resolution 71, submitted by Mr. BLACK on May 4, 1933, was considered and agreed to, as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on the Judiciary of the Senate be, and is hereby, empowered to have printed for its use 1,000 additional copies of the hearings held before a subcommittee of said committee relative to 30-hour workweek, Seventy-second Congress, second session.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 9, 1933, that committee presented to the President of the United States the enrolled bill (S. 1094) to authorize the Reconstruction Finance Corporation to subscribe for preferred stock and purchase the capital notes of insurance companies, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. HAYDEN:

A bill (S. 1875) to stabilize the coal-mining industry; to provide for a coal operators' code and agreement; to provide for cooperative marketing of coal; to secure prices just to operators and consumers and fair living and working conditions for the miners concerned; to levy a tax on coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of coal to be affected with a public interest; to provide for the general welfare; and for other purposes; to the Committee on Mines and Mining.

A bill (S. 1876) to define the exterior boundaries of the Navajo Indian Reservation in Arizona, and for other purposes; to the Committee on Indian Affairs.

By Mr. DILL:

A bill (S. 1877) for the relief of Leo Yates; to the Committee on Claims.

A bill (S. 1878) for the relief of Vincent Rutherford; to the Committee on Military Affairs.

A bill (S. 1879) extending the provisions of the pension laws relating to Indian war veterans to Capt. H. M. Hodgis' company, and for other purposes; and

A bill (S. 1880) granting a pension to Elmer K. Corbett (with accompanying papers); to the Committee on Pensions.

By Mr. BONE:

A bill (S. 1881) to authorize the creation of an Indian village within the Shoalwater Indian Reservation, Wash., and for other purposes; and

A bill (S. 1882) to authorize the Secretary of the Interior to issue patents for lots to Indians within the Indian village of Taholah, on the Quinaielt Indian Reservation, Wash.; to the Committee on Indian Affairs.

By Mr. STEIWER:

A bill (S. 1883) to amend the act of March 3, 1885, entitled "An act providing for allotment of lands in severalty to the Indians residing upon the Umatilla Reservation, in the State of Oregon, and granting patents therefor, and for other purposes"; to the Committee on Indian Affairs.

Mr. STEIWER also introduced Senate bill 1884, which was referred to the Committee on the Judiciary, and appears under a separate heading.

By Mr. McADOO:

A bill (S. 1885) for the relief of Wilson G. Bingham; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 1886) for the relief of Amy McLaurin; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 1887) to authorize the change of homestead designations on allotted Indian lands;

A bill (S. 1888) to provide for the protection and conservation of the grazing resources of the undisposed of ceded Indian lands, the tribal title to which remains unextinguished;

A bill (S. 1889) to facilitate a more economical administration of forest and grazing lands on Indian reservations;

A bill (S. 1890) to authorize the Secretary of the Interior to grant concessions on reservoir sites and other lands in connection with Indian irrigation projects and to lease the lands in such reserves for agriculture, grazing, or other purposes; and

A bill (S. 1891) to authorize the Secretary of the Interior to cancel restricted fee patents and issue trust patents in lieu thereof; to the Committee on Indian Affairs.

By Mr. LONERGAN:

A bill (S. 1892) making income from United States securities subject to the income-tax laws of the United States; to the Committee on Finance.

By Mr. NYE (for Mr. NORBECK):

A bill (S. 1893) providing old-age pensions for Indian citizens of the United States; to the Committee on Indian Affairs.

A bill (S. 1894) authorizing the Secretary of the Interior to erect a monument to commemorate the heroic sacrifices and the services of Martin Charger and 10 other Indians in the rescue of white women and children held as captives by an unfriendly Indian tribe; to the Committee on the Library.

A bill (S. 1895) for the relief of C. B. Dickinson;

A bill (S. 1896) for the relief of Sam H. Allen;

A bill (S. 1897) conferring upon the Court of Claims jurisdiction of the claims against the United States of Peter D. Mettel and A. B. Fraser;

A bill (S. 1898) for the relief of Sarah Hay;

A bill (S. 1899) for the relief of Hannah Nielson Larsen;

A bill (S. 1900) for the relief of Fred N. Dunham;

A bill (S. 1901) for the relief of William A. Delaney;

A bill (S. 1902) for the relief of George C. Widlon;

A bill (S. 1903) for the relief of Lillie Anderson (with accompanying papers); and

A bill (S. 1904) for the relief of Axel J. Beck (with accompanying papers); to the Committee on Claims.

A bill (S. 1905) granting a pension to Running Grouse;

A bill (S. 1906) granting an increase of pension to Mary C. Booth;

A bill (S. 1907) granting a pension to Daniel Webster;

A bill (S. 1908) granting a pension to William F. Simpkins;

A bill (S. 1909) granting a pension to Jennie Claymore;

A bill (S. 1910) granting a pension to Mattie Gilbertson;

A bill (S. 1911) granting a pension to Lightning;

A bill (S. 1912) granting a pension to Martin Erikson;

A bill (S. 1913) granting a pension to Anthony Penson;

A bill (S. 1914) granting a pension to Emily S. Marlett;

A bill (S. 1915) granting a pension to Richard Payne;

A bill (S. 1916) granting an increase of pension to Louisa J. Rubendall;

A bill (S. 1917) granting a pension to James E. Rush;

A bill (S. 1918) granting a pension to Daniel R. McKay;

A bill (S. 1919) granting a pension to Harriett Warne;

A bill (S. 1920) granting a pension to Amos O. Cox;

A bill (S. 1921) granting a pension to Howard J. Sheehan;

A bill (S. 1922) granting an increase of pension to Anna Olson;

A bill (S. 1923) granting an increase of pension to Lovina Kenyon; and

A bill (S. 1924) granting an increase of pension to Amos Red Owl (with accompanying papers); to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 1925) for the relief of the William Wrigley, Jr., Co., Inc., of New York City, N.Y.; to the Committee on Claims.

By Mr. BULKLEY:

A bill (S. 1926) granting an annuity to Samuel R. Stone; to the Committee on Finance.

By Mr. CAPPER:

A bill (S. 1927) granting a pension to Lydia C. Wark (with accompanying papers); to the Committee on Pensions.

By Mr. LONERGAN:

A joint resolution (S.J.Res. 61) proposing an amendment to the Constitution of the United States relative to taxation of income derived from securities; to the Committee on the Judiciary.

PRINTING OF PROCEEDINGS IN IMPEACHMENT TRIAL OF HAROLD LOUDERBACK

Mr. ASHURST. Mr. President, I submit an order which reads as follows:

Ordered, That the proceedings in the Senate in connection with the trial of Harold Louderback, United States district judge for the northern district of California, upon articles of impeachment exhibited against him by the House of Representatives be printed as a Senate document.

That has been done in all cases heretofore. I ask it now because the matter is in type, and it will save the Government some money if it be printed before the type is thrown in and reset. I ask unanimous consent for the consideration of the order.

The PRESIDING OFFICER (Mr. McGILL in the chair). Is there objection to the present consideration of the order?

Mr. CONNALLY. Mr. President, is it not customary to refer these matters to the Committee on Printing for their approval?

Mr. ASHURST. I am willing that that shall be done. I ask that the order be referred to the Committee on Printing.

The PRESIDING OFFICER. That reference will be made.

WORLD TRADE BARRIERS IN RELATION TO AMERICAN AGRICULTURE (S.DOC. NO. 70)

Mr. SMITH. I present an order and will ask the clerk to read it. It will explain itself. I should like then to have the order adopted.

The VICE PRESIDENT. The clerk will read the proposed order.

The Chief Clerk read as follows:

Ordered, That the report of the Secretary of Agriculture pertaining to restrictions upon international trade in major agricultural products, transmitted to the Senate on the 7th instant in response to Senate Resolution 280, Seventy-second Congress, be printed, with illustrations, as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order is entered.

Mr. McNARY subsequently said: Mr. President, at the request of the senior Senator from South Dakota [Mr. NORBECK] I ask unanimous consent that the letter of the Secretary of Agriculture, in response to Senate Resolution 280, touching world trade barriers in relation to American agriculture, be printed as a Senate document.

The VICE PRESIDENT. The Chair will state that such an order has already been entered on motion of the Senator from South Carolina [Mr. SMITH].

COMMITTEE SERVICE

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, it was

Ordered, That the Senator from Colorado, Mr. ADAMS, be assigned to service on the Committee on Public Lands and Surveys; that the Senator from Ohio, Mr. BULKLEY, be excused from further service on the Committee on Commerce; and that he be assigned to service on the Committee on Foreign Relations; and that the Senator from New Mexico, Mr. BRATTON, be excused from further service on the Special Committee on Investigation of Senatorial Campaign Expenditures.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 804. An act to authorize the Secretary of War to grant a right of way to the Dalles Bridge Co.;

S. 1514. An act authorizing the Administrator of Veterans' Affairs to convey certain lands to Harrison County, Miss.;

S. 1536. An act giving credit for water charges paid on damaged land;

S. 1561. An act providing for payment of $50 to each enrolled Chippewa Indian of the Red Lake Band of Minnesota from the timber funds standing to their credit in the Treasury of the United States;

S. 1745. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Umpqua River at or near Reedsport, Douglas County, Oreg.;

S. 1746. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Yaquina Bay at or near Newport, Lincoln County, Oreg.;

S. 1747. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Alsea Bay at or near Waldport, Lincoln County, Oreg.;

S. 1748. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Coos Bay at or near North Bend, Coos County, Oreg.;

S. 1749. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Siuslaw River at or near Florence, Lane County, Oreg.;

S. 1783. An act granting the consent of Congress to the Overseas Road and Toll Bridge District, a political subdivision of the State of Florida, to construct, maintain, and operate bridges across the navigable waters in Monroe

County, Fla., from Lower Matecumbe Key to No Name Key; and

S. 1808. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary in 1936 of the independence of Texas, and of the noble and heroic sacrifices of her pioneers, whose revered memory has been an inspiration to her sons and daughters during the past century.

The message also announced that the House had passed the bill (S. 1513) to amend Public Act No. 435 of the Seventy-second Congress, relating to sales of timber on Indian land, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H.R. 5950. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and

H.J.Res. 183. Joint resolution extending for 1 year the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and of the Tripartite Claims Commission.

ENROLLED BILLS SIGNED

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

H.R. 4220. An act for the protection of Government records;

H.R. 4589. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes;

H.R. 5012. An act to amend existing law in order to obviate the payment of 1 year's sea pay to surplus graduates of the Naval Academy; and

H.R. 5040. An act to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred as indicated below:

H.R. 5950. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

H.J.Res. 183. Joint resolution extending for 1 year the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and of the Tripartite Claims Commission; to the Committee on Finance.

THE FOREIGN DEBTS

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times of Sunday, June 4, relative to the foreign debts.

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

[From the New York Times, June 4, 1933]

ACTION ON DEBT HELD VITAL FOR ALL OF US—AMICABLE SETTLEMENT OF THIS QUESTION CONSIDERED ESSENTIAL IF WE ARE TO RESTORE PROSPERITY

To the EDITOR OF THE NEW YORK TIMES:

It is obvious that the time for action in settlement of the allied countries' debts is now here. No one in or out of official authority has yet shown how confidence can be restored, industry revived, and the millions suffering from nonemployment or starvation can again be employed so long as these unsettled debts hang like a pall over the whole country.

Should the Roosevelt plan of amicable adjustment of the debts as of the other international divergent questions from any cause not now be brought to fruition, no one can anticipate what the consequences may be.

There is apparently a surprising lack of information on this debt situation. Either the fundamental facts are misunderstood or perhaps unintentionally ignored. When reference is made to the large debt reductions by the Dawes plan, then by the Young plan, and the large reductions agreed upon since, the fact is omitted as officially reported by Secretary Mellon that "in the British settlement, as in every other settlement, not one nickel of the principal amount has been canceled."

MONEY SPENT HERE

These debts were not an indebtedness from the outbreak of the war, July 14, to the armistice for the money sent to the credit of the allied countries, for it was not sent there at all, but all expended right here in the United States. How the billions of dollars thus used overstimulated our factories for war munitions, military uniforms, etc., cotton, wheat, food products—indeed, every sort of product of both industry and farm—is well known, but apparently largely forgotten. For an up-to-date reminder, Mr. Lamont's interesting biographical tribute to his good friend Henry Davison is quite apropos at this time:

"It was inevitable that Britain and France would wish to purchase in the American markets the greater portion of their mounting requirements for wheat, oats, cotton, leather, meats, and copper and other metals.

"It was almost a romantic story—that of the allied purchases in America. How from small beginnings they grew in an orderly way to the great totals that manifestly spelled such high degree of prosperity for American agriculture and industry, and that brought increased wages to the workingman; how the favorable effect of these purchases of all sorts of farm products and of manufactures spread and reached even the remote corners of the country.

"When the demands from the British and French Governments became so all-embracing and so insistent as to exhaust the facilities of existing manufacturing organizations in America, in the line of military supplies, Stettinius set about developing new sources.

"No possible estimate could ever have been made of the enormous tangible benefits flowing to American agriculture and industry from the proceeds of the great Anglo-French loan of $500,000,000 issued in October 1915. Sixty percent of its proceeds was expended in the Mississippi Valley alone.

"A potential factor in the foreign-debt status, also apparently forgotten, is that for 15 months after the outbreak of the war, when the Allies were losing weekly thousands of men and the war carried on by them at a fabulous cost while this country was being made richer by leaps and bounds on those countries' war necessities, without the loss of either men or treasure here, this country was thus protected from German aggression for these 15 months."

WE WERE PROTECTED

Be it remembered also that when the allied loans were authorized by Congress many Members, both in the Senate and House, openly advocated that our advances under the circumstances should be treated as a contribution by this country for the protection and profits we would enjoy for the time.

If this country and the world is to now have peace, recovery and prosperity, besides the prompt and amicable debts settlements must also with equal promptess come relief from the crushing burden of armaments; the imminent danger if disarmaments be not successfully effected, stabilization of currencies, some tariff adjustments—all pressing, burning questions for immediate solution.

FREDERICK W. KELSEY.

NEW YORK, *June 1, 1933.*

FARM CREDIT ADMINISTRATION

The Senate resumed the consideration of the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes.

Mr. BYRNES. I ask that the formal reading of the bill may be dispensed with, and that the bill be read for amendments, the committee amendments to be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none and it is so ordered. The Clerk will state the first amendment.

The first amendment of the Committee on Banking and Currency was, under the subhead "Establishment of production credit corporations and banks for cooperatives, on page 2, line 13, after the word "power", to insert "subject to the approval of the Governor,"; so as to make the section read:

SEC. 2. The Governor of the Farm Credit Administration, hereinafter in this act referred to as the "Governor", is authorized and directed to organize and charter 12 corporations to be known as "Production Credit Corporations and 12 banks to be known as "Banks for Cooperatives." One such corporation and one such bank shall be established in each city in which there is located a Federal land bank. The directors of the several Federal land banks shall be ex officio the directors of the respective produc-

tion credit corporations and banks for cooperatives. Such directors shall have power, subject to the approval of the Governor, to employ and fix the compensation of such officers and employees of such corporations and banks as may be necessary to carry out the powers and duties conferred upon such corporations and banks under this act.

The amendment was agreed to.

The next amendment was, under the subhead "Capital of production credit corporations", on page 3, line 13, after the word "board", to strike out "or" and insert "of", so as to make the section read:

SEC. 4. The capital stock of each production credit corporation shall be in such amount as the Governor determines is required for the purpose of meeting the credit needs of the district to be served by such corporation, and such amount may be increased or decreased from time to time by the Governor in accordance with such credit needs. Such capital stock shall be divided into shares of $100 each. The initial capital stock of each such corporation shall be $7,500,000, which shall be subscribed for by the Governor and held by him on behalf of the United States. Payments on subscriptions to stock by the Governor shall be subject to call in whole or in part by the board of directors of the corporation with the approval of the Governor. The Governor shall make such payments out of the revolving fund created in section 5. The stock ownership of the United States in such corporation shall be evidenced by such means as the Governor shall determine.

The amendment was agreed to.

The next amendment was, under the subhead "Revolving fund and appropriation", on page 5, line 21, after the word "expenditures", to strike out "during the fiscal year 1934", so as to read:

(c) The authority of the Governor of the Farm Credit Administration to allocate and expend out of the funds covered by subsection (a) of this section such amounts as he shall deem necessary for salaries, expenses, and all other administrative expenditures in the execution of the functions for which such funds have hitherto been available shall not be deemed to be restricted by this section.

The amendment was agreed to.

The next amendment was, under the heading "Title II—production credit associations—Establishment of production credit associations", on page 8, line 10, after the words "directed to", to strike out "provide for the establishment of" and insert "organize and charter", so as to read:

SEC. 20. The Governor is authorized and directed to oranize and charter corporations to be known as "production credit associations." Such associations may be organized by 10 or more farmers desiring to borrow money under the provisions of this title. Such individuals shall enter into articles of incorporation which shall specify in general terms the objects for which the association is formed and the powers to be exercised by it in carrying out the functions conferred upon it by this act. Such articles shall be signed by the individuals uniting to form the association and a copy thereof shall be forwarded to the production credit corporation of the district, and such copy shall be filed and preserved in its office. The Governor may, for good cause shown, deny a charter to such individuals. Upon the approval of such articles by the Governor, the association shall become as of the date of such approval a body corporate. The Governor shall have power, under rules and regulations prescribed by him, or by prescribing the terms of the charter of the association, or both, to provide for the organization, management, and conduct of the business of the association; and the power of the Governor shall extend to prescribing the amount of the stock of such association; fixing the territory within which its operations may be carried on; fixing the method of election and appointment of, and the amount and payment of the compensation of, directors, officers, and employees; fixing the maximum amount of individual loans which may be made; prescribing the conditions under which the stock may be retired; and providing for the consolidation of two or more such associations. The Governor may, at any time, direct such changes in the charter of any such association as he finds necessary in accomplishing the purposes of this title. Bylaws of any such association may be adopted by the directors but shall not be valid unless approved by the Governor.

The amendment was agreed to.

The next amendment was, under the heading "Title III—Central bank for cooperatives—Establishment of bank", on page 13, line 11, after the words "directed to", to strike out "provide for the establishment of" and insert "organize and charter", so as to make the section read:

SEC. 30. The Governor is authorized and directed to organize and charter a corporation to be known as the "Central Bank For Cooperatives" with its principal office in the District of Columbia and such other offices as in the opinion of the Governor may be necessary.

The amendment was agreed to.

The next amendment was, under the subhead "Capital stock of central bank", on page 15, line 18, after the word "such", to strike out "payment" and insert "payments", so as to make the section read:

SEC. 33. The capital stock of the central bank shall be in such amount as the Governor determines is required for the purpose of meeting the credit needs of eligible borrowers from the bank under this title, and the Governor may from time to time increase or decrease such amount, subject to the limitations contained in sections 35 and 37, in accordance with such needs. The stock of such bank shall be divided into shares of $100 each. Out of the revolving fund created under section 6 of the Agricultural Marketing Act, as amended, the Governor, on behalf of the United States, shall subscribe for and make payments for stock in the central bank and such payments shall be subject to call in whole or in part by the chairman of the board of the central bank with the approval of the Governor.

The amendment was agreed to.

The next amendment was, under the subhead "Stock subscriptions and earnings and reserves", on page 20, line 18, after the word "the", to insert "same", so as to make the section read:

SEC. 42. The provisions of sections 35 and 36 shall apply in the case of banks for cooperatives in the same maner and to the same extent as such provisions are applicable to the Central Bank for Cooperatives, except that powers conferred on the chairman of the boards of the central bank shall be exercised by the boards of directors of the banks for cooperatives, subject to the approval of the Governor.

The amendment was agreed to.

The next amendment was, under the heading "Title VI—Provisions common to corporations created under act—General corporate powers", on page 26, line 11, after the word "cases", to strike out "for winding up such association or corporation" and insert "by or against any receiver of any such corporation or association appointed in accordance with section 65", so as to make the section read:

SEC. 60. The Central Bank for Cooperatives, and the production credit corporation, the production credit association, and the banks for cooperatives, organized under this act, shall have succession, until dissolved in accordance with this or any other act of Congress; shall have power to sue and be sued in any court, to adopt and use a corporate seal, to make contracts, to acquire, hold, and dispose of real and personal property necessary and incident to the conduct of their business, to prescribe fees and charges (which in any case shall be subject to the rules and regulations prescribed by the Governor) for loans and other services; and shall have such other powers necessary and incident to carrying out their powers and duties under this or any other act of Congress as may be provided by the Governor in their charters or in any amendments thereto. Each such bank, association, or corporation shall, for the purposes of jurisdiction, be deemed a citizen of the State or District within which its principal office is located. No district court of the United States shall have jurisdiction of any action or suit by or against any production credit corporation or production credit association upon the ground that it was incorporated under this act or that the United States owns a majority of the stock in it, nor shall any district court of the United States within the land-bank district served by such association or corporation have jurisdiction by removal or otherwise of any suit by or against any such association or corporation except in cases by or against the United States or by or against any officer of the United States and except in cases by or against any receiver of any such corporation or association appointed in accordance with section 65.

The amendment was agreed to.

The next amendment was, under the subhead "Unlawful acts and penalties", on page 28, line 11, after the word "any", to strike out "statement" and insert "material representation"; in line 13, after the word "any", to insert "property or"; in line 14, after the word "the", to strike our "Central Bank for Cooperatives, or a production credit corporation, production credit association, or bank for cooperatives, organized under this act" and insert "Farm Credit Administration or any division, officer, or employee thereof, or of any corporation organized under this act, or in which a production credit corporation organized under this act hold stock, or of any regional agricultural credit corporation established pursuant to subsection (e) of section 201 of the Emergency Relief and Construction Act of 1932,"; in line 25, after the word "any", to strike out "extension thereof" and insert "change or extension of any of the same", so as to read:

SEC. 64. (a) Whoever makes any material representation knowing it to be false, or whoever willfully overvalues any property or security, for the purpose of influencing in any way the action of the Farm Credit Administration or any division, officer, or employee thereof, or of any corporation organized under this act, or in which a production credit corporation organized under this act holds stock, or of any regional agricultural credit corporation established pursuant to subsection (e) of section 201 of the Emergency Relief and Construction Act of 1932, upon any application, advance, discount, purchase or repurchase agreement, or loan, or any change or extension of any of the same, by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than 2 years, or both.

The amendment was agreed to.

The next amendment was, on page 29, line 6, after the word "obligation", to strike out "or"; in line 7, after the word "coupon", to insert "or paper"; in line 8, after the word "obligation", to strike out "or"; in the same line, after the word "coupon", to insert "or paper"; and in line 9, after the word "by", to strike out "any such bank, association, or corporation" and insert "the Farm Credit Administration or by any corporation referred to in subsection (a) of this section", so as to read:

(b) Whoever (1) falsely makes, forges, or counterfeits any note, debenture, bond, or other obligation coupon, or paper in imitation of, or purporting to be, a note, debenture, bond, or other obligation, coupon, or paper issued by the Farm Credit Administration or by any corporation referred to in subsection (a) of this section; or

The amendment was agreed to.

The next amendment was, on page 29, line 14, after the word "other", to strike out "obligation or coupon" and insert "obligation, coupon, or paper", and in line 15, after the word "by", to strike out "any such bank, association, or corporation" and insert "the Farm Credit Administration or by any such corporation", so as to read:

(2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited note, debenture, bond, or other obligation, coupon, or paper, purporting to have been issued by the Farm Credit Administration or by any such corporation, knowing the same to be false, forged, or counterfeited; or

The amendment was agreed to.

The next amendment was, on page 29, line 19, after the word "obligation", to strike out "or"; in the same line, after the word "coupon", to insert "or paper"; and in line 20, after the word "by", to strike out "any such bank, association, or corporation" and insert "the Farm Credit Administration or by any such corporation", so as to read:

(3) falsely alters any note, debenture, bond, or other obligation, coupon, or paper issued or purporting to have been issued by the Farm Credit Administration or by any such corporation; or

The amendment was agreed to.

The next amendment was, on page 29, line 23, after the word "publish", to insert "any of the same"; in line 24, after the word "true", to strike out "any falsely altered or spurious note, debenture, bond, or other obligation, or coupon, issued or purporting to have been issued by any such bank, association, or corporation"; and on page 30, line 2, after the word "knowing", to strike out "the same" and insert "it", so as to read:

(4) passes, utters, or publishes, or attempts to pass, utter, or publish, any of the same as true, knowing it to be falsely altered or spurious, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than 5 years, or both.

The amendment was agreed to.

The next amendment was, on page 30, line 5, after the word "being", to insert "an employee, officer, or agent of the Farm Credit Administration or"; and in line 7, after the word "any", to strike out "such bank, association, or corporation" and insert "corporation referred to in subsection (a) of this section"; so as to read:

(c) Whoever, being an employee, officer, or agent of the Farm Credit Administration or connected in any capacity with any corporation referred to in subsection (a) of this section,

The amendment was agreed to.

The next amendment was, on page 30, line 11, after the word "to", to strike out "it" and insert "the Farm Credit Administration or such corporation"; in line 12, after the word "to", to strike out "it" and insert "the same"; in line 13, after the word "defraud", to insert "the United States, or"; in line 14, after the word "such", to strike out "bank, association, or"; in line 16, after the word "of", to strike out "any such bank, association, or corporation" and insert "the Farm Credit Administration or of any such corporation"; in line 19, after the word "to", to strike out "any such bank, association, or corporation" and insert "the Farm Credit Administration or any such corporation"; and in line 23, after the word "decree", to strike out "thereof," and insert "thereof;", so as to read:

(1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to the Farm Credit Administration or such corporation or pledged or otherwise intrusted to the same; or (2) with intent to defraud the United States, or any such corporation, or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Farm Credit Administration or of any such corporation, makes any false entry in any book, report, or statement of or to the Farm Credit Administration or any such corporation, or draws any order, or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, mortgage, judgment, or decree thereof; or.

The amendment was agreed to.

The next amendment was, on page 30, at the end of line 23, to insert "or (3) with intent to defraud the United States or any corporation referred to in subsection (a) of this section, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of any such corporation", so as to read:

(3) with intent to defraud the United States or any corporation referred to in subsection (a) of this section, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of any such corporation, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than 5 years, or both.

The amendment was agreed to.

The next amendment was, on page 31, after line 6, to insert:

(d) Whoever knowingly, with intent to defraud the United States or any corporation referred to in subsection (a) of this section, shall conceal, remove, dispose of, or convert, to his own use or to that of another, any property mortgaged or pledged to, or held by, the Farm Credit Administration, or any such corporation, as security for any obligation, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than 2 years, or both.

The amendment was agreed to.

The next amendment was, on page 31, line 16, before the word "The", to strike out "(d)" and insert "(e)"; in line 20, after the word "agreements", to strike out "of any bank, association, or corporation organized under this act" and insert "made by the Farm Credit Administration, its divisions, officers, and employees, and by the corporations referred to in subsection (a) of this section", so as to read:

(e) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States (U.S.C., title 18, secs. 202 to 207, inclusive), insofar as applicable, are extended to apply to contracts or agreements made by the Farm Credit Administration, its divisions, officers, and employees, and by the corporations referred to in subsection (a) of this section, which, for the purposes hereof, shall be held to include advances, loans, discounts, and purchase and repurchase agreements; extensions and renewals thereof; and acceptances, releases, and substitutions of security therefor.

The amendment was agreed to.

The next amendment was, under the subhead "Liquidation", on page 32, after line 20, to insert the following additional section:

SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives, or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of $10,000 per annum. No officer or employee of the Farm Credit Administration engaged in carrying out the provisions of titles I to VI, inclusive, of this act shall be paid compensation at a rate in excess of $10,000 per annum.

The amendment was agreed to.

The next amendment was, under the heading "Title VII—Amendments to Federal Farm Loan Act", on page 33, line 6, after the word "effective", to strike out "July 1, 1933," and insert "January 1, 1934," so as to read:

SEC. 70. Effective January 1, 1934, the fourteenth paragraph of section 4 of the Federal Farm Loan Act, as amended (U.S.C., title 12, sec. 683), is amended by adding after the first sentence the following: "Not more than one director of a Federal land bank may serve the bank or the Farm Credit Administration as an officer or employee. Except with the approval of the farm loan commissioner, no director (other than the director who may be an officer or employee) shall receive compensation or allowances for any services rendered any Federal land bank in his capacity as director for more than 30 days in any one calendar year exclusive of the period for which compensation is paid for attendance at directors' meetings."

The amendment was agreed to.

The next amendment was, on page 33, after line 18, to insert:

SEC. 70a. (a) Effective 1 year after the enactment of this act, section 4 of the Federal Farm Loan Act, as amended, is amended as follows:

(1) The ninth paragraph of such section (U.S.C., title 12, sec. 678) is amended to read as follows:

"The board of directors of every Federal land bank shall be selected as hereinafter specified and shall consist of seven members. Three of said directors shall be known as 'local directors', of whom one shall be chosen by and be representative of national farm-loan associations and borrowers through agencies, one shall be chosen by and be representative of production credit associations organized under the Farm Credit Act of 1933, and one shall be chosen by and be representative of borrowers from regional Banks for Cooperatives organized under the Farm Credit Act of 1933. Three of the seven directors shall be known as 'district directors' and shall be appointed by the Governor of the Farm Credit Administration and represent the public interest. The terms of office of local and district directors shall be 3 years."

(2) The tenth paragraph of such section (U.S.C., title 12, sec. 679) is amended to read as follows:

"At least 2 months before an election of a local director the land bank commissioner shall cause notice in writing to be sent to those entitled to nominate candidates for such local director. In the case of an election of a director to represent national farm-loan associations and borrowers through agencies such notice shall be sent to all national farm-loan associations and borrowers through agencies in the district; in the case of an election to represent production credit association, such notice shall be sent to all production credit associations in the district; and in the case of a director to represent borrowers from banks for cooperatives, such notice shall be sent to all cooperatives which are borrowers at the time of sending notice. Within 10 days of receipt of such notice those entitled to nominate the director shall forward nominations of residents of the district to the land bank commissioner. The land bank commissioner shall from such nominations then prepare a list of candidates for such local director consisting of the 10 nominees receiving the highest number of votes."

(3) The eleventh paragraph of such section (U.S.C., title 12, sec. 680) is amended to read as follows:

"At least 1 month before the election of a local director the land bank commissioner shall mail to each person or organization entitled to elect the local director the list of the 10 candidates nominated in accordance with the tenth paragraph of this section. In the case of an election of a director to represent national farm-loan associations and borrowers through agencies, the directors of each farm-loan association shall cast the vote of such association for one of the candidates on the list. In voting under this section each such association shall be entitled to cast a number of votes equal to the voting strength of stockholders in association meetings, and each borrower through agencies shall be entitled to cast one vote for each share of stock held by him in the Federal land bank, not exceeding 20 shares. In voting under this section each production credit association shall be entitled to cast a number of votes equal to the total voting strength of the class B stockholders in association meetings. In voting under this section each cooperative which at the time of voting is a holder of stock in a bank for cooperatives (except the Governor of the Farm Credit Administration) shall be entitled to cast one vote for each share of stock held by it in the bank, not exceeding 20 shares. The votes shall be forwarded to the land bank commissioner, and no vote shall be counted unless forwarded to him within 10 days after the list of candidates is received. In case of a tie the land bank commissioner shall determine the choice. The nominations from which the list of candidates is prepared and the votes of the respective voters, as counted, shall be tabulated and preserved and shall be subject to examination by any candidate for at least 1 year after the result of the election is announced."

(4) The sixth and seventh sentences of the twelfth paragraph of such section (U.S.C., title 12, sec. 681) are amended to read as follows: "The Governor of the Farm Credit Administration shall select a director at large for the district, who shall hold his office during a term of 3 years. Such seventh director may be removed by the Governor of the Farm Credit Administration at any time."

(b) Subsection (a) shall apply only to the appointment or election of the successors of directors of land banks whose regular terms expire after the effective date of such subsection. The successors of the first local director whose regular term so expires shall be elected by and be representative of production credit associations and the successors of the second local director whose regular term so expires shall be elected by and be representative of borrowers from banks for cooperatives. The successors of the third local director whose regular term so expires shall be elected by and be representative of national farm-loan associations and borrowers through agencies.

Mr. CONNALLY. Mr. President, I should like to have some explanation of the amendment before we agree to it.

Mr. BYRNES. Mr. President, before that is done, will the Senator yield to me to enable me to offer an amendment to the committee amendment?

Mr. CONNALLY. Certainly.

Mr. BYRNES. I desire to offer an amendment to the committee amendment on page 35, in line 8.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from South Carolina proposes, on page 35, to strike out beginning in line 20, down through line 8, on page 36, and insert in lieu thereof the following:

the candidates on the list. In voting under this section each such association shall be entitled to cast a number of votes equal to the number of stockholders of such association and each borrower through agencies shall be entitled to cast 1 vote. In voting under this section each production credit association shall be entitled to cast a number of votes equal to the number of class B stockholders of such association. In voting under this section each cooperative which is a holder of stock in a bank for cooperatives (except the Governor of the Farm Credit Administration) shall be entitled to cast 1 vote. The votes.

So as to make the subsection read:

(3) The eleventh paragraph of such section (U.S.C., title 12, sec. 680) is amended to read as follows:

"At least 1 month before the election of a local director the land bank commissioner shall mail to each person or organization entitled to elect the local director the list of the 10 candidates nominated in accordance with the tenth paragraph of this section. In the case of an election of a director to represent national farm-loan associations and borrowers through agencies, the directors of each farm-loan association shall cast the vote of such association for one of the candidates on the list. In voting under this section each such association shall be entitled to cast a number of votes equal to the number of stockholders of such association and each borrower through agencies shall be entitled to cast 1 vote. In voting under this section each production credit association shall be entitled to cast a number of votes equal to the number of class B stockholders of such association. In voting under this section each cooperative which is a holder of stock in a bank for cooperatives (except the Governor of the Farm Credit Administration) shall be entitled to cast 1 vote. The votes shall be forwarded to the land bank commissioner and no vote shall be counted unless forwarded to him within 10 days after the list of candidates is received. In case of a tie the land bank commissioner shall determine the choice. The nominations from which the list of candidates is prepared, and the votes of the respective voters, as counted, shall be tabulated and preserved and shall be subject to examination by any candidate for at least 1 year after the result of the election is announced."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment of the Committee on Banking and Currency was, on page 38, line 18, after the word "person", to insert "unless"; in line 19, before the word "income", to strike out "whose" and insert "his"; and in the same line, before the word "derive", to strike out "not", so as to read:

SEC. 74. The first sentence of paragraph "Sixth" of section 12 of the Federal Farm Loan Act, as amended (U.S.C., title 12, sec. 771), is amended to read as follows:

"No such loan shall be made to any person who is not at the time, or shortly to become, engaged in farming operations or to any other person unless the principal part of his income is derived from farming operations."

The amendment was agreed to.

The next amendment was, on page 38, after line 23, to insert:

(b) Section 21 of the Federal Farm Loan Act, as amended, is amended by striking out of the fourth and tenth paragraphs thereof (U.S.C., title 12, secs. 874 and 880) the word "indorsed" wherever the same appears in said paragraphs.

The amendment was agreed to.

The next amendment was, on page 39, after line 3, to insert:

SEC. 76. (a) Section 201 (b) of the Federal Farm Loan Act, as amended (U.S.C., title 12, sec. 1022), is amended to read as follows:

"(b) Such institutions shall be established in the same cities as the 12 Federal land banks. The directors of the several Federal land banks shall be ex-officio directors of the several Federal intermediate credit banks hereby provided for and shall have power, subject to the approval of the Governor of the Farm Credit Administration, to employ and fix the compensation of such officers and employees of such Federal intermediate credit banks as may be necessary to carry on the business authorized by this title."

The amendment was agreed to.

Mr. CONNALLY. Mr. President, what action was taken on the committee amendment on page 33, inserting section 70 (a)? I had the floor and yielded to the Senator from South Carolina [Mr. BYRNES] to offer an amendment to the committee amendment. I intended, when he offered it, to go on and debate the amendment or at least to ask the Senator from Washington [Mr. DILL] for some explanation.

Mr. BYRNES. Mr. President, I did not know the Senator wished an explanation of my amendment, but I shall be glad to explain it.

Mr. CONNALLY. I ask for reconsideration of the vote by which the committee amendment as amended was agreed to.

The VICE PRESIDENT. Without objection the vote is reconsidered.

Mr. CONNALLY. I want an explanation of the so-called "Dill amendment." I had the floor and yielded to the Senator from South Carolina to offer his amendment to the committee amendment, intending to retain the floor and interrogate the Senator from Washington. Mr. President, I make the point of no quorum. Senators ought to be here. This is an important matter.

The VICE PRESIDENT. The absence of a quorum is suggested. The clerk will call the roll.

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

Adams	Copeland	Kean	Reynolds
Ashurst	Costigan	Kendrick	Robinson, Ark.
Austin	Cutting	Keyes	Robinson, Ind.
Bachman	Davis	King	Russell
Bailey	Dickinson	La Follette	Schall
Bankhead	Dieterich	Lewis	Sheppard
Barbour	Dill	Logan	Shipstead
Barkley	Duffy	Lonergan	Smith
Black	Erickson	Long	Steiwer
Bone	Fess	McAdoo	Stephens
Borah	Fletcher	McCarran	Thomas, Okla.
Bratton	Frazier	McGill	Thomas, Utah
Brown	George	McKellar	Thompson
Bulkley	Glass	McNary	Townsend
Bulow	Goldsborough	Metcalf	Trammell
Byrd	Gore	Murphy	Tydings
Byrnes	Hale	Neely	Vandenberg
Capper	Harrison	Norris	Van Nuys
Caraway	Hastings	Nye	Wagner
Carey	Hatfield	Overton	Walcott
Clark	Hayden	Patterson	Walsh
Connally	Hebert	Pope	Wheeler
Coolidge	Johnson	Reed	White

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

Mr. DILL. Mr. President, I believe the Senator from Texas [Mr. CONNALLY] desires an explanation of the amendment on page 31.

Mr. McADOO. Mr. President——

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

Mr. McADOO. I desire recognition.

The VICE PRESIDENT. The Senator from Washington has the floor.

Mr. DILL. I had the floor to explain this amendment; but if the Senator wishes, I will yield to him.

Mr. McADOO. I will not ask for the floor at this time, then. I will defer my remarks.

Mr. DILL. Mr. President, in the reorganization provided by this bill, which in effect carries out the Executive order of the President, it is proposed that in each land-bank district there shall not only be a Federal land bank but there shall be an intermediate credit bank, a production credit bank, and a cooperative bank; but all four of the banks will have the same board of directors, and under this measure they will be the Federal land-bank directors. In other words, the land-bank directors will be the directors of the production credit bank and of the cooperatives, the same as they are of the Federal land bank. The purpose of this amendment is to give those who are in the production credit association, and who take stock just as the land-bank associations do, the right to vote on the selection of one of these directors, and to allow the local cooperatives, who also must take stock the same as the land associations now do, to have a vote in the selection of one of these directors.

A protest has been made by representatives of the present land-bank organizations in the district to the effect that this takes away from them their representation on the board of directors; but I desire to call attention to the fact that practically every man who borrows money on his land will also be borrowing money for crop-production purposes, and a great many of them will be members of the cooperatives, so that they will still be voting on the other two directors just the same.

The amendment is not exclusive. It does not provide that because a man is a member of a land-bank association he is prohibited from voting for a director of the production credit association or of the cooperatives. They are not exclusive, but they are inclusive. So that we are not shutting out the land-association men from voting on these other directors if they are active farmers engaged in production and find it necessary to borrow money, as most of them do. So this amendment proposes to give the production credit association and the cooperatives a chance to be recognized in the selection of these directors.

It seems to me it would be highly unjust to say that the production credit bank in each land district and the cooperative bank in each land district should be manned by directors in whose choice the members of the local associations had no right to participate. Unless this amendment is adopted, the production credit banks and the cooperative banks will be run by seven men, and the members of the production credit association and of the cooperative associations who put up 5 percent, just like the land-bank association, would have no voice whatsoever.

It seems to me an organization cannot be justified that places all seven of these directors in charge of the land district production credit bank and cooperative bank, and does not give those men who have stock in it any right to vote for those directors.

It was for that purpose that this amendment was written. It seems to me that instead of an injustice it is doing a great measure of justice to the people who put their money into the stock of the production credit bank and of the cooperatives.

Mr. CONNALLY. Mr. President, the reason for my interest in this matter is that it has been called to my attention by the present organization of the Federal land banks that this committee amendment is an unjust treatment of the organization and the set-up under which they have been functioning.

Mr. President and Senators, the Federal land banks now have seven directors. Three of them are appointed by the board here in Washington, and three by the stockholders in the bank, just like the stockholders in any other bank; and one is elected by the board here from a panel, as I understand, selected by the stockholders.

Now, what is it proposed to do?

It is proposed now to cut down the representation of the owners of the Federal land bank—because the stockholders are the owners of that bank—so that the owners of the bank will have only one director out of seven; and it is proposed

to give the cooperative bank—a bank dealing purely with personal property—one director. It is proposed to give this crop-production loan organization one director. It is proposed to give the borrowers on personal security from year to year short-term loans, just as much representation and more on the board which is to control the destinies of the Federal land-bank system than is given to the stockholders of the Federal land banks who own it.

Let us see if this is just.

The money involved in the Federal land-bank system is many times the money that would be involved in these personal loans for crop-production purposes. Is it fair to cut down the stockholders of the Federal land bank and give them only one director, when their investment is many times the money that these borrowers on personal security will put up?

Mr. President, we have been tinkering quite a little with the Federal land-bank system in this session of Congress. We have passed very generous legislation for it. I do not want to see the system wrecked. Unless we are conservative, unless we give the managing directors of these banks some authority to keep them sound, instead of private owners foreclosing and having a lot of water in their loans the Goverment will wind up here in a few years with a great many loans the security for which will not be worth 50 cents on the dollar. I believe it is unsound, in the case of these personal loans, to turn over the control of the loaning agency to the people who are going to borrow the money.

The Senator from Washington [Mr. DILL] says they put up 5 percent. A man borrows $100 and puts up 5 percent, and it is proposed to let him vote on who shall run the bank!

There is another point I desire to call to the attention of Senators, and that is that a farm loan covers a period of 30 or 40 years. That is a stable proposition. The interest of the borrower is continuous. He is a stockholder in that bank. He wants to see it succeed. Here is a man who secures a personal loan for 6 months or 90 days, and practically all he is interested in is getting that money. Do we want to turn over the control of the bank to that sort of a borrower as against the man who has a permanent interest, a man who has a large amount of money invested in his land and in the loan upon it?

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

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Tennessee?

Mr. CONNALLY. I yield.

Mr. McKELLAR. If changes are going to be made, and these new elements are going to be taken into the equation, why would it not be better to reduce the number of directors located here in Washington and give them to the outside institutions? It seems to me the land-bank representation of three is little enough, and that if there is a change it ought to be in the representation of the Farm Loan Board here.

Mr. CONNALLY. Let me say to the Senator that, of course, he is correct in the statement that three is a small enough number; but, of course, running through the whole scheme is the idea of leaving here in Washington a sufficient number of directors to hold a check on these banks; and I do not know but that that is wise. If borrowers are to run a bank, and their chief object is to borrow money themselves, unless there is some check in Washington or somewhere we shall not have a bank very long.

Let me suggest to the Senator, however, that we have had the intermediate-credit banks for years, have we not? The intermediate-credit banks have made personal loans to banks and corporations, and they have always been under the control of the board of directors of the Federal land banks, have they not? That plan has operated successfully.

Mr. DILL. No.

Mr. CONNALLY. Oh, but they have! The intermediate-credit banks have always been branches of the Federal land banks.

Mr. SMITH. To be sure.

Mr. CONNALLY. The intermediate-credit banks have always been under the control of the board of directors of the Federal land banks.

Mr. SMITH. May I state to the Senator that the president of the intermediate-credit bank is the president of the Federal land bank?

Mr. CONNALLY. I desire here and now to acknowledge the scholarship of the Senator from South Carolina, as evidenced recently by an institution of learning in his own State—something that we knew all the time here, however. The Senator is exactly correct. The president of the intermediate-credit bank has always been the president of the Federal land bank. Has there been any dissatisfaction with the way the intermediate-credit banks have operated? On the contrary, they have been the soundest loaning agency for personal loans this Government has conducted. They have had virtually no losses. Their business has been sound. Why change the set-up now? Why interrupt what has proven to be good and sound?

Mr. President, I do not want to take up the time of the Senate; but I protest against this revolutionary proposal of the Senator from Washington. It was not in the original draft. It was not in the bill when it came to the Senate. It is a committee amendment. No doubt the persuasive powers of the Senator from Washington are more responsible for the amendment being offered here than the wisdom and judgment of the committee.

I hope the Senate will reject this committee amendment. Let us let alone the stockholders of the Federal land banks. Let us leave them in control of their own property and not turn over the destinies of the Federal land bank to borrowers who want to borrow small amounts on personal security for short periods.

Mr. SMITH. Mr. President, perhaps I was not present when it occurred, but I do not know why this bill was sent to the Banking and Currency Committee after it had been considered by the Agricultural Committee of the House. That, however, is neither here nor there. That is water over the wheel.

Following up the suggestion made by the Senator from Texas [Mr. CONNALLY], however, I had hoped that when we came to amend the present law, in reference to farm loans, we might recognize one fact, and that is that commercial banking, as we know it, cannot accommodate itself to agricultural banking.

From time immemorial we have attempted to accommodate agriculture in commercial banking policies, and it has been in a large measure the ruin and destruction of both of them.

A satisfactory agricultural loan cannot be made with a commercial bank. The statement may be startling to some of my colleagues, but an agricultural loan should be for 24 months, not 12 months. It takes 12 months, under the processes of nature, to produce the next 12 months' consumption. Artificial production is so radically different from natural production that the banking system adjusted to one cannot be accommodated to the banking system that ought to be adjusted to the other.

We have set up here a system of Federal land banks which deals entirely with mortgages on real estate; and in the passage of that bill we had hoped that we could have the interest and amortization running over such a period of years that the burden would be comparatively easy. It is distinct; it has nothing to do with crop production, and the immediate necessities of that vast army of agricultural producers throughout the country. What do they have to do? Their lands perhaps are mortgaged for 35 years. They now go to work to make their crops. The land mortgages, by the very nature of the case, cannot provide the annual credit necessary for the production of a crop.

In 1928 the storm which ruined Puerto Rico and desolated the South Atlantic gave rise to what we know as the crop-production loan as a policy of this Government. I got the first bill through, appropriating $6,000,000 to help the farmers who were destroyed by that storm along the South Atlantic to produce a crop.

The history of that was this: We got the money direct from the Treasury, handed it direct to the man between the plow handles, and, be it said to the credit and honor of that diverse, heterogeneous mass of producers, they returned more than 95 percent of the loans. In the face of the crash, in the face of the depression, they borrowed direct on crop production, pledging the crops as collateral security.

Mr. DILL. Mr. President, I want to say to the Senator that personally I think that is a preferable system, because I do not believe the ordinary farmer wants to take stock in a local association.

Mr. SMITH. It is a false principle. He ought not to be asked to do it.

Mr. DILL. But the set-up of this bill compels him to do it.

Mr. SMITH. Yes; I know that.

Mr. DILL. My amendment is designed, under those circumstances, to give the farmer some voice, to the extent of voting for one director in this bank, because he is required to put up his money just the same as the man who borrows on land.

Mr. SMITH. I understand that.

Mr. DILL. That is the reason for the amendment. If we had not put in this farm production crop proposition, and the cooperative provision, under which these men must buy a part of the stock and put their own money in and have an ownership in the bank, I would not ask to give them the right to vote.

Mr. SMITH. Mr. President, in this first blush of a new administration, with an attempt to reorganize and readjust all the processes and businesses of the country, of course, I could not be as effective—and I will not go into that—I could not get my idea across; but I give notice now that when we meet in January I am going to offer a substitute for this whole proposition.

I am taking the time this morning to state to my colleagues that, without any egotism, I do not believe there is a man on this floor who has, both by experience and study, been able to appreciate and to know the problems which confront the individual farmer as I know them. For a quarter of a century I have been battling in this body to try to get my colleagues to recognize the fundamental difference between artificial production and natural production. The artificer, the manufacturer, can set his crop to the inch, to the yard, to the pound, he can determine both quality and quantity at his will. He can increase his crop, decrease his crop, determine the quality and the quantity and the price, while the natural producer has to wait on the elements, stand the ravages of insects, and suffer the losses from storms which come. He is subject to all the caprices of the laws of nature.

Mr. FESS. I am very much impressed with what the Senator is saying as to the difference between making a profit by natural processes, and making one by artificial processes. I have been thinking about the activity on the stock exchange of the last few days, when it is as active as it was in 1929, and yet not one dollar of value is being added.

Mr. SMITH. That is exactly the point. We come to the question of banking. We have already established, through all these years, what we know as commercial banking. The paper issues, the securities, and so forth, are all based upon artificial or industrial paper. I heard a banker in my town boast of the fact that his bank now was in a splendid condition in that it did not have a single piece of farm paper in any shape or form. Here we are, with fourteen to twenty billion dollars of annual production in the form of farm products, and not a single bank or financial institution accommodated to the particular conditions under which those crops are made.

What are we required to do? Before a farmer gets a loan, he must organize a group of farmers, and each become responsible for the other. Then he must take stock, of no par value, in a farm organization. That stock is hypothecated for the purchase of bonds in the land bank and the intermediate credit bank. He has to take 10 percent in stock, then he has to discount his note at 6 percent. There is 16 percent the farmer has to pay the first year in order to start off; then 2 percent for recording the papers, the mortgages, chattel and otherwise. So that every borrowing in the Farm Credit Corporation up to the present time has cost the farmer anywhere from 15 to 20 percent, while under the crop-loan system, which I had the honor of putting through this body for the last 5 years, the farmer has gotten his money at 5½ percent without any stocks or bonds or any commercial banking system, and has repaid the Government.

I had a bill drafted to create in every State an agricultural credit bank, to lend to the farmer direct on his crop, with the crop as collateral, for the production of the crop, and then to give him credit for the next 12 months to enable him to dispose of his crop, not requiring him to take any stock; providing for a board of directors and a bank president, and for a loan direct on the crop, with that as a lien, as we did here 6 years in the case of the crop-production loan.

Why all this machinery? All because we are trained to ignore the farmer and try to force his business into the channel of commercial banking. I charge here today that it cannot be done, and the reason why we are prostrate now, the reason why the small banks throughout the country have failed, is that they were loaded with farm paper which they were privileged to collect without giving the farmer a chance over the succeeding 12 months, after the first 12 months of production, to dispose of his stuff.

Mr. President, I had a bill drafted, and I had hoped that this bill would go to the Committee on Agriculture and Forestry, where those of us who had been selected for the purpose of determining what was necessary for the farmer could deal with it; but it went elsewhere.

What I expected and had hoped was that we might bring out a simple bill, predicated upon the experience of the last 6 years with what is known as the "crop credit loan plan." We loaned direct to the farmer from the Treasury, with no intermediary. He got his money direct, with no collateral necessary except a lien on his crops, and he has paid back the loans. Why all this machinery? I venture to say there will not be one man out of a dozen on this floor who will know what this bill means when it passes.

Mr. CONNALLY. Mr. President, does the Senator think that the crop production loan system, which has been a great success in its administration, would have been possible if the borrowers had been undertaking to run the bank?

Mr. SMITH. Not only would it not have been possible, but if the farmer had had to take out stock and then form aggregations, each becoming security for the other, we would never have given the farmers the relief we have given them. In my State alone this year 69,000 borrowers have borrowed direct at 5 percent $8,000,000—in the little State of South Carolina.

Mr. President, this is not the time, I suppose, but I wanted to make at least this statement, in justice to myself and to those in my part of the country who were expecting me to make a really determined effort to perpetuate, in a systematized way, the crop-production loan through a bank devoted and dedicated to that purpose, so that we would not have to be asking each year for these loans and for a system. In the next 6 years of my occupancy of this place, if God is willing that I shall live that long, I shall fight to establish a system under which there will be a simple agricultural credit bank in each State, designed to finance crop production during the first 12 months, and then to afford credit to the farmer to enable him to dispose of his crop in the succeeding 12 months.

I have read this bill carefully. It is too complicated for agriculture, but I shall support it, for the reason that it is better, perhaps, than none at all.

The Senator from Texas has called attention to the fact that we are asked to join together intermediate credit, the cooperative credit, the direct-loan credit, and to place them as a part and parcel of the land-bank system. The land-bank system has nothing to do with crop production. The cooperatives have to do with crop production. We are

asked to put five systems all under one bill, all of which could be simplified into the crop-production feature, and the feature of land mortgages. The mortgages have nothing to do with annual production of a crop.

We ought to recognize that there is such a thing in the United States as farmers. We do not even recognize them when we go down into the restaurant here in the Capitol. I have heard Senators, while they were sitting at the table eating the things produced by the farmers during these distressed times, talking about how lazy and how indifferent they are to the laws of thrift.

I feel deeply on this subject. I feel that the farmers of this country in this emergency have not been given the chance they should have been given. Two billion dollars were appropriated at the last session for industry, $3,300,000,000 at this session for the recovery of industry, and the farmer has been left to a processing tax on his own commodities for a modicum of relief.

Mr. CONNALLY. I offer an amendment to the committee amendment which I send to the desk.

The VICE PRESIDENT. The Senator from Texas offers an amendment to the committee amendment, which the clerk will state.

The CHIEF CLERK. On page 33, line 19, it is proposed to strike out all of section 70a down to and including subsection 3.

Mr. CONNALLY. Mr. President, the amendment which I offer is to strike out all of the Dill amendment which relates to the methods and manner of electing the directors of the Federal land banks. I have already discussed the matter. I wish to say that I have talked with a former chairman of the Federal land-bank system within the last few minutes, and, while I cannot quote him officially, I know that he is opposed to this change. I want to submit that statement to the Senate for what it may be worth.

Mr. BYRNES. Mr. President, just in a few minutes let me state the purpose of the provision. Under the amendment as it has been reported to the Senate it provides for the election of directors in the following manner: A production-credit bank is established, in which bank the borrowers purchase stock. It was thought——

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

Mr. BYRNES. I will yield in a moment if the Senator will allow me to complete my statement.

Because the farmers purchase stock in the production-credit bank, it was believed that they should have some power, some voice in the election of at least one director upon the board which was to run this institution. Therefore the production-credit bank is given one director.

The bill provides for the cooperative bank division; and inasmuch as the cooperatives in order to secure loans must purchase stock, it was thought that they, too, as stockholders, ought to have the right to have some say in the selection of a director. The Federal land-bank borrowers also have the right to select a director.

Then, there are four more directors who will control the institution, and they are to be appointed by the Governor, because they represent the public interest. The Government of the United States has a large holding of stock in every land bank, and because of that it is entitled to have the controlling interest. That is provided in this amendment. The Government controls through its 4 out of 7 representatives. The land bank has 1 director, elected solely by the borrowers from the land bank; the production-credit bank borrowers have 1 and the cooperatives have 1.

I hope the amendment of the Senator from Texas will not prevail.

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

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now recurs on the committee amendment as amended.

Mr. CONNALLY. Mr. President, I ask for a division on that question.

The question being put on a division, the committee amendment as amended was agreed to.

The next amendment of the Committee on Banking and Currency was, on page 41, line 10, after the word "said", to strike out "mortgages" and insert "mortgages" and a semicolon, so as to read:

(b) Paragraph (3) of subsection (a) of section 202 of the Federal Farm Loan Act, as amended (U.S.C., title 12, sec. 1031), is amended to read as follows:

"(3) To make loans or advances direct to any cooperative association organized under the laws of any State and composed of persons engaged in producing, or producing and marketing, staple agricultural products, or livestock, if the notes or other such obligations representing such loans are secured by warehouse receipts, and/or shipping documents covering such products, and/or mortgages on livestock, and/or such other collateral as may be approved by the Governor of the Farm Credit Administration: *Provided*, That no such loan or advance, when secured only by warehouse receipts and/or shipping documents, and/or mortgages on livestock, shall exceed 75 percent of the market value of the products covered by said warehouse receipts and/or shipping documents, or of the livestock covered by said mortgages; and to accept drafts or bills of exchange issued or drawn by any such association when secured by warehouse receipts and/or shipping documents covering staple agricultural products as herein provided."

The amendment was agreed to.

The next amendment was, under the heading "Title VIII—Miscellaneous", on page 42, line 14, after the numeral "80", to insert "(a)", and in line 18, after the name "Land Bank Commissioner", to insert the following: The provisions of the third paragraph of section 3 of the Federal Farm Loan Act, as amended (U.S.C., title 12, sec. 653), prescribing a term of office of 8 years shall not apply to incumbents hereafter appointed to the office of Land Bank Commissioner", so as to read:

SEC. 80. (a) After the date of the enactment of this act, the office of Farm Loan Commissioner shall be known as the office of the Land Bank Commissioner and the Farm Loan Commissioner shall be known as the Land Bank Commissioner. The provisions of the third paragraph of section 3 of the Federal Farm Loan Act, as amended (U.S.C., title 12, sec. 653), prescribing a term of office of 8 years shall not apply to incumbents hereafter appointed to the office of Land Bank Commissioner.

The amendment was agreed to.

The next amendment was, on page 42, after line 22, to insert:

(b) There shall be in the Farm Credit Administration three commissioners who shall be known, respectively, as the Production Credit Commissioner, the Cooperative Bank Commissioner, and the Intermediate Credit Commissioner. Such commissioners shall be appointed by the President, by and with the advice and consent of the Senate. They shall receive an annual salary of $10,000, payable monthly, together with actual necessary traveling expenses. Such Commissioners shall perform such duties as may be assigned to them by law or by the Governor of the Farm Credit Administration.

The amendment was agreed to.

The next amendment was, on page 43, after line 16, to insert:

SEC. 83. This act shall not be construed to repeal subsection (e) of section 201 of the Emergency Relief and Construction Act of 1932.

The amendment was agreed to.

The next amendment was, on page 43, after line 19, to insert:

SEC. 84. The Reconstruction Finance Corporation is authorized, with the approval of the Governor of the Farm Credit Administration, to reduce the capital of any regional agricultural credit corporation by such action as may be suitable for the purpose. The funds made available by any such reduction shall constitute a revolving fund, all or any part of which shall be available for use from time to time by the Reconstruction Finance Corporation for the purpose of increasing, with the approval of the Governor of the Farm Credit Administration, the capital of any regional agricultural credit corporation.

The amendment was agreed to.

The VICE PRESIDENT. Without objection the amendments will be ordered to be engrossed——

Mr. CLARK. Mr. President, I desire to offer an amendment.

The VICE PRESIDENT. The Senator from Missouri offers an amendment, which the clerk will state.

The CHIEF CLERK. On page 44, after line 8, it is proposed to insert the following new section:

SEC. —. Subdivision (a) of section 10 of the act entitled "An act to relieve the existing national economic emergency by in-

creasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief with respect to agricultural indebtedness, to provide for the orderly liquidation of joint-stock land banks, and for other purposes", approved May 12, 1933, is amended by inserting before the period at the end of the first sentence a colon and the following: "*And provided further*, That the functions of such officers, employees, and experts in each State shall be executed under the supervision of a State administrator for such State, to be appointed by the President, by and with the advice and consent of the Senate."

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

The amendment was agreed to.

Mr. SMITH. I offer the amendment which I send to the desk and desire to say a word of explanation. This is a provision which, in the opinion of the Secretary of Agriculture and the administrative officers, is very essential, and I am therefore asking that the amendment be incorporated in the bill at the proper place.

The VICE PRESIDENT. The Senator from South Carolina offers an amendment, which will be stated.

The CHIEF CLERK. On page 44, after line 8, after the amendment of Mr. CLARK heretofore agreed to, it is proposed to insert the following:

That the United States Cotton Futures Act, as amended, is amended by adding at the end thereof the following new section: "SEC. 23. In addition to all other taxes imposed by this act, there is hereby levied upon contracts of sale of cotton for future delivery made at, on, or in any exchange, board of trade, or similar institution or place of business, a tax in the nature of an excise of 1 cent for each bale of cotton involved in any such contract. The tax imposed by this section shall be levied, collected, and paid in the manner provided by this act for the collection of taxes imposed thereby, but without regard to the provisions of sections 5, 6A, and 10 of this act. The amount of all taxes collected under this section shall be covered into the Treasury as a special fund to be administered by the Secretary of Agriculture for the raising and distribution of pedigreed cottonseed, which pedigreed cottonseed shall be offered for sale to cotton farmers by such Secretary at the cost of production thereof."

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

The amendment was agreed to.

Mr. BRATTON. I offer an amendment to come in on page 12, line 6, after the word "security", to insert "including ranches, leases, and permits."

May I say just a word of explanation——

Mr. BYRNES. Mr. President, I have no objection to the amendment going to conference.

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

Mr. FRAZIER. Mr. President, yesterday I received a long telegram from the Governor of North Dakota, stating that about 30 counties in the State were infested with grasshoppers, and, owing to the drought of the last 3 years, it will be necessary to have some Government assistance in order to fight the pest. I have offered an amendment to this bill, which I send to the desk. I have conferred with the Senator from South Carolina [Mr. BYRNES], who is in charge of the bill, concerning it.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 6, after line 5, it is proposed to insert the following:

(e) Out of the revolving fund created in subsection (a) of this section the Governor of the Farm Credit Administration is authorized and directed to make loans, subject to such terms and conditions as he may prescribe, to counties for the purpose of aiding in grasshopper eradication and control during the calendar year 1933. The amount which may be loaned under this subsection shall not exceed $500,000.

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

Mr. BYRNES. Mr. President, I should like to have the Senator explain the amendment.

Mr. FRAZIER. Mr. President, I have received some complaints by letter from various parts of the State, and yesterday the Governor telegraphed me concerning the subject matter of the amendment. I have talked with Dr. Warburton, of the Crop Loan Production Division of the Agricultural Department, who states that he has also had complaints from some localities in South Dakota and Montana. The only way we can see to take care of the situation is to utilize some of the money heretofore appropriated for crop-production purposes, which is to be transferred to this revolving fund. As I understand, some twenty-five or thirty million dollars are left in the crop-production loan fund, and that amount will be transferred to this revolving fund.

The amendment authorizes the use of not to exceed $500,000 of that amount for the control and eradication of grasshoppers, to be used in the discretion and under the direction of the governor of the farm credit administration.

There were a little over $2,000,000 loaned in North Dakota last spring for seed purposes, something over a million dollars in Montana, and $388,000 in South Dakota. It seems to me, Mr. President, that it is necessary to have something of this kind to protect the loans we have made on the crops in these States.

Mr. BYRNES. Mr. President, I have no information on the subject, but I have no objection to the amendment going to conference in order that an opportunity may be afforded to look into it.

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

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ADDITIONAL FUNDS FOR SPECIAL COMMITTEE INVESTIGATING AIR AND OCEAN MAIL CONTRACTS

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution 94. This is the resolution which was submitted by the Senator from Alabama [Mr. BLACK]. It has been called up by him on other occasions. The Senator from New York [Mr. COPELAND] at one time objected to its consideration. My information is that he does not persist in his objection. I am calling up the resolution at the request of the Senator from Alabama.

The VICE PRESIDENT. The Senator from Arkansas asks unanimous consent for the present consideration of the resolution, which will be read.

The Chief Clerk read the resolution (S.Res. 94) submitted by Mr. BLACK on June 6, 1933, and reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, on line 5, after the word "by", to strike out "$75,000" and insert "$25,000", so as to make the resolution read:

Resolved, That the limit of expenditures under Senate Resolution 349 (72d Cong., 2d sess.), agreed to February 25, 1933, creating a special committee of the Senate to investigate air mail and ocean mail contracts, is hereby increased by $25,000.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. FESS. Mr. President, I should like to know something more about the resolution.

Mr. ROBINSON of Arkansas. The resolution authorizes an expenditure of $25,000 for the purposes of the investigation of the special committee of the Senate having relation to ocean mail and air mail contracts.

Mr. FESS. Is the money to come out of the contingent fund of the Senate?

Mr. ROBINSON of Arkansas. Yes.

Mr. FESS. Has the resolution been reported by the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. ROBINSON of Arkansas. Yes; the resolution has been reported from that committee.

Mr. FESS. The only thing I wanted to know was what it was. I have no objection to the resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. STEIWER. Mr. President, may I direct a question to the Senator from Arkansas?

Mr. ROBINSON of Arkansas. Certainly.

Mr. STEIWER. I understood yesterday that the Senator from New York [Mr. COPELAND] desired either to offer an amendment to the resolution or to oppose it; I am not prepared to say which. Does the Senator know whether the Senator from New York still desires to take any action regarding the resolution?

Mr. ROBINSON of Arkansas. I talked with the Senator from New York this morning, and told him that I had been requested to call up the resolution and would do so when the bill which has just been under consideration was passed. The Senator from New York interposed no objection.

Mr. STEIWER. I thank the Senator.

The VICE PRESIDENT. The question is on agreeing to the resolution as amended.

The resolution, as amended, was agreed to.

NINTH PAN AMERICAN SANITARY CONFERENCE

Mr. ROBINSON of Arkansas. Mr. President, at the request of the Senator from New York [Mr. COPELAND] I desire to ask unanimous consent for the present consideration of Senate Joint Resolution 59, to provide for the expenses of delegates from the United States to the Ninth Pan American Sanitary Conference.

The resolution is unanimously reported upon a poll by the Committee on Foreign Relations.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution reported by the Senator from Arkansas from the Committee on Foreign Relations?

There being no objection, the resolution (S.J.Res. 59) to provide for the expenses of delegates of the United States to the Ninth Pan American Sanitary Conference was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,000, or so much thereof as may be necessary, for the expenses of three delegates of the United States, to be appointed by the President, to the Ninth Pan American Sanitary Conference to be held in 1933 or 1934, at Buenos Aires, Argentina, or at such time and place as may be determined hereafter. The expenses herein provided for shall include the compensation of employees, travel, subsistence, or per diem in lieu of subsistence (notwithstanding the provisions of any other act), and such miscellaneous and other expenses as the President shall deem proper, to be expended under the direction of the Secretary of State.

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.

SALES OF TIMBER ON INDIAN LANDS

The VICE PRESIDENT. There is on the desk a message from the House of Representatives in which the senior Senator from Oregon [Mr. MCNARY] is interested. The Chair understands that he desires to have the Senate concur in the amendment of the House. The Chair lays before the Senate the amendment of the House of Representatives, which will be read.

The Chief Clerk read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
June 9, 1933.

Resolved, That the bill from the Senate (S. 1513) entitled "An act to amend Public Act No. 435 of the Seventy-second Congress, relating to sales of timber on Indian land" do pass with the following amendment:

On page 1, line 7, to strike out all after "by", down to and including "prices" in line 9, and insert "adding to the first section thereof the following proviso: '*Provided*, That the restrictions as to reducing prices below the basic sales prices shall not apply to the Klamath Indian Reservation in Oregon: *And provided further*, That the authority granted herein shall terminate 1 year from the date of enactment of this act.

Mr. STEIWER. Mr. President, I will take the responsibility of making a motion on behalf of my colleague [Mr. MCNARY] that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

AMENDMENT OF SECTION 289, CRIMINAL CODE

Mr. BLACK. Mr. President, I desire to submit a report from the Committee on the Judiciary and ask for the immediate consideration of the bill which I shall explain. I am sure there will be no objection from any Member of the Senate when the situation is understood.

I report back favorably from the Committee on the Judiciary with an amendment the bill (H.R. 5091) to amend section 289 of the Criminal Code, and I ask unanimous consent for its immediate consideration.

The bill was sent to the Judiciary Committee at the last session of Congress by the former Attorney General, but by reason of the congestion of the docket of that committee it was not acted upon. A situation has arisen which the Attorney General believes makes it imperative for quick action. The House has passed the bill. It is to amend section 289 of the Criminal Code. Section 289 reads as follows:

SEC. 289. Whoever, within the territorial limits of any State, organized Territory, or District, but within or upon any of the places now existing or hereafter reserved or acquired, described in section 272 of the Criminal Code (U.S.C., title 18, sec. 451), shall do or omit the doing of any act or thing which is not made penal by any laws of Congress, but which if committed or omitted within the jurisdiction of the State, Territory, or District in which such place is situated, by the laws thereof in force—

The old law read "on January 1, 1909." The amendment reads "on January 1, 1933"—

on January 1, 1933, would be penal, shall be deemed guilty of a like offense and be subject to a like punishment; and every such State, Territorial, or District law shall, for the purposes of this section, continue in force, notwithstanding any subsequent repeal or amendment thereof by any such State, Territory, or District.

The committee have adopted two amendments to the measure which were suggested by the Senator from Rhode Island [Mr. HEBERT], who is a member of the subcommittee having the bill under consideration. Instead of fixing the exact date of January 1, 1933, the amendment would add these words:

By the laws thereof in force at the time of the doing of such act or thing.

I can explain very briefly the purport and the intent of the bill. There are certain Government reservations throughout the country. There was enacted in 1909 a law which provided that all of the laws of the State or district in which a reservation was located should be adopted by the Federal Government as laws governing the acts or things committed or done on those reservations, but it made the date of those laws as in effect in 1909.

The result is that today a man may do something on a Government reservation which is not a violation of any State law, which is not a violation of any Federal law, but which would have been a violation of the law of that State in 1909. The man who happens to commit that act on a Government reservation could be punished, although the law of the State had been repealed since 1909. Manifestly, there is no reason for such a law. The total effect and the sole effect of the amendment is to provide a change so that the thing done must be a violation of a law of that State in existence of the doing of the act.

I hope I have made the matter clear to Senators.

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

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

Mr. BLACK. I yield.

Mr. JOHNSON. I know nothing of the matter at all and I have listened with interest to the explanation of the Senator from Alabama, but it struck me that the Senator was making a shotgun law, by which the laws that were penal in a certain aspect in a State would now be made criminal laws without description whatsoever of the offenses covered thereby.

Mr. BLACK. The Senator is correct in part, but I have not made myself clear on the whole. If I had been there when the original bill was passed, I would have voted against it.

The Supreme Court of my State has held that a municipality cannot adopt a blanket order which makes penal the violation of all the laws of the State. But those who do not favor the adoption of such a blanket law find themselves now in this situation: It is now in force and effect, but in a worse form than it will be if the amendment is agreed to.

Mr. JOHNSON. Why not repeal it then?

Mr. BLACK. The House has already acted upon the other phase of it. It is too late, of course, for us to hope to bring about a repeal at this session. The committee intends at the next session of the Congress to make a study of the matter, to see how laws should be enacted for making certain things a crime against the Federal Government, without the adoption of such blanket laws. But if this proposal is defeated on this last day of the session we will continue from now until that time with a law in force and effect which would permit the punishment of an individual for doing a thing on a Government reservation, which was a violation of a law of a State in 1909, 1910, 1911, and so on up to 1933.

It is for that reason that the committee adopted the change at the suggestion of the Senator from Rhode Island [Mr. HEBERT] so that insofar as future things done on reservations are concerned they must be in violation of law in effect at that date to be punishable. But if we do not adopt the amendment we will proceed under the old law which has the effect of blanketing all those laws in force in those States and districts in 1909, thoroughly antiquated.

Mr. JOHNSON. But the Senator is now extending the jurisdiction not only to laws that existed in 1909, but to those which may have been enacted in the interim by the States. He is making the date line 1933 instead of 1909.

Mr. BLACK. That is correct, but it does not include those laws which have heretofore been repealed.

Mr. JOHNSON. Does the Senator think it is either good legislation or good policy to enact a statute of the United States providing that all the laws that are penal in a State are hereby made like penal laws in the Federal Government?

Mr. BLACK. I do not. I said in the committee, and I repeat, that insofar as I am concerned I would have voted against the measure in its original form. Personally I shall vote to repeal it when the time comes. I do not believe in enacting legislation of that character, but I do think that from now until next January we should have some kind of a law to take care of the situation. At that time it is my hope that the committee will amend the entire situation and introduce bills providing for the enactment of laws for the Federal Government.

Mr. JOHNSON. The Senator is entirely frank in his statement concerning the matter, and I know how he feels, because a law of this sort is repugnant to one's legal education if he may be said to have any at all. I find it rather revolting to enact a Federal statute which will make all the laws of the States offenses.

Let us go a step further with that. What is it meant to do? Has the Senator any idea?

Mr. BLACK. Yes; I have.

Mr. JOHNSON. What is the situation which it is endeavored to effect?

Mr. BLACK. If there were no law at all such as the one now in existence, there would be practically no things committed on a Government reservation which would be contrary to law, because heretofore they have simply proceeded on the theory, and not only on the theory but on the fact, that there were ample laws under this blanket law which had been previously enacted. For instance, there would be no law, as I understand it, covering the case of a man who would recklessly run over another on a Government reservation and take his life. There are many instances which might be cited, for instance, where a man could escape punishment altogether simply by going over the line onto a Government reservation.

I am trying to state that I favor the method of enacting laws under which the Congress itself would adopt a code of criminal statutes to govern the people on Government reservations. That, in my judgment, is the proper method for a sovereignty to pursue. But I do believe that at the present time this will actually improve the law as it stands until such time as we can enact a code of laws to govern Government reservations.

Mr. JOHNSON. If the Senator will pardon one further observation, I recognize that on my feet at the moment, without the slightest knowledge of the measure or of the conditions surrounding the bill, I am working at a disadvantage and cannot by any means understand the situation as well as those gentlemen who have dealt with it. So I am not going to object to the bill. I simply want to state for the RECORD that I am opposed to it and am opposed to this kind of legislation.

Mr. HEBERT. Mr. President——

The PRESIDING OFFICER (Mr. MCADOO in the chair). Does the Senator from Alabama yield to the Senator from Rhode Island?

Mr. HEBERT. I wish to propound an inquiry to the Senator from Alabama.

Mr. BLACK. I am glad to yield to the Senator from Rhode Island.

Mr. HEBERT. Has the Senator reported the bill as it came to the committee?

Mr. BLACK. I have reported the bill with the amendment which was suggested by the Senator from Rhode Island.

Mr. HEBERT. Historically, Mr. President, the legislation has been in effect in the United States since 1825. From time to time amendments have been enacted so as to bring the law nearer up to date. The present statute fixes as an offense something committed, say, in the month of May, under a law which was in force in 1910, but which law has since been repealed and may have been repealed for a long time by the State which enacted it.

The purpose of the amendment as modified by the committee is to bring the law up-to-date and to make an act an offense at this time under the law in force at the time the offense is committed. For instance, if an offense be committed on the 1st of January 1933 and there is a State law providing a penalty for that offense in force at that time, this measure provides that that offense shall be punishable under the law in force at the time the offense is committed.

It is an unusual way, to my mind, to legislate, and it was repugnant to me when I first examined the bill, but when I came to look at the history of it and found that it has been the law since 1825, then I realized that it is a pretty well established matter.

The only difficulty with the statutes up to now is that they have fixed a particular time when an offense committed shall be punishable by the laws in force at a previous date, long past; so we have had to change the law from time to time to bring it as near the present date as possible. The purpose of this amendment is to make it a continuing thing, so that the law of the State will be, as we say in law, ambulatory, and follow along with the particular offense that is committed at the time it is charged.

Mr. BLACK. I ask for immediate consideration of the measure.

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

Mr. BLACK. I yield.

Mr. JOHNSON. Will the Senator give me an instance of offenses that would come under this law—what, particularly?

Mr. BLACK. For instance, in my State we have a Government reservation. I can give the illustration better for that State. We have in the State a law which prohibits certain practices with reference to driving automobiles which may bring about the death of a person. As I understand, there is no Federal law which would protect the public from the reckless and wanton driving of automobiles on that Government reservation, although there is a highway

through it. This bill would adopt the law of the State of Alabama insofar as anything done on the Government reservation is concerned, and would subject a man to prosecution for the reckless killing of a human being on the public highway through the park.

That is one instance. Numerous other instances could be cited, of course, as the Senator will realize.

Mr. JOHNSON. Well, it is a wretched way of legislating, as I think the Senator will agree with me.

Mr. BLACK. I agree with the Senator thoroughly, and I do not approve that kind of legislation. I am sure, however, that voting for this bill is not an approval of that method of legislation but rather is an effort at this late date to try as far as possible to ameliorate the conditions by this amendment until further time and consideration can be given to the subject.

The PRESIDING OFFICER (Mr. McADOO in the chair). Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 2, after the word "force", to insert "at the time of the doing of such act or thing"; on line 6, after the word "notwithstanding", to strike out "any subsequent" and insert "the"; and on line 8, to strike out the period following the word "District" and insert "subsequent to the doing of such act or thing", so as to make the bill read:

Be it enacted, etc., That section 289 of the Criminal Code (U.S.C. title 18, sec. 468) be, and it is hereby, amended to read as follows:

"SEC. 289. Whoever, within the territorial limits of any State, organized Territory, or District, but within or upon any of the places now existing or hereafter reserved or acquired, described in section 272 of the Criminal Code (U.S.C., title 28, sec. 451), shall do or omit the doing of any act or thing which is not made penal by any laws of Congress, but which if committed or omitted within the jurisdiction of the State, Territory, or District in which such place is situated, by the laws thereof in force at the time of the doing of such act or thing on January 1, 1933, would be penal, shall be deemed guilty of a like offense and be subject to a like punishment; and every such State, Territorial, or District law shall, for the purposes of this section, continue in force, notwithstanding the repeal or amendment thereof by any such State, Territory, or District subsequent to the doing of such act or thing."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THE CALENDAR

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of unobjected bills on the calendar under rule VIII.

The PRESIDING OFFICER (Mr. JOHNSON in the chair). Is there objection to the request of the Senator from Arkansas?

Mr. McNARY. I have no objection.

The PRESIDING OFFICER. The Chair hears no objection. The clerk will state the first bill on the calendar.

The first business on the calendar was the joint resolution (S.J.Res. 15) extending to the whaling industry certain benefits granted under section 11 of the Merchant Marine Act, 1920.

Mr. ROBINSON of Arkansas. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 682) to prohibit financial transactions with any foreign government in default on its obligations to the United States was announced as next in order.

Mr. ROBINSON of Arkansas. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. McNARY. Mr. President, may I suggest to the Senator from Arkansas that we have a call of the roll?

Mr. ROBINSON of Arkansas. I think that is a good suggestion.

The PRESIDING OFFICER. The Senator from Oregon suggests the absence of a quorum. The clerk will call the roll.

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

Adams	Copeland	Kean	Reynolds
Ashurst	Costigan	Kendrick	Robinson, Ark.
Austin	Cutting	Keyes	Robinson, Ind.
Bachman	Davis	King	Russell
Bailey	Dickinson	La Follette	Schall
Bankhead	Dieterich	Lewis	Sheppard
Barbour	Dill	Logan	Shipstead
Barkley	Duffy	Lonergan	Smith
Black	Erickson	Long	Steiwer
Bone	Fess	McAdoo	Stephens
Borah	Fletcher	McCarran	Thomas, Okla.
Bratton	Frazier	McGill	Thomas, Utah.
Brown	George	McKellar	Thompson
Bulkley	Glass	McNary	Townsend
Bulow	Goldsborough	Metcalf	Trammell
Byrd	Gore	Murphy	Tydings
Byrnes	Hale	Neely	Vandenberg
Capper	Harrison	Norris	Van Nuys
Caraway	Hastings	Nye	Wagner
Carey	Hatfield	Overton	Walcott
Clark	Hayden	Patterson	Walsh
Connally	Hebert	Pope	Wheeler
Coolidge	Johnson	Reed	

The PRESIDING OFFICER (Mr. CLARK in the chair). Ninety-one Senators have answered to their names. A quorum is present.

Under the unanimous-consent agreement the calendar will be called for the consideration of unobjected bills. The clerk will state the next bill on the calendar.

The bill (S. 882) to provide for the more effective supervision of foreign commercial transactions, and for other purposes, was announced as next in order.

Mr. JOHNSON. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. COPELAND. Mr. President, what became of Senate Joint Resolution 15?

The PRESIDING OFFICER. That was objected to and passed over before the roll was called.

VETERINARY CORPS OF THE REGULAR ARMY

The Senate proceeded to consider the bill (S. 1286) to increase the efficiency of the Veterinary Corps of the Regular Army, which was read, as follows:

Be it enacted, etc., That for the purposes of promotion, longevity pay, and retirement there shall be credited to officers of the Veterinary Corps, and former officers of the Veterinary Corps now on the retired list, all full-time service rendered by them as veterinarians in the Quartermaster Department, Cavalry, or Field Artillery.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Texas explain the purpose of that bill?

Mr. SHEPPARD. Mr. President, this bill applies to about 13 officers and former officers of the Veterinary Corps. It allows these officers to count prior service in the Quartermaster Corps in the matter of longevity and retirement pay. All the other veterinary officers who had prior service in the Infantry, Cavalry, or Artillery are permitted to count that service for these purposes; and this bill puts the 13 officers I have mentioned on an equal basis with the others.

Mr. ROBINSON of Arkansas. Very well. The explanation is entirely satisfactory.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REDUCTION OF SUBSIDIES

The bill (S. 506) conferring upon the President the power to reduce subsidies, and for other purposes, was announced as next in order.

Mr. COPELAND and other Senators. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. COPELAND. Mr. President, I withhold my own objection in order to say something about this matter.

A few moments ago, I understand, a resolution was passed to continue the investigation of the mail contracts. Of course this bill was introduced for the same purpose. I want the Senate to know just what an investigation of this sort means.

Mr. McKELLAR. Mr. President, I have no objection to this bill going over. The substance of the bill has already been included in a general measure giving the President

power to investigate, and I see no reason why it cannot go over for the present. I ask that that be done.

Mr. COPELAND. Of course, the Senator from Kentucky does not wish to deprive me of the opportunity to say what I wanted to say a little while ago.

Mr. McKELLAR. The Senator means the Senator from Tennessee. I certainly do not, Mr. President.

Mr. COPELAND. I mean the Senator from Tennessee, of course. I sometimes suffer from a form of stage fright, and I have an attack now in the presence of these books on my desk.

These books represent the last investigation that was made of the shipping industry, in the Sixty-eighth Congress. These 13 volumes represent a hearing on the shipping matter, and on subsidies, and on loans to shipping.

Mr. President, I contend that these investigations are worthless—absolutely worthless. If Senators come here and give some specific instances of wrongs which have been perpetrated upon the country by the shipping interests, I have not a word to say. I should not oppose, and would not have opposed if I had been here, a continuance of the appropriation for the Black committee; but I want Senators to see what happened in a previous investigation.

In all probability I am the only person in the world who ever opened these volumes, and I did this some years ago because I was interested in the subject and wanted to know what had happened. This new committee will bring back another 13 volumes of testimony that will not be worth the paper it is printed on, and yet we appropriate money for such investigations, and I just wanted to say that much.

I think the American merchant marine is of vital importance to every citizen of our country. It is important to every farmer on every farm in the United States, and what we can do to further the interests of the American merchant marine in my judgment would be money well expended.

I do not contend for one moment that there may not be abuses—doubtless there are—but we have authorized the President in the independent offices appropriation bill to make such an investigation. The investigation is already going on in the Post Office Department and in the Shipping Board, and I presume that in due time there will be changes in the contracts. If there are fraudulent contracts they will be thrown out as they should have been long, long ago.

Mr. President, I could not forbear giving this object lesson, showing these 3 feet of volumes piled one upon the other, representing the last investigation which was made into the shipping business.

The PRESIDING OFFICER. The bill will be passed over.

RENTS IN THE DISTRICT OF COLUMBIA

Mr. KING. Mr. President, I ask the indulgence of the Senate, because I am about to submit a unanimous-consent request. As Senators know, I am one of the conferees upon a bill which is now receiving attention in conference and the disposition of which is very important.

The Senator from Kansas [Mr. CAPPER] offered a resolution a few days ago to carry out some of the resolutions and findings of the committee appointed in the District of Columbia in regard to rents, and so forth. As a supplement to that, a resolution was offered to appropriate $2,500, which is approved by the Commissioners of the District of Columbia, in order to create a sort of liaison officer between the District of Columbia people—the tenants, those who are complaining about their rents—and the District Commissioners. The resolution is Joint Resolution 60, Calendar No. 158. I ask unanimous consent that it may be agreed to.

There being no objection, the joint resolution (S.J.Res. 60) making an appropriation for an investigation of housing conditions and rentals in the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That there be appropriated the amount of $2,500 for the Public Utilities Commission of the District of Columbia from the moneys in the Treasury of the United States to the credit of the District of Columbia, the said sum to be expended in the investigation of housing conditions and rentals in the District of Columbia.

EXPORTATION OF ARMS OR MUNITIONS

The joint resolution (H.J.Res. 93) to prohibit the exportation of arms or munitions of war from the United States under certain conditions was announced as next in order.

Mr. ROBINSON of Arkansas. Let that go over.

The PRESIDING OFFICER. Objection is heard, and the joint resolution will be passed over.

MERGER OF GASLIGHT COMPANIES

The bill (S. 1403) to authorize the merger of The Georgetown Gaslight Co. with and into Washington Gas Light Co., and for other purposes, was announced as next in order.

Mr. NYE. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF JUDICIAL CODE

The bill (S. 752) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards, was announced as next in order.

Mr. AUSTIN. Let that go over.

Mr. JOHNSON. Mr. President, I ask the Senator if he will not withhold his objection for the moment.

Mr. AUSTIN. Mr. President, I withhold the objection.

Mr. JOHNSON. This is a bill of extraordinary importance, designed to do for public utility commissions in the States what ought long ago to have been done, to preclude those whose rates have been fixed by these commissions from going into two jurisdictions and prolonging indefinitely the litigation concerning the fixing of rates.

I am sure that the Senator who objected does not want to object to a thing of that sort, and I ask him, therefore, if he does not consent to taking up the bill and passing it now?

Mr. AUSTIN. Mr. President, if that were all involved in the bill, the Senator from Vermont might be willing to have the measure taken up and discussed, but the bill involves something more fundamental than that, that is, the nationality of the United States of America. I do not believe we could possibly adjourn in the expected time if we should undertake a discussion of this measure now. Under these circumstances, I feel compelled to insist upon the objection.

Mr. JOHNSON. Mr. President, just a word in response. I recognize the very great interest and the enthusiasm with which my friend from Vermont enters into the discussion of this question, which would occupy him a few months, just as the public-utility corporations exercise their right, as existing at the present time, to take a few years and a few decades to determine a question which has been decided by the various States. Therefore, of course, we are remediless if the Senator objects, and we can not proceed.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

WESTERN MONTANA CLINIC, MISSOULA, MONT.

The bill (S. 1772) for the relief of the Western Montana Clinic, Missoula, Mont., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to the Western Montana Clinic, of Missoula, Mont., out of any money in the Treasury not otherwise appropriated, the sum of $5,022.30 in full satisfaction of its claim against the United States for surgical and medical services rendered prior to May 30, 1932, to Indians on the Flathead Indian Reservation, Mont.

DEATH VALLEY NATIONAL MONUMENT, CALIF.

The bill (H.R. 3659) to extend the mining laws of the United States to the Death Valley National Monument in California was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the mining laws of the United States be, and they are hereby, extended to the area included within the Death Valley National Monument in California, or as it may hereafter be extended, subject, however, to the surface use of loca-

tions, entries, or patents under general regulations to be prescribed by the Secretary of the Interior.

MILL FOUR DRAINAGE DISTRICT, OREG.

The Senate proceeded to consider the bill (S. 1759) granting the consent of Congress to the Mill Four Drainage District, in Lincoln County, Oreg., to construct, maintain, and operate dams and dikes to prevent the flow of waters of Yaquina Bay and River into Nutes Slough, Boones Slough, and sloughs connected therewith, which had been reported from the Committee on Commerce with amendments, on page 1, line 3, strike out everything after the second word down to "dikes", in line 6, and insert in lieu thereof the following: "times for commencing and completing the construction of dams and dikes authorized by act of Congress approved June 17, 1930, to be built by the Mill Four Drainage District of the State of Oregon"; on page 2, line 4, to strike out the period and add "are hereby extended 1 and 3 years, respectively, from the date of approval hereof"; on page 2, strike out lines 7 to 17, inclusive; on page 2, line 12, strike out the figure "3" and insert the figure "2"; and on page 2, line 18, to strike out "3" and insert "2", so as to read:

Be it enacted, etc., That the times for commencing and completing the construction of dams and dikes authorized by act of Congress approved June 17, 1930, to be built by the Mill Four Drainage District of the State of Oregon for preventing the flow of waters of Yaquina Bay and River into Nutes Slough, Boones Slough, and sloughs connected therewith in the State of Oregon are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the time for the construction of dams and dikes in Lincoln County, Oreg., to prevent the flow of waters of Yaquina Bay and River into Nutes Slough, Boones Slough, and sloughs connected therewith."

MONONGAHELA RIVER BRIDGE, PENNSYLVANIA

The bill (H.R. 4872) authorizing Farris Engineering Co., its successors and assigns to construct, maintain, and operate a bridge across the Monongahela River at or near California, Pa., was considered, ordered to a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE, MISSOURI

The bill (H.R. 5589) granting the consent of Congress to the city of Washington, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Washington, Mo., was considered, ordered to a third reading, read the third time, and passed.

ST. CLAIR RIVER BRIDGE, MICHIGAN

The Senate proceeded to consider the bill (H.R. 5495) to amend an act entitled "An act creating the Great Lakes Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich.", approved June 25, 1930, and to extend the times for commencing and completing construction of said bridge.

Mr. VANDENBERG. Mr. President, I want to submit an amendment, to strike out the tax-exempt privilege for the bonds which are to be issued for this project. On page 3, line 19, I move to strike out the words "and the bonds issued in connection therewith."

The PRESIDING OFFICER. The amendment will be stated. The amendment was on page 3, line 19, to strike out the words "and the bonds issued in connection therewith", so as to make the bill read:

Be it enacted, etc., That section 4 of an act entitled "An act creating the Great Lakes Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich.", approved June 25, 1930, be, and the same is hereby, amended so as to read as follows:

"SEC. 4. The commission and its successors and assigns are hereby authorized to provide for the payment of the cost of the bridge and its approaches and the ferry or ferries and the necessary lands, easements, and appurtenances thereto by an issue or issues of bonds of the commission, upon approval by the Michigan Public Utilities Commission, bearing interest at not more than 6 percent per annum, payable annually or at shorter intervals, maturing not more than 30 years from their date of issuance, such bonds and the interest thereon, and any premium to be paid for retirement thereof before maturity, to be payable solely from the sinking fund provided in accordance with this act. Such bonds may be registerable as to principal alone or both principal and interest, and shall be in such form not inconsistent with this act, and be payable at such place or places as the commission may determine. The commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity at prices not exceeding 105 and accrued interest. The commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the commission in respect of the construction, maintenance, operation, repair, and insurance of the bridge and/or the ferry or ferries, the conservation and application of all funds, the safeguarding of moneys on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provision for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law and also a provision for approval by the original purchasers of the bonds of the employment of consulting engineers and of the security given by bridge contractors and by any bank or trust company in which the proceeds of bonds or of bridge and/or ferry tolls or other moneys of the commission shall be deposited, and may provide that no contract for construction shall be made without the approval of the consulting engineers. The bridge constructed under the authority of this act shall be deemed to be an instrumentality for international commerce authorized by the Government of the United States, and said bridge and ferry or ferries and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation. Said bonds shall be sold in such manner and at such price as the commission may determine, such price to be not less than the price at which the interest yield basis will equal 6 percent per annum as computed from standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the estimated cost of the bridge and its approaches, and the land, easements, and appurtenances used in connection therewith and, in the event the ferry or ferries are to be acquired, also the estimated cost of such ferry or ferries and the lands, easements, and appurtenances used in connection therewith. The cost of the bridge and ferry or ferries shall be deemed to include interest during construction of the bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic surveying, and other expenses incident to the construction of the bridge or the acquisition of the ferry or ferries, and the acquisition of the necessary property, and incident to the financing thereof, including the cost of acquiring existing franchises, rights, plans, and works of and relating to the bridge, now owned by any person, firm, or corporation, and the cost of purchasing all or any part of the shares of stock of any such corporate owner if in the judgment of the commission such purchases should be found expedient. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definitive bonds the commission may under like restrictions issue temporary bonds with or without coupons, exchangeable for definitive bonds upon the issuance of the latter."

SEC. 2. That section 9 of said act, approved June 25, 1930, be, and the same is hereby, amended so as to read as follows:

"SEC. 9. The commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the commission shall not be entitled to any compensation for their services, but may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necssary, who shall be entitled to receive such compensation as the commission may determine. After all bonds and interest thereon shall have been paid and all other obligations of the commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the United States interests and the Canadian interests as herein provided, and any ferry or ferries shall have been sold, the commission shall be dissolved and shall cease to have further existence by an order of the State highway commissioner of Michigan made upon his own initiative or upon application of the commission or any member or members thereof, but only after a public hearing in the city of Port Huron, notice of the time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the city of Port Huron, Mich., and a newspaper published in the city of Sarnia, Ontario. At the time of such dissolution all moneys in the hands of or to the credit of the commission shall be divided into 2 equal parts, 1 of which shall be paid to said United States interests and the other to said Canadian interests."

SEC. 3. That the times for commencing and completing the construction of said bridge, heretofore extended by acts of Con-

gress approved February 28, 1931, and June 9, 1932, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

COMMITTEE FOR THE CONSERVATION OF WILD-LIFE RESOURCES

The resolution (S.Res. 96) to increase the membership on the Special Committee for the Conservation of Wild-Life Resources from 5 to 7 members was read, considered, and agreed to, as follows:

Resolved, That the membership of the Special Committee on Conservation of Wild-Life Resources shall be increased from 5 to 7 members, and that the President of the Senate on the passage of this resolution shall appoint the 2 additional members.

SERVICE OF NATIONAL GUARD IN TIME OF WAR

The Senate proceeded to consider the bill (H.R. 5645) to amend the National Defense Act of June 3, 1916, as amended.

Mr. FESS. Mr. President, I should like to ask the Senator from Texas what this bill provides.

Mr. SHEPPARD. Mr. President, this bill passed the Senate on a prior occasion. It provides that the National Guard in time of war shall be summoned into the service by an order as the National Guard itself, and not the members individually, through the draft. It merely would keep the National Guard intact.

Mr. FESS. I have no objection.

The bill was ordered to a third reading, read the third time, and passed.

JUDICIAL DISTRICT OF CONNECTICUT

The bill (S. 1650) amending section 74 of the Judicial Code, as amended (U.S.C., Annotated, title 28, sec. 147), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the State of Connecticut shall constitute one judicial district to be known as the "district of Connecticut." Terms of the district court shall be held at New Haven on the second Tuesday in February and the third Tuesday in September; at Hartford on the second Tuesday in May and the first Tuesday in December; at Norwalk on the third Tuesday in April; and at Columbia on the first Tuesday in September: *Provided*, That suitable rooms and accommodations shall be furnished for the holdings of said court and for the use of the officers of said court at Norwalk and Columbia free of expense to the Government of the United States.

JOE GRAHAM POST, NO. 119, AMERICAN LEGION

The Senate proceeded to consider the bill (S. 1813) providing for the sale to Joe Graham Post, No. 119, American Legion, of the lands lying within the Ship Island Military Reservation in the State of Mississippi, which had been reported by the Committee on Military Affairs with amendments, on page 2, line 3, to strike out the words "such sum as may be agreed upon by the corporation and the Secretary of War" and to insert in lieu thereof "$15,000"; on line 6, after the word "conveyance", to insert the words "with interest on such deferred payments at the rate of 5 percent per annum, all interest due to be paid annually", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of the act entitled "An act transferring a portion of the lighthouse reservation, Ship Island, Miss., to the jurisdiction and control of the War Department", approved March 4, 1929, the Secretary of War is authorized and directed to convey by quitclaim deed to Joe Graham Post, No. 119, of the American Legion, Inc., a corporation organized under the laws of the State of Mississippi, all the lands lying within the Ship Island Military Reservation in such State, in consideration of the payment to the United States by such corporation of $15,000; but payment of such sum may be made in equal annual installments over a period of 10 years from the date of such conveyance with interest on such deferred payments at the rate of 5 percent per annum, all interest due to be paid annually. All sums paid to the United States for such land shall be covered into the Treasury to the credit of the military post construction fund. It shall be made a condition of the deed of conveyance herein provided for (1) that the lands so conveyed shall be maintained by such corporation as a national recreational park, (2) that such corporation shall erect and maintain on such lands a suitable monument or other memorial to the veterans of the World War, and (3) that such corporation shall set aside such parcel of land not exceeding 1 acre in area within such lands as may be selected by the United Daughters of the Confederacy for the sole use of that organization for the erection and maintenance of a memorial to veterans of the Civil War. If the corporation fails to use such lands for the purposes herein provided, or violates any of the conditions of the deed of conveyance or attempts to alienate such lands, title thereto shall revert to the United States.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OUACHITA NATIONAL FOREST GAME PRESERVE

Mr. ROBINSON of Arkansas. Mr. President, the Senator from South Carolina [Mr. SMITH] is necessarily absent on business of the Senate. He asked me to submit a report for him from the Committee on Agriculture and Forestry. I do so, and ask for the present consideration of the bill.

May I say, in anticipation of the reading of the bill, that it is a local measure, authorizing the establishment of a game preserve and breeding places in certain reserved areas in the Ouachita National Park. It is in the interest of game conservation.

Mr. McNARY. Mr. President, was this bill referred to the Committee on Wild Life Resources, or to the Committee on Agriculture and Forestry?

Mr. ROBINSON of Arkansas. It was referred to the Committee on Agriculture and Forestry, but I can assure the Senator from Oregon that it meets with the approval of the members of the Committee on Wild Life Conservation.

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

There being no objection, the Senate proceeded to consider the bill (H.R. 3511), to authorize the creation of a game refuge in the Ouachita National Forest in the State of Arkansas.

The bill was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purpose of providing breeding places and for the protection and administration of game animals, birds, and fish, the President of the United States is hereby authorized, upon the recommendation of the Secretary of Agriculture, to establish by public proclamation certain specified areas within the Ouachita National Forest as game sanctuaries and refuges.

SEC. 2. That the Secretary of Agriculture shall execute the provisions of this act, and he is hereby authorized to prescribe all general rules and regulations for the administration of such game sanctuaries and refuges, and violation of such rules and regulations shall be punished by fine of not more than $500 or imprisonment for not more than 6 months or both.

GEORGE YUSKO

The bill (S. 1654) for the relief of George Yusko was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army George Yusko shall be held and considered to have been honorably discharged as a private, Company D, One Hundred and Fifty-seventh Regiment United States Infantry, on April 20, 1919: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued by reason of this act prior to its passage.

PER CAPITA PAYMENTS TO SEMINOLE INDIANS IN OKLAHOMA

Mr. THOMAS of Oklahoma. Mr. President, on behalf of the Committee on Indian Affairs I submit a favorable report (No. 139) on Senate bill 554, providing for per capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury. There is a favorable report from the Department on the bill, and I ask for immediate consideration.

Mr. McNARY. Mr. President, has the Committee on Indian Affairs reported favorably on the bill?

Mr. THOMAS of Oklahoma. It has.

Mr. McNARY. It has unanimous approval?

Mr. THOMAS of Oklahoma. The report is endorsed by all the members of the committee who are in the city.

Mr. McNARY. May I ask the ranking member of the Committee on Indian Affairs, the Senator from North Dakota [Mr. FRAZIER], whether the bill meets his approval?

Mr. FRAZIER. Mr. President, this bill has been approved, and the money is to come out of the Indians' own money.

Mr. McNARY. Out of the tribal funds?

Mr. THOMAS of Oklahoma. Out of the tribal funds.

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

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to pay to the enrolled members of the Seminole Tribe of Indians of Oklahoma entitled under existing law to share in the funds of said tribe, or to their lawful heirs, out of any money belonging to said tribe in the United States Treasury or deposited in any bank or held by an official under the jurisdiction of the Secretary of the Interior, not to exceed $35 per capita: *Provided*, That said payment shall be made under such rules and regulations as the Secretary of the Interior may prescribe: *Provided further*, That in cases where such enrolled members, or their heirs, are Indians who belong to the restricted class, the Secretary of the Interior may, in his discretion, withhold such payments and use the same for the benefit of such restricted Indians: *Provided further*, That the money paid to the enrolled members or their heirs as provided herein shall be exempt from any lien for attorneys' fees or other debt contracted prior to the passage of this act: *And provided further*, That the Secretary of the Interior is hereby authorized to use not to exceed $2,000 out of said Seminole tribal funds for the payment of salaries of necessary employees and other expenses for the distribution of said per capita payments.

The PRESIDING OFFICER. That completes the calendar.

THE WHALING INDUSTRY

Mr. McNARY. Mr. President, I should like to have the attention of the Senator from Arkansas [Mr. ROBINSON]. When the first measure on the calendar, Senate Joint Resolution 15, was called, the Senator from Arkansas objected to the consideration of the joint resolution.

This is a matter which has been on the calendar for some time. It would simply broaden the scope of the loan features of the Merchant Marine Act, permitting the whaling industry, which is a considerable industry in Alaska and along the north coast, to borrow from the loan fund provided under that act.

Mr. ROBINSON of Arkansas. Mr. President, I myself have no objection to the consideration of the joint resolution to which the Senator from Oregon refers. The calendar having been called on a number of occasions heretofore, and the Senator from Utah having objected, I interposed the objection in his behalf. When he came into the Chamber a few moments ago he asked whether that number had been called, and I told him that, understanding he objected to the consideration of the joint resolution, I had asked that it go over. He has now left the Chamber. I have no personal objection to the consideration of the joint resolution, and if the Senator from Utah should withdraw his objection, I would not interpose one.

Mr. McNARY. I am informed that he probably does not now entertain the objection. May we not consider and pass the joint resolution? Then, if he objects, I will consent to a motion to reconsider the vote whereby the joint resolution was passed, and have it restored to the calendar.

Mr. ROBINSON of Arkansas. Very well. I have no disposition to oppose such action if other Senators consent to it.

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

Mr. BONE. Mr. President, as I recall, the joint resolution deals with proposals under the Jones-White Act. Is not that the purpose of the joint resolution? May I ask the Senator if the purpose of the measure is not further to expand the operations of the Merchant Marine Act, so as to provide loans to the whaling industry?

Mr. McNARY. As I said, it broadens the scope of the Merchant Marine Act, so that money will be available to be loaned to the whaling industry in the manner provided for by that act. It does not propose any new legislation at all, but simply gives the whaling industry, which is of importance on the northwestern coast and in Alaska, an opportunity to avail itself of money which is now available for the construction of ships in connection with the merchant marine. The Senator's predecessor, the late Senator Jones, of Washington, whom we all much respected and loved, originally introduced the joint resolution, and after his demise the matter was referred to me, because of the importance of the whaling industry along the northwestern coast and in Alaska. The joint resolution does not in any way modify the Merchant Marine Act, and it does not pretend to give a subsidy. It simply permits this industry to borrow money under the Merchant Marine Act as money may be borrowed in the case of ships operating in commerce.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER (Mr. MURPHY in the chair). Does the Senator from Oregon yield to the Senator from Missouri?

Mr. McNARY. I yield.

Mr. CLARK. It seems to me that this joint resolution, in all essentials, does provide a subsidy in this respect, at any rate. Everybody knows that most of the loans that have been made under the Jones-White Act have never been repaid, and there is very little human probability that they ever will be repaid. It therefore is in every essential, it seems to me, a subsidy.

Mr. McNARY. I am sorry the able Senator from Missouri entertains that view; it is quite apart from my own view. When the Merchant Marine Act was passed certain sums were made available for the use in the construction of vessels in order to promote the American merchant marine. In this joint resolution we are simply asking that the whaling industry, which is American controlled and owned and operated by American citizens, may have the use of some of the money which is available the same as those who build ships engaging in commerce and traversing the ocean in foreign trade. It is in no sense a subsidy, and I do not see why we should seek to discriminate against the whaling industry when we are not objecting to loans being made for the construction of vessels employed in overseas trade.

Mr. CLARK. As a matter of fact, there is no whaling industry.

Mr. McNARY. Oh, indeed, there is. It is an industry that is growing rapidly.

Mr. CLARK. I will say to the Senator that, while I believe he was elsewhere at the time the hearing upon the joint resolution was had, it was practically stated to the committee that the fact was there was no whaling industry in the United States, and it was finally admitted that this joint resolution is essentially simply a shipbuilding proposition. The gentleman who appeared before the committee—a very fine gentleman—was frankly interested in building ships and not in the whaling industry.

Mr. McNARY. Of course, so far as this money is concerned, it is not used to operate ships; it is used to construct ships and to give employment to men. The industry itself is operating as well as it can, but so long as the money is not available under the terms of the Merchant Marine Act those interested in it cannot go ahead with the construction of whaling vessels. I hope the Senator will not take the view that the joint resolution provides a subsidy in any sense. It is an industry that is much needed in Alaska and along the northwestern coast.

Mr. CLARK. In view of the Senator's explanation, I will make no objection.

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

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and to insert:

That in the administration of section 11 of the Merchant Marine Act, 1920, as amended (U.S.C., title 46, p. 870; 40 Stat.L., pt. 1, 2145), the United States Shipping Board is authorized and directed to extend to the whaling industry the same benefits that are authorized by such section to be extended to persons citizens of the United States for the construction of vessels for the establishment or maintenance of service on lines.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. COPELAND. I desire to insert in the RECORD at this point an extract from the Oslo Evening Post of Saturday, February 25, 1933, showing the enormous catch of 400,000 barrels, representing four or five million dollars' worth of oil, in our money. I think it would be of interest to have it in the RECORD following the debate on the joint resolution which has just been passed. I also ask to have printed an extract from a letter referring to the same matter.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

[From the Oslo Evening Post, Saturday, Feb. 25, 1933]

Toward the closing of the whaling season in the Antarctic *Kosmos 1* and *Kosmos 2* have unbelievable catch—400,000 barrels, 67,000 tons of whale oil valued at 17,000,000 kroner on their keels. The tremendous whaling grounds in the Antartic with their gigantic floating factories are loaded to capacity.

In about 4 months' time 5,000 men have been hunting the whales and loading the mother ships with hundreds of thousands of barrels of oil.

Day and night for weeks and months the hard work has been going on, in bad weather as well as in good, but it has been well worth the effort.

The whaling fleet is about to finish another season. The wealth of the whaling industry in the Antarctic brings great reward to all concerned with it.

Since last October the guns have been booming over the whaling grounds and the whaling boats cruising over the hunting grounds bringing in the giant mammals by the many hundreds to the floating factories. During the coming week some of the largest floaters will be turning home loaded to capacity.

The production of the entire whaling fleet this season amounts to 2,300,000 barrels and the total production is already sold.

Kosmos 2, the largest ship afloat, which is 26,000 tons, holds the record of production—18,000 barrels in 1 week.

[Extract from a letter containing enclosure]

Captain Earling just came in the office again at 4 o'clock stating that he was informed an official cablegram was received by the Washington Posten, which is a Norwegian newspaper published here, which cablegram was from Oslo, dated April 28, which stated as follows:

"Directors' meeting of whaling companies Cosmos, Antartic, and Pelagos a temporary dividend of 20 percent was declared."

Captain Earling stated this dividend was the result of the 1932–33 catch of whales. This data may be interesting to some of the Senators or Representatives who are skeptical as to the earnings in this industry.

LOANS TO HOME OWNERS—MOTION TO RECONSIDER CONFERENCE REPORT

Mr. TRAMMELL. Mr. President, last evening, at some time during the excitement and tumult which prevailed in the Senate, the conference report on the home loan mortgage bill seems to have been adopted. While I dislike to do it, I desire to make a motion to reconsider the vote by which the Senate agreed to the conference report. Not until this morning had I an opportunity to read the report. I do not now know how long it has been printed, but I was unable to obtain a copy of the report in printed form until this morning.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair will state to the Senator from Florida that the conference report has gone back to the House and it will be necessary first to move that the papers be recalled from the House of Representatives.

Mr. TRAMMELL. I make a motion, then, that the House be requested to return the papers to the Senate.

The PRESIDING OFFICER. The Senator from Florida moves that the House be requested to return the papers in connection with the conference report on the home loan bill to the Senate.

Mr. TRAMMELL. Mr. President——

The PRESIDING OFFICER. The motion is not debatable. The question is on the motion of the Senator from Florida.

Mr. TRAMMELL. I will withdraw the motion for the moment.

The PRESIDING OFFICER. The Senator withdraws the motion.

Mr. TRAMMELL. Mr. President, I want to explain the conference report, or, at least, a portion of it. The Senate will recall my effort and those of other Senators in behalf of the individual home owner being afforded an opportunity to obtain a cash loan for the purpose of saving his little home from foreclosure. A majority of the Senate, however, defeated an amendment which I proposed and which provided that loans to home owners direct should be one of the primary purposes of the act. No one attempted to make it a primary purpose but merely one of the primary purposes. In the discussion other Senators and I called attention to the discrimination in the matter of interest and also in the matter of the valuation of properties in favor of corporations holding mortgages and against the individual making an application for a loan upon his home. The Senate struck out the 80-percent-valuation clause which was provided for loans which were held mostly by insurance companies, by mortgage companies, and other financial institutions, and provided that the loans should only be to the extent of 50 percent of the valuation.

The bill already contained a limitation upon individual loans of 50 percent, and thus in this form the bill went through the Senate, with an equal valuation to be placed upon the property, whether the mortgage was held by some company that desired to negotiate with the Government or by an individual who desired to apply for a loan. I find, however, that in the conference report the conferees have restored the 80-percent allowance for corporations, those holding mortgages, and have reduced the amount that an individual may obtain in the nature of a cash loan to only 40 percent of the value of his property, whereas the Senate had left the original provision of the bill at 50 percent.

I cannot appreciate such a situation as that. The result of it is that the action of the conferees, which was endorsed by the Senate without any consideration whatever, probably not a half dozen Senators knowing that it was being adopted, deeply offends against the little home owner who desires to obtain a direct loan in cash upon his property. That is the feature of the conference report to which I especially object.

An individual home owner who desires to obtain a loan is restricted to only 40 percent of the value of his property, but if he should transfer that property under a mortgage to some mortgage-holding company—and the transaction might not require over 30 minutes—immediately such company could obtain 80 percent of the value of that property on mortgage. I am unable to understand it, and I had hoped that the Senate would have an opportunity to consider the question. Of course, I know there is a rush being made to try to adjourn today, but I believe that matters of this character should have proper consideration.

Last night I called attention to certain important legislation which had not been given attention and which had not been acted upon which I felt justified Congress in remaining in session at least 3 or 4 days more, if required. Now this question has arisen, bringing to my attention, at least, a matter which I think should be properly adjusted when Senators know what they are voting upon, instead of allowing it to stand as it was adopted last night in the confusion here, with practically no one knowing that a vote was being had upon a conference report, which does a double injustice to the private home owner who may seek to obtain a loan under the provisions of the bill. That is why I desire to make the motion to have the papers and the conference report returned to the Senate so that the matter may be further considered.

The PRESIDING OFFICER. The Senator from Florida moves that the House of Representatives be requested to return to the Senate the papers in the case of House bill 5240.

Mr. ROBINSON of Arkansas. Mr. President, the Senator from Ohio [Mr. BULKLEY], who had charge of the home owners' loan bill and who presented the conference report to the Senate and had it adopted, is absent from the Chamber. Manifestly, an effort to recall the conference report, if it should prevail, would accomplish the prolongation of the present session of Congress.

Mr. FESS. Mr. President——

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

Mr. ROBINSON of Arkansas. I yield.

Mr. FESS. I merely wished to suggest that while we could bring the conference report back, we would not be in a position to amend the report, and our action would not have any result.

Mr. ROBINSON of Arkansas. It would accomplish nothing to bring back the conference report. The conference report was presented and considered in the usual way. I am therefore going to ask the Senate to vote down the motion of the Senator from Florida.

The PRESIDING OFFICER. The question is on the motion of the Senator from Florida [Mr. TRAMMELL] to request the House of Representatives to return the papers and the conference report on the home loan bank bill.

The motion was rejected.

JEWISH PERSECUTION IN GERMANY

Mr. ROBINSON of Arkansas. Mr. President, there is no legislative measure before the Senate. Should a conference report or other matter necessary to be considered be presented, I will yield. Meantime, I should like the privilege of addressing the Senate for a few minutes on the subject of Jewish persecution in Germany.

One of the unsolved mysteries of history is the recurrence of movements marked by intolerance and persecution. Admittedly, forms of physical torture practiced during the middle ages are no longer resorted to, save in rare instances; nevertheless in the larger aspects the manifestations of cruelty differ now only slightly from those of primitive times.

It is both surprising and disappointing to one familiar with the character and disposition of the German people to take note of the alarming persecution of Jews, which during recent months has occurred in many parts of Germany. Apparently the conditions referred to originate in political policy supported by general public opinion. It is my conception of the German citizen that he is liberal in opinion and not usually disposed to act oppressively.

Making due allowance for the exaggeration and misrepresentation which inevitably color reports of cruel incidents, there appears conclusive evidence that the Nazi administration has startled and shocked mankind by the severe policies enforced against Jews—even those of only part blood.

The evidence to which reference is made is found: (1) in addresses delivered by German officials including Chancellor Hitler and his Minister of Propaganda, Dr. Goebbels; (2) in the editorial policies of many newspapers; (3) in the remarks of speakers to mass meetings of German citizens; (4) in the Nazi songs; and (5) in the legislative and administrative political program.

There is no attempt in this address to state in detail or even to summarize comprehensively the material facts, since to do so would require more time than is at my disposal. The most regrettable circumstance is disclosed in what appears to be the attitude of a large majority of the German citizens, which while resulting in cruelty toward individuals of Jewish blood, also appears to support the policy of driving Jews from their occupations and of denying them the opportunity to earn their living.

As early as 1924 Chancellor Hitler wrote a book entitled "My Struggle." The twelfth edition was printed in Munich in 1932, and is alleged to declare, at page 70:

> If the Jew wins, * * * his crown of victory is the death wreath of humanity, and this planet will once again, as it did ages ago, float through the ether bereft of men. * * * When I defend myself against the Jews I fight for the work of the Lord.

At page 344 it is asserted:

> If at the beginning of the war twelve or fifteen thousand of these corruptors of the people had been held under poison gas, just as hundreds of thousands of our very best German workmen * * * had to bear it in the field, then the sacrifice of millions at the front would not have been in vain. On the contrary, 12,000 scoundrels removed at the right time might perhaps have saved the lives of a million proper Germans of value for the future.

At page 279 of his book it is charged:

> Thus the Jew today is the great instigator of the complete destruction of Germany. Wherever in the world we read attacks on Germany they are manufactured by Jews, just as in peace time and during the war the Jewish stock exchange, the Marxist press fanned hate against Germany according to plan until state after state gave up its neutrality.

Feder, declaring himself commissioned by Hitler to issue official literature of the Nazi Party, wrote:

> Anti-Semitism is in a way the foundation of the feeling underlying our whole movement. * * * The German Reich shall be a home for the German, not for Jews, Russians (Communists), Social Democrats, who have no fatherland called Germany, nor for all foreigners who make a longer or shorter stay on German soil.

The Nazi Minister of Propaganda, in the Nazi-Socialist published at Munich in 1929, at page 8, declared:

> Certainly the Jew is also a human being, * * * but the flea is also an animal * * *. As the flea is not a pleasant animal, we do not feel any duty to ourselves and our conscience to guard and protect it and to let it thrive, so that it may bite, sting, and torture us, but to render it innocuous. So it is with the Jews.

THE NAZI PROGRAM

The Nazi program provides that only persons of German blood may be citizens and that those who are not citizens shall be governed by laws regulating foreigners; that only citizens may decide on leaders and laws of the state; that Jews may not hold office or own, manage, or control any newspaper, or practice law or sit as jurors or commercial judges.

Jews whose ancestors have lived in Germany for hundreds of years are thus deprived of the primary rights of citizenship. Six hundred thousand Jews lived in Germany at the outbreak of the World War in 1914, and 12,000 of them died in battle during that conflict.

By a statute passed April 17, 1933, the right to practice law is denied all Jews. They are also denied the right to perform jury duty or to sit on the bench.

Jewish doctors and dentists are outlawed by the cancelation of all contracts with them. Boycotts of Jewish druggists, clinics, opticians, dentists, and X-ray institutes are prompted and encouraged.

Universities are closed to Jewish scientists and students. The right of Jewish children to attend primary schools is limited or denied.

Almost every profession and vocation is closed against persons of Jewish blood. This astounding and oppressive policy is rendered the more intolerable by decrees forbidding Jews to leave Germany.

Nazi songs sung at parades and mass meetings stimulate and crystallize the spirit of anti-Semitism.

It is sufficient to quote two stanzas:

> The Fatherland needs men;
> It is in dreadful plight.
> It is only when Jews die
> That German suffering ends.
>
> Thus do the storm columns
> Stand ready for the battle of the races.
> It is only when Jews bleed
> That we are liberated.

Quite naturally this organized propaganda, carried on by writers and speakers prominent in political authority, embraced in the platform of the political party in control, and its songs of hatred have stimulated and quickened public sentiment against the Jews in Germany to the extent that they have become discouraged and their defenders have been intimidated. Numerous incidents are reported by correspondents to local and foreign newspapers indicating that the Brown Shirts have committed robberies and assaults with immunity from punishment. It is asserted upon what appears to be reliable authority that Jewish barristers and doctors have been beaten and driven through the streets of villages until they have fainted from exhaustion; that thousands of Jews have attempted to flee the country, but that frontiers are closed by new passport regulations and escape has become difficult—almost impossible.

As late as March 31, 1933, the London Times published reports that Jewish businesses and offices of Jewish lawyers and doctors were being picketed.

It is sickening and terrifying to realize that a great people whose advance during thousands of years has been marked by notable achievements in the arts and sciences, should respond to impulses of cruelty and inhumanity, which when they have spent their force, will have lowered German civilization in the opinion of all peoples with whom Germany must have social and commercial relations throughout the future. It is not suggested that the United States intervene or attempt to determine the domestic policies of the German people.

Such cruel policies as are referred to will bring their own penalties. They will result in loss of international prestige, in moral reaction among the German people of far-reaching effect, in loss of trade and commerce.

It has sometimes been said that the Israelites are a people without a country. In a sense that is true; but in a broader sense is it not known that Jews have made their home in every land? That the characteristic of the Jew is peacefulness and respect for public authority? His contribution to religion is recognized throughout the world. His racial integrity has continued in spite of contacts with gentiles for thousands of years in every land.

It must be recognized that intolerance and persecution take many forms and from time to time their serpentlike heads appear to poison and terrify the tolerant and the just in every land. It is deplorable that education and enlightenment have not crushed and destroyed these foes of liberty and happiness.

May we not with propriety express the hope that wholesome world opinion may influence sentiment in Germany so that in time—a short time—the iron grip of racial hatred may be relaxed and the Jews again be permitted to enjoy fair freedom.

Mr. President, I thank the Senate for its consideration.

Mr. METCALF. Mr. President, I am very much interested in what the Senator from Arkansas [Mr. ROBINSON] has just said. I have a few thoughts on this matter and shall take only a few moments of the time of the Senate.

The friendship which exists between nations depends not so much upon the brilliance or sagacity of diplomats and economists as upon the attitude of the people of the nations they represent. Peace and mutual understanding in the world must necessarily come from the people.

There is no nation on earth which can afford to lose the faith or respect of other nations. Granted that peace and progress are dependent upon tolerance and understanding among the peoples of the world, we as a nation can only declare the existence of racial and religious prejudice to be untenable with the international ideal. Aggressive action based upon religious or racial prejudice on the part of any government must necessarily become a matter of world concern.

Such is the case in Germany. Racial and religious persecution has apparently been inflamed by the success of a new nationalistic philosophy. It has grown more out of the fanfare of politics and the propaganda of selfish and misguided leaders than from the native characteristics of the German people. But regardless of the origin of this racial persecution, it has become a disquieting factor to the peace and economic welfare of the whole world.

There are many who condemn the actions of the Government in Germany. This country was founded on a doctrine of religious freedom and sought to establish the principle of the right of men to freely engage in competitive industry. A violation of the doctrine of religious freedom in any part of the world is a blow at the ideal that all Americans have sought to perpetuate. Likewise the interference with the rights of men to engage in industrial or professional competition with their countrymen because of a prejudice against their racial origin must constitute a persecution which will in some measure disrupt world commerce.

As a consequence of these things the United States should view with grave concern the racial persecutions apparent in Germany and should raise its voice in protest. Only with universal tolerance and understanding among all people of the world can civilization hope to establish and perpetuate a universal community of peace and good will.

Mr. COPELAND. Mr. President——

Mr. HATFIELD. I yield to the Senator. Does the Senator wish to address the Senate?

Mr. COPELAND. I wish to speak about 3 minutes, if I may.

Mr. HATFIELD. I yield to the Senator for that purpose.

Mr. COPELAND. I thank the Senator. I really greatly appreciate his professional and senatorial courtesy.

Mr. President, I desire to thank the Senator from Arkansas [Mr. ROBINSON] for his calm, temperate, and wise utterance on this subject, which is uppermost in the minds of many American citizens.

For myself, I have been greatly distressed over the situation. I desire to say a few words regarding it.

I did much of my graduate medical work in Germany. I feel a great debt of gratitude to Germany and to the Germans for what I have personally received from them. I have found them always a kindly, considerate, splendid people. I do not believe for one moment that the excesses and disturbances which have taken place in Germany are the fault of the German people at large. I regard the political regime now in charge of affairs there as largely responsible for what has taken place.

One of the old-time political tricks to consolidate the position that a sovereign has assumed is to start a war and have trouble. In that way he gathers together the forces that are influenced by motives back of that particular war. The followers of the war-like motive forget the sovereign in their enthusiasms over his temporary policy.

One of the things I have been distressed about in connection with this persecution in Germany is what has happened to the scientists of Germany. The Senator from Nebraska [Mr. NORRIS], in his many debates upon Muscle Shoals, has referred time and time again to Dr. Haber, the great German chemist who found the method of extracting nitrogen from the atmosphere. That discovery of Dr. Haber has revolutionized the manufacture of fertilizer throughout the world. We in America are indebted to Dr. Haber for his scientific research and the results of his investigations. German agriculture has benefited beyond words by his achievements. If I am correctly advised, Dr. Haber was thrown out of the university because he belonged to a Jewish family.

Mr. President, science ought not to know any distinctions of race or religion; and society, as I view it, ought not to, either.

We have in my city 2,000,000 Jews. We have three times as many Jews in New York City as there are in Germany. We have found them in New York to be a loyal, devoted, faithful, intelligent, honest portion of our citizenship.

I venture to mention one name—that of Mr. Nathan Straus. In my opinion, Nathan Straus, during his lifetime, did more for the cause of child life than all the doctors and teachers and all the rest of the students of that subject.

In front of the city hall in New York is a statue described by one of our mayors as " a ruffian armed with a club standing on two mermaids "—not a bad description, perhaps, of that particular piece of statuary. This monument is dedicated to civic virtue. If I had my way, I would erect a statue of a man holding aloft a sweet, smiling baby, with his feet upon disease and death; and I would have the face of that man the face of Mr. Nathan Straus. That is my idea of civic virtue.

We have had so many distinguished members of the Jewish race in New York, in all the professions, in the business life, and in the social life of our city, that naturally all of us resent the attacks which have been made upon Jews. We have no conflict with those of German extraction within our gates, nor with the Germans in Germany. Our complaint relates to the failure of those in authority over there to restrain and control the part of the populace responsible for the troubles.

All through this disturbance I have been in touch with our State Department, I desire to compliment the Department upon the wise way in which it has handled a very delicate international situation. I am glad the Senator from

Arkansas [Mr. ROBINSON] has seen fit to enlighten us as he has, and to make the statement that he did. I know that what he has said this morning will put hope and cheer and joy into many, many hearts in the State of New York and throughout our country.

It was because of my earnestness in this particular matter that I desired, in connection with the statements which have been made by the Senator from Arkansas and the Senator from Rhode Island, to say just this word in tribute to the Jewish population of our country.

I thank the Senator from West Virginia for his courtesy.

Mr. WALSH. Mr. President——

Mr. HATFIELD. I yield to the Senator from Massachusetts.

Mr. WALSH. I commend the Senator for his patience in yielding to so many Senators.

Mr. HATFIELD. I am glad to yield.

Mr. WALSH. The Senator from Arkansas [Mr. ROBINSON] has interpreted concisely and eloquently my own sentiments, and, I believe, the sentiments of all Senators, in his plea for the liberation from persecution of the Jewish people of Germany.

It is difficult to understand the spirit of intolerance to which the people of Jewish blood in Germany have been subjected in recent months. What has been happening in Germany is contrary to the liberal and tolerant spirit that has heretofore characterized the German people, and, particularly, Americans of German extraction who are among our most loyal citizens.

Let it be known far and wide that the Jewish people who are the victims of the present wave of intolerance in Germany have the unmistakable support and sympathy of all Americans. The men and women of Jewish faith in America have, with commendable unanimity, been deeply stirred by the startling reports that have come to them from their brethren across the Atlantic, and their plea for freedom is supported by every class and group of our citizens.

There is no need of reiterating the facts that the Senator from Arkansas [Mr. ROBINSON] and others have presented. The record is one of cruelty, shocking to all lovers of racial and religious freedom. Let us hope that the sentiments of sympathy and support, so unanimously entertained here in the Senate and throughout America, and the promulgation of these views through diplomatic channels, will result in the awakening of the present German Government to the necessity and importance of restoring equality of opportunity and political freedom to the Jews of Germany.

Mr. HATFIELD. Mr. President——

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

Mr. HATFIELD. I will yield to the Senator in just a moment, if he will permit me.

Mr. LONG. Very well.

Mr. HATFIELD. I desire to join the distinguished Senator from Arkansas [Mr. ROBINSON], the distinguished Senator from Rhode Island [Mr. METCALF], the distinguished Senator from New York [Mr. COPELAND], and the distinguished Senator from Massachusetts [Mr. WALSH] in paying a tribute to the Jewish people. The Jew has always been a patriot to the land that gave him birth.

Wherever the Jew is found, Mr. President, he is devoted to the people of that country. He quickly adapts himself to the country that gives him food and shelter. Though removed from his Asiatic origin 2,000 years ago, he is a creature old and new. He has one foot on the soil of antiquity and the other rests on the foreground of today. In Asia he is still an Asiatic. In Russia his features are of the Russian. In America he plays a citizen's part, and wherever he is he observes the dietary and religious laws of his forefathers. He quickly adjusts himself to the environment and surroundings of any land. He makes no effort to establish a government of his own, but he is content and abides peacefully and adjusts himself to the government of his birth or adoption.

The Jew has a record in the United States that is enviable. The Jews furnished a greater percentage of soldiers who served in the World War than any other group under the American flag. The Jew, therefore, by his conduct has made himself a most desirable citizen in the United States, and I cannot understand why the same cordial consideration should not be granted to him wherever he may be found. Especially is this true when his blood, his kith and kin, have been the greatest scientific investigators in the Fatherland along the River Rhine, where the great chemical industry developed and became so vital and indispensable to mankind.

I wish to repeat that, of all the lands that should accord him the greatest acclaim, it certainly is the German Republic, and I join whole-heartedly in the sentiment which has been expressed here regarding the treatment which has been accorded the Jews in Germany.

I now yield for a brief time to the Senator from Louisiana.

THE SILVER QUESTION

Mr. LONG. Mr. President, I send to the desk a statement made before the Committee on Foreign Affairs of the House of Representatives concerning the Wheeler bill, by Hon. South Trimble, of the ouse of Representatives, and attached data, which is of such importance that I wish to have it printed in the RECORD.

Mr. CONNALLY. Mr. President, I may have no objection to this being printed in the RECORD, but will not the Senator state just what it is?

Mr. LONG. This is the last day, and it will prevent the making of a long speech.

Mr. McNARY. Mr. President, what is the Senator's request?

The PRESIDING OFFICER (Mr. MCGILL in the chair). The Senator from Louisiana has asked permission to have a document printed in the RECORD.

Mr. LONG. To be frank with the Senator, it would avoid much time being taken up in having the speech read on the floor. It simply deals with statistics relative to the silver question.

Mr. McNARY. Is it the Senator's own statement?

Mr. LONG. I am giving it as mine, to keep it from being otherwise given.

Mr. McNARY. There is no rule that provides for a Senator having his own remarks printed in the RECORD.

Mr. LONG. I am for it; I endorse it.

Mr. McNARY. But there is no rule providing for the extension of remarks in the Senate. They must be delivered.

Mr. LONG. I am asking that this be printed instead of being read.

The PRESIDING OFFICER. It is a statement from the Clerk of the House of Representatives.

Mr. LONG. In other words, it is my speech. I should like to print my speech without making it. Would the Senator rather listen to me, or may it just go in?

Mr. McNARY. I would not prefer either. I want this understanding, that if this is the product of the Senator's own mind, and has never been delivered, it would not be proper to insert it in the RECORD. I want to find out the general nature of the document.

Mr. HATFIELD. Mr. President, if this is going to take any time, I do not care to yield.

Mr. McNARY. Let it go over for just a moment, and I will look at the document.

Mr. LONG. It is not such a very long document.

Mr. McNARY. Let us pass it over for the present.

Mr. LONG. I will ask to put it in the RECORD.

Mr. McNARY. Let it go over for just a moment.

Mr. LONG. Very well.

Mr. CONNALLY. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I have been kindly granted permission by the Senator from West Virginia to take the floor for a moment. I wanted to make a few remarks beyond what I have said, and with the understanding that I do not take the floor away from the Senator from West Virginia, I should like to occupy the floor for only a few minutes.

The PRESIDING OFFICER. Does the Senator from West Virginia yield for that purpose?

Mr. HATFIELD. I yield to the Senator, if I do not lose the floor. I want to be cordial and courteous.

The PRESIDING OFFICER. The Senator from Louisiana.

CONTROL OF PUBLICATIONS BY J. P. MORGAN & CO.

Mr. LONG. Mr. President, I wish to put in the RECORD what has been mailed to me by someone who signs himself "The Committee of the Common People." I do not know who he is. The statement is typewritten. I have not had time to read it all, but it gives in parallel columns what was printed in Collier's Weekly in December 1930 by Mr. Walter Davenport and what was printed in Collier's Weekly in June 1933 by Mr. Walter Davenport regarding me.

I was accorded the courtesy of appearing before the Committee on Banking and Currency on yesterday to examine Mr. Thomas W. Lamont, a partner in J. P. Morgan & Co. Mr. Lamont admitted, under cross-examination by me, that the House of Morgan, through himself, controlled the Crowell Publishing Co., which publishes the American Magazine, Collier's Weekly, the Farm and Fireside, Country Home, the Womans Home Companion, and other publications in this country. He admitted that on the preferred list of J. P. Morgan & Co. was the name of Mr. Martin, a partner of the late Cyrus H. K. Curtis, owning the Saturday Evening Post, the Ladies Home Journal, the New York Evening Post, the Philadelphia Public Ledger, and that through their direct connections, the preferred list, and their stock control, Morgan's House published directly part of them, and had its preferred clients who published these other publications.

It so happened that Mr. Lamont was so ignorant yesterday that he knew absolutely nothing of his own business, and I never knew I would find a partner of the House of Morgan so wholly devoid of familiarity with the business of the House of Morgan. He did not know how it could happen that at this particular time articles written by himself propagandizing for J. P. Morgan & Co. should appear; he did not know why they could not appear at any other time except at a time when needed to try to set up public sentiment during this investigation. He did not know how it could be that following the time of my making my remarks here, by some accident this same Morgan publication got out another article on me and others, and in such speed and with such haste that they had to have a preliminary print made and sent to all the Members of Congress in order that it could get here in time.

I shall ask to have printed in parallel columns this article which has been sent to me, and I want to read some portions of it.

In Collier's Weekly for December 1930 Mr. Walter Davenport said this referring to me:

Filled with the same unconquerable confidence, cleaving to the same directness of purpose and speech, overflowing with an energy which flattens weaker beholders, ruthless as a machine gun, a political bob has overcome enough obstacles and achieved successes enough to make up two or three robust careers.

I have met many men, many politicians, but I have never met one so quick to turn an enemy's thrust against the attacker or to convert a mean situation into a personal triumph.

(Anent the problem of free textbooks for the children of Louisiana.)

Huey met the situation with characteristic simplicity. Huey is one of the earth's perpetual children anyway. All he did was to draw up a bill which provided that every child in Louisiana should be given free schoolbooks. That's all—schoolbooks. It mattered not where that child went to school, just so long as it was enrolled in a school. Free schoolbooks—and God love 'em.

That is the pen of the Morgan syndicate, through Mr. Davenport, before I was on the floor of the Senate undertaking to give some of the statistics relative to this outfit's manipulations.

Now let us hear from them along the same line in this specially prepared article which they shoved in here and have put into the Senate by a special publication, not even a part of their own paper, to be reproduced in their paper, and which has been sold on the stands here more than a week before the time when they were supposed to sell the paper, this week.

Having read this other article, I want to read what has happened since the Morgan hearing started, what was written by the same author, in the same Morgan paper, the same one that described me as one of God's perpetual children, filled with the spirit of the Lord, and in love with the children of the country. Now, let us hear from this same bunch that has come here. I read from Collier's of June 1933 an article by Walter Davenport:

To see him for the first time is something of a shock.

[Laughter.]

You would expect a picture of power, the intensity of a zealot, the burning eye of fanaticism, the uncompromising jaw of the crushing autocrat, the lean asceticism of a prophet, the austerity of a despot.

That is what you would expect, he said.

But nothing like this. He's pudgy. His cheeks are blotched, flabby. His uncertain nose is red, betokening either bad circulation or entirely too much.

[Laughter.]

His face is weak, willful, and there is no discipline in it. But his eyes, soft, protruding robin's eggs, are nevertheless bold; hit-and-run eyes that roll upward as he talks.

Mr. President, remarkable changes have occurred, and I am not going to infringe upon the gracious disposition of my friend from West Virginia too long. Remarkable changes have occurred in my physical make-up and in all my characteristics, in my mind, and in my heart, according to this Morgan journal, in the short time between the time when the same writer wrote me up in the Morgan magazine in the last part of 1930 and when he wrote me up in the first part of 1933. Yet Mr. Lamont says that he cannot understand how such coincidences occur, and he is positive, so far as it concerns his good heart—and of course everyone knows he has a wonderfully good heart, as he has bestowed his blessing so fruitfully and so bountifully upon everybody he could get to receive the gifts thereof where they were in position to give him help and advice and counsel in the operation of the Government—that in his good heart he could not understand how anything like this could occur, and it was a matter of even less than passing notice to the gentleman.

I do not know by whom this document was very kindly sent to me, but I thank whoever sent it. I ask that it be printed in the CONGRESSIONAL RECORD in parallel columns; and if my friend the Senator from West Virginia will pardon me just one more moment it will save me making a speech today, which I do not want to make, and I know the Senator from West Virginia will be happier if he saves the Senate that affliction.

Mr. HATFIELD. I am very glad to yield to my good friend.

The PRESIDING OFFICER. The Senator from Louisiana asks unanimous consent to have a certain article printed in the RECORD. Is there objection?

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

PUTTING THE HOOK IN THE KINGFISH—WHAT COLLIER'S HAD TO SAY BEFORE AND AFTER HUEY PUT THE HOOK IN THE HOUSE OF MORGAN—LET THERE BE LIGHT!

[From Collier's, December 1930]
By Walter Davenport

* * * filled with the same unconquerable confidence, cleaving to the same directness of purpose and speech, overflowing with an energy which flattens weaker beholders, ruthless as a machine gun, a political bob, has overcome enough obstacles and achieved successes enough to make up two or three robust careers.

I have met many men, many politicians, but I have never met one so quick to turn an enemy's thrust against the attacker or to convert a mean situation into a personal triumph.

[Collier's, June 1933]
By Walter Davenport

To see him for the first time is something of a shock. You would expect a picture of power, the intensity of a zealot, the burning eye of fanaticism, the uncompromising jaw of the crushing autocrat, the lean asceticism of a prophet, the austerity of a despot. But nothing like this. He's pudgy. His cheeks are blotched, flabby. His uncertain nose is red, betokening either bad circulation or entirely too much. His face is weak, willful, and there is no discipline in it. But his eyes—soft, protruding robin's eggs—

[From Collier's, December 1930]

(Anent the problem of free textbooks for the children of Louisiana:)

Huey met the situation with characteristic simplicity. Huey is one of the earth's perpetual children, anyway. All he did was to draw up a bill which provided that every child in Louisiana should be given free schoolbooks. That's all—schoolbooks. It mattered not where that child went to school, just so long as it was enrolled in a school. Free schoolbooks—and God love 'em.

His opponents, chagrined that so old a problem should be solved by this irrelevant upstart, appealed to the courts. * * * And Huey himself, admittedly one of the best lawyers in the South, went along arguing to victory after victory until it appeared in the Supreme Court of the United States. There Huey defended his naive legislation with such conviction and enthusiasm that it was not only declared wholly constitutional but Huey was commended by Mr. Justice Brandeis.

Even if he weren't a good lawyer, he'd be a prominent one because of his love for a fight. * * * The truth is that the LONG mind is usually 5 or 6 laps ahead of any political rivals.

(Anent the attempted impeachment of Huey:)

Presently they dropped the whole impeachment, admitting thereby that Huey was boss. Not only that, they adopted his magnificent road program—

His plan is to lay 3,000 miles of concrete roads and 6,000 miles of gravel highways. Somebody discovered that this will cost $99,000,000. * * * Not that Huey pauses. He simply refers you to his new tax on gasoline (he raised it from 2 cents a gallon to 4) and says the solution lies there, because with better roads there will be additional motorists and with more cars to consume gasoline the aggregate taxes will * * *.

There was nothing in Huey's campaign to indicate he was interested in national affairs. Hardly once did he mention a national issue. He won on his good-roads issue and his tremendous appeal for the rural vote. To compensate for the enmity of all the daily papers in the State he started a newspaper of his own—a weekly—the Louisiana Progress. In no time it achieved a circulation of 50,000 and the right to its claim to being the livest and frankest journal in the State.

[Collier's, June 1933]

are nevertheless bold. Hit-and-run eyes that roll upward as he talks.

And then out of the car steps Huey—the Honorable HUEY P. LONG, general manager and business agent of the State of Louisiana, United States Senator, protector of the poor, Hotcha Huey (Tell 'em nothing and make 'em like it), Get-'em-while-they're hot Huey, Let's go-LONG, the hardest-working demagogue in America.

Among the first things they tell you about Huey in Louisiana is that he lacks physical courage, that he sleeps behind a machine gun, and that his slumbers are guarded by such staunch lads as Joe Messina, Wheaton Stillson, Two-Gun Thompson, and Squinch, or Squinch-Eye McGee. There's a boy for you—Squinch. Listen, mister, don't lay no hand on the Senator; just don't lay no hand on no Senator, pal, and you and me will be okay.

There's no handshaking. Not that Huey's above handshaking, but sometimes, particularly these days when hatreds have boiled to the surface and one's enemies are putting everything they have into one roundhouse wallop, Huey is taking no chances.

In his suite at last, Huey makes ready for the affairs of state. It's quite warm, so he sheds his coat and vest, hurling them from him. They are picked up by retainers who either stand there holding them or hang them in the closet. And while Huey is making himself comfortable on the bed, pillows at his back and his hands hooked behind his head, let's look over the assemblage. We'll have time because Huey is delivering himself of a few snappy commands and a brisk summary of the situation in general. Too bad we can't quote him; but, except when delivering himself for the papers, Huey isn't very quotable. To try it on paper is to lose all the salty flavor of the man's tongue.

Presently, when he needs him, Huey will telephone Baton Rouge, and Gov. Oscar K. (Okay) Allen will come galloping in with hat in hand. "Hi-yah, Allen, where the hell have you been?"

In Louisiana, primary elections are actually pulled out of a hat. And statesmen, too. Anybody's hat will do; the make, shape, style, and quality have nothing whatever to do with the result. Your hat will serve, or mine would, were we on the scene at the time and in line for such honors. Of course, the growing but still disorganized minority in New Orleans will have it that it is Huey's hat, but that is only a figure of speech, although where virtually everything worth having belongs to Mr. LONG, why quibble about the ownership of a hat?

One thing before Huey paid his respects to the House of Morgan; something else when Huey took up for the interests of the common people.

It's enough to make a polecat detour.

THE COMMITTEE OF THE COMMON PEOPLE.

BERNARD M. BARUCH

Mr. LONG. Mr. President, I do not rise to make any personal remarks against anybody. As is well known, I have stated my opposition to the views of a very well mentioned Democrat—it is said—and I am sure he is, but he is a different kind of a Democrat from me, Mr. Bernard M. Baruch.

I have in my hand a bound volume of the American Magazine, which is owned by the Crowell Publishing Co. and by the House of Morgan, giving an article by Mr. Baruch in the year 1929. I read from the issue of June 1929, about 2 months or 1 month before the stock crash occurred. I am not going to comment; I am only going to read what Mr. Baruch thought about things just before the stock crash. It is purely a matter of political and economic difference that I wish to show, and whether Mr. Baruch's ideas have been vindicated since he wrote this article, or whether my views are now vindicated since things have happened to more or less give the people an insight.

Mr. Baruch said this in the article:

Hoover understands statistics, and he endeavored to place them before the people so that they would understand.

Mr. Hoover at that time did understand statistics, and he was placing them before the people; and 2 months after Mr. Baruch said how Mr. Hoover was placing them before the people the collapse occurred which we are all lamenting now.

Mr. Baruch said further:

Instead of fighting big corporations, the people now own them and enjoy the fruits of their growth.

Lo and behold, the Morgan investigation has shown that Morgan's partners alone control over 116 of the principal index corporations of the country, and that, so far as the people's having anything to do with them is concerned, they have a great deal more to do with writing the laws of heaven than they do with running the corporations of the United States.

I read further from Mr. Baruch:

Mr. Baruch proposes that of the amount fixed for Germany to pay, part should be represented by an issue of bonds all secured by German railroads and industrials, and to be a first charge against these properties.

Mr. President, they marketed those German bonds as Mr. Baruch recommended, and the German bonds were marketed as Mr. Baruch recommended in June 1929, and everybody who has one of those bonds has lost every dime he put into it, and they are today represented by the tears and the weeds of the widows and orphans and other investors of this country who put their money into them.

Just a mere matter of economic difference of opinion, but I want to show how Mr. Baruch felt about it and how I felt about it and what has happened.

About $2,000,000,000 of these bonds should be marketed—

Said Mr. Baruch—

and the balance of the bonds, six or eight billions, held in escrow by the Allies, to be sold as and when the international markets would absorb them.

And we absorbed, Mr. President, our part of them; and today you cannot use them for wall paper in the United States. It is a mere matter to show who was right and who was wrong in counsel and advice. I counseled against it at that time. I quote again from Mr. Baruch's statement:

But the great effect of the war, aside from its suffering and destruction of wealth, was in jarring dead brain cells into life, throwing people out of ruts, striking down barriers and chains, and giving hundreds of millions of people the right to look forward, to hope, and to have.

* * * * * * *

Only a century ago it was considered inevitable that some portion of the race should be afflicted with famine almost every year. Food rotted on the ground in one country while people were starving only a few hundred miles away.

Then he went on to show why that could never happen in this country; and yet, Mr. President, within less than a few months after announcing this philosophy, and even today, food rots on the ground and people die in the land of plenty and are starving to death in the land of too much.

I will read just another little line showing that I believe my philosophy was better than his.

I thought the Democratic Party was against the concentration of business in the chain-store systems which have

been developed in this country. See how Mr. Baruch felt about it just before the crash came when he was extolling the chain-store system. I quote:

A friend of mine was talking with an Englishman who had recently come from Canada. As they rode along in an automobile, the Englishman pointed to an A. & P. store. "What's that?" he asked.

"Why it is a chain grocery store", my friend responded. "What kind of chain stores do you have in Canada?"

"We do not have any", the Englishman replied. "That is the first one I ever saw."

My friend thought it incredible, but that night he wrote letters to three men in Canada, asking them about chain stores, and from each he received the same reply.

A few months later he opened the first store in a chain which has now spread all over the Dominion. He has made a large fortune, but he might conceivably have made almost as much if he had merely stayed at home and invested in the chain-store systems of this country. Any man who watched the early success of these great systems must have seen that this was the beginning of a new era of distribution, and that every soundly managed enterprise in this field would be profitable.

Yes, Mr. President, every man who watched that chain-store system saw it spread all over the country like a snake and saw it run out all the grocery stores, something that the Democratic Party is condemning and deploring, but its advice not to invest in the chain-store systems proved unavailing, and people who accepted the advice of Mr. Baruch and put money in it are those known as having passed from the poor to the missing.

Now, just one more word, if my friend will permit, and I will be through.

I will not read further from the advice given by Mr. Baruch along that line, suggesting to the investing public how to pick out "big things" in America and invest in them. Where that advice was accepted it has proved to be disastrous.

I simply put this in the RECORD—I make no reflection—to show that the unsound philosophy against which we were warning at the time has been proven by the record to be disastrous and our position has been vindicated, I think, fairly well, and I give the data from Mr. Baruch's interview published in the American Magazine in June 1929. I thank the Senator.

Mr. HATFIELD. Mr. President——

Mr. McNARY. Will the Senator from West Virginia yield for a moment?

Mr. HATFIELD. I yield.

Mr. McNARY. I understand this document is not the preparation of the Senator from Louisiana; it is a statement made by the Honorable South Trimble before the Foreign Affairs Committee in the House of Representatives, and therefore comes within the rule.

Mr. HATFIELD. Does the Senator ask to have it printed?

Mr. LONG. It will be all right to have it printed.

The PRESIDING OFFICER. Without objection, the document will be ordered printed in the RECORD.

The document referred to is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Friday, May 19, 1933.

STATEMENT OF HON. SOUTH TRIMBLE, CLERK HOUSE OF REPRESENTATIVES

Mr. TRIMBLE. Ladies and gentlemen of the committee, before I begin I want to state that I am not a lawyer, I am not a banker, I am not an economist, I am not an expert on finance, I am not a statistician. I have been following agriculture all of my life and I want you to indulge me, in order to make a background for what I will have to say, to make a brief summary of the monetary legislation of the United States since the organization of our Government. It will not take very long.

In 1776, on the 4th day of July, we signed the Declaration of Independence. Within 60 days after that time, on the 2d day of September 1776, we passed our first financial law, the Continental Congress made silver the unit of value at the ratio of 14½ to 1. In 1786 we changed that ratio to 15¼ to 1.

After we had won the Revolution, adopted our Constitution and became an organized Government, we adopted our first financial system, and it will be interesting to note the caliber of the men who adopted that first system. George Washington was President; John Adams was Vice President; Thomas Jefferson was Secretary of State; Alexander Hamilton was Secretary of the Treasury; General Knox, who was one of Washington's aides, was Secretary of War; Edmond Randolph, who led the Virginia delegation in the Constitutional Convention, was Attorney General; and Timothy Pickering, who was one of the outstanding generals in the Revolution, was Postmaster General. Now, they were a pretty good caliber of men.

In the House and Senate were 7 men who signed the Declaration of Independence, 16 men who served in the Continental Congress, 38 men who were members of the Constitutional Convention, and all the others were of the same type and character—men of intelligence, courage, and patriotism.

It will be of interest to note that the money power was not in evidence at the Capital of the Nation at that time as it is today, as they were Tories and Royalists who sneered at Washington, defamed Jefferson, lied on Hancock, denounced Adams, and lent aid and encouragement to the British Red Coats while our forefathers were starving and freezing at Valley Forge and fighting for our liberty.

Now, what did they do? Those men had the history of the financial world before them. They were educated men; they were patriots; they had risked their lives for their country. That Congress asked Alexander Hamilton to submit to them a plan for a monetary system. I want to quote you now from Mr. Hamilton. Mr. Hamilton drafted this measure, then he submitted it to Thomas Jefferson and here is an excerpt from Mr. Jefferson's letter:

(Excerpt of letter from Thomas Jefferson to Alexander Hamilton, January 1791, Hamilton's Works, vol. 4, p. 96:)

"DEAR SIR: I return you the Report on the Mint, which I have read over with a great deal of satisfaction. I concur with you in thinking that the unit must stand on both metals."

And Mr. Hamilton, in his communication relating to our first money system, said:

"To annul the use of either gold or silver as a money is to abridge the quantity of circulating medium and is liable to all the objections which arise from the comparison of the benefits of a full circulation with the evil of a scanty circulation. * * * It seems most advisable not to attach the unit exclusively to either of the metals, because this cannot be done effectually without destroying the office and character of one of them as money and reducing it to the situation of mere merchandise."

Mr. Hamilton wisely concludes that this reduction of either of the metals to mere merchandise—

"* * * would probably be a greater evil than occasional variations in the unit from the fluctuations in the relative value of the metals."

Now, in the first Congress our first monetary system was adopted and made the silver dollar of 371.25 grains the unit of value and provided that gold should be coined at the ratio of 15 to 1. That was the law until 1834, when we changed our ratio from 15 to 1 to 16.002 to 1.

We reduced the content of the gold dollar, pure gold, from 24.75 grains to 23.2 grains. Well, that did not make it exactly nine tenths fine and, in 1837, they added two one-hundredths grains of pure gold, which made it 23.22 grains, and that made it exactly nine tenths fine and made our ratio 15.988 to 1, and that is what it is today. It never was exactly 16 to 1. Now, that was the law until 1873.

In 1867 we had an international conference. We sent a man by the name of Samuel Reynolds to Paris to an international conference. The result of that conference was that he came back with his recommendation to demonetize silver; and Senator John Sherman, who was the archfiend in the demonetization of silver, happened to be in Paris. He was chairman of the Committee on Finance in the Senate, and what I am telling you now is all in the CONGRESSIONAL RECORD. He addressed a letter to this commission assembled in Paris, advocating very enthusiastically the demonetization of silver and making gold the unit of value. In 1868 he introduced a bill to demonetize silver, making silver legal tender only to the extent of $10. That bill was defeated, and in 1870 he introduced another bill along the same line, and that bill was defeated.

Now, in 1871 a man by the name of Kelley—"Pig Iron" Kelley, of Pennsylvania—introduced a bill. This was the beginning of the crime of 1873. The caption of the bill read "A bill to codify and amend the laws relative to the mints, assay offices, and coinage of the United States." It was a bill of 37 pages, 69 sections, and dealt with the mechanics of coinage—where the mint should be established, penalties for counterfeiting, and everything of that kind—and in one section demonetized silver, and I doubt if there is a man on this committee, without he is an expert and has fully digested the matter, who can take that law now and point out and tell where it demonetized silver. I have the law right here [exhibiting], and I would like for some of these economists who come up here to point out to me where that law demonetized silver; yet it demonetized silver.

Now, Mr. Kelley was the Chairman of the Committee on Coinage Weights, and Measures in the House; he was also a member of the Ways and Means Committee. We were off of specie payments at that time. There was not any gold or silver in circulation. We had been off of specie payments for 12 years. I do not think there has ever been a bill of national importance in which the Congress took less interest. Mr. Kelley designated a man by the name of Mr. Hooper, the ranking member on his committee, to take charge of this bill as he was busy on the Ways and Means Committee, and Mr. Hooper made the report of this committee when he filed the bill, and this is an excerpt from the statement of Mr. Hooper, of Massachusetts, on Resolution No. 1427, revising and amending the laws relative to the mints, assay offices, and coinage of the United States. Mr. Hooper was the vice chairman of the Committee on Coinage, Weights, and Measures and had charge of the bill. Now, here is a quotation from his report:

"The bill under consideration is believed to contain all that is valuable in existing laws, with such new provisions as appear necessary to those best acquainted with the subject for the efficiency and economy of the public service in the important department to which it relates. The bill was prepared 2 years ago and has been submitted to careful and deliberate examination. It has the approval of nearly all the mint experts of the country and the sanction of the Secretary of the Treasury * * *."

Now, I want you to pay strict attention to this last paragraph:

"* * * Mr. Ernest Seyd, of London, a distinguished writer, who has given great attention to the subject of mints and coinage, after examining the first draft of the bill, furnished many valuable suggestions which have been incorporated in this bill."

Now, Mr. Ernest Seyd! You have heard of the affidavit that an Englishman came over here with $500,000 of money to corrupt Congress, and the affiant said that Mr. Ernest Seyd admitted to him that he was the man who came over here with this money and corrupted Congress, all of which is a myth, and I want to prove it to you.

Mr. FISH. Those were the good old days.

Mr. TRIMBLE. Yes. Now, there was no lobby in this country on that bill. Now, when money is spent, perhaps it is spent in Congress here sometimes. I have been a Member of Congress and I have been connected with Congress for 30 years, and I have never seen more than two or three corrupt men in Congress since I have been here, and we all know who they were. As I say, there was no lobby on this bill nor was there any controversy about it. There was no political platform, bankers' organization, commercial organization, nor individual that asked for its passage. There were no newspaper references in regard to it.

Now, further in regard to this Seyd matter: Mr. Hooper wrote to the president of the Bank of England, and sent a copy of this bill to the president of the Bank of England and requested him to transmit it to Ernest Seyd, who was the outstanding man of his day on coinage and monetary systems; and he asked the Bank of England to transmit it because he did not know whether Mr. Seyd would know him, but he knew he would take cognizance of any request of the Bank of England. So that 20 years after that Senator Hoar, of Massachusetts, gets hold of Mr. Seyd's answer to Mr. Hooper's letter, and he puts the entire letter in the CONGRESSIONAL RECORD, and this is an excerpt from the CONGRESSIONAL RECORD in the Fifty-third Congress:

"Senator HOAR of Massachusetts. Mr. President, if the routine morning business is over, I understand the Senator from Indiana [Mr. Voorhees] is about to proceed; but I have his leave to ask the Senate to have printed in the RECORD a letter from Mr. Ernest Seyd, an Englishman, a celebrated writer on political economy, to Samuel Hooper, formerly a Member of Congress from Massachusetts and Chairman of the Committee on Banking and Currency in that body.

"The letter is dated London, the 17th of February, 1872. It begins by saying that Mr. Hooper has forwarded to Mr. Alfred Latham, who I think was a governor of the Bank of England, a copy of the coinage bill proposed for the United States, and requested to have it sent to Mr. Seyd for his criticism. The writer of the letter discusses, as a master of the subject, various practical questions, among them the question of the proper size of gold pieces, their value and denomination, questions relating to mintage, the question of mint charge, the question whether the coin should be milled or should be surrounded by a rim cast separately, all of which are very instructive.

"But Mr. Seyd goes on to say that the fifteenth section of the bill is the part which after all is of the greatest importance. He says it is a matter of gigantic importance; that it is the great question of the century. He avows himself earnestly in favor of the free coinage of silver at the ratio of 14 to 1, a little less than the rate then existing in the United States, if I am not mistaken. * * *"

Now, this is the man Mr. Hooper says he incorporated all of his suggestions in this bill. Senator Hoar continues:

"* * * He implores Mr. Hooper to reconsider the subject, and says the great fault of Mr. Hooper's bill is that it abolishes the coinage of the silver dollar with the full legal-tender quality; and he says that America being a producer of both metals, is the Nation upon whom the world must depend to resist the enormous danger which menaces mankind by the threat of adopting a single gold standard. He says that although many of the English writers whom he names have recently, he thinks, come around to his own views.

"No advocate of the doctrine of bimetallism, if that doctrine means the coinage of both metals on an equality freely at the old rate, could express more earnestly, more powerfully, more persuasively the importance of that doctrine to the interest of mankind. * * *"

"I ask that the letter be printed in the RECORD as part of my remarks. I suppose the Senate would not wish to have me read it in full at this moment. It covers 28 or 30 foolscap pages. I also ask that it be printed as a document."

Now there was the man who had charge of this bill, who gets up that report. You gentlemen know how legislation is passed through Congress. Nobody had any interest in the bill; nobody knew that it affected the coinage of the silver dollar; they thought it just affected the machinery of mintage and so forth and so on, and they just took his word for it.

Now nobody paid any attention to Mr. Hooper's reference to Mr. Seyd at that time; but, after this affidavit came out saying Mr. Seyd had come over here and corrupted Congress, then the letter was placed in the CONGRESSIONAL RECORD by Senator Hoar, 20 years afterward. Now I want to show you——

Mr. FISH. What happened to it in the Senate? Did not they know what was in the bill when it got to the Senate?

Mr. TRIMBLE. I am coming to that. Now here is Mr. Kelley. Mr. Kelley, of Pennsylvania, was Chairman of the Committee on Coinage, Weights, and Measures, which considered and reported the bill to the House, and he made the following statement, Saturday, March 9, 1878; page 605, column 7, part 2. The American people did not know that silver was demonetized until we were about to resume specie payment in 1879. The bill was just filed away in a pigeonhole, a dead bill. Then they found out that our bonds that were held by the bankers of this country and Europe, mostly in Europe, that were payable in coin, were payable in gold, because silver had been demonetized and was no longer coin. Here is what Mr. Kelley says, who was accused of being a party to this conspiracy. I am quoting Mr. Kelley now:

"In connection with the charge that I advocated the bill which demonetized the standard dollar I say that, though Chairman of the Committee on Coinage, I was as ignorant of the fact that it would demonetize the silver dollar or of its dropping the silver dollar from our system of coins as were those distinguished Senators Messrs. Blaine and Voorhees, who were then Members of the House, and each of whom a few days since interrogated the other, 'Did you know it was dropped when the bill passed?' 'No', said Mr. Blaine; 'did you?' 'No', said Mr. Voorhees. 'I do not think there were three Members in the House that knew it.' I doubt whether Mr. Hooper, who in my absence from the Committee on Coinage in attendance on the Committee on Ways and Means managed the bill knew it. I say this in justice to him. I now ask the Clerk to read two paragraphs from the Globe of May 27, 1872, from which it will be seen that Mr. Hooper gave an assurance to the House that the bill made no change in our coinage."

Now, Mr. Hooper reported the bill in the House. He was chairman of the committee, and they asked him the question, "Does this mean so and so", and he gave the answer.

Mr. MARTIN of Colorado. The Globe was the CONGRESSIONAL RECORD?

Mr. TRIMBLE. Yes. Now, this is Mr. Holman speaking:

"Mr. HOLMAN. Before the question is taken up on suspending the rules and passing the bill, I hope the gentleman from Massachusetts will explain the leading changes made by this bill in the existing law, especially in reference to the coinage. It would seem that all the small coinage of the country is intended to be recoined."

Mr. Hooper, of Massachusetts, responds:

"This bill makes no changes in the existing law in that regard. It does not require the recoinage of the small coins. On the contrary, I understand that the Secretary of the Treasury proposes to issue an order to stop the coinage of all the minor coins, as there is now a great abundance of them in the country," and so on and so forth.

Now, this Mr. Hooper deliberately lied to the House. Mr. Hooper deliberately lied to the House when he said he incorporated in this coinage bill everything that Ernest Seyd recommended. He deceived the House.

Now, I want to read you again from Mr. Kelley, 5 years afterward, from the CONGRESSIONAL RECORD, volume 9, part 1, Forty-sixth Congress, first session, page 1231:

"All I can say is that the Committee on Coinage, Weights, and Measures who reported the original bill, were faithful and able, and scanned its provisions closely; that as their organ I reported it; that it contained provision for both the standard silver dollar and the trade dollar. Never having heard until a long time after its enactment into law of the substitution in the Senate of the section which dropped the standard dollar, I profess to know nothing of its history; but I am prepared to say that in all of the legislation in this country there is no mystery equal to the demonetization of the standard silver dollar of the United States. I have never found a man who could tell just how it came about or why."

That is the chairman of the committee speaking. Now, I just want to impress you gentlemen with the fact that this bill was primarily put through Congress for a purpose; that the demonetization of silver will be the reverse of that specific purpose.

Mr. FISH. Now, are you going on to explain what was the purpose and what was behind it?

Mr. TRIMBLE. I will do it, but I want to impress on you that it was primarily put through Congress for a specific purpose and by fraud. I quote from Senator Howe, from the CONGRESSIONAL RECORD, volume 7, part 1, Forty-fifth Congress, second session, page 764:

"Mr. President, I do not regard the demonetization of silver as an attempt to wrench from the people more than they agreed to pay. That is not the crime of which I accuse the act of 1873. I charge it with guilt compared with which the robbery of two hundred millions is venial."

Now, Hon. John G. Carlisle, of Kentucky, was elected seven times as a Member of Congress from Kentucky, serving from 1877 to May 26, 1890, and I want to hold up Mr. Carlisle as an example of the influence of the money power over big men. He was not corrupted. John G. Carlisle was one of the greatest intellects, if not the greatest intellect, that Kentucky ever sent to Congress. Henry Watterson, who was editor of the Courier Journal, Louisville, Ky., said, "In point of intellect, he compares with Calhoun,

Webster, and great minds of those days." Now, here is what Mr. Carlisle said in a speech on February 21, 1878, page 43 of the CONGRESSIONAL RECORD, Forty-fifth Congress, second session, when Mr. Carlisle was a Member of Congress at the time this bill came up for discussion:

"According to my view of the subject, the conspiracy"—he calls it a conspiracy—"which seems to have been formed here and in Europe to destroy by legislation and otherwise from three sevenths to one half of the metallic money of the world is the most gigantic crime of this or any other age.

"The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the history of the world."

That is his prophesy. It is fulfilled today. Now, what happened? John G. Carlisle was elected after that three times as Speaker of the House of Representatives. Mr. Beck died, the Senator from Kentucky, and he succeeded Mr. Beck in the Senate. Grover Cleveland, when he was elected the second time, drafted him from the Senate and made him Secretary of the Treasury, and he turned to a single gold-standard man. He sold his birthright for a mess of porridge—he did not have the courage of his convictions.

Mr. FISH. Now, is it fair to make that statement? Has not a man the right to change his views, without being accused of evil influence?

Mr. TRIMBLE. He did not have the courage of his convictions. He did not do it corruptly; he did not care anything more about a dollar than a hog does about a holiday. He was not a corrupt man. It was social bribery, flattery, fawning. These big fellows do not get you through direct bribery but through benign and subtle influences.

Mr. FISH. I do not like to inject, as I know nothing of the situation, but conditions might have changed him, just as conditions have changed the minds of many people in this country today.

Mr. TRIMBLE. Oh, no; the conditions were worse then.

Mr. FISH. That is the trouble. I can tell you of members of this committee who would not even have sat in this room to hear this silver question discussed 6 months ago.

Mr. TRIMBLE. All right. Carlisle served until Grover Cleveland went out, and when he went out why he was a discredited, broken-hearted man. He realized what he had done; he realized he had surrendered his convictions of a lifetime.

Mr. FISH. That shows unmistakably that in public life he was an honest man.

Mr. TRIMBLE. Yes; he was an honest man, but it shows how the money power gets honest men—not corruptly.

Mr. FISH. He took no money from the money power?

Mr. TRIMBLE. No. I do not think he ever got a dollar. Now, they deserted him. Some they do not desert. I have seen some of the public men here who never made a salary of $5,000 a year, and they would go out and get $125,000 salary after they went out of office. That is the way they get them. They do not influence by direct offers of money; they do not influence a man that way.

Now, there is not any use for me to go over all of this record, but I want to ask somebody to point out why they demonetized silver. Now, from 1792, when we adopted the silver dollar as the unit of value, until 1873 there never was a minute that it did not pay 100 cents in debts, and from 1834 to 1873 there never was a minute, night or day, that it was not at a premium over the gold dollar. Now, I want to ask somebody to tell me who asked for the demonetization of silver; I want somebody to tell me that.

Mr. FISH. I think the answer is very clear. If the Congress did not want it, they could have changed it back at any time.

Mr. TRIMBLE. All right, but the Congress did not know it. And I will tell you what I will do with you—I will give you the law as it is on the statute books now, and I will give you a new hat if you will point out to me in that law where it demonetized silver.

Mr. FISH. I do not mean at that time, but I mean later on, in 1890, 1891, and 1892, when the silver bill was up in Congress here.

Mr. TRIMBLE. Yes; but when they passed it——

Mr. FISH. I can say to you that I have a father-in-law who is still living, and he was a Democratic Member of the House from Brooklyn, and he resigned because as a Democrat he would not vote for the silver bill.

Mr. TRIMBLE. In 1891 the Senate passed a free and unlimited coinage bill.

Mr. FISH. Well, that was discussed for 20 years afterward, and if they wanted to change it; they could have changed it.

Mr. TRIMBLE. All right. All I want to know now is why was silver demonetized. I would like for somebody to answer that question. I have asked them, and I had a little argument with the economists, and I found out by personal contact that the bankers and the business men of this country are absolutely ignorant of the philosophy and science of money. During this argument on the Reconstruction Finance Corporation report, when it was up to the Clerk of the House to make it public, I was visited by not less than 100 of the big bankers and big business men and insurance men from all over the country. They would come to me and say, "You should not make this public", and I would say, "I do not know what I should do about it, but I intend to do what I think is right about it", but I never let them get away without saying, "What is the matter with the depression; why have not you great minds stopped this depression?" I said, "Mr. Hoover has sent for all of the financial minds of the country, all of the heads of the insurance companies, and the heads of the big industrial companies, and they would tell us that prosperity is right around the corner", and I would say, "The people have gone dizzy running around corners looking for this prosperity. Why have not you great minds stopped this depression?" And the answer would be this, "Well, we have done all we can do, and that is all angels can do." I said, "No; you have not been doing all you can do; you have been doing all you think you can do. You have been looking through the rose-tinted glasses of Wall Street, and you have not diagnosed the case rightly. You think the patient has the stomach ache when it has got appendicitis [laughter] and if you do not take the appendix out, gangrene will set in and the patient will die." "What is the matter; what is the appendix?" I would say, "Your single gold standard." Then they would say, "You are a Bryan man; you are a silver man?" "Yes. What is your objection to the remonetization of silver?"

Mr. FISH. May I just venture one remark right here: Was not the greatest prosperity of this country between 1896 and about 1914?

Mr. TRIMBLE. We have had prosperity—why? I will tell you why.

The money question was the paramount issue in the 1896 Presidential campaign due to the fact that it came after a long period of depression and scarcity of money. Immediately after the defeat of Mr. Bryan, who advocated the remonetization of silver to restore our depleted volume of basic money, the great gold discovery of the Klondike and only a few years later the opening of the enormous South African gold mines operated to bring about this desired result throughout the world. Only within very recent years has the increase in population and the constant decrease in the world's production of gold brought about conditions regarding our scarcity of basic money similar to those which culminated in the memorable campaign of 1896. The enormous increase in the volume of basic money in the world as result of these timely discoveries and the approximately three decades of comparative prosperity immediately following them would seem to confirm the correctness of the quantitative theory of money. This depression is not providential, is it; the Lord is not responsible for it, is he? He has filled the land with milk and honey.

Mr. FISH. You have already told us that; no one has taken exception to that.

Mr. TRIMBLE. All right. It is man made. Now, who made it; who has been controlling the finances of this country for 60 years?

The international bankers, through their subsidiaries, the little bankers' organizations, chambers of commerce, who have been made unwittingly the cat's-paw of the American Bankers Association. There has not been a depression in this country since silver was demonetized in 1873 that has not been systematically brought about by the money powers. They have taught the people through propaganda to believe that depressions come in cycles about every 10 years or so. They do come in cycles, but they are man-made depressions.

They have been very conservative in their manipulations of the inflations and deflations of credits until 1929. If they had stopped the orgy of speculation, which they could have done, 2 years before the great crash, the old standard machine would still be grinding out millionaires and mendicants, plutocrats and paupers.

Read Mr. Bryan's speeches in the 1896 campaign in which he predicts just what is happening in the world today.

In this last one the pitcher went to the well once too often. Drunk with power they went to the sky, and, when they started down, the brakes would not work, and here we are flat on our backs, the world bankrupt, and all of the people in the country impoverished.

It does not make any difference if you do not have any gold or silver, if they can control commercial credits of the country and the banks of the country, they can make good times and bad times. The gold standard means scarce money; scarce money means dear money; dear money means cheap property, cheap labor, low commodity prices; it means strikes, riots, hunger, wrecks, and wretchedness. That brings destitution, and destitution brings desperation, and that brings crime—just what we have right here in our country today.

Now, I want you to ask me any questions.

We were talking about ratios. Why, there is not but one equitable and just way to fix the ratio, and that is a ratio based on production. The meaning of bimetallism is a fixed value for both metals equal in dollars and cents. We have three ratios—the production ratio, the mintage ratio, and the commercial ratio. Now, if there is 15 pounds of silver that comes out of the ground to 1 pound of gold, then the only just and equitable ratio is 15 to 1.

Mr. FISH. Now, you said a little while ago you were going to take up that question of the motive and explain the motive of taking us off of silver, the demonetization of silver.

Mr. TRIMBLE. During the Civil War we issued about 2,800,000,000 of bonds and notes—not payable in coin, not payable in gold, but payable in money of the United States. They were bought mostly with depreciated paper money, bought by the European banks, by England, mostly, because she was the great creditor nation of the earth.

Of all these bonds, not a single one of them was made payable in coin. The interest on about half of these bonds was made payable in coin; the rest of them were just made payable like you would give a note to a bank; they did not even say "legal-tender money", but said "promise to pay of the United States." Now, in

1869 we passed what is known as "the credit-strengthening act", which made all obligations of the Government payable in coin, gold and silver. Then in 1873 we demonetized silver and that made all obligations of the Government payable in gold, which doubled and quadrupled the purchasing power of the bonds held mostly by European bankers. That is the reason that it was done.

Mr. BAKEWELL. If silver was higher than gold at that time, how could that have been the effect?

Mr. TRIMBLE. What is that?

Mr. BAKEWELL. If silver was actually worth more than gold at that time, how could that have been the effect?

Mr. TRIMBLE. What do you mean?

Mr BAKEWELL. I thought you said silver was at a premium over gold.

Mr. TRIMBLE. It was.

Mr. BAKEWELL. Then how could it have had that effect?

Mr. TRIMBLE. Why, it destroyed half the basic money of the United States to pay these bonds off with and that inflated the purchasing power of the other half automatically at least 100 percent.

Mr. BAKEWELL. But it is all the same value.

Mr. TRIMBLE. I want to know why it was demonetized.

Mr. BAKEWELL. Why it was what?

Mr. TRIMBLE. Why we destroyed half of the basic money of the country.

Mr. FORD. They took the money value out of silver and put it all in gold.

Mr. TRIMBLE. The volume of basic money dominates the purchasing power of the unit of value, which in this country is the dollar; this is the quantitative theory of money and is accepted by practically all noted economists. Now, we will say we have 12 billion, in round numbers, of available gold dollars in the world, each of which contains 25.8 grains of standard gold. Suppose we put 6 billions of that on a ship and start it across the ocean, and it goes down to the bottom of the ocean, so we have 6 billions of gold dollars left; don't you think gold would go up and all forms of commodities, labor, and property go down? Then, if you put half of that, or 3 billion of gold, on another ship and start it across the ocean and it goes down, and you continue the reducing operation until there is only one gold dollar left in the world and we are strictly on a gold standard redemption basis, that gold dollar would have to pay the debts of the world.

Mr. FISH. I do not come from Kentucky, but I am a great admirer of John G. Carlisle, and, of course, I do not want it to go unanswered that Carlisle was influenced by Wall Street or the money power. Is it not a fact that Carlisle was influenced by that great courageous Democratic President of the United States, Grover Cleveland?

Mr. TRIMBLE. Who was owned, body and soul, by the money power of New York.

Mr. FISH. Oh, I deny that.

Mr. TRIMBLE. All right; I will prove it to you.

Mr. FISH. Now, Mr. Chairman——

Mr. TRIMBLE. Let me tell you; let me prove it to you.

Mr. FISH. All right. [Laughter.]

Mr. TRIMBLE. They own them, all right; they get them all by subtle influences. I do not say he is corrupt. We are creatures of our environment, you know, but I want to show you just something about Mr. Grover Cleveland.

The CHAIRMAN (Mr. MCREYNOLDS). It is now noon and the committee will have to adjourn.

Mr. TRIMBLE. Wait a minute; I want to get through with him on this. [Laughter.] Now, the money power in this country—and it is here and it has no politics—works night and day. They hire the big lawyers; they come in the Democratic Party and they come in the Republican Party and succeed in placing their leaders under obligations to them. Now, in 1884 Grover Cleveland was elected President of the United States. He beat James G. Blaine. This was the plank he was elected on:

"We believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss."

He had not gotten the seat warm before he sent a special message to Congress to stop the purchase of silver—the last vestige of right silver had.

Now, in 1888, the Democrats did not have nerve enough to put a financial plank in the platform, and here is the Republican plank:

"The Republican Party is in favor of the use of both gold and silver as money, and condemns the policy of the Democratic administration in its efforts to demonetize silver."

In 1889 and 1890 another great depression was on the country. As a natural result the remonetization of silver loomed as a panacea for our ills and to that end the bill was introduced in the Senate December 18, 1890, for the remonetization of silver. It was passed by the Senate January 14, 1891, by a vote of 39 to 27; referred to the House Committee on Coinage, Weights, and Measures; reported back adversely and postponed indefinitely. In the meantime, Senator Sherman, the representative of the international bankers, offered a bill which became a law, repealing the Bland-Allison bill and providing for the purchase of 4,500,000 ounces of silver a month as a sop to placate the advocates of remonetization. An international conference was also provided for and held with the usual result. However, the American people fell for it as they are falling for it today. If we have ever gotten anything by an international agreement with European countries, it is not recorded in history.

The money question is purely a domestic one and the cornerstone of the foundation upon which every government rests. Each country has the right to specify what shall be its money and to regulate the value thereof within its own jurisdiction. There never has been nor will there ever be an international money.

We have never yet been able to build a gold eagle that didn't lose its tail feathers and simply become a commodity like pork and potatoes the moment it crossed our frontiers—worth so much a pound in the country to which it was carried. We are not interested in France; we are not interested in Germany or any other foreign country. We want a monetary system that will enable the people of this country to pay their debts, which has got to be done, and to let the rest of the world take care of itself. And it is fundamental that you have got to start the farmers of this country before you start the factories of this country. Now, here is the next platform that Mr. Cleveland was elected on:

"We denounce the Republican legislation known as the 'Sherman Act of 1890' as a cowardly makeshift." For what? For the remonetization of silver.

"* * * fraught with possibilities of danger in the future which should make all of its supporters, as well as its author, anxious for its speedy repeal. We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discriminating against either metal or charge for mintage; but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value * * *."

That is the free-coinage platform that Grover Cleveland was elected on, and he was not in his seat 24 hours when he sent a special message to Congress to stop the purchase of silver under the Sherman Act. Who did he belong to but the international bankers? Why, they have had the Democratic and Republican Parties gnawing on this old tariff bone. They do not care about the tariff; they do not care about prohibition; they do not care about a big navy, because they have the monetary system, the blood of commerce, and they will in time get nearly all of the money of the world. They have today. Where is there a man worth $200,000,000 who earned it by the sweat of his brow, and there are thousands of men worth millions, and millions of paupers. The same machinery that grinds out the millionaire grinds out the pauper. You cannot make one without you make the other.

Now, ask me some questions on this. [Laughter.]

Mr. BLOOM. Mr. Chairman, it is half past 12 o'clock, and I move that we adjourn until next Tuesday morning so as to allow the Members to ask any questions of Mr. Trimble, and to let Mr. Trimble finish his statement and, maybe, hear other statements. [Prolonged applause.]

(The committee thereupon adjourned until Tuesday, May 23, 1933, at 10 o'clock a.m.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Tuesday, May 23, 1933.

The committee met at 10 o'clock a.m., Hon. SOL BLOOM presiding.

Mr. BLOOM. The committee will please come to order. Mr. Trimble, you may proceed with your statement.

STATEMENT OF HON. SOUTH TRIMBLE, OF KENTUCKY—continued

Mr. TRIMBLE. Mr. Chairman, last week when I was before the committee the chairman of the committee notified me that I would have but 15 minutes. I thought that was all the time I would have at my disposal, and therefore I had to make just a desultory statement.

I want to complete my statement, as long as there is a record being made, by reading into the record more of the criticisms of the demonetization of silver.

I do not think any man here, any member of this committee who was here last week and heard my statement, and who is open minded, who would not have come to the conclusion that the American Congress did not know what they were voting for when they were voting for that bill.

Mr. BLOOM. What bill are you referring to?

Mr. TRIMBLE. This bill that demonetized silver. I want to quote a few more prominent men on this proposition. My quotations come from long speeches that were made advocating the remonetization of silver, in 1878, and the excerpts from those speeches that I will read refer to the references that were made to the demonetization in 1873.

I am going to quote first from Senator Allen G. Thurman, of Ohio, who served one term in the Lower House of Congress and was twice elected to the United States Senate.

He said:

"I cannot say what took place in the House, but know when the bill was pending in the Senate we thought it was simply a bill to reform the mint, regulate coinage, and fix up one thing and another, and there is not a single man in the Senate, I think, unless a member of the committee from which the bill came, who had the slightest idea that it was even a squint toward demonetization."

Hon John Morgan Bright, of Tennessee, who was elected five times to the United States House of Representatives, said:

"It passed by fraud in the House, never having been printed in advance, being a substitute for the printed bill; never having been read at the Clerk's desk, the reading having been dispensed with by an impression that the bill made no material alteration in the coinage laws; it was passed without discussion, debate being cut off by operation of the previous question. It was passed, to my certain information, under such circumstances

that the fraud escaped the attention of some of the most watchful as well as the ablest statesmen in Congress at that time."

Mr. MARTIN of Colorado. I suppose you have read Prof. J. Lawrence Laughlin's books?

Mr. TRIMBLE. No; I have not read them.

Mr. MARTIN of Colorado. On the debates in Congress, undertaking to show that they did know what they were doing.

Mr. TRIMBLE. That is why I want to put this in the record. I want to go on and make this record, and when I am through, I will be glad to have the members of the committee ask me any questions they like, and I will attempt to answer them if I can. If I cannot, I will be frank enough to say that I do not know anything about the proposition.

Mr. BLOOM. In other words, you prefer not to be interrupted in your preliminary statement.

Mr. TRIMBLE. Not until I make this record. Here is what Hon. Joseph G. Cannon—"Uncle Joe"—of Illinois, one of the last survivors of the old times, said:

"This legislation was had in the Forty-second Congress, February 12, 1873, by a bill to regulate the mints of the United States, and practically abolished silver as money by failing to provide for the coinage of the silver dollar. It was not discussed, as shown by the RECORD, and neither Member of Congress nor the people understood the scope of the legislation."

Here is what General Garfield, afterward President, said:

"Perhaps I ought to be ashamed to say so, but it is the truth to say that I, at that time being Chairman of the Committee on Appropriations and having my hands overfull during all that time with work, I never read the bill. I took it upon the faith of a prominent Democrat and a prominent Republican, and I do not know that I voted at all. There was no call of the yeas and nays, and nobody opposed that bill that I know of. It was put through as dozens of bills are, as my friend and I know, in Congress, on the faith of the report of the chairman of the committee; therefore I tell you, because it is the truth, that I have no knowledge about it."

That is a very important statement of a man of Garfield's prominence. Here was a bill to destroy one half of the metallic money of the United States. In that Congress were men from the silver-producing States, and if they had thought that this bill demonetized silver they would have raised their voices. But they did not know it.

Here is what was said by Senator William Boyd Allison, of Iowa, elected four times to the United States House of Representatives and six times to the United States Senate, who served longer in Congress than any other man on record:

"But when the secret history of this bill of 1873 comes to be told, it will disclose the fact that the House of Representatives intended to coin both gold and silver, and intended to place both metals upon the French relation instead of on our own, which was the true scientific position with reference to this subject in 1873, but that the bill afterward was "doctored", if I may use that term, and I use it in no offensive sense, of course.

"I said I used the word in no offensive sense. It was changed after discussion, and the dollar of 420 grains was substituted for it."

Hon. James G. Blaine, of Maine, who was elected six times to the United States House of Representatives and was Speaker of that body in the Forty-first, Forty-second, and Forty-third Congresses; who was Republican candidate for President in 1884 and was defeated by Grover Cleveland, and subsequently elected to the Senate, engaged in the following colloquy with Mr. Voorhees, of Indiana, in the Senate:

"Mr. VOORHEES of Indiana. I want to ask my friend from Maine, whom I am glad to designate in that way, whether I may call him as one more witness to the fact that it was not generally known whether silver was demonetized?"

Blaine was Speaker of the House of Representatives when this bill was passed.

"Did he know, as Speaker of the House, presiding at that time, that the silver dollar was demonetized in the bill to which he alludes?

"Mr. BLAINE. I did not know anything that was in the bill at all. As I have before said, little was known or cared on the subject. * * * And now I should like to exchange questions with the Senator from Indiana, who was then on the floor and whose business it was, far more than mine, to know, because by the designation of the House I was to put questions; the Senator from Indiana, then on the floor of the House, with his power as a debater, was to unfold them to the House. Did he know?

"Mr. VOORHEES. I very frankly say that I did not."

Senator James Beck, of Kentucky, who was elected four times to the United States House of Representatives and then elected three times to the United States Senate, said:

"It (the bill demonetizing silver) never was understood by either House of Congress. I say that with full knowledge of the facts. No newspaper reporter—and they are the most vigilant men I ever saw in obtaining information—discovered that it had been done."

I have searched the files of the newspapers at that time and no mention was ever made of it before or after the demonetization.

Hon. William Steele Holman, of Indiana, elected 16 times to the United States House of Representatives and was known as the "watchdog of the Treasury" (CONGRESSIONAL RECORD, vol. 4, pt. 6, 44th Cong., 1st sess., Appendix, pp. 192–193):

"I have before me the records of the proceedings of this House on the passage of that measure, a record which no man can read without being convinced that the measure and the method of its passage through this House was a 'colossal swindle.' I assert that the measure never had the sanction of this House, and it does not possess the moral force of law."

(August 5, 1876:)

"The original bill was simply a bill to organize a bureau of mines and coinage. The bill which finally passed the House and which ultimately became a law was certainly not read in this House."

* * * * * * *

"It was never considered before the House as it was passed; up to the time the bill came before this House for final passage the measure had simply been one to establish a bureau of mines—I believe I use the term correctly now. It came from the Committee on Coinage, Weights, and Measures. The substitute which finally became a law was never read, and is subject to the charge made against it by the gentleman from Missouri [Mr. Bland] that it was passed by the House without knowledge of its provisions, especially upon that of coinage.

"I myself asked the question of Mr. Hooper, who stood near where I am now standing, whether it changed the law in regard to coinage. And the answer of Mr. Hooper certainly was not affected by that bill." (CONGRESSIONAL RECORD, vol. 4, pt. 6, 44th Cong., 1st sess., p. 5237).

Mr. FISH. Let us assume that everything you say is correct—and no one apparently denies that the demonetization bill was slipped through in 1873. For 20 years the silver question, up to 1896, was before the Senate and House continuously.

Mr. TRIMBLE. All right. Let me go along.

Mr. FISH. I want to ask one question. Let us admit that everything you say is correct, and I may say that I am willing to say that it is correct. But if it was, and they found this out as you are explaining now, all they had to do was to change it, if they had wanted to do so.

Mr. TRIMBLE. They could not do it.

Mr. FISH. Why not?

Mr. TRIMBLE. In 1878 the House passed a bill that remonetized silver at the ratio of 16 to 1. It went to the Senate and Senator John Sherman, who was behind the demonetization, who was the chairman of the Finance Committee, stopped it. The money power controlled them.

In 1892 or 1894 the Senate passed a free and unlimited coinage bill; it came to the House, and it was stopped in the House.

Mr. FISH. The House had a Democratic majority at that time.

Mr. TRIMBLE. I do not care what the majority was; what I am trying to impress upon you gentlemen is that the money power is awake night and day. They are looking after their interests while the people are asleep.

Mr. FISH. Do you mean to say that the money power controlled the Congress of the United States?

Mr. TRIMBLE. Both parties, on the money question. Senator Frank Hereford, of West Virginia, who was three times elected to the House of Representatives and then to the United States Senate, said:

"So that I say that beyond the possibility of a doubt—and there is no disputing it—that bill which demonetized silver, as it passed, never was read, never was discussed, and that the chairman of the committee who reported it, who offered the substitute, said to Mr. Holman, when inquired of, that it did not affect coinage in any way whatever."

I have some more quotations here, Mr. Chairman, but there is no use going on with them.

Mr. FISH says he was convinced it was put through by fraud, and that he will admit that.

I want to read into the record what some of the prominent members of the Republican Party had to say. I have already read some of what Mr. Carlisle said. This is what President McKinley, then a Member of the House, said, and he is criticising the Cleveland Administration, in 1891. He said:

"During all these years at the head of the Government he (Cleveland) was dishonoring one of our precious metals, one of our own great products, discrediting silver and enhancing the price of gold. He endeavored, even before his inauguration to office, to stop the coinage of silver dollars and afterwards and to the end of his administration persistently used his power to that end. He was determined to contract the circulating medium and demonetize one of the terms of commerce, limit the volume of money among the people, make money scarce, and therefore dear.

"He would have increased the value of money and decreased the value of everything else—money the master and everything else the servant. He was not thinking of the 'poor' then. He had left their side. He was not standing forth in their defense. Cheap coats, cheap labor, and dear money; the sponsor and promoter of these professing to stand guard over the poor and lowly. Was there ever more glaring inconsistency or reckless assumption? He believed that poverty is a blessing to be promoted and encouraged, and that the shrinkage in the value of everything but money is a national benediction.

"During all these years a conflict between silver and gold (which is, in fact, the struggle of the great common people against the Money Trust) the Democratic Party has, until this act, professed to desire the full restoration of silver as 'standard money.'"

In 1890 Mr. McKinley declared on the floor of the House: "I would give it (silver) equal credit and honor with gold; I would make no discrimination; I would utilize both metals as money and discredit neither; I want the double standard."

When Mr. Harrison wrote his letter of acceptance, on September 3, 1888, he said:

"The resolution of the convention in favor of bimetalism declares, I think, the true and necessary condition of a movement that has upon these lines my cordial adherence and support. I am thoroughly convinced that the free coinage of silver at such a ratio to gold as will maintain the equality in their commercial uses of the two coined dollars would conduce to the prosperity of all the great producing and commercial nations of the world."

Here is a quotation from Mr. Garfield's inaugural of March 4, 1881: "By the experience of commercial nations in all ages it has been found that gold and silver afford the only safe foundation for a monetary system."

I just quoted a little of Mr. Carlisle's speech the other day when I was interrupted, and I want to put this in the record. When he was speaking in the House of Representatives on February 21, 1878, Mr. Carlisle said:

"I know that the world's stock of the precious metals is none too large, and I see no reason to apprehend that it will ever become so. Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry. According to my view of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three sevenths to one half of the metallic money of the world is the most gigantic crime of this or any other age.

"The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the history of the world. The absolute and instantaneous destruction of half the entire movable property of the world, including houses, ships, railroads, and all other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one half of the metallic money in the world. With an ample currency, an industrious and frugal people will speedily rebuild their works of internal improvement and repair losses of property; but no amount of industry or economy on the part of the people can create money. When the Government creates it or authorizes it the citizen may acquire it, but he can do nothing more."

He was discussing the compromise on the Allison amendment to the Bland bill on the floor of the House. I can picture him now appealing to the House. He went on to say:

"Our power of legislation over this subject will not be exhausted by the passage of this measure, and we ought not to halt for a single moment in our efforts to complete the work of relief inaugurated by it. The struggle now going on cannot cease, and ought not to cease, until all the industrial interests of the country are fully and finally emancipated from the heartless domination of syndicates, stock exchanges, and other great combinations of money grabbers in this country and in Europe. Let us, if we can do no better, pass bill after bill, embodying in each some one substantial provision for relief, and send them to the Executive for his approval. If he withholds his signature, and if we are unable to secure the necessary votes here or elsewhere to enact them into laws notwithstanding his veto, let us, as a last resort, suspend the rules and put them into the general appropriation bills, with the distinct understanding that if the people can get no relief the Government can get no money."

I want to read a short excerpt from a long speech of Blaine.

Mr. Blaine was now a Member of the Senate; he had come from the House in 1873 to the Senate in 1878. I think this was the speech that elected Grover Cleveland President of the United States, because it showed the money powers that Blaine was for remonetization of silver, which they bitterly opposed. Mr. Blaine said:

"The discussion on the question of remonetizing silver, Mr. President, has been prolonged, able, and exhaustive. I may not expect to add much to its value, but I promise not to add much to its length. I shall endeavor to consider facts rather than theories, to state conclusions rather than arguments.

"First. I believe gold and silver coin to be the money of the Constitution, indeed, the money of the American people anterior to the Constitution, which that great organic law recognized as quite independent of its own existence.

"No power was conferred on Congress to declare that either metal should not be money. Congress has therefore, in my judgment, no power to demonetize silver any more than to demonetize gold; no power to demonetize either any more than to demonetize both. In this statement I am but repeating the weighty dictum of the first of constitutional lawyers. 'I am certainly of opinion', said Mr. Webster, 'that gold and silver, at rates fixed by Congress, constitute the legal standard of value in this country, and that neither Congress nor any State has authority to establish any other standard or displace this standard.'

"Few persons can be found, I apprehend, who will maintain that Congress possesses the power to demonetize both silver and gold, or that Congress could be justified in prohibiting the coinage of both; yet in logic and legal construction it would be difficult to show where and why the power of Congress over silver is greater than over gold—greater over either than over the two. If, therefore, silver has been demonetized, I am in favor of remonetizing it. If the coinage has been prohibited, I am in favor of ordering it to be resumed. If it has been restricted, I am in favor of having it enlarged."

Here is his peroration: "The two metals have existed side by side in harmonious, honorable companionship as money ever since intelligent trade was known among men. It is well-nigh 40 centuries since 'Abraham weighed to Ephron the silver which he had named in the audience of the sons of Heth—400 shekels of silver current money with the merchant.'

"Since that time nations have risen and fallen, races have disappeared, dialects and languages have been forgotten, arts have been lost, treasures have perished, continents have been discovered, islands have been sunk in the sea, and through all these ages and through all these changes silver and gold have reigned supreme as the representatives of value, as the media of exchange. The dethronement of each has been attempted in turn, and sometimes the dethronement of both, but always in vain. And here we are today deliberating anew over the problem which comes down to us from Abraham's time; the weight of the silver that shall be 'current money with the merchant.'"

I have in this memorandum of mine some opinions I desire to express and statistical deductions from the report of the Director of the Mint in regard to the coinage of silver and the production of silver. I do not think it is necessary to read it, but I would like to have the privilege of putting it in the record.

Mr. BLOOM. Without objection, it is so ordered.

Mr. TRIMBLE. Now, I am ready for interrogation.

Mr. CASTELLOW. If currency was issued, redeemable in silver or gold at the option of the Government, what would be the effect upon such currency?

Mr. TRIMBLE. Well, if you remonetize silver and make it a basic money and you have a redemption money, it is then one of the basic metallic moneys, and of course the option should be given to the Government or the debtor to pay in either metal. In that way you would keep both metals on an even keel.

If you give the option to the creditor to pay in either metal, then, as one metal goes up a little, then all creditors will want that metal, and it will keep going up and up. And if you give the option to the debtor, then he will choose the cheaper metal, and it will keep it then on an even keel. Then the demand will be put on the cheaper metal and taken off the dearer metal, and that will tend to keep them at a parity.

That is the historical fact. You can take the United States Mint statistics from 1687 to 1873, and there was not over two points variation between these metals. Sometimes they would go up and sometimes they would go down, and mostly the difference would be affected by exchange, by transporting the metals from one country to another. But they were practically one metal. If you were to remonetize silver, there would still be practically one metal. Why? Because of the scarcity of the two metals.

If we in the United States had all the gold in the world available and all the silver in the world available for money, we could not pay our national debt alone. It is too scarce.

There is nothing in this metallic theory of money but the quantitative theory of money. If by some electrical phenomenon you would transform Pikes Peak into a mountain of gold, it would not be worth the snap of your finger as money. It looks like God Almighty put silver and gold into the ground for the purpose of a medium of exchange between the people, and it has been used between them ever since. You take, for instance, the Book of Genesis. The first transaction in money recorded in sacred history was when Abraham, after being given cattle and sheep, was given a thousand pieces of silver by the King of Gerar after the return of his wife. Abraham paid to the sons of Heth 400 shekels of silver for the cave of Machpelah as a burial place. Joseph was sold into Egyptian bondage by his brothers for 20 pieces of silver.

In the Book of Genesis there is no mention of gold as money. They mention gold as material for adornment, and the only outstanding mention of gold was when Moses led the children of Israel out of the Egyptian bondage and took them into the promised land. Moses took them up to Mount Sinai and at the foot of the mountain he left them and went up into the mountain and communed with the Lord for 40 days and 40 nights, and when he came down he had the 10 commandments written on tablets of stone. When he arrived at the foot of the mountain the Israelites had taken all of the jewels, all of their adornments, and melted them and set up a golden calf, and they were worshiping it, and Moses was enraged at them. That comes from scriptural history. And Moses burned the golden calf and ground it into dust and mixed it with water and made them drink it. That is what we need in this country today, another Moses to grind up the golden calf.

Mr. CASTELLOW. Your judgment is that if this currency were redeemable in either gold or silver at the option of the Government, which in the exercise of that option would select the cheaper metal, that that would prevent the flow of the more precious metal to other countries.

Mr. TRIMBLE. It would absolutely keep it on an even keel.

Mr. CASTELLOW. One more question. If, however, we had both silver and gold as a money base, would there be a sufficient amount of this base to prevent the money changers, we will say, or the financiers, from obtaining possession of both the silver and the gold, and, in addition to that, require that the obligations of the debtor be delivered to them in silver or gold at their option; would that make this metal dear, no matter if it was in great quantities? In other words, is it not possible that men can sit down with paper, pen, and ink and make any metal precious by committing themselves for its delivery?

Mr. TRIMBLE. Of course, that is a controversial question. But the very fact that the money changers do not want silver remon-

etized is pretty good evidence that they do not think they can control it, or at least that it would be harder to control.

Mr. CASTELLOW. It would make it much more difficult.

Mr. TRIMBLE. Of course.

Mr. MARTIN of Colorado. Mr. Trimble, the other day the psychology of money was mentioned. Is it not true that as to the people of India and China and the South American Continent, the fact that they have been habituated to the use of silver only from time immemorial, has caused them to regard silver as the only form of money and to associate silver and money only in the popular mind?

Mr. TRIMBLE. I think it is a fact, and I think it is a fetish with them, just as gold is a fetish with some people in this country.

Mr. MARTIN of Colorado. And when we demonetized silver we took away from them the only thing that they had habitually and for all times regarded as money.

Mr. TRIMBLE. That is right.

Mr. FISH. I should like to have an opportunity to consume some time, Mr. Chairman, because I want to have an opportunity to place in the record at this time a statement made by President Cleveland on this question. He lived at a time when the silver issue was paramount in the country. It has not been discussed in recent years, but between 1873 and 1893 it was a foremost question.

The Clerk of the House has given us a very interesting history from his point of view, and the opposite side has not been referred to at all.

He speaks of the crime of 1873. By 1893, in the minds of most of the people in this country, that crime had become a blessing; and I think it is only fair that those people who have been criticized very severely, although they are Democrats, should have placed in the record letters which they wrote upholding their own contentions.

Our committee has been very much interested in the statement made by the Clerk of the House, although most of the statement had nothing to do whatever with the resolution before the committee, because the resolution before the committee deals with international agreements.

Most of his remarks dealt with the silver situation in America, irrespective of international agreements. That is an entirely different question.

Even those men he referred to in rather severe terms, leading Democrats of those times, had no objection to international agreements on silver. They objected to the United States' going by itself, because the silver dollar depreciated and had no support from the rest of the world. The two issues are entirely different.

The only issue before this committee is that of international agreements.

I want to quote something that President Cleveland said, according to this Life of Cleveland written by McElroy.

Mr. GRAY. I do not want to interrupt, Mr. Chairman, but is Mr. Fish speaking as a witness or as a member of the committee?

Mr. FISH. As both, or as either one, whichever you prefer.

Mr. BLOOM. He is presenting something to the witness, so that the witness may have the privilege of answering it.

Mr. FISH. Mr. McElroy in his book says: "He was willing to concede that, with the concurrent action of the other great nations, the problem of maintaining a set ratio between gold and silver would present a different aspect"—that is what we have before us—"but all efforts in that direction had failed, 'and still we continue our coinage of silver at a ratio different from that of any other nation. * * * Without an ally or friend we battle upon the silver field in an illogical and losing contest.'" That had to do with the money situation, which is entirely different:

Mr. McElroy in his book continues:

"He reminded Congress that the five countries composing the Latin Union had not only refused, as had the leading countries of Europe, to join in a movement to maintain a fixed ratio between gold and silver, but had 'just completed an agreement among themselves that no more silver shall be coined by their respective governments and that such as has been already coined—shall be redeemed in gold by the country of its coinage.'"

I bring that up to show the difference in the situation.

Now, Mr. Chairman, Grover Cleveland sent a special message to Congress in August 1893. Professor McElroy, in his book, says:

"His special message was read to Congress on August 8, 1893, and demanded 'the prompt repeal of the provisions of the act passed July 14, 1890, authorizing the purchase of silver bullion.' It is a document difficult to condense or epitomize, for it is itself an epitome, the compact argument of a singularly concrete mind. It is the case against free silver compressed into 2,000 words.

"Our unfortunate financial plight is not the result of untoward events, nor of conditions related to our natural resources, nor is it traceable to any of the afflictions which frequently vex national growth and prosperity. With plenteous crops, with abundant promise of remunerative production and manufacture, with unusual invitation to safe investment, and with satisfactory assurance to business enterprise, suddenly financial distrust and fear have sprung up on every side. Numerous moneyed institutions failed because abundant assets were not immediately available to meet the demands of frightened depositors. * * * These things are principally chargeable to congressional legislation touching the purchase and coinage of silver by the Federal Government. Undoubtedly the monthly purchases by the Government of 4,500,000 ounces of silver, enforced under that statute, were regarded by those interested in silver production as a certain guaranty of its increase in price. The result, however, has been entirely different, for immediately following a spasmodic and slight rise, the price of silver began to fall after the passage of the act, and has since reached the lowest point ever known. This disappointing result has led to renewed and persistent effort in the direction of free silver coinage.

"'The policy necessarily adopted of paying these silver notes in gold has not spared the gold reserve of $100,000,000 long ago set aside by the Government for the redemption of other notes. * * * Between the 1st day of July 1890 and the 15th day of July 1893 the gold coin and bullion in our Treasury decreased more than $132,000,000, while during the same period the silver coin and bullion * * * increased more than a hundred and forty-seven million. Unless Government bonds are to be constantly issued and sold to replenish our exhausted gold, only to be again exhausted, it is apparent that the operation of the silver purchase law now in force leads in the direction of the entire substitution of silver for gold in the Government Treasury, and that this must be followed by the payment of all Government obligations in depreciated silver. * * * Our Government cannot make its fiat equivalent to intrinsic value nor keep inferior money on a parity with superior money. * * *

"'The people of the United States are entitled to a sound and stable currency and to money recognized as such on every exchange and in every market of the world. Their Government has no right to injure them by financial experiments opposed to the policy and practice of other civilized States.'"

Those were the views of Grover Cleveland at the time he was before us. I think his views are entitled to be presented to the committee.

I should also like to read a very short letter——

Mr. GRAY. Mr. Chairman, I want to be courteous, but we are all anxious to interrogate Mr. Trimble. May I suggest this? I do not know whether we will have an opportunity to cross-examine you, Mr. FISH, on your statement.

Mr. FISH. You will have plenty of opportunity.

Mr. GRAY. Mr. Chairman, I think Mr. FISH is invading the province of a witness. I should be glad to hear the gentleman, have him go on the stand and make a statement, but I do not think it is proper here for Mr. FISH to make a long preliminary statement when the rest of us are waiting to ask the witness, Mr. Trimble, some of these questions that we have in mind.

Mr. FISH. I will say to the gentleman, if he is anywhere near through, that I am a member of the committee; I listened with great patience to the gentleman a few days ago when he had concluded his statement and was to come back here to answer some questions. I have remained here and listened to a statement that has almost nothing to do with the resolution that is before us. He has presented statement after statement denouncing Grover Cleveland and the leading Democrats, and I think if no Democrat will do it, at least some member of the committee ought to put in the record the letters of Grover Cleveland giving his own views as an answer to what has been said before this committee.

Mr. GRAY. I concur in that; and I should like to have the gentleman make his statement——

Mr. FISH. Well, I will make my statement.

Mr. GRAY. We have listened to this long preamble of the gentleman; if the gentleman is about to interrogate the witness, that is all right.

Mr. FISH. I want to say to the gentleman that we have been very courteous on this side. We have permitted the witness to go on on a matter that is not before us. He has been giving us the history of the silver question for the past 30 years. Nobody has interrupted him even to ask a question.

Mr. BAKEWELL. Four thousand years, not 30 years.

Mr. FISH. Yes, I will amend that; he has gone back 4,000 years.

Mr. BLOOM. I think the committee has been very patient and we have been hearing all our witnesses in full.

Mr. TRIMBLE. Mr. FISH, you referred to Grover Cleveland. What did he say about silver? That is what I want to know.

Mr. FISH. That is what I want to tell you.

Mr. TRIMBLE. What did he say about silver?

Mr. FISH. I want to read a very brief letter on that very point.

Mr. TRIMBLE. Mr. Chairman, may I say that I admire Mr. FISH; he is a patriotic American and has done a great service here in Congress. But we just honestly differ on this question.

Mr. FISH. I want to say to you that I am not an expert on the silver question. That is the reason I am presenting other people's views at this time. I do not claim to be an expert.

First, I will read a paragraph as a preface to the letter that I am about to read. This is from the book, "Grover Cleveland, a Study in Courage", by Allan Nevins. The paragraph and the letter are as follows:

"In January 1891 the silver tide sent up another angry wave. A free coinage bill passed the Senate by a vote of 39 to 27. Once more the Democratic Senators gave the majority its principal strength. Every Democrat in the Chamber voted or was paired for it except Gray, of Delaware. Many of Cleveland's advisers told him that if he spoke out publicly against silver as he had been speaking privately, he would destroy his political future. 'I am supposed to be a leader of my party', he replied. 'If any word of mine can check these dangerous fallacies, it is my duty to give that word, whatever the cost may be to me.' On February 10 he received an invitation from E. Ellery Anderson of the Reform Club, inviting him to a dinner-meeting to protest against free coinage. He sat down immediately and replied:

"DEAR SIR: I have this afternoon received your note inviting me to attend tomorrow evening the meeting called for the purpose of voicing opposition of the business men of our city to 'the free coinage of silver in the United States.'

"I shall not be able to attend and address the meeting as you request, but I am glad that the business interests of New York are at last to be heard on this subject. It surely cannot be necessary for me to make a formal expression of my agreement with those who believe that the greatest peril would be invited by the adoption of the scheme, embraced in the measure now pending in Congress, for the unlimited coinage of silver at our mints.

"If we have developed an unexpected capacity for the assimilation of a largely increased volume of this currency, and even if we have demonstrated the usefulness of such an increase, these conditions fall far short of insuring us against disaster if in the present situation we enter upon the dangerous and reckless experiment of free, unlimited, and independent silver coinage."

Mr. BLOOM. Is that signed?

Mr. FISH. That letter was signed by Grover Cleveland.

Mr. BLOOM. You may proceed, Mr. FISH.

Mr. FISH. There are some questions I wanted to ask you, Mr. Trimble. This whole silver question, after the so-called "Crime of 1873", was before the American public and before the Congress up to 1896?

Mr. TRIMBLE. Yes.

Mr. FISH. On August 28, 1893, when the House was overwhelmingly Democratic, was over 2 to 1 Democratic, the House voted by a vote of 239 to 109 to repeal the authority granted in the 1890 resolution to purchase silver bullion. Now, as I say, that was a Democratic House. None of us was there at that time, of course, but we must be fair and assume that the House must have been something like this House—the same type of people, and so forth. They must have discussed this issue from all points of view. They must have had a full opportunity to be heard and to express their views.

Then by a vote of more than 2 to 1 they voted this proposition down. I am not ready to say that those Members or any of the present Members of the House are influenced either by Wall Street or by the money power in casting a vote of that kind. They must have considered the question on its merits and acted on its merits.

That is a partial answer to the questions that you have put here or to the statements that you have presented to the committee. This was before the country. They could have done what they wanted with it, and when they had an opportunity a Democratic House by a vote of over 2 to 1 refused to remedy the situation, from your point of view.

That is one answer to your question.

The other question I wanted to ask you is this. You said, and I agree with you, that the big bankers——

Mr. TRIMBLE. Let me interrupt you right there. You talk about a Democratic House. This is not a party question.

Mr. FISH. I agree with you there.

Mr. TRIMBLE. It is a patriotic question. You have referred to Grover Cleveland. You say that he said that it was a dangerous experiment. We had it for 80 years in this country.

Mr. FISH. Mr. Trimble, I do not charge because you have the other point of view that you are influenced by the silver producers in the States of Nevada and Colorado, or any other States that produce silver. You have never been charged with having your opinion influenced in that way. Therefore, why should you charge these other people with being influenced by Wall Street because they stand for the gold standard and are opposed to the free coinage of silver? That is the question that I should like to ask you.

Mr. TRIMBLE. I do not know a silver producer. I am from Kentucky, where they do not produce a grain of silver. I am for silver and the free coinage of silver for humanity's sake. I want to cheapen the purchasing price of the gold dollar. That is what we need today.

Let me ask you a question: What objection have you to the remonetization of silver?

Mr. FISH. I do not know that I have. I am not saying whether I will object to the proposal that is before this committee seeking international agreements.

Mr. TRIMBLE. May I interrupt you, Mr. FISH? As long as you have mentioned international agreements, may I put in the record my views on the international agreements proposed?

Mr. FISH. Will you let me proceed with another question?

Mr. TRIMBLE. Yes; go ahead.

Mr. FISH. I agree with the statement that you made the other day that the depression was largely due to the activities of the big bankers of Wall Street and the big international bankers. They were possibly the leaders in it, although the American people, all of them, were responsible because they went into an orgy of gambling and speculation, and so on.

We think we know the reasons for the inflation, and we think that the international bankers were somewhat responsible.

But suppose we had remonetized silver. How would that have stopped the inflation and how would that have prevented the Wall Street and the international bankers from creating and helping to lead in this enormous deflation?

Mr. TRIMBLE. Because they could not control both metals. They could not control the volume of money. The volume of money would be so great that they could not control it.

If you let a lot of international bankers run this country, it does not make any difference what kind of metals you have; if the people of the country have got confidence in them and they can control commercial credit, it would not make any difference if you did not have a dollar of silver or gold. It would not make a bit of difference.

But they have used the gold standard to set up a machine to grind out bonds for Wall Street.

The gold reserve, we are told, is to "protect the credit of our currency." Protect it from whom? You and I are making no assault upon it—wouldn't hurt it for the world. When we get a paper or silver dollar we don't trot around to the Treasury to have it "redeemed" in a slug of yellow metal—we make a bee line for the grocery store and have it redeemed in a side o' bacon.

In what do you want a paper dollar redeemed? If you exchange it for a gold coin, you have got but another governmental order for goods, which you must present for redemption to the people. When you have exchanged your dollar for corn or cotton, pork or pigiron, it has been redeemed—not till then have you received final payment. So long as the people will redeem a paper dollar at its nominal value, isn't it as good an exchange medium as gold?

"Then why", you may well ask, "should capitalists really care to preserve the gold standard?" They have made of gold a fetish and are robbing and enslaving the people by playing upon their economic ignorance. By means of this financial hoodoo they have induced the people to add to their already grievous burden. The great capitalists have employed gold to create panics that have closed factories, bankrupted merchants, augmented the army of tramps, and precipitated bread riots that ended in bloodshed simply to enhance the gains of a pitiless system of pawnbrokerage.

Mr. FISH. Of course, you know that in this depression a great many people were hoarding gold.

Mr. TRIMBLE. Under our operations on the gold standard let us say that we have $150,000,000 of gold reserve. Just let us take that figure as an arbitrary figure. That is supposed to protect the credit of our currency. We will say that Mr. Smith, of Wall Street, gets up a pool that comes to Washington with $50,000,000 of currency, silver dollars, national-bank notes, Federal Reserve bank notes. They go up to the Treasury of the United States and say, "We have here $50,000,000 of currency, give us gold." Under the law you have got to give them the gold. As soon as you give it to them it reduces the gold reserve from $150,000,000 to $100,000,000.

Then the Secretary of the Treasury is authorized to issue bonds to the amount of the $50,000,000 to replace the gold just taken out of the Federal Reserve fund by the redemption in gold of Mr. Smith's $50,000,000 in currency. Mr. Smith says to the Secretary of the Treasury "I will let you have my $50,000,000 in gold back for $50,000,00 of your bonds." Then Mr. Smith can sell these bonds in the open market for currency, go back to the Treasury and redeem this currency in gold, buy more bonds, and so forth, and repeat this process ad infinitum. Can he not?

Mr. FISH. No.

Mr. TRIMBLE. Tell me why.

Mr. FISH. Because it does not work in a depression when people are hoarding gold.

Mr. TRIMBLE. It does not work when a man in the White House kicks us off the gold standard. But it will work any time when we are on the gold standard 100 percent.

Mr. FISH. Coming back to the question I asked you, do you really, seriously think that if we remonetize silver it would make a difference so far as the ability of the Wall Street bankers to manipulate money is concerned, and so far as the inflation that we had is concerned?

Mr. TRIMBLE. All the difference in the world. If you remonetize silver, you raise the general level of prices 100 percent.

Mr. FISH. I am talking about 1928 and 1929, during the great inflation or boom.

Mr. TRIMBLE. I do not think anything would stop Wall Street if they have a man in the White House who listens to them and has a direct wire to Wall Street and takes orders from them, which has been the case.

Mr. FISH. Of course you know that we were in a period of great inflation all over the country at that time. I do not believe, whether we had silver or gold or anything else, that it would have made any difference. You made the statement the other day that if we had had silver, that situation could have been averted and controlled and regulated.

Mr. TRIMBLE. If you are going to permit the international bankers to run this country, that is one thing, but that last orgy of gambling and speculation could have been stopped in 20 minutes, at any time, if the President of the United States wanted to stop it.

Mr. FISH. Why could not the Congress of the United States have stopped it if it wanted to?

Mr. TRIMBLE. The Congress could have done it if they had passed the bill to that effect. But we were all in a fool's paradise then.

Mr. FISH. I agree with you thoroughly——

Mr. TRIMBLE. The Federal Reserve System had plenty of money and loaned the money to the banks. The banks loaned the money to the brokers, and the brokers loaned it to the people, and then everything went sky high.

Mr. FISH. Is it not a fact that this is what happened: The big bankers, the big business interests all over the country, let us say for the sake of argument, said to the Congress of the United States, "Keep your hands off of business. We know how to conduct our business. We do not want any interference with business." And that is what happened. The President and the Congress kept their hands off and did not try to stop the inflation. In that way we are to blame because we listened to business.

Mr. TRIMBLE. That is true.

Mr. FISH. It had nothing to do with silver.

Mr. FORD. Mr. Chairman, we are not discussing the resolution that is before us at all. We are taking up an entirely different line of argument.

Mr. FISH. I do not admit that, because the gentleman stated the other day that if silver had been remonetized we would not have had this inflation.

Mr. FORD. But what has that got to do with this resolution?

Mr. FISH. He made the statement. I do not think it has anything to do with it.

Mr. BLOOM. The Chair would like to ask a question. You referred to the time of Grover Cleveland. Would not the fact that at that time we were a debtor nation instead of a creditor nation, as we are today, make some difference? Conditions being different now than they were then would make some difference in a question of that kind.

Mr. FISH. It would have some effect, certainly; but Grover Cleveland did not oppose this type of legislation before the committee.

Mr. BLOOM. We must take the circumstances as they exist at the time. Then we were a debtor nation. Today we are a creditor nation.

Mr. FISH. The two issues are entirely different. The one before the committee has to do with an international agreement.

Mr. BLOOM. Of course, we have allowed very great latitude in all of these hearings.

Mr. FISH. I thought it was only right to put in an answer to what had been said on the subject.

Mr. BLOOM. Have you finished, Mr. FISH?

Mr. FISH. I have finished; yes.

Mr. TRIMBLE. Before we go any further, inasmuch as Mr. FISH has said that I have not discussed the resolution before the committee, that what I have said is not germane to the subject before us, and as we are considering an international conference, I want to give my views on international conferences.

In regard to an international conference for the purpose of arriving at an agreement as to what our monetary system shall be, in my opinion, it is a sham, delusion, and a snare, and those who approve of such a conference are either wittingly or unwittingly the most potent enemies of the remonetization of silver. It is an old delusion and has done important duty for the international bankers on many previous occasions.

We had an international conference in 1867, even before silver was demonetized, and any fair-minded person who will read the record of that conference will be forced to the conclusion that the verdict of that conference, which was to demonetize silver, was brought about by the influence of Senator John Sherman, of Ohio, who was Chairman of the Finance Committee of the Senate.

In 1878, 5 years after the demonetization of silver and a few months previous to the resumption of specie payment in the United States, the lower House of Congress overwhelmingly passed the Bland bill remonetizing silver at the ratio of 16 to 1. In the meantime Senator Sherman, the arch foe of bimetallism, was made Secretary of the Treasury in President Hayes' Cabinet. The passage of the Bland bill in the Senate was blocked, but a substitute bill, known as the "Bland-Allison bill", provided for a limited purchase of silver, from two to four million dollars' worth a month, and it also provided for an international conference. This bill was adopted by both Houses as the best compromise obtainable by the silver men and was vetoed by President Hayes and passed over his veto. I herewith quote an excerpt from the international conference of 1878, which portrays in a nutshell the principle of the bimetallic theory of money:

"At the Christian era the metallic money of the Roman Empire amounted to $1,800,000,000. By the end of the fifteenth century it had shrunk to $200,000,000. (Dr. Adam Smith informs us that in 1455 the price of wheat in England was 2 pence per bushel.) Population dwindled, and commerce, arts, wealth, and freedom all disappeared. The people were reduced by poverty and misery to the most degraded conditions of serfdom and slavery. The disintegration of society was almost complete. History records no such disastrous transition as that from the Roman Empire to the Dark Ages. The discovery of the New World by Columbus restored the volume of precious metals, brought with it rising prices, enabled society to reunite its shattered links, shake off the shackles of feudalism, and to relight and uplift the almost extinguished torch of civilization."

We had another international conference in 1881, another one in 1892—all with the same result, nothing done. In 1896, in the Presidential race between Bryan and McKinley, bimetallism was the paramount issue, and the only material difference between the two platforms was that the Democratic platform declared for the remonetization of silver without the advice or consent of any other nation and the Republican platform declared against bimetallism, except by an international agreement, and pledged themselves in the platform to bring about an international conference, and to that end——

Mr. FISH. According to that platform—of course, we are all party men here—we Republicans here ought to vote for this resolution and the Democrats ought to vote against it; is not that so?

Mr. TRIMBLE. Absolutely; but Republicans and Democrats, everybody who wants to take the clutches of the money power off the throats of the American people, ought to vote against international conferences, because we will not get anything but the worst of it, if we get any agreement.

And to that end, in 1897 a bill was passed by Congress authorizing the President of the United States to call or participate in an international conference, giving him authority to appoint five commissioners, and appropriated $100,000 to defray the expenses of the commission, and for 37 years that law has been available to call or participate in an international conference, and is available today for that purpose.

It has been asleep for 37 years. Now, when the silver question comes up, and when we have a great depression, we have again the old racket of an international agreement.

We have had three international conferences on international questions, and all have proved futile. We have not been able to restrict or control the sale of narcotics by an international agreement, and we have not been able to reduce armament by an international agreement. We have not been able to outlaw war by international agreement. Therefore, what hope have we to accomplish anything on our monetary system which in every country is absolutely a domestic proposition? Did we ask for an international conference in 1792, when we established our first monetary system? Did England, in 1816, ask for an international agreement when she demonetized silver? Did Germany, the United States, France. and the Latin Union demonetize silver by an international agreement?

Mr. FISH. But you did not read yesterday's newspapers.

Mr. TRIMBLE. What about?

Mr. FISH. The administration told us that isolation has ceased.

Mr. TRIMBLE. I am talking for myself and not for the administration.

The ratio between gold and silver coins is a matter that every nation will establish for the convenience of its own people and by its own laws. It is a part of the sovereign power of every nation to do this, which it cannot surrender to another power and still be independent; and in every nation it is a separate feature of home rule. It rests entirely with the law-making power of every nation to provide that the coins of foreign countries shall be or shall not be admitted through its customhouses, or shall circulate as money, or shall be legal tender, and what shall be their value, and, in the absence of such provision, foreign coins are simply bullion. They are not money in any legal sense but are mere commodities. It is undeniable, therefore, that the legal ratio between gold and silver fixed by the laws of the United States is a matter that concerns the people of this country alone and does not regulate the ratio in any other country.

He is a rash man who would place the productive or financial power of our wonderful land in the hands of the people of other lands, who wish to live and grow rich by handling our productions, so as to give them the right to regulate our money as to quantity, character, or value.

I can conceive of nothing in the line of international agreement that is so utterly impossible of accomplishment as to bring the countries that produce silver to agree with other nations that produce gold and no silver as to the price at which they shall be mutually interchangeable.

In the effort to fix an international ratio, whether pretended or real, sincere or deceptive, honest or illusory, whether intended to aid or to prevent the restoration of silver as a money metal, ignores the great fact that the domestic and the international uses of the money metals are almost entirely different. In domestic trade they are, or should be, money when they are coined under the law, and the law of usage. The statute law must absolutely fix their relative value as money; while they are mere commodities when used in commerce between the different nations, and can have no real money value that is not fixed by law in the countries where they are in actual use by the people.

To fix a ratio of weight, fineness, alloy, and value which will regulate gold and silver coins so as to make them interchangeable as money the world over, or among the great commercial nations, we must have an agreement so general as to become a canon of international law. Such a law will never be established. It is as impossible however much it may be desired.

There never was such a time in the history of this country when we should heed the admonition of the Father of our Country, "Peace, commerce, and friendly relations with all nations; entangling alliances with none."

Mr. BAKEWELL. Mr. Chairman, we have had Mr. Trimble's views very fully set forth, very amply set forth, and very interestingly set forth. We have all been interested and entertained in his presentation. But I do want to enter one brief protest against the statement that has so often been repeated by him implying that anyone who does not accept this view of his is a worshiper of the golden calf or belongs to that group of money changers that ought to be driven out of the temple.

I regret very much that we have not some sober economist to talk to us about this—a trained thinker, a clear thinker, who will present this with entire freedom from passion and partisanship, so that we could really have that side before us.

Certainly no one would accuse the distinguished scholar, the expert from the Federal Reserve Board, of being a worshiper of the golden calf. He gave us a very clear presentation. So far as I know there is scarcely a reputable economist anywhere who is not of the opinion that for America to attempt to remonetize silver and do it alone would be a fatal mistake. I do not like to have all of us simply brushed aside as minions of Wall Street. I do not like that sort of implication. A calm discussion of an important question ought not to be disturbed by an attempt to stir up feeling and ill will.

Mr. TRIMBLE. The gentleman misconstrued by intention. I think every man who believes in monometallism is just as honest and sincere.

Mr. BAKEWELL. You have not said so.

Mr. TRIMBLE. Just as sincere as I am. The trouble is, in my opinion—it is a conviction with me—I do not see how any man who understands the money question can advocate gold monometallism.

Mr. BAKEWELL. That is the reason I would like to have some sober men here who do.

Mr. TRIMBLE. The average human head is like a cake of butter or a crock of clabber. We take on the flavor of our surroundings. As men, we are creatures of environment. Ninety percent of us are either Republicans or Democrats, Protestants or Catholics, prohibitionists or antiprohibitionists, because of our environments.

For the last 60 years the great colleges of this country have been filled with economists trained on the line of the gold monometallism.

Mr. BAKEWELL. I dispute that. They have been trained on the line of sound scholarship, going back to Adam Smith and coming down. That is a misstatement of fact.

Mr. TRIMBLE. You say that is not a fact, but if you will read the report of the investigation of the Federal Trade Commission, you will see what the Power Trust is doing, which is insignificant compared to what the Money Trust has been doing. They went into the colleges and subsidized the professors. They have even purchased newspapers by the wholesale.

Mr. BAKEWELL. That is all nonsense.

Mr. TRIMBLE. That is what the money power has done.

Mr. BAKEWELL. That is nonsense; it is not true.

Mr. TRIMBLE. That was developed in their hearings, and has been proved.

Mr. BAKEWELL. It is not true.

Mr. TRIMBLE. It is proved.

Mr. BAKEWELL. No; it is not proved.

Mr. TRIMBLE Why, they admitted it.

Mr. BAKEWELL. They do not admit it. No scholar admits anything of the sort. There are a great many scholars who are entirely free on this question.

Mr. TRIMBLE. The Federal Trade Commission developed that the Power Trust went into colleges and had these people on their pay rolls, and they even bought newspapers.

Mr. FORD. Mr. Chairman, I still maintain that this is not germane to the question before us.

Mr. ALLEN. Mr. Trimble, for 2 or 3 days we have been here and have talked about conditions of 70 years ago, and we even went back to the time of Moses. What I would like to ask you is this: In your opinion would you briefly tell us what benefits would be derived from the remonetization of silver now?

Mr. TRIMBLE. I believe if you were to remonetize silver on this theory, that the volume of basic money dominates the standard of value, you would be doing the wise thing. If the unit of value means anything, it means value. We say that 23.22 grains of gold, a commodity that we make money, is the unit of value. The value of that unit depends on the volume of gold in this country.

If you remonetize silver, you practically double the volume of basic money and automatically increase the price of commodities accordingly. In other words, here we have gold which is worth, we will say, $20.67 an ounce. Suppose you were to send all the gold of the world that was available, every grain of gold, to one place and put it on board ship and start across the ocean and it goes down to the bottom of the ocean and there is just 1 ounce of gold left. What would it be worth? One gold ounce in dollars and cents would be worth $20.67. But in property you could not estimate, if you were on the gold standard, what it would be worth. It would practically buy the debts of the world.

Therefore, the volume of basic money dominates the standard of value of the unit, and the only way you can measure money is in property.

If you have plenty of money, you have cheap money, just as if you have plenty of wheat, you have cheap wheat; plenty of corn, cheap corn.

If you have scarce money, you have dear money. That is the old theory that every economist agrees on, the quantitative theory of money.

Mr. ALLEN. In your opinion do you think Congress should tell the President and the delegates and his advisers what the ratio should be?

Mr. TRIMBLE. I think the Wheeler resolution is what should be adopted. We ought to instruct our representatives over there that the ratio should not be greater than 16 to 1. Why? Because we think that is proper. That is the only basis for the ratio. It is approximately the relative production ratio of gold and silver.

From 1493 to 1931 the ratio has been less than 14 to 1.

From 1493 to 1800 it was 33 to 1, and during all of that time that we produced 33 pounds of silver to 1 pound of gold, silver had a commercial ratio of 15 to 1, or $1.38 an ounce.

From 1800 to 1870 it runs about 10½ to 1. From 1870 to 1900 it was 16 to 1, and for the last 30 years, from 1900 to 1931, it has been 10½ to 1.

Mr. BLOOM. Can we maintain that ratio?

Mr. TRIMBLE. We are the only Nation on earth that can do it. If England were in our place she would not ask for an international conference to restore silver. France maintained a ratio of 15½ to 1 for 70 years; France alone did that when, compared to us now, she was a baby. She could maintain it. Why? The reason that France, standing alone among the large nations of the world and producing no silver, could and did maintain a ratio of 15½ to 1 for 70 years was due to the fact that she passed a law which made gold and silver at the above ratio a legal tender in payment of all debts.

If either metal became less valuable than the legal ratio the debtor naturally sought the cheaper metal with which to pay his debts. This increased the demand for the cheaper metal and decreased the demand for the dearer metal. Now everyone knows that to increase the demand for a certain article automatically raises the price of that article; to decrease the demand is to lower the price of that article. Thus the French Government by making both metals absolutely equal and legal tender in the ratio of 15½ to 1 gave the debtor the option of paying his debts in either metal, and by so doing the price of the cheaper metal was raised and the dearer metal lowered, thereby maintaining the legal ratio on an even balance. Practically all economists of note, both monometallists and bimetallists, concede this principle which was proved by France in actual practice.

I maintain this country can do the same thing even more successfully, as she is one of the world's largest producers of silver and is otherwise in a more powerful position financially than was France during that period. They talk about a flood of silver. Some man came into my office and said, "Trimble, if we remonetize silver at a ratio of 16 to 1, they would flood this country with silver." I said, "Let the flood come. We have got men in this country who are worth $1,000,000, $10,000,000, $50,000,000, $100,000,000, $200,000,000, and I have never heard of anybody complaining of a flood of money. All I am afraid of is that the flood will not come."

Suppose India and China sent their silver here by the shipload, paid the express, paid the insurance, paid the commission, and had it coined into dollars or exchanged for silver certificates. What do you think they are going to do with it? Do you think they are going to send it back to China and India? Why, no. They would not send it over here for that purpose.

They are going to buy something here with it. They are going to buy our corn or cotton, our automobiles, our railroad steel, our radios, everything we make. Then you will have genuine inflation; not inflation by Government bonds, which is artificial inflation. We can go ahead now and issue billions of bonds and put that much of a debt on the people by artificial inflation, stimulate them, and then put them to sleep, and then 10 years from now we will have the same old gold-standard machine operated by the lineal descendants of the same men who are operating it now, and we will have the same depression, perhaps worse.

Mr. GRAY. You spoke of the passage of the Public Credit Strengthening Act. Just what was the date of that act?

Mr. TRIMBLE. That was in 1869.

Mr. GRAY. That was after the Civil War?

Mr. TRIMBLE. That was after the war. All of our notes, all of our bonds, every obligation of the Government up to 1869 was payable in legal tender; that is, not legal tender, but just money. You go to the bank and you give a note to the bank. You do not write out anything specifying what kind of money is to be paid. So all of our bonds, all of our debts contracted during the war, all of our United States notes, everything——

Mr. BLOOM. All obligations.

Mr. TRIMBLE. All obligations of the Government were payable in money except a few of our bonds that were sold before the war began, that were to be sold for gold, about $345,000,000. The interest on these bonds was made payable in coin, but not the principal.

Then in 1869 we passed what we called the "Credit Strengthening Act", making all obligations of the Government payable in coin, gold and silver. Then we provided to resume specie payment in 1879.

In 1873 we passed the bill demonetizing silver, and therefore when we began specie payment nothing was coin but gold, and it made all of our obligations payable in gold. Most of them were held by European bankers, and it doubled or quadrupled their purchasing power.

Let me give you a little homely illustration of what Congress did when it demonetized silver. Let us assume, for the purpose of this illustration, that corn and wheat are the only grain fit for food for mankind, that there were no substitutes in the world. There is just a certain type of land that produces corn only and the other type produces wheat only. All of this land has been developed to its highest state of cultivation, and every acre that can possibly grow those products has been discovered and used.

We find by statistics that we produce in the Western Hemisphere 84 percent of the wheat of the world and the Eastern Hemisphere produces 75 percent of the corn. The Western Hemisphere produces 84 percent of silver. The Eastern Hemisphere produces 75 percent of the gold of the world. We deliberately pass a law prohibiting mankind from eating bread made out of wheat. Let us say that wheat is silver and corn is gold. What is the result? Wheat goes down, just like silver went down. Corn in all countries on the gold-corn standard goes to the sky. We have got to send to them to get something to eat which by our law is only corn.

That is exactly what we did. We destroyed the purchasing power of silver, our own precious metal.

In 1929, the peak production of silver in the history of the world, 3 years ago, we produced twice as much silver in the United States alone as all of Europe, Asia, and Africa combined. I got this from the report of the mint.

Do you think we are going to get an international agreement to make us rich by remonetizing silver?

Mr. GRAY. At the time of the passage of this Public Credit Strengthening Act was there anything unusual at all, so far as the credit of the Government was concerned?

Mr. TRIMBLE. Not at all.

Mr. GRAY. If there was ever a time when there was a question as to the credit of the Government, had that time not passed by the close of the war?

Mr. TRIMBLE. Absolutely. We fought the Civil War with fiat money. We paid our soldiers and sailors in fiat money. When you talk about fiat money now everybody goes up in the air.

Mr. GRAY. At the time the bonds were sold, was it that time when there was some question about the credit of the Government?

Mr. TRIMBLE. As I said before, the first bonds that we sold were about $340,000,000 of bonds. We sold those for gold. We paid a discount of about $8,000,000.

Mr. GRAY. In what medium were those bonds made payable?

Mr. TRIMBLE. They were payable in money of the United States of America.

Mr. GRAY. How were those affected by the Public Credit Strengthening Act?

Mr. TRIMBLE. It just made them payable in coin, gold or silver. When they demonetized silver, it made them payable in gold, that is all.

Mr. CALDWELL. Mr. Trimble, you think that our joining an international conference of this kind would be unwise?

Mr. TRIMBLE. Absolutely, if we judge the future by the past. Now we are on the verge of an international economic conference. This Congress, in the Senate, has gone on record for free coinage of silver and the House of Representatives would pass the bill overwhelmingly, and I think to surrender now for anything but 16 to 1 is a cowardly makeshift and a surrender to the money powers.

Mr. CALDWELL. In any event, you favor the passage of the Wheeler resolution.

Mr. TRIMBLE. I think the delegates should be instructed. Why should we not instruct them? You represent the people and these delegates represent the people through you.

No people, as a whole, have ever understood the effect of laws on civilization. They have drifted along not understanding the effect of laws on their welfare, and it has been to the interest of the benefited classes, to so direct education that the people might not be enlightened.

Where greed and vanity is cultivated in a republic, the people lose sight of the elementary truths on which they started out, and then the republic drifts more rapidly toward class laws and a monarchy.

For you to understand how republics once begun may be destroyed, you must understand what effect laws may have that are intended to benefit a class. To make this clear, I will use as an illustration an old English law. It was a law that permitted the owner of land to settle it on the oldest son, to descend indefinitely from oldest son to oldest son. It is known as the law of entail. Once entailed the land could not be divided and sold to others, but would be held by the oldest living son to pass at his death to the next oldest son or other person named in the deed entailing the land. The effect of this law was that in time 99 percent of all the lands in England, Scotland, and Ireland passed into the ownership of less than 1 percent of the people, thus reducing 99 percent of the people to tenantry. It created a class that lived vain lives of idleness and luxury, while depriving others of land that would have served them for homes. Our forefathers understood the effect of this law on civilization that reduced a people to tenantry and provided against it in the constitutional laws of this country.

When people become hopelessly tenants and can see no better future for themselves, they lose pride of home and hope of the future. They can, after that, see no reason for studying public questions, seek only to provide for themselves as best they can in their position of dependents, and seek to curry favors with those upon whom they are dependent by voting with them, if they have votes, or otherwise being slavish toward those who are in the position of masters to them. No republic can exist long where a majority of its people are tenants and dependent upon others for the opportunity of making a living.

You can thus understand why any law that increases tenantry and places the opportunities of a living in the hands of a few is destructive of good government and human happiness. Instead of the law of entail, it would have been a better law to have provided that no one should own more land than was necessary for the comfort of himself and family during their natural lives.

While the evil effect of such a law was plain to our forefathers, and is plain to us, you will ask yourselves the question why the people of England permitted it. It is because the dependent people, in currying favor with those who possess the wealth and control employment, give willing submission to conditions as they are, and know, as a rule, that agitation and resentment at conditions may deprive them of temporary food and shelter.

It is also true that people may become accustomed to a system of laws and, never having known anything else, many adjust themselves to them as right—they find that public opinion accepts them as right, a public opinion molded by the dominant classes and thus surrounded on all hands by fixed conditions and customs. The young man or young woman coming of age accepts the situation as it exists and does not seek to change it.

We, too, have laws that are as effectually reducing our people to tenantry and dependency as the land law of England had assisted in thus placing the people there. And the trouble with us, as it has been with all people similarly situated, is to have them understand that it is the effect of laws that is thus working their ruin and to have those who become dependents to not lose courage, and to assist in their own emancipation.

We come mainly of the Anglo-Saxon stock, the same as England; and if the people of England will submit to class laws that reduce them to tenantry and a monarchy, wherein will our people act differently?

In the case of every republic that has gone down to its ruin there is a dead line, which when crossed, hope becomes extinct. With us, we have not yet crossed the dead line.

Politicians who know the influence class rulers have had on dependents will naturally gravitate to the political party that champions the cause of the classes; but statesmen will arise to take their places and assist those we now have in leading the producers—farmers and other laborers—in a successful peaceful revolution.

The nearer a republic becomes a nation of home owners and a people with independent employment, the nearer it approaches to a true democracy—which means the promotion and development of the human race. And the nearer a republic approaches a nation of tenants and dependents, the nearer it comes to a monarchy or empire—which means the slavery and crucifixion of the human race. When a nation, filled with dependents, becomes a monarchy, these dependents or their offspring eventually become serfs—without ambition or aspiration, degraded creatures, without hope of the future.

The monetary system of a nation is the cornerstone of the foundation upon which the Government rests. Broadly speaking, money is a medium of exchange and is as necessary to commerce and civilization as air and water is to animal life. You can live longer without money than you can without air and water, but you cannot be part of civilization.

When the Government permits a small class of men who deal in money for profit to dictate its monetary system it may be expected to end in the money dealers owning and controlling practically all the money, thereby controlling credit, inflating and deflating the price of property and commodity prices at will.

All money is a medium of exchange, but, strictly speaking, nothing is real money except that commodity or commodities which the Government designates by law to be money. After a nation has fixed what its money shall be, it then issues different forms of credit money, all of which is directly or indirectly redeemable in the commodity money to which a fixed and stable value has been given.

This is done for convenience. It facilitates the transaction of business, just as your wheat, cotton, etc., certificates facilitate the buying and selling of these commodities, but has no effect on the volume and value of the commodity.

There are two kinds of credit money, as to the material out of which they are made: One is made on paper and embraces all forms of Government and bank notes issued from time to time as are authorized by law; the other is token money. Token money is made from some metal that does not enjoy free coinage but is redeemable either directly or indirectly in primary, basic, or commodity money, which in this country is only gold.

With so much paper or metallic credit money in your possession, there is supposed to be that much redemption money to your credit with the Government. It is a check to bearer for commodity money (gold) when presented. We thus see that money primarily is a commodity property, a thing of value, possessing an exchange value with all other property.

It is absolutely imperative that you should understand the distinction between actual money and credit money, as no just comprehension of our monetary system as a science can be had without it.

I am herewith appending some statistical deductions from the 1932 Report of the Director of the Mint which will be valuable to those interested in the bimetallic system of money.

STATISTICAL DEDUCTIONS FROM REPORT OF UNITED STATES MINT FOR 1932

Production of silver in United States from 1792 to July 1, 1834; Insignificant.

From July 1, 1834, including 1847: 309,500 fine ounces; commercial value, $404,500.

Gold produced in United States from 1792 up to and including 1847: 1,187,170 fine ounces; value, $24,537,000.

Silver produced in United States from 1848 to and including 1872, 118,568,200 fine ounces; commercial value, $157,749,900.

Gold produced in United States from 1848 to and including 1872, 58,279,778 fine ounces; commercial value, $1,204,750,000.

Silver produced in United States from 1872 to and including 1931, 3,079,337,904 fine ounces; commercial value, $2,355,641,511.

Net loss to United States producers of silver due to demonetization, figuring ratio of 16 to 1, $1,625,604,165.

Gold produced in United States from 1872 to and including 1931, 164,410,045 fine ounces; commercial value, $3,398,655,300.

ANNUAL REPORT OF MINT, 1932

	Per ounce
Price of silver bullion on London market, 925 fine:	
1919	125
1920	134
New York market, 1,000 fine:	
1919	138
1920	137 83/

STATISTICAL DEDUCTIONS FROM REPORTS OF UNITED STATES MINT FOR 1930, 1931, AND 1932

The total production of gold and silver in the world for the years 1928, 1929, 1930, and 1931 is as follows:

	Fine ounces
Total gold	82,291,368
Total silver	960,313,580

During the same period the Western Hemisphere produced of this total:

Gold, 22,032,667 fine ounces, 26.77 percent of total world production.

Silver, 810,055,614 fine ounces, 84.35 percent of total world production.

The figures given for 1931 in Report of Mint for 1932 are marked "subject to revision", but no doubt are accurate enough for all practical purposes.

Production of silver and gold in the world since the discovery of America:

Fine ounces gold	1,084,835,651
Fine ounces silver	15,170,272,102

Production ratio, 13 98/100—1.

Total commercial valuation of gold, $22,413,757,117.

Total commercial valuation of silver, $19,195,587,185.

Total value of silver dollars of 371¼ grains, $19,613,644,800.

DEDUCTIONS FROM REPORT OF BUREAU OF THE UNITED STATES MINT

The United States produced 383 times as much silver bullion during the 25-year period from 1848 to 1873 as it did in the 56-year period from 1792 to 1848, or in dollars 390 times as much.

Silver coined from 1793 to 1873 by the United States Mint

Silver dollars	$8,031,238.00
Half dollars	100,541,253.00
Quarters	22,288,021.50
Dimes	9,242,079.20
Half dimes	4,880,219.40
3-cent pieces	1,282,087.20
Total silver coined from 1793 to 1873	146,264,898.30
Silver dollars coined in 1871	1,117,136.00
Silver dollars coined in 1872	1,118,600.00

More silver dollars coined in these 2 years than in any previous 4 years in United States history.

Gold coined from 1793 to 1873 by United States Mint

Double eagles	$680,466,000.00
Eagles	55,656,940.00
Half eagles	68,889,385.00
$3 pieces	1,169,883.00
Quarter eagles	26,750,302.50
Dollars	19,181,927.00
Total 1793 to 1873	852,114,437.50

There was not a single gold dollar piece coined by the United States Mint until 1849, 57 years after we established a mint, 1792, and there hasn't been a single commercial gold dollar coined since 1889, 44 years.

Prior to 1687 the value of fine silver was $1.38 per ounce, equivalent to a ratio of 15 to 1. From 1687 to 1873 the commercial ratio ran from 14.14 to 16.25. From 1873 to 1931 the commercial ratio ran from 15.93 to 71.25. From 1834 to 1873 there never was a minute that silver wasn't a premium over gold.

In other words, in 1873, before silver was demonetized, you could sell 15.93 ounces of silver and buy 1 ounce of gold, while in 1931 you would have to sell 71.25 ounces of silver to buy 1 ounce of gold as a result of demonetization. Demonetization means destroying silver's use as a commodity or basic money.

Production of gold and silver in the world since the discovery of America

[Treasury Annual Reports, 1932—Director of the Mint]

Period	Gold		Silver		Production ratio
	Fine ounces	Value	Fine ounces	Commercial value	
1493-1600	24,266,820	$501,640,000	734,125,960	$1,013,093,825	1-30.25
1601-1700	29,330,445	606,315,000	1,197,073,100	1,651,960,878	1-40.81
1701-1800	61,088,215	1,262,805,000	1,833,672,035	2,534,667,154	1-30.02
1801-40	20,488,552	423,535,000	801,155,495	1,058,101,898	1-39.10
1841-60	82,087,951	1,696,909,000	538,823,550	714,994,937	1- 6.56
1861-70	61,098,343	1,263,015,000	392,267,776	523,561,847	1- 6.42
1871-80	55,670,618	1,150,814,000	710,463,078	865,432,040	1-12.76
1881-90	51,280,184	1,060,056,000	1,004,576,877	1,043,927,353	1-19.58
1891-1900	101,647,521	2,101,241,400	1,616,373,178	1,131,299,109	1-15.90
1901-10	182,891,525	3,780,703,900	1,826,234,623	1,052,194,838	1- 9.98
1911-20	206,115,498	4,260,770,272	1,935,607,379	1,430,510,377	1- 9.39
1921-31	208,909,979	4,305,952,545	2,579,899,051	1,537,277,036	1-12.34
Total	1,084,835,651		15,170,272,102		

Production ratio, gold to silver from 1493 to 1931	1-13 98/100
Production ratio, gold to silver from 1493 to 1800	1-32 82/100
Production ratio, gold to silver from 1800 to 1870	1-10 58/100
Production ratio, gold to silver from 1870 to 1900	1-15 97/100
Production ratio, gold to silver from 1900 to 1931	1-10 60/100

REPORT ON THE CEMENT INDUSTRY (S.DOC. NO. 71)

The PRESIDING OFFICER (Mr. McGILL in the chair) laid before the Senate a letter from the Chairman of the Federal Trade Commission, transmitting, in response to Senate Resolution No. 448, Seventy-first Congress, a report relative to competitive conditions in the cement industry, which was referred to the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. The Chair directs the attention of the Senator from Nebraska to this report.

Mr. NORRIS. I ask that the report of the Federal Trade Commission be printed, with an illustration, as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL INDUSTRIAL RECOVERY BILL

Mr. HATFIELD. Mr. President, I hail from that part of what was once known as the "Old Dominion"—Virginia—where George Washington visited and whose memory is still revered by the people who inhabit that section of what is now West Virginia.

Mr. President, in my busy professional life I have given much time and consideration to governmental affairs. Beginning with the local unit of government and coming up to and serving as chief executive of the State of West Virginia, for 4 years previous to my term as Governor I served as a member of the legislature, as Lieutenant Governor, returning to my profession after my service as Governor. Then to the service of the Government during the World War, and again returning to my profession at the conclusion of the war, and later I was elected to the Senate of the United States.

I believe in the fundamental principles enunciated by those men who established our Government. I believe, Mr. President, that it is necessary for the protection of the great masses of the people of this land that we should have competition, as it is one of the basic factors which has contributed to the rapid growth and prosperity of this country. As an example, the only monopolistic industries we find in America are uncontrollable notwithstanding efforts are made for their regulation. Such efforts are not satisfactory; they are not successful, and if we are to have a monopoly in all branches of industry, what must ultimately become of the average citizen who lives in this Republic and whose interest should be protected?

It was my pleasure on May 30, Mr. President, to discuss the so-called "national industry recovery bill." It was my purpose last evening to make further observations respecting the operation of the measure, should it become a law, but, because of the long hours to which Senators were subjected, I felt that I should not burden them with an address last evening. It may be thought, Mr. President, that my address would come in more appropriately when the conference report shall be submitted to this body on the national recovery bill, but it is not my purpose to detain the Senate; and during this interim, when the conferees are working, I desire to complete my observations, which are nothing more than a conclusion of what I started to say on May 30, when I analyzed the text that had been written by Professor Tugwell in connection with the industrial relief bill now before us.

Mr. President, the friends of the so-called "National Recovery Act" acknowledge it to be a revolutionary piece of legislation. The bill frankly abandons democracy. When I make this statement, Mr. President, I do not criticize any group or individual advocating this kind of legislation. I am discussing it as I feel it will affect the rank and file of the people of this land and the economic ills and embarrassments that will follow in its wake.

The bill socializes all industry in America. Had Karl Marx risen from the grave to write the bill, the triumph of his idea could not have been more complete. The wonder is that Stalin, czar of the godless Government of Russia, has not sooner cabled his congratulations to the White House, because this bill boldly flaunts the label, "Made in Moscow."

It is a masterpiece of spoilsmanship.

Under this bill no member of the Democratic Party need lack for a Government job.

This bill repeals the law of supply and demand.

It kotows to the red illuminati of university circles.

It enthrones a soulless technocracy.

It makes virtuous the law of the jungle.

It makes all men honest by Government fiat.

It subsidizes the drone and exalts the sluggard.

It regiments a nation.

It represents a craven surrender to the specter of fear.

It marches a nation to work in platoons, goaded to toil by Government decree.

It debauches and degrades the insignia of the United States Government by lending it to industrial banditti.

It opens up a paradise of profiteering.

It holds forth an illimitable vista of corruption, stock jobbing, and bribery.

It crucifies the farmer and whisks away the mirage of an honest farm dollar.

It invites American capital to find sanctuary in foreign lands under foreign flags.

It is an abject return to industrial vassalage.

It is a step backward to the peonage and serfdom of the Dark Ages.

It represents man's humiliating surrender to the machine.

It presupposes a Government-ordained buying spree.

It menaces freedom of the press.

It is a dictatorship not of the proletariat but of a Government bureaucracy.

It thrusts the retailers into the front-line trenches as shock troops of an adventure in economic utopianism.

It makes treasonable the merest peccadillo of economic indiscretion.

It drags forth the shadow of fine and imprisonment for anyone so simple as to cherish individual liberty.

It fastens on organized labor the steel bands of Government standardization.

It ushers in a millennium of class favoritism.

It represents the final victory of big business over the little man.

It affronts the sacred memory of Valley Forge. Washington prayed for liberty. We spurn it.

The bill regulates the American breakfast, prescribes the length of a lady's skirt, and ordains the cut of a man's coat lapel.

It unleashes a horde of janizaries to pry into every business in America.

When coupled with unbridled inflation, its possibilities beggar the imagination.

Any industrial brigand may now hoist the American flag over his plant and claim its protection.

To succeed, it must drag down the American standard of living to the level of a war-devastated and impoverished Europe.

It means that wheatless, and possibly meatless, days are here again.

Worst of all, it stigmatizes the traditional American virtues of individual worth, benevolence, thrift, prudence, personal integrity, and responsibility.

The bill exemplifies economic scholasticism in its direst aspects.

It canonizes the economic sophist and the doctrinaire.

Those whom the President has denounced as "selfish cutthroats" are now to be given an immunity bath.

There is no mystery about the bill. It is state socialism.

Mr. President, the bill expects a Government bureaucrat to possess an intimate knowledge, not of one industry but of all industry. Why should the visage of Lenin be blotted out from the magnificent murals of Rockefeller City, when the ideals of Lenin are enshrined by the American Government? The bill frankly reaches out to exercise a despotic control over all industrial production, hours of work, wages, and therefore prices. The quota system is not only sanctioned but prescribed. The Government makes out a chart of basic necessities, such as shelter, food, clothing, fuel, and transportation. Industry must conform to the blueprint, willingly or not. Is that not Marxism?

How can a foreign market be obtained for a proposed surplus when the present administration denounces economic nationalism and glories in the competitive reciprocal tariff and in some cases outright free trade? It is manifestly absurd for the Government to attempt to guarantee quotas, wages, and prices without providing absolute protection against foreign competition. There is no economic formula that I know of that can surmount this difficulty. If the Government nationalizes industry, it must protect its creation from foreign attack. Yet we have one branch of the Government fostering nationalized industry while another branch of the Government is dickering with foreign nations with a view of lowering our tariffs. Rarely has such a ridiculous paradox been presented to the American people.

In connection with the process of manufacture and distribution of merchandise, it is clearly impossible for the Government to exercise a greater foresight, or to display a greater skill in management than the individual producer and distribtuor.

Everyone remembers the mismanagement of the railroads by the Government during the war. In fact, the railroads of this country have never completely recovered from the inefficiency that reduced revenues and shattered the esprit de corps of the personnel under the conflicting orders and regulations and haphazard methods of Government dictation and absolute control.

If wages are raised, the prices of commodities must go up. If prices go up and no protective tariff is available, then, under Government management, the American manufacturer is driven from his own market by his own Government. This Government only recently rejected legislation which would permit products of American industry to combat the competition of products of countries operating with depreciated currencies. This administration actually opposed the levying of a surtax that would have protected American industry and American workingmen against foreign depreciated currencies. What then can be expected if this bill passes? We should have the spectacle of the Government opening wide its Treasury to the inroads of foreign industrialists. The denouncement is inescapable, unless there is a change of heart, and a reversion to the protective tariff, which was denounced as economic nationalism when this administration was clamoring for power.

A bird's-eye view of one of tae richest industrial areas in America affords an interesting study of the devasting possibilities of this bill. I cite a table relating to the matter, and I ask that the table may be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. OVERTON in the chair). Without objection, it is so ordered.

The table is as follows:

Biennial Census of Manufacturers: General statistics for New York City industrial area—1929 compared with 1931

Year	Number of establishments	Wage earners [1]	Wages [2]
1931	32,131	715,134	$980,836,202
1929	36,401	916,206	1,416,881,044

Year	Cost of materials, etc. [3]	Value of products	Value added by manufacture [4]
1931	$3,004,799,991	$6,162,828,205	$3,158,028,214
1929	4,913,697,404	9,424,294,682	4,510,597,278

[1] Average number of wage earners based on the numbers reported for the several months of the year, not including salaried officers and employees.

[2] Manufacturers' profits cannot be calculated from the census figures, because no data are collected for certain expense items, such as salaries, interest on investment, rent, depreciation, taxes, insurance, and advertising.

[3] Including containers, fuel, and purchased electrical energy.

[4] Value of products less cost of materials, fuel, and purchased electric energy.

Mr. HATFIELD. Mr. President, from the foregoing it will be observed that in 1931, after payment of wages and payment for the cost of materials, there remained $2,180,000,000 with which to pay salaries of executives, interest on investment, rent, depreciation, taxes, insurance, and advertising. It is upon this surplus of value that it is proposed to make the first inroads. I quote from a recent statement

by Secretary Perkins, which appeared in the New York Times of May 23, 1933:

If we see that the wage which goes to the investor is less because the wage which goes to the worker has got to be greater, I think you will hear all over this country "aye" from people who have come to be glad to make the sacrifice in order that we may achieve unity of the American people.

According to this theory the manufacturers' profits will be the first to suffer as this fund is transferred to the wageworker. If that does not suffice, then the funds hitherto devoted to rent, depreciation, insurance, and advertising must suffer. This means not a permanent, but a temporary gain for the wageworker. A Government levy on funds for depreciation, insurance, and advertising, means in fact the progressive expropriation of the industrial plant. Carried to its logical ultimate it means that the wageworker gradually consumes his means of subsistence. There would be no fund available to replace worn out machinery. There would be no fund available to perpetuate a given industry by advertising. Herein is a double menace. It supposes that the wageworker can eat his cake and have it too. It menaces the freedom of the American press, for by denuding the press of advertising funds, it is stripped of its source of revenue.

A debt of gratitude is owed Miss Perkins for her frankness. Her plan, at first glance, is refreshing in its naïveté. But a levy of capital is not envisioned by all sponsors of this measure. They take the position that wages, and profits, too, can be elevated by Government proclamation. Miss Perkins' plan merely invites American capital to seek sanctuary under foreign flags, where conditions are less onerous and raw materials cheaper and more abundant. Should any wholesale exodus occur by reason of Miss Perkins' dicta, our whole industrial edifice, thus rotted from within, would collapse. On the other hand, if profits, as well a swages, are to advance by Government decree, then the Government has whisked away the mirage of an honest farm dollar, and nullified the Farm Relief Act.

But before entering upon that phase, let us consider the ultimate outcome of Miss Perkins' plan, in case it should meet with a success somewhat below that which she so trustfully estimates. The workers, taught by the Government itself, would justifiably continue to demand Government protection. That could only come, however, in the form of a still more tyrannous state socialism, which would make the state supreme in every avenue of life. The American man would live for the state instead of the state for him. It could not fail to impair, if not destroy, the moral fiber of America. It is doubtful if the wage workers want any such a consequence. It is doubtful if they will agree to march to work in platoons.

Mr. President, labor never had a better friend than I was when Governor of the State of West Virginia. When I became Governor on the 4th of March 1913, we immediately set out to do something worth while for labor. We gave to them one of the first compensation laws that was ever written into the statute books of any of the 48 States of the Union. That law was copied from the German law, and it was recognized in those days that the German compensation law was the best of its kind to be found in any of the nations of the world. In fact, all the legislation beneficial to labor ever enacted in West Virginia was passed during my administration.

Not only was that accomplishment brought forward in the interest and for the protection of the workingman, but a child labor law was written upon the statute books of West Virginia, an 8-hour day law, and a health law, which 33 States of the Union have copied since. That is a part of the record made during my term as Governor of West Virginia, and no laboring man can investigate my record and arrive at the conclusion that I have not dealt four square with the toilers and laborers of this land.

Mr. President, this is the road we are taking at the behest of economic utopians. Confiscation of capital, as envisioned by Miss Perkins, not only destroys the rich but impoverishes the wageworker.

I have said that the bill nullifies farm relief. Let us see how that can come about. Under the relief act the farmer is encouraged to hope for the price level of 1909–14. That means that the industrial element is to be taxed to return to the farmer a price equivalent to the following scale:

Commodity:	*Average price 1909–14*
Cotton, per pound	12.4
Corn, per bushel	64.2
Wheat, per bushel	88.4
Beef cattle, per pound	5.2
Hogs, per pound	7.24
Butter, per pound	25.5
Butterfat, per pound	26.3
Lambs, per pound	5.9
Milk, per pound	1.8

Under the proposed rise in the level of industrial wages, the cost of everything the farmer buys is again to be skyrocketed. The buying power of the farmer's dollar must continue to shrink because the wages envisioned under the Industrial Recovery Act have no limit set to them.

Mr. President, I am for the farmer. My record has always been one of advocacy of the interests of the farmer, and I stand for his receiving a worth-while return for the products of his farm. At the same time, I stand for giving the wage earner of America the opportunity to earn a wage that will purchase from the farm these products, and will leave him something for the protection of his family and for the inevitable rainy day that must come to him.

The farmer must needs seek prices far above the 1909–14 level in order to make ends meet. Indeed, one of the most vicious features of this bill is that it encourages a constant state of economic war between the industrial worker and the farm worker. Thus at a single stroke the administration has wiped out the gains that it proposed, through legislation a few weeks ago, to yield to the farmer at the expense of other elements of our population. That is where Government subsidies usually lead. That is the usual dilemma of class legislation. Here, however, is created a situation almost exactly analogous to that which signalized the War between the States. That war, at bottom, was a clash between the industrial North and the agrarian South.

Far from eliminating a similar conflict, the industrial bill arms both the agrarian and industrial elements of our population with legislative bludgeons with which to battle to the death. The rival measures do not stop short at arraying State against State; they portend bitter collisions within the various States as conflicting elements vie for domination of the government. Farmers naturally will recoil from high-priced merchandise. Industrial workers naturally will be chary of high-priced food. Who is to preserve the delicate balance between the two? Is it to be some $1,700-a-year Government clerk or some $1-a-year man with a private ax to grind? The ensuing conflict may rend the Nation.

When the socialization of American industry is linked to grave economic and political commitments across the seas, the hazard is only intensified. There is precipitated at once a crisis wherein American economy, to be successful, must sustain and support the dissimilar, antiquated, and unmechanized economies of the smallest and most backward European states. Either their standard of living must be raised to ours or ours must be lowered to theirs. There is no alternative. Lacking a protective tariff, we sink to the level of Europe; and it is proposed not merely to lower our tariffs, but to make long-time commitments, extending beyond the bounds of a single administration, disturbing friendships of 150 years, provoking international rivalries and disappointments that are the inevitable accompaniment of tariff favoritism embodied in reciprocal treaties.

The administration has omitted no effort to make the protective tariff detestable in the eyes of Americans. When the free-traders who upon their arrival in London denounced "economic nationalism" they in fact denounced the protective tariff. "Economic nationalism" is but a high-sounding word, calculated to deceive and intended to make odious in the eyes of our people the time-tried bulwark of American industry, the protective tariff. Employ-

ment of the words "economic nationalism" by the propagandists of free trade is on a parity with that other euphemism, the word "sanctions", a mild-sounding word that is utilized to conceal brute force when exercised by the League of Nations.

Mr. President, for 2 long years I have battled for legislation which would protect American industry and the employment opportunities of American labor. Repeatedly have I offered amendments which had for their purpose giving to the American wage earner the opportunity to work and to give to the American industry owner the American markets, and in each effort, because of Democratic opposition, I failed. It was only last night that the senior Senator from Massachusetts [Mr. WALSH] offered an amendment which represents in substance the amendment that I offered repeatedly. This amendment to the industrial bill authorizes the President to protect industry and labor in this country, an amendment I have been earnestly advocating for the last 2 years. The question is, Will the President invoke this principle and power that is given to him in this measure to protect the American industry by beginning and ending at the national border where understanding and control cease to us.

The conferees have this amendment under consideration, and I have no hesitancy in predicting that unless this Senate amendment prevails, there will be considerable discussion before the conferees' report is accepted.

The American people were never consulted in advance about these liberty-destroying measures. The people were not told they were voting for state socialism. Had they been aware that our Government was to kotow to the red illuminati of university circles, the people would have recoiled in indignation. He misapprehends the spirit of America who fancies this betrayal will go unpunished.

The industrial recovery bill is a threat to religion. By their own confession sponsors of the measure will strictly limit the profit motive in American economy. A trend toward the confiscation of capital in support of the measure already has been discerned in the elevated income taxes that are now declared to be a necessity. When this source is exhausted, the Government expropriators in their quest for more and more funds to sustain the gigantic Government-managed industrial machine cannot be expected to keep their hands off the $3,000,000,000 or more of tax-free church property in America.

Mr. President, I have no wish to be unduly the alarmist. I lay no claim to the gift of prophecy; but I cannot escape the recollection that in an address on October 27, 1932, I pointed out many of the perils that now confront the Nation as a result of recent intemperate and romantic leadership. I then enumerated the five perils that loomed ahead, as follows:

1. The dole.
2. A $5,000,000,000 issue of greenbacks.
3. A competitive tariff.
4. A dictatorship.
5. Extravagant disbursements from the United States Treasury, running from $5,000,000,000 to $10,000,000,000.

Mr. President, I find now that the foregoing was a most conservative prediction. Under the inflation amendment of the Farm Act my estimate was most conservative. I am not alone in that view. So distinguished an economist as Benjamin M. Anderson, Jr., of the Chase National Bank, which I believe is one of the largest in the world, says:

> Any one of the three main powers granted to the President under the Thomas amendment to the farm bill, if fully used, would generate so wild and uncontrollable a flight from the dollar, so wild and uncontrollable a speculative boom that disasters far worse than any the country has known yet would follow * * *. (From the New York Times of May 9, 1933.)

Only with sadness can I now say that my forecast fell short of the mark only in the low estimates and proportions. My concern is only for the safety and security of America. My first concern is for the 17,000,000 unemployed, and many other millions who are down at the heels, out at the elbows, and struggling for the barest subsistence. My concern is for the American war veteran who has been so shabbily treated by the present administration. My concern is not to torture the people with false hopes. My fear is for the integrity of the American Constitution. I ask nothing more than to champion the old America, which refused to stigmatize the traditional, cherished virtues of individual worth, benevolence, thrifty prudence, personal integrity and responsibility, with individual initiative and directing force behind the individual man.

Like all Utopian schemes, this bill totally disregards the human factor. If the prices of commodities are to be raised, what will make the people buy them? Experience warns us that higher prices make fewer buyers. Will not prudent Americans, when and if they become wage earners under this measure, be inclined to buy as little as possible and save as much as possible against a recurrence of the calamitous conditions that now prevail? Will all the tom-toms of advertising, even when backed by Government proclamation, prove adequate to induce another buying spree?

Such a solution cannot be anticipated, in view of the fact that more than $600,000,000 of gold is now held by American hoarders in defiance of the administration, and with Members of the Senate publicly applauding them. Nevertheless, the administration is going ahead and proposes to lend the insignia of the United States Government to every racketeer in America.

Consider the dreadful results that are not improbable. Recall the case of the Bank of the United States, an institution that falsely bore the name of our Government. Countless humble persons, believing it was a "Bank of the United States", when it had no connection whatever with the Government and had not the faintest shadow of a title to that honorable name, invested their money in this institution, only to go down in the greatest bank crash in American history.

That is an example of what comes of lending the insignia of the United States Government to private business. What, then, may be expected to happen when such elements of business as the President himself has denounced as "selfish cutthroats" are given an immunity bath by Government decree and permitted to operate underneath the folds of the American flag?

Mr. President, I believe those manufacturers who have despairingly endorsed this measure are short-sighted indeed, and unconscionable, and only favor it as an evasion of the antitrust laws which protect the consumer. With their factories idle or running on part time, with their imaginations continually oppressed by the murmurs of the multitudes of unemployed, they have, like some others in high places, surrendered to a spectre of fear. Such a course, in some cases, embodies a morality no higher than that of the Russian kulak, who embraced communism only with the idea of destroying it by sabotage from within. Some may deem such a course one of expediency, but is it not more manly to fight in the open?

It is explained that the heads of industry must yield eventually to pressure from below. I cannot agree with this premise. Considering the sufferings of the unemployed, the despair of armies of men and boys roving the Nation in quest of work, the patience and forbearance of American labor is a glorious chapter in American history. The leaders and the rank and file of American labor are as hostile to communism as are the sturdiest Tories of old England. They do not want labor reduced to a species of peonage by reason of the bondage of government standardization. Regimentation is not desired by American labor. They see dangers in minimum wages that may become maximum wages. If any American industrialist envisions that he can utilize the Government to reduce American labor to a state of vassalage comparable to that of the Middle Ages, he is entertaining an illusion.

It is true that a 1-year trial period is written into the measure, but who can predict the ultimate limit? If the measure is even partially successful, will not its principal beneficiaries seek to continue it? If it is a failure, will either the industrialist or the workingman be able to throw off the Government yoke? If the industries at the end of

the year are still in the paralyzed condition which confronts them today, how is the President of the United States or the Government of the United States to be able to lift industry to a higher level than exists at the present time? And what will the penalty of failure be? Will those who have suffered injuries by these experiments be recompensed, or will there be a complete acceptance of sovietism, the elimination of State lines, and the establishment of a dictatorship for all times?

One reason why this bill will fail to attain its object is the hypocrisy surrounding it. Monopolistic industries, seeking a guaranty of their control of industry, are assured of freedom to exploit the masses of our people through high prices, and, in addition thereto, according to press reports, they are virtually placed in control of the regulations to be issued through domination of the board who will advise the dictator herein provided for.

On the other hand, American labor seemingly has been assured that it will be guaranteed that all workers will be organized and unionized, but at what price glory, Mr. President?

The assurance given to labor, however, to my mind, contains but little guaranty of freedom or of liberty.

While the American wageworkers will have foisted upon them increased living costs of 50 percent or more, no guaranty is given that the wageworkers will secure sufficient wages to absorb this increased cost of living.

True, provision is made for the approval of codes of fair competition.

I understand that the cotton textile industry has agreed upon a code of 40 hours per week with a minimum wage of $10 per week.

Is this illustrative of how the workers are to be treated?

Will $10 per week, or 25 cents per hour, permit of workers' providing for the increase in their cost of living?

Surely, it will be admitted that all Americans, true to American traditions, seek higher standards of living for themselves and their families.

Those who represent the organized workers seemingly have overlooked the criminal clause contained in this bill, as a result of which any violation of an approved code makes one liable to a penalty—page 7, subsection F, section 3.

Mr. President, by the very nature of the measure, any resistance to its encroachments on the liberty of the individual man becomes an act of treason. Is it not an axiom that no one has a right to strike against his government? When it is considered that all violators are statutory criminals, the vision of a barbed-wire stockade for dissenters who may cherish some antiquated notion of American liberty is by no means extravagant. No one may hope to escape ignominy if he does not march with the regimented millions. To resist is to resist the Government, and that is treason. Well, sirs, I am no traitor to America. If hostility to this oppressive measure be treason, I can say, with ample historic precedent, "Then make the most of it."

From time to time in recorded history certain persons have been struck with the idea that human beings would be much happier if they would adopt a pattern of life that would minimize or eliminate entirely such obvious handicaps to good behavior as fear, greed, vanity, and lust for power. A regimented rather than a competitive society is herein envisaged. Some reformers content themselves by merely painting on a vast canvas the glories of a man-made paradise. Others, impatient at the slow evolution of humanity toward a higher and higher plane of existence, seek to propagate their ideas by force of government. That is what has now happened. This measure pays obeisance to the sophist and the doctrinaire of economics. It exemplifies economic scholasticism in its direct aspects.

The Government of the United States was the product of an evolution of thought, an effort to create a way of life in which there would be a minimum of government and a maximum of liberty. It is epitomized in the thought that the best-governed are the least-governed. The experiment followed hard on the dreams dreamed by Rousseau, Locke, Paine, Franklin, Lafayette, Washington, Jefferson, and Hamilton. We have now repudiated them by stating that the best government is the most despotic. The decision that has been taken by the sponsors of this measure is a repudiation of all that was held dear by the founders of America. It means that the alien ideas which were imported from Europe in the last few decades have gained the day over the old America.

Unbridled competition within America is declared to have produced a state of anarchy ruinous to virtue, yet it is now proposed to make all men virtuous by executive proclamation. If men are not inherently virtuous, can they be made so by Government fiat? Whereas our liberties were formerly esteemed and prized as our dearest possessions, they are now to be cast to the four winds in a panic of fear, whilst those responsible for the conduct of our Government sneer at the old landmarks and the ancient anchorages which in ordinary times brought us peace and plenty. We have now embarked upon a philosophy of "bread and circuses" without thought that such a policy was but the precursor of the doom of old Rome. All our liberties are to be yielded up at the behest of a Utopian regency, romantic in action and visionary in thought. More than a historic coincidence may lie in the proposed tax on tea. The proposed bureaucracy may prove as obtuse to economic realities as royal George the Third.

However, if industry is to be represented as such in the Government set-up of control, it merely adds an unlimited Government fiat to the extensive powers already possessed by big business. It heralds, in that sense, a final victory of big business over the little man. It portends a return to industrial feudalism. In that aspect it is a return to the lex talionis, with this difference, that what was formerly outlawed is now approved by the Government.

Mr. President, in my opinion the policies of the present administration underestimate by far the recuperative stamina of the people themselves. They clamored for relief, not for socialism. They know that all the prosperity in the world cannot compensate them for the loss of their liberties. They want jobs, a sense of independence and self-reliance; they do not want to become wards of the Government.

It is proposed to dragoon all agencies of propaganda in support of the experiment. These agencies will be found exactly as they were during the war, to publish only that which is favorable to the enterprise, to conceal anything which is unfavorable, for fear of undermining the public morale. Anyone who dares to question the authenticity of public information that comes from the Government in praise of its own wit and wisdom will be publicly stigmatized as traitorous.

The measure throws up an impenetrable barrier against scientific advancement. Should some epochal discovery threaten the stability of this Government-controlled system, its very inertia would delay if not prohibit its use altogether. The great scientific laboratories which industry has privately endowed for research in the realm of pure science would be dismantled and abandoned, for they no longer would be needed, because the bill proposes a fixation of business in its present state. Whereas private capital formerly would be eager to seize and exploit new discoveries when assured of profits commensurate to the risk, bureaucracy may prove as hostile to advancement as it was to Langley and the Wright brothers. The very fact that it is proposed to perpetuate the status quo of industry is proof, if any be needed, of this point. Under this act could electrical refrigeration have been adopted? Will the Government undertake the risk of underwriting the modernization of air-conditioned housing?

In general and in particular the constitutionality of the bill is open to the gravest doubts. Here an obscure iceman enters the picture via the Supreme Court of the United States. What a blow to Government cupidity was that which the Supreme Court struck on behalf of the humble iceman when it decreed that he had an inalienable right to enter the ice business anywhere, at any time, despite efforts to legislate him out of existence. Under the commit-

ments of this bill the Government is pledged by inference to support no business that threatens an overquota of commodities. Yet, by paradox, it is pledged to allot quotas to the least efficient branches of industry, which, in the ordinary vicissitudes of commerce, would be superseded by more desirable units.

Is it to be supposed that the Government, having assumed the management, will not be responsible for any and all financial blunders that may be made? Who, for example, is to draw the dividing line between the various branches of the fuel industry? By an Executive decree, innocently or designedly worded, coal could be so handicapped as to drive a majority of consumers to the use of oil or water power. May not the Government, in zeal to market the electricity of Muscle Shoals, drive from their markets the coals of Pennsylvania, Kentucky, Illinois, Indiana, Ohio, and West Virginia, to mention but a few of the coal-producing States? Or, cannot the process be reversed so that coal would be prescribed as fuel to the exclusion of oil or water power? Are we ready to perpetuate steam power, for example, in those industries where it is already outmoded?

If farms and industry are industrialized, it is but a step to the socialization of all America; it is only a step toward fixing fees in the building trades, fixing the fees of the architects, the lawyers, the doctors, the dentists, the poets, the painters, the musicians and artists, regardless of individual merit. It is but a short step from expropriation and nationalization of all property to State religion and exclusively State education.

Mr. President, the American people have been shamelessly betrayed. Groping through the darkness of the depression, they have been allured on and on toward the abyss of Government bankruptcy by these will-o'-the-wisps. Reduced to despair by the vicissitudes of the last 3½ years, they have wandered after false gods, and in an agony of suffering have turned for relief to the very authors of the disaster, because it was zeal to engage in a war across the seas, as exemplified by certain former war-time leaders, who have again been entrusted with power, that ultimately led us into the collapse of our entire economic structure. Only the Government regained its poise and stability. Now, it is proposed to bring to earth that last pylon of the public security.

What a moment of triumph it must be for the devoted followers of the Wilson idealism to see America at last nearly pledged to underwrite with the blood of the youth of America the 5,000 miles of new frontiers of Europe; to boast that the prosperity and, aye, the very political security of Europe is now a matter of continuing concern to the American people and the American Government! What a moment of triumph it must be for those who have unceasingly urged us to surrender American sovereignty to the superstate of the League of Nations! When the proposed consultative pact is read in conjunction with that reported to have been secretly arranged in Rome, all territorial revision of Europe's boundaries must be achieved through the League. In less than 3 months America's birthright of freedom has been riotously squandered in Utopian enterprises at home and abroad. The hand that again leads us across the seas is the hand of Franklin D. Roosevelt, but the voice is the voice of Woodrow Wilson.

To me it all seems a sinister and despicable defiance of the will of a nation which overwhelmingly voted to get out of Europe and stay out of the League. I regret to state that I have scarcely any hope that this adventure into socialism and internationalism can now be avoided. But perhaps we shall learn through bitter experience that George Washington was more sensible, and more patriotic, and had a longer vision than some of those who now plead for a dictatorship either of the right or the left.

Our ancestors who settled this land came here with the firm resolve to secure a large measure of independence and freedom for themselves and their children. To this purpose they dedicated their lives, and upon this basis they have built and supported the most perfect governmental structure that the world has ever seen. Their handiwork is evident in our industrial as well as our political growth.

Mr. President, I felt that I should complete my analysis of the idea of government advocated in Professor Tugwell's book entitled "The Industrial Discipline and Governmental Arts." This bill reflects the theories of government as laid down by this writer, and during the last 3 months there has occurred a transformation in harmony with the principles outlined in the book. The Constitution, which was designed to afford ample protection to industry and to safeguard the rights of the individual, has been disregarded. I venture to say the new theory will not be as enduring as our basic law, nor will it receive the approval of any group representing labor, agriculture, or industry. The new measures embodying these principles are not in harmony with the ideals which have carried us through the past 150 years to successful accomplishments, which have made us the envy of the world. The expressed voice, will, and vote of the people have always indicated a desire for freedom and independence so essential to the continuation of our democratic form of government. I do not believe that the elimination of competition and the establishment of a monopolistic form of government will appeal to the American people.

I favor collective bargaining for labor, but I do not favor national control of labor, which means state socialism and servitude.

Mr. President, that section of the bill which provides a program of public works for the relief of the unemployed meets with my approval and I would indeed be glad to vote for it, were it proposed as a separate measure and not linked with the socialization of industry, as provided in part I of the bill. The destructive effects of part I upon our industry will far outweigh the temporary relief granted under part II. It would seem fair to conclude that part II was attached to the bill in order to make the socialization of American industry more acceptable.

Several Members have confided to me that in the hope of stimulating employment through governmental construction they have decided to support this bill, but they resent being forced, in order to initiate the public-construction program, to endorse socialization of American industries.

Mr. President, last evening those in charge of this bill very generously permitted the passage of amendments which appeal to a great number of our people.

It is my firm belief that the conferees will strike out these amendments and the administration will force through the conferees' report.

If my prediction is borne out, it will be but another of the many manifestations of hypocrisy so evident in our governmental affairs since the advent of the "new deal."

POLITICAL ACTIVITIES OF FEDERAL OFFICEHOLDERS

During the delivery of Mr. HATFIELD's speech—

Mr. STEIWER. Mr. President——

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

Mr. STEIWER. I appreciate the Senator's kindness.

I merely desire at this time to ask unanimous consent to introduce a bill for reference to the Judiciary Committee. With respect to it, I will state that I had intended and hoped to make some comments upon the bill. I shall not ask the indulgence of the Senator to that extent, however, but shall reserve my observations for some future time.

The PRESIDING OFFICER. Without objection, the bill will be received and referred.

The bill (S. 1884) to prevent the use of Federal official patronage in elections and prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was read twice by its title and referred to the Committee on the Judiciary.

After the conclusion of Mr. HATFIELD'S speech—

VETERANS' COMPENSATION

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a letter just received by me from Lester McCoy, of Garden City, Kans. Mr. McCoy is one of the substantial business men of southwest-

ern Kansas. He is a past commander of the Kansas Department of the American Legion; is well known and highly respected over our State.

What he says as to distressful effects of the regulations affecting compensation and allowances to veterans under the provisions of the economy bill are undoubtedly true. They are not overdrawn in the least. I might say that Mr. McCoy's letter is a mild statement of the situation compared to hundreds, aye thousands, of other letters I have received.

Mr. President, a grave injustice has been done to service men whose disabilities are service connected. A part of that injustice has been alleviated—I will not say corrected—through the compromise worked out between the Executive and the Congress this week. It is not fair, it is not just, it is not even good governmental economy, that disabled veterans should be cast out upon charity. The people want every worthy veteran suffering from service-connected disabilities to be decently cared for. That is all we are asking.

I am glad to know that under the amendment to the independent offices bill coming before us today reductions in compensation in service-connected cases will be limited to 25 percent. That is the maximum reduction most of us ever contemplated when we passed the economy bill. And I sincerely hope that the rule of reason and humanity will be used by the Veterans' Administration in passing upon those presumptive cases which are left to the discretion of the Veterans' Administration.

Also the provision that pensions for widows and orphans are to be continued at the old rates is both wise and just. That provision alone justifies the fight the Senate made for justice and humanity in carrying out the provisions of the Economy Act.

Mr. President, may I venture the hope that the Veterans' Administration will exercise more humanity and fairness in interpreting the discretion still vested in it than it did in interpreting the provisions of the economy bill as first passed? I send to the desk Mr. McCoy's letter, to be printed in the RECORD for the information of the Senate and the country.

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

GARDEN CITY, KANS., *June 5, 1933.*

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D.C.

MY DEAR SENATOR: I have no doubt but that the injustices of the regulations which have been put into effect since the passage of the so-called "economy bill" have been called to your attention by the different units and persons affected. The purpose of this letter, however, is to impress upon you the rank injustices emanating from these regulations as they affect the compensation of both Spanish-American and World War veterans.

During the past few weeks I have had the privilege of visiting with service men throughout this and adjoining States and of reviewing the effects these regulations will have upon the future lives and happiness of many of my disabled comrades. I assume that the purpose of these regulations, as they have been set forth, was not to effect severely the status of service-connected disability and those who were presumed to be service connected. It is, however, regretable to find that if the present regulations are followed many of our veterans who have been presumed to be totally disabled will now find themselves thrown upon the charity of their respective communities. It would seem to me that the first duty of an enlightened people is, or should be, the care of those less fortunate than they. In this case, however, it appears that the purpose of these regulations is designed to further humiliate those men and their families who have already borne more than their share of the misery and suffering.

Knowing something of your interest in the welfare of the veterans, I am appealing to you to use your high office to the end that you may assist the veterans of Kansas in particular, and of the Nation in general. I have recently read of your activities, both before the Veterans' Administration and the President himself, in presenting the picture of the veteran and the position in which the new regulations place him. May I commend you from the bottom of my heart for this humane and worth-while move on your part and solicit your continued efforts in this direction?

My kind regards and wishes for your continued success.

Very truly yours,

LESTER MCCOY.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. OVERTON in the chair). The clerk will call the roll.

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

Adams	Copeland	Kean	Reynolds
Ashurst	Costigan	Kendrick	Robinson, Ark.
Austin	Cutting	Keyes	Robinson, Ind.
Bachman	Davis	King	Russell
Bailey	Dickinson	La Follette	Schall
Bankhead	Dieterich	Lewis	Sheppard
Barbour	Dill	Logan	Shipstead
Barkley	Duffy	Lonergan	Smith
Black	Erickson	Long	Steiwer
Bone	Fess	McAdoo	Stephens
Borah	Fletcher	McCarran	Thomas, Okla.
Bratton	Frazier	McGill	Thomas, Utah
Brown	George	McKellar	Thompson
Bulkley	Glass	McNary	Townsend
Bulow	Goldsborough	Metcalf	Trammell
Byrd	Gore	Murphy	Tydings
Byrnes	Hale	Neely	Vandenberg
Capper	Harrison	Norris	Van Nuys
Caraway	Hastings	Nye	Wagner
Carey	Hatfield	Overton	Walcott
Clark	Hayden	Patterson	Walsh
Connally	Hebert	Pope	Wheeler
Coolidge	Johnson	Reed	White

The PRESIDING OFFICER. Ninety-two Senators having answered to their names, there is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5755) to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes, agreed to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. RAGON, Mr. SAMUEL B. HILL, Mr. TREADWAY, and Mr. BACHARACH were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 5208) to amend the probation law.

ENROLLED BILL SIGNED

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

S. 1129. An act to amend sections 4399, 4418, 4428, 4429, 4430, 4431, 4432, 4433, and 4434 of the Revised Statutes, as amended, relating to the construction and inspection of boilers, unfired pressure vessels, and the appurtenances thereof;

S. 1514. An act authorizing the Administrator of Veterans' Affairs to convey certain lands to Harrison County, Miss.;

S. 1561. An act providing for the payment of $50 to each enrolled Chippewa Indian of the Red Lake Band of Minnesota from the timber funds standing to their credit in the Treasury of the United States;

S. 1580. An act to relieve the existing national emergency in relation to interstate railroad transportation, and to amend sections 5, 15a, and 19a of the Interstate Commerce Act, as amended;

H.R. 5208. An act to amend the probation law; and

H.R. 5240. An act to provide emergency relief with respect to home-mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes occupied by them and who are unable to amortize their debt elsewhere, to amend the Federal Home Loan Bank Act, to increase the market for obligations of the United States, and for other purposes.

EXECUTIVE SESSION

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Senate, under its order of yesterday, will now proceed to the consideration of executive business.

The Senate proceeded to the consideration of executive business.

REPORTS OF COMMITTEES

The VICE PRESIDENT. Reports of committees are in order.

Mr. WALSH, from the Committee on Education and Labor, reported favorably the nomination of Jewell W. Swofford, of Missouri, to be a member of the United States Employees' Compensation Commission for a term of 6 years from March 15, 1933, vice Bessie Parker Brueggeman.

The VICE PRESIDENT. The nomination will be placed on the calendar.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads reported favorably the nomination of William L. Slattery, of Massachusetts, to be comptroller, Bureau of Accounts, Post Office Department, vice William E. Buffington.

The VICE PRESIDENT. The nomination will be placed on the calendar.

Mr. STEPHENS, from the Committee on the Judiciary, reported favorably the following nominations which were ordered to be placed on the calendar:

Berthol J. Husting, of Wisconsin, to be United States attorney, Eastern District of Wisconsin; and

John M. Comeford, of Wisconsin, to be United States marshal, western district of Wisconsin.

Mr. DILL, from the Committee on the Judiciary, reported favorably the nomination of Joseph A. McDonald, of Alaska, to be United States marshal, division no. 4, district of Alaska, to succeed M. O. Carlson, appointed by court, which was ordered to be placed on the calendar.

Mr. NEELY, from the Committee on the Judiciary, reported favorably the nomination of Charles C. Wyche, of South Carolina, to be United States attorney, western district of South Carolina, which was ordered to be placed on the calendar.

Mr. BRATTON, from the Committee on the Judiciary, reported favorably the nomination of Patrick T. Stone, of Wisconsin, to be United States district judge, western district of Wisconsin, which was ordered to be placed on the calendar.

He also, from the Committee on Public Lands and Surveys, reported favorably the nomination of Maurice F. Miera, of New Mexico, to be register of the land office at Santa Fe, N.Mex., which was ordered to be placed on the calendar.

Mr. ROBINSON of Arkansas, from the Committee on Foreign Relations, reported favorably the following nominations, which were ordered to be placed on the calendar:

William E. Dodd, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Germany.

Lincoln MacVeagh, of Connecticut, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Greece.

John Cudahy, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Poland.

Mr. FLETCHER, from the Committee on Banking and Currency, reported favorably the following nominations, which were ordered to be placed on the calendar:

John H. Fahey, of Massachusetts, to be a member of the Federal Home Loan Bank Board for the unexpired portion of the term of 3 years from July 22, 1932, vice Nathan Adams;

John J. Blaine, of Wisconsin, to be a member of the board of directors of the Reconstruction Finance Corporation for the unexpired term of 2 years from January 22, 1932, vice Atlee Pomerene;

M. S. Szymczak, of Illinois, to be a member of the Federal Reserve Board for a term of 10 years from April 19, 1933, vice Roy A. Young, resigned; and

J. J. Thomas, of Nebraska, to be a member of the Federal Reserve Board for a term of 10 years from January 25, 1933, vice Wayland W. Magee.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Henry Clifford Jones, of Carnegie, Okla., to be collector of internal revenue for the district of Oklahoma, which was ordered to be placed on the calendar.

He also, from the same committee, reported favorably the nomination of Lyman J. Briggs, of Michigan, to be Director of the Bureau of Standards, vice George K. Burgess, deceased, which was ordered to be placed on the calendar.

Mr. TRAMMELL, from the Committee on Naval Affairs, reported sundry nominations of promotions and appointments in the Navy, which were ordered to be placed on the calendar.

Mr. LONG, from the Committee on the Judiciary, reported favorably the nomination of John A. Carver, of Idaho, to be United States attorney, district of Idaho, to succeed Hoyt E. Ray, resigned, which was ordered to be placed on the calendar.

Mr. TYDINGS, from the Committee on Patents, reported favorably the nomination of Conway P. Coe, of Maryland, to be Commissioner of Patents, vice Thomas E. Robertson, which was ordered to be placed on the calendar.

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of Robert C. Bell, of Minnesota, to be United States district judge, district of Minnesota, to succeed William A. Cant, deceased, which was ordered to be placed on the calendar.

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the following nominations, which were ordered to be placed on the calendar:

William J. Keefe, of Iowa, to be judge of the United States Customs Court in New York City; and

Joseph A. McNamara, of Vermont, to be United States attorney, district of Vermont, to succeed Harry B. Amey, term expired.

THE CALENDAR

The VICE PRESIDENT. If there are no further reports of committees, the calendar is in order. The clerk will state the first nomination on the calendar.

TENNESSEE VALLEY AUTHORITY—H. A. MORGAN

The Chief Clerk read the nomination of Harcourt Alexander Morgan, of Tennessee, to be member of the board of directors of the Tennessee Valley Authority for the term expiring 6 years after May 18, 1933.

The VICE PRESIDENT. The nomination is confirmed.

The Chief Clerk read the nomination of David E. Lilienthal, of Wisconsin, to be a member of the board of directors of the Tennessee Valley Authority for the term expiring 3 years after May 18, 1933.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Francis White, of Maryland, to be Envoy Extraordinary and Minister Plenipotentiary to Czechoslovakia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John Flournoy Montgomery, of California, to be Envoy Extraordinary and Minister Plenipotentiary to Hungary.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert Granville Caldwell, of Texas, to be Envoy Extraordinary and Minister Plenipotentiary to Portugal.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Alvin Mansfield Owsley, of Texas, to be Envoy Extraordinary and Minister Plenipotentiary to Rumania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert P. Skinner, of Ohio, to be Ambassador Extraordinary and Minister Plenipotentiary to Turkey.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

RECONSTRUCTION FINANCE CORPORATION

The Chief Clerk read the nomination of C. B. Merriam, of Kansas, to be member of the board of directors of the Reconstruction Finance Corporation for the unexpired portion of the term of 2 years from January 22, 1932.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL HOME LOAN BANK BOARD—WALTER H. NEWTON

The Chief Clerk read the nomination of Walter H. Newton, of Minnesota, to be member of the Federal Home Loan Bank Board for the unexpired portion of the term of 2 years from July 22, 1932.

Mr. NORRIS. Mr. President, I do not suppose it makes any difference what anybody says in regard to this nomination; it will probably be confirmed anyway; but I do not want the RECORD to be silent, so far as I am concerned, on this nomination. I want the RECORD to show that I am opposed to the confirmation of Mr. Newton for this particular place. I have no idea of raising the question of Mr. Newton's ability to fill this office; but, Mr. President, I have been a Member of the Senate for a great many years, and in the very first session in which I served as a Senator I opposed an ancient unwritten rule of the Senate which theretofore had been almost universal in its application. That rule was that anyone who was personally objectionable to a Senator, and who came from that Senator's State, should not be confirmed. I concede, to begin with, that even if that rule were in full force and effect it could have no application to me in this particular case, because Mr. Newton does not come from my State; but even if the nominee came from a State other than that of the Senator who has personal objection to him, such objection always in the ancient days was considered of great weight. I do not believe in that rule, Mr. President; I probably had something to do with its abolishment. It seemed to me that when a Senator had personal objection to a nominee he ought to be required to state those objections to the Senate, or to the committee having the nomination in charge, and to let his colleagues decide whether or not his objections were valid. So I never believed in the rule, and gradually it has ceased to be observed, although some Senators at least still adhere to it. I do not want to invoke any such rule here; I do not believe it is right to apply it, and I do not want it applied. I mention it only because I do not want to influence any Senator's vote because of any personal objection I may have to the nominee.

I have tried to carry out my views in regard to that rule. I have never urged a personal objection. I sat here, Mr. President, during two administrations, day after day, when I knew that one of the chief qualifications of men who were being confirmed for offices was that they were my political enemies. I said nothing about it unless I was satisfied that the nominee did not possess the qualifications necessary to perform the official duties that would be his responsibility after confirmation, or that, for some other reason outside of personal matters, he ought not to be confirmed. I still adhere to that rule and to that practice. I am going to follow it so long as I am here.

Mr. President, I ascribe neither to the appointing power nor to any one who may have recommended this man any bad motive; I want to clear them entirely of any such suggestion. I do not know who recommended this man. I would be delighted to yield to any Senator present who would give me information on that subject. I would like to know who recommended him.

I consider this man's appointment to office as almost a slap in the face to every progressive Republican in the United States. I think if one were to go through the list of progressive Republican Members of this body he would not be able to find a single one of them who would be willing to be quoted as favorable to this nomination or to this nominee. I have not tried to ascertain, and I may be mistaken, but at the time this man was private secretary at the White House all kinds of political machinations went on there to the detriment of the Members of that wing of the Republican Party which is known as the progressive wing. I make no complaint. He had a right to do that; his chief had a right to do it. Nevertheless, I believe in good sportsmanship even among men who are not respectable citizens, even among gamblers.

Mr. LONG. Mr. President——

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

Mr. NORRIS. I shall yield in just a moment. When such a thing has taken place I should like to see the man stand by his colors and go down with his ship, even though it may be that he is a bitter political enemy of mine. In the contest of politics that goes on from year to year, I do not have much respect for the man who allies himself with what I believe to be a very bad organization, speaking from the standpoint of benefit to the country in its broadest sense, who makes political pies and political plums one of the assets of his career. I would have much more respect for him if when his ship went down he went down with it and did not beg a place of the enemy. Now I yield to the Senator from Louisiana if he wants to ask me a question.

The VICE PRESIDENT. Does the Senator from Louisiana desire to interrogate the Senator from Nebraska?

Mr. LONG. I wanted to ask the Senator—I came into the Chamber after he had begun speaking—whether this man has been appointed as a member of the Home Loan Bank Board?

Mr. NORRIS. I understood he has been.

Mr. LONG. I am not informed as to the terms of the act. Does it require so many Democrats—a nonpartisan board?

Mr. NORRIS. I do not know whether it has to be a bipartisan board or not, but so far as——

Mr. BYRNES. That is one of its requirements.

Mr. NORRIS. I am informed, I will say to the Senator from Louisiana, that the law requires, or, I presume it has the usual stipulation that not more than three members of the board shall be members of one political party.

Mr. LONG. What committee considered this nomination—the Finance Committee?

Mr. NORRIS. I do not know that.

Mr. FLETCHER. The nomination was considered by and reported from the Committee on Banking and Currency.

Mr. BARKLEY. The Banking and Currency Committee has had charge of the investigation, and that is the committee from which this nomination comes.

Mr. LONG. Will the Senator from Nebraska permit me to ask the Senator from Kentucky what Senator recommended this nomination, if any?

Mr. BARKLEY. I have no information on that subject, I will say to the Senator from Louisiana.

Mr. NORRIS. I doubt whether we shall get any information on that subject, Mr. President.

Mr. WHEELER. Mr. President——

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

Mr. NORRIS. I yield.

Mr. WHEELER. My information is that the Democratic Representative—there is only one Democratic Representative from Minnesota—was not consulted nor was the Democratic national committeeman consulted. My understanding is that both the national committeeman and the Democratic Representative were opposed to this man's nomination and opposed to its being sent in. As I came into the Chamber, I heard the Senator from Nebraska say that he felt that all the progressive Republicans would be opposed to this nominee. Not only that, but the rank and file of the Democrats of Minnesota, I am sure, would be opposed to the appointment of Walter Newton. They have looked upon him——

Mr. NORRIS. I think President Roosevelt lost a hundred thousand votes in Minnesota when he appointed this man.

Mr. WHEELER. The rank and file of the Democrats in Minnesota, I am sure, look upon the appointment of Mr. Newton as one of the most obnoxious that could possibly be made from that State.

Mr. NORRIS. Mr. President, I do not care to continue the debate, but I want to repeat as I said at the beginning, that I took the floor only because it seemed to me that I would not be quite fair to close political friends who have faith in me—what few they are—if I did not state, and state openly, that I do not favor this man. I am not even going to call for a roll call on the nomination, although I have no objection, of course, to that being done. I only wanted it known that in my judgment this man is opposed by every member of that part of the Republican Party with which I happen to be classed.

Personally now, and coming down to real personal matters, I have never had a quarrel with this man. I hope I never will have. I would not do him a personal injury. I would not interfere with anything that he was seeking for his welfare if it were some private thing he were doing. But I want the country to know that while he is being honored by being put into public office, it is not even with the acquiescence of that branch of the Republican Party. I have no ill will toward him. I have no bad feeling about it. I want to be perfectly fair and I want to be clearly understood. That is all I have to say.

Mr. LONG. Mr. President, I should like to ask the Senator from Minnesota [Mr. SHIPSTEAD] a question.

The VICE PRESIDENT. The Senator from Minnesota will please give his attention.

Mr. LONG. Is this man a resident of Minnesota?

Mr. SHIPSTEAD. Yes.

Mr. LONG. Did the Senator from Minnesota recommend Mr. Newton?

Mr. SHIPSTEAD. I did not know anything about the appointment until it was on its way to the Senate.

Mr. President, I have never claimed the right as a Senator to interfere with an appointment of any President. I have never asked for patronage. I never thought I or any other Senator was entitled to it, because I have always considered that an appointment to fill a vacancy or to fill any position under the executive department is strictly a prerogative of the President. I have never liked the idea of mixing the legislative authority with that of the Executive. I have never subscribed to the theory that Senators should chase up Pennsylvania Avenue to ask the President how they should be permitted to vote on legislation, nor have I subscribed to the theory that the President should tell Senators how to vote. For that reason I do not consider this in the relation of a Senator and the President as something about which I should be consulted as a matter of my right.

I always proceed on the assumption that if the President sees fit to consult a Senator, he has a perfect right to do so. I was not consulted. I assume the President sent his nomination here for reasons that were sufficient to himself. Who recommended him to the President, if anyone, is a matter about which I have no knowledge.

Mr. KING. Mr. President——

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

Mr. LONG. I yield.

Mr. KING. May I ask the Senator from Minnesota a question? Does he believe the provision of the Constitution which requires the Senate to advise and consent to nominations has any validity? Does he consider that it is meaningless? Does he consider there is no duty and responsibility resting upon Senators to make inquiry as to persons who are nominated and, if we believe they are not competent or if we feel they should not be confirmed for the various positions, that Senators should not act simply because the President sends in the names?

Mr. SHIPSTEAD. Mr. President, I call attention to the fact that the remarks I addressed to the Senate were addressed simply to the appointment of the candidate to fill an office. The confirmation is a prerogative of the Senate as the appointment is a prerogative of the President. I hope the remarks that I made were not understood as an argument on my part that appointment by the President necessarily requires confirmation by the Senate or that the Senate should be a rubber stamp for the President.

Mr. LONG. Mr. President, I do not know whether all the Senators heard it, but I understood the Senator from Minnesota to say he was not consulted about the matter and knew nothing about the appointment. The Senator from Minnesota takes the position that he could have been consulted by the President if the President desired to consult him.

This man Newton was nominated by Mr. Hoover for service on the circuit court of appeals. The chairman of our caucus at that time saw fit to make me one of the members of the committee to determine whether we should make an exception of the confirmation of that nomination. I do not recall that we made many exceptions, but I remember a number of appeals coming from Minnesota, and I do not remember that any of them came, except that they asked that this man be not confirmed. I may be in error, but my recollection is, and the Senator from Utah [Mr. KING] will remember about it, that it was the Democrats and Republicans of Minnesota who did not want Mr. Newton confirmed to the United States circuit court of appeals when he was appointed by Mr. Hoover.

In these closing hours of the session we naturally go through these matters quickly. I know we did in our own committee this morning, no objection particularly being made. I do not suppose the Banking and Currency Committee had time to give much consideration to Mr. Newton. The nomination came in yesterday afternoon, I am informed; and the people in Minnesota, to whom this gentleman apparently is not satisfactory, whether Republican or Democrat, have not had time to enter their protests if they desired to do so.

The man is not sponsored by a single Member of the Senate, from Minnesota or Utah or New York or any other State. The only claim to the office that is put forward in his behalf is that he was one of the family of secretaries of Hoover. No one that I know of has said anything at all to commend him. I think the Senate owes a duty to the President not only to consent, but to advise in this matter. There is nothing here that would seem to indicate that we have any particular information about the man. I do not mean to reflect on the committee at all. I know how we shot out appointments this morning. I helped shoot out some that may be as bad as this one, though I do not know.

This gentleman having once been appointed to the United States circuit court of appeals and his appointment having been held up, although that is more or less a nonpolitical position, I do not think we ought to confirm him at this time. I do not see the junior Senator from Minnesota [Mr. SCHALL] present. I am told, though I may be mistaken in this, that the Congressman from the Minnesota district opposed the appointment of the gentleman. I do not know whether that is so or not. There is nothing here to recommend the appointee. I submit if we are going to perform our prerogative at all, this is an appointment that we ought not to confirm. We ought to have more information about him, to say the least.

Mr. FLETCHER. Mr. President, may I say just a word in behalf of the committee? I think I can speak for the committee to the effect that no member of the committee seems to have been consulted about the nomination. The nomination had to be made by the President and the President had to name a Republican on the board because the other members now on the board are from the other party.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Florida yield for an observation at that point?

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

Mr. FLETCHER. Certainly.

Mr. ROBINSON of Arkansas. I note on the calendar a memorandum "Predecessor, H. Morton Bodfish." Is it true that Mr. Bodfish goes off the Board?

Mr. FLETCHER. Yes. He is already off.

Mr. ROBINSON of Arkansas. If the Senator will permit me, I wish to state from observation of his work that Mr. Bodfish is among the best qualified men that have ever served on the board of the home-loan bank.

Mr. LEWIS. Mr. President, may I be pardoned to interrupt the Senator from Florida?

Mr. FLETCHER. I yield.

Mr. LEWIS. The gentleman whose commission expired is from Northwestern University and the State of Illinois and city of Chicago, his specialty being along the line intimated by the Senator from Arkansas. His eminent qualifications and his training fit him for the position at all times. He was rejected with no information brought to the representatives of the State of Illinois. We only know that the gentleman was rejected, with all his qualifications, probably because he was guilty of being a Democrat. I can think of nothing else as a reason for his being kicked off and someone else put in his place. That is the history.

Mr. FLETCHER. That occurred before the incoming of the present administration, though.

Mr. LEWIS. Yes.

Mr. FLETCHER. The committee considered the appointment and found there were no objections and no protests lodged. We recognized that the President's appointment had to go to a Republican somewhere; and as there were no protests or objections lodged against the appointee, we accepted the President's appointment and reported it.

Mr. LA FOLLETTE. Mr. President, will the Senator yield at that point?

Mr. FLETCHER. I yield.

Mr. LA FOLLETTE. There was very little time in which the citizens of Minnesota or other States might have an opportunity to protest between yesterday afternoon and early this morning when the committee acted on the nomination.

Mr. FLETCHER. No; the committee met the other day and considered the nomination. It was reported yesterday. It was before the committee for a day or two, and I know the committee met on the following day after the nomination came, and it was reported yesterday.

Mr. BYRNES. Mr. President, may I say with reference to the statement made that Mr. Bodfish is not now on the Board, I think the Senator from Florida should state to the Senate that under the law the terms of the members of the Board expired on March 4.

Mr. FLETCHER. That is true.

Mr. BYRNES. Mr. Bodfish is not now and has not since March 4 been a member of the Board. The gentlemen now filing the positions on the Board were appointed immediately after the 4th of March.

Mr. ROBINSON of Arkansas. Mr. President, the place formerly occupied by Mr. Bodfish has been vacant since the 4th of March. I deem it a duty to say that Mr. Bodfish collaborated with others in the preparation of the Home Loan Bank Act. He is familiar with every provision of the act. He is able and exceedingly diligent. His retirement from the Board is in my opinion unfortunate.

Mr. President, if this controversy over the pending nomination is to proceed indefinitely, I am going to make the suggestion that the nomination be passed over for the present. I make that suggestion, and I shall make a motion to that effect unless the suggestion is obnoxious to the Senate.

Mr. WHITE. Mr. President, may I say just a brief word?

There are no reasons why I should plead specially for Mr. Newton. I never knew he was considered for this place. I never knew of his nomination until the matter was brought up on the floor of the Senate this afternoon. I do not know those who favor his nomination, nor those who oppose his nomination. But I served in the House of Representatives for some 10 years of time with Mr. Newton; and in legislative experience and legislative associations we come to know something of the character and the capabilities of those with whom we so serve.

I have no hestitation in expressing the opinion that Mr. Newton is a man of ability, a man of character, and a man of courage. When those qualifications are found, I believe they entitle the person possessing them to be nominated by the President of the United States for the favorable consideration of this body and that they warrant the Senate in approving the nomination.

I cannot, of course, object to the matter's going over; but I feel that I should be disloyal to this nominee and the friendship I have for him, if I did not speak this word in his behalf.

Mr. STEPHENS. Mr. President, may I ask the Senator from Arkansas a question? I understood the Senator from Arkansas to say a moment ago that he desired to request that this nomination go over. I should like to inquire whether it can be taken up later during the day.

Mr. ROBINSON of Arkansas. Mr. President, my thought was that we should proceed with the consideration of the calendar and that the Senate, recurring to this nomination, could determine whether or not to take it up later. If the opportunity arises, we may consider it or we may refrain from doing so. In other words, I do not wish to see this entire calendar held up, and nominations defeated, because of opposition to this particular nomination.

I think it is regrettable from the standpoint of the public service that Mr. Bodfish has not been retained on this Board. He is a good man, an able man. He knows a great deal more about the law and the rules that control in the administration of the law creating the Home Loan Board than anyone else with whom I am acquainted.

Mr. BARKLEY. Mr. President——

Mr. STEPHENS. I just want to state that my reason for making this inquiry is because, if the nomination is to be considered further during the day, I desire an opportunity to be present.

Mr. BARKLEY. Mr. President, I desire to make a suggestion to the Senator from Arkansas with reference to the status of Mr. Bodfish.

As the Senator will recall, all these terms expired on the 4th of March; and for a number of weeks there was no Board at all that could function with reference to the home-loan banks. Finally, in order to obtain a quorum of the Board that might function, the President sent in the names of Mr. Stevenson, a former Member of the House from South Carolina; Mr. Webb, of Tennessee, who is also a Democrat; and Mr. Merriam, of Kansas, who is a Republican, the three members making a quorum, two of them being Democrats and one a Republican.

Of course I have no information as to why Mr. Bodfish has not been reappointed, but he retired from the Board automatically by operation of the law. For the last 3 months the place has not been filled. I do not know that any person in particular is responsible for that situation. Even if this nomination should be defeated, however, it does not carry with it any guaranty that Mr. Bodfish would be appointed to the place.

Mr. ROBINSON of Arkansas. Mr. President, certainly the statement made by the Senator from Kentucky is correct. My thought in asking that the nomination be passed over is that unless that is done the debate on this nomination and the nomination of Mr. Newton may be so protracted that consideration of other nominees for various positions will be defeated.

I do not by this suggestion preclude recurring to the pending nomination. That is left open. Of course, it is true that the defeat of Mr. Newton would not reinstate Mr. Bodfish. I merely made the statement about the efficiency of Mr. Bodfish because I believed that as a faithful and able public servant he was entitled to have the RECORD show the facts.

I have not the slightest idea that Mr. Bodfish's status is affected by the pending nomination. The gentlemen re-

ferred to, Messrs. Stevenson and Webb, who are now serving on the Board, are both able and efficient members, and I pay them that tribute very cheerfully.

Mr. McNARY. Mr. President——

Mr. ROBINSON of Arkansas. I yield to the Senator from Oregon.

Mr. McNARY. I have no objection to proceeding with the remainder of the calendar. I think, in fairness to the nominee, we should make some disposition of the matter at some time today; and it occurred to me that that might be done after the completion of the Executive Calendar.

Mr. ROBINSON of Arkansas. I ask that the pending nomination be temporarily passed over, and that the Senate proceed with the call of the calendar.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will state the next nomination on the calendar.

Mr. HATFIELD. Mr. President, I ask the attention of the senior Senator from Arkansas. I wish to inquire of the leader on the majority side whether or not the policy has been changed respecting calling to the attention of the minority Senators from a State nominations sent to the Senate by the President.

Heretofore, under a Republican majority, that courtesy was extended. That is, the minority Members on the Democratic side were always accorded the privilege of presenting either affirmatively or negatively his views upon any nominations sent to the Senate by the President under the Hoover administration before the nominee's name went to the calendar. Has that policy changed?

Mr. ROBINSON of Arkansas. Mr. President, in reply to the Senator from West Virginia I must say that I do not know that any such policy has ever prevailed. I do not know that it could prevail. In the appointment, for instance, of a Democrat from a State represented by Republican Senators the President would be very greatly handicapped if he had to secure the approval of the Senators; so I am not in a position to say as to that.

Mr. NEELY. Mr. President——

Mr. DICKINSON. Mr. President, I am wondering whether or not this is going to reflect the attitude of the Senate as to the kind of Republican who is going to receive Republican patronage.

The name of ex-Senator Blaine is coming up here for a responsible position. If this opposition is going to develop, it can be played by both groups of Republicans over here, as well as by one group. It seems to me that if there is going to be this type of procedure here the matter ought to be determined at an early date.

Mr. ROBINSON of Arkansas. Mr. President, to what type of procedure does the Senator refer?

Mr. DICKINSON. It seems that when opposition develops here, regardless of how extensive it is, immediately the name is laid aside. I have no objection to laying the name aside temporarily, but I hope this matter can be brought up later and thrashed out.

Mr. McNARY. That is the understanding.

Mr. ROBINSON of Arkansas. That was the suggestion I made.

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

Mr. ROBINSON of Arkansas. Certainly.

Mr. NORRIS. I am moved to say something in reply to the Senator from Iowa [Mr. DICKINSON].

I have no disposition to oppose a man because he belongs to a faction of the Republican Party to which I do not belong, any more than I would oppose the nominee here because he belonged to one faction or the other of the Democratic Party. I have taken a great many doses of medicine of that kind, and I suppose I will take some more. I think my record will show that on the committee I have never opposed a man for confirmation because he belonged to a faction of the Republican Party to which I do not belong, and I would not do that now. The Senator from Iowa does not seem to get the idea at all. Nobody is trying to do that; and, as far as I am concerned, I am not even opposing this man. I simply desire to call attention to the fact that he is very obnoxious—extremely so, I think—to all progressive Republicans.

There are a great many so-called "conservative or standpat Republicans", or whatever they may be called, who could be nominated and who have been nominated, whom I most sincerely and enthusiastically support. I have never drawn such a line. I never will. If I felt about this man as I do, even if he had been a member of the progressive group, I would have said the same thing about him.

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

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

Mr. NORRIS. I yield.

Mr. DICKINSON. I was not thinking that it would be possible to reconcile the views of the Republicans. I was wondering what the attitude of the Democratic Party was going to be with reference to these designations, and my inquiry was for that purpose.

Mr. NORRIS. The Senator made the remark that "two could play at that game", or something to that effect. That is true. I have not started to play that game, however, and I do not intend to do so. I have no such idea in my mind. I do not want to cast any reflection upon any man in any party because he belongs to this faction or that faction. I thought I had made myself plain about that.

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

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

Mr. NORRIS. I yield to the Senator.

Mr. FESS. I think the Senator misunderstood what was said, or else I misunderstood him. I thought anyone who might be named here as a Republican who was not a progressive was going to have the opposition of the Senator.

Mr. NORRIS. Oh, no; not by any means.

Mr. FESS. That was my understanding of the Senator's position; and I think that would be entirely out of order.

Mr. NORRIS. Of course, it would. I concede that. I do not want anybody to get the idea that I am that narrow-minded.

As I said, I think, in my opening remarks, for 5 or 6 years I have seen men confirmed here—the Senate did not know it; I did not call their attention to it, but I happened to know it—who were appointed to the position of postmaster and other places in my State who were good men, but apparently one of the necessary qualifications they had to possess in one or two of the congressional districts was that they were my political enemies, or they stood no show of being nominated. I have had my own friends importune me to fight those fellows and say, "You are not worthy of your friends, or the cause you have represented, unless you do it." I have always said, "I think my duty is to look into the qualifications of this man. If he possesses the qualifications I think he ought to have, I have no right to fight him because he is my political enemy."

I want the Senator to understand that exactly.

Mr. FESS. I am glad to have that explanation. I misunderstood the Senator from Nebraska, because this very phase of appointments is a matter that has produced a lot of dissatisfaction in past administrations.

For example, when President Wilson made appointments on bipartisan boards, frequently he would appoint Republicans who had supported him. I protested against that; and the same thing was done with the last administration. When President Hoover appointed a man to some bipartisan board, it naturally would present an opportunity to recomment a Democrat who had supported him. I stated to him that I did not think that was good policy; and the Senator from Arkansas [Mr. ROBINSON] will recall that I talked with him and said to him that I had reported to the President that I thought it would be a very good thing, when a Democratic appointment was to be made, that he consult with the Democratic leader of the Senate before he sent up the appointment. I was trying to be absolutely fair; and if it is sought to have this appointment rejected on some ground

other than that Mr. Newton is a regular Republican, I should resist that course.

Mr. NORRIS. I would not oppose the nomination on that ground. I want the Senator to understand that I have not asked that Mr. Newton's nomination be rejected. I particularly stated that I did not want any Senator to let his vote be controlled on account of any feeling I might have, and I will say to the Senator that I have had quite a number of telegrams from people, and quite a number of Republicans have talked to me about it since we knew of this man's nomination, and they felt that some statement ought to be made.

I do not want to control it, and I will say to the Senator that the custom, when a President has to appoint a bipartisan board, of appointing from the opposite party members who voted for him and supported him in the campaign, is quite common. That is one of the reasons why I have often urged against that kind of a board. I fought the provision for that kind of a board when the original Farm Loan Act was before us. We had quite a controversy in the Senate over it. Senator Hollis, then a Senator from New Hampshire, was the author of that provision and led the fight which resulted in its enactment into law. I made a motion to strike it out, but I was unsuccessful.

I have said before, I think, that before Senator Hollis went away, about the time he was leaving the Senate, I had the satisfaction of his telling me that he thought I was right in that fight, that what happened was that such a board became a bipartisan board, instead of a nonpartisan board. Members appointed because they were Republicans or Democrats felt they had a duty to perform as Republicans or Democrats. That has been my objection to that kind of boards all the way through.

I want to give the Senator and the Senate an illustration, which probably I have given before. After that farm bill was enacted into law, nominations were made by President Wilson. I think there were to be 5 members on the board, and under the law there could be only 3 of one party. President Wilson appointed 3 Democrats and 2 Republicans. The nominations were referred to the Committee on Banking and Currency, and at that time I happened to be a member of the Committee on Banking and Currency. Before the committee met, however, in a conversation which took place in this cloakroom just off the Senate, in my presence, although I did not participate in it, a conversation between the Republican leader on this side and some Republicans who were advising with him and talking about the probable nominations—and it was rather natural that he should have said this, when they were considering a bipartisan board—he said, "I will tell you what I think. I think we ought to have Republicans on that board who will see to it that we get our share of the patronage that board has to control."

I mention that as a fact. I presume it is rather natural that a member appointed on that kind of a board as a Republican or as a Democrat feels that he has a party duty to perform there, and that he carries that feeling into his official relations, with the result that the very object of that kind of a provision is destroyed, which is to keep the board out of politics. That kind of a policy puts it into politics. I have always opposed that kind of a provision.

We had a contest over that matter in connection with the so-called "Muscle Shoals" legislation. The question was raised in conference, when we had a provision before us that the law should be administered without any regard to politics, but nothing was said about the political faith of those who were to be members of the board.

I realize that in that kind of a board, like the Tariff Commission, most any of these commissions, there ought to be no politics. There can be no politics if they carry out the real and true intent of the law. Politics will always injure and tear down the efficiency of any board of that kind.

When the Committee on Banking and Currency met, after the farm loan bill was passed and those five nominations were sent to that committee, I will never forget the discussion that took place. I was a new member of the committee. Most of the others were older Senators. The five names were laid before the committee. Three of those men were supposed to be Democrats, two of them were supposed to be Republicans. They were names President Wilson had sent in.

The two Republicans whose names he had sent in had both supported him in the campaign, and the cry was raised at once by the Republicans, "These fellows are not Republicans, they are Democrats." But the Democrats were dissatisfied with the three Democratic nominees. They said, "These fellows have not supported the Democratic ticket half of the time in their lives. They have never gone out in campaigns, they have never been active. They are not entitled to any position because they are Democrats." Nearly 2 hours' time was taken up in a discussion of the political qualifications of those nominees. The Republicans were against the Republicans, and the Democrats were against the Democrats, in both instances because they had not been partisan enough.

I listened to the discussion. I did not participate in the debate, but after it had gone on for a long time I got up courage enough in the committee to ask a question, and that question was "Gentlemen, would it not be well now for us to consider the qualifications of these men for these particular offices to which they have been nominated?"

I have never had an idea that that kind of a board brings good government. It does not bring nonpartisan government. It makes partisanship a necessary qualification for a man to get into office. So I look with some degree of favor upon the President who does not enforce that rule very strictly.

We had on the Tariff Commission at that time men appointed by President Wilson who did not have any politics. One I can remember now, who was one of the best members the Commission had, was recognized all over the country as a great economist, who was particularly qualified, but I suppose that if one had asked him whether he was a Democrat or a Republican, he could not have told. He did not know anything about politics, he took no interest in politics, he was not a politician. But he got on that Commission, and, while I had nothing to do with his confirmation, I suppose objections were made, if he went on as a Democrat, by Democrats, and if he went on as a Republican, objections were no doubt made because he was not a good Republican.

Mr. FESS. Mr. President, I served with Mr. Walter Newton in the House of Representatives, and I had rather a high regard for his ability and his character. He was one of the young men in the House of Representatives who I thought gave great promise. Naturally, his aggressiveness would produce opposition, as is inevitable. Where anybody amounts to anything he is bound to have friends and foes.

I think that in all probability Mr. Newton, in accepting the appointment as Secretary to the President, which took him out of Congress, where he could have continued, made a mistake. I thought so at the time. Unless there is some other reason, I hope that the mere fact that this man, whom I regard as able, honest, upstanding, and upright in character, will not be held disqualified because he resigned his position as a Member of the House to accept the secretarial position with the President because the President thought that, with his relationship in the House, he could serve rather as a liaison officer between the White House and the two bodies of Congress. If that is the ground of the opposition, I think it is unfortunate.

I just rose to express my gratitude to the Senator from Nebraska for making it clear that when a bipartisan board is to be appointed, and a Republican is to be appointed, the Senator is not to take the position that any Republican who is not regarded as a Progressive Republican is not to be approved for appointment on the board. Such a policy I have always disapproved on the part of any President, and I would disapprove it at this time.

I hope, Mr. President, although I had no connection with the appointment of Mr. Newton, that he may not be rejected on any such ground as that.

Mr. ROBINSON of Arkansas. Mr. President, my object in suggesting that this nomination be temporarily passed over was to secure consideration of the other nominations

on the calendar, and then leave the Senate free to take whatever action it may choose to take regarding this particular nomination.

I do not commit myself to the doctrine that any Republican makes the best officeholder who can be secured. The Senator from West Virginia asked me a while ago whether the practice which has prevailed under previous administrations of consulting minority Senators regarding appointments from States was to be disregarded hereafter. I said to him then that I did not know that any such rule had prevailed.

Let me add to what was then stated that in the State of Arkansas no minority Senator, so far as I am informed, was ever consulted regarding a nomination when the Republican Party was in power, except in a few instances when the Republicans became involved in irreconcilable conflicts over the nominations. In one or two cases I was asked to resolve the differences over appointments between Republican factions in my State, and to choose a Republican; but being of the opinion there was not one who could fill, with distinction, the position to which he aspired, I declined to discharge that responsibility, and stated that I was not in the business of choosing among or between Republicans [laughter]; that if they wanted a real good man to take and hold the office I was ready to suggest one [laughter], but that he would be a Democrat. In one or two instances it actually happened, as Senators will remember, that Democrats were appointed.

This statement is made in order to disclose and emphasize the fact that I do not presume to discriminate against standpatters in favor of the Progressives when nominations are sent to the Senate. If I may be pardoned for saying so, they are all bad; that is to say, none are good. [Laughter.]

I have not said that I shall vote against Mr. Newton. I realize that his nomination is presented here under conditions which provoke controversy—controversy likely to be prolonged. I have enough trouble reconciling differences among Democrats to justify me in declining to reach out and undertake to resolve differences among Republicans. I will not say that I hope they will continue to exist. That would not be quite true, but it certainly would not be true if I said I thought it was any part of my business to undertake to work out their differences.

If we can pass this nomination over until other nominations shall have been considered, it seems to me that, in all probability, there will be ample time to dispose of it. If Senators prefer to vote on it now or after a measure of discussion has followed my remarks, of course, I can make no objection to that.

Mr. McNARY. Mr. President, will the Senator from Arkansas yield to me?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Oregon?

Mr. ROBINSON of Arkansas. I yield to the Senator from Oregon.

Mr. McNARY. The RECORD will disclose that a few moments ago the suggestion was made by the Senator from Arkansas that this nomination go over temporarily, after I had said that I wanted action today. I think the proper course is to follow the course suggested, namely to pass it over temporarily, and after the remaining nominees shall have been confirmed, I then shall move, at the conclusion of the calling of the Executive Calendar, that this nominee be confirmed. That will bring the matter to a test and a vote.

Mr. ROBINSON of Arkansas. It was my thought that by pursuing that course and passing the nomination over temporarily we might save time.

The VICE PRESIDENT. Is there objection to passing the nomination over temporarily?

Mr. SHIPSTEAD. Mr. President, before that is done I merely want to make a few remarks in view of the remarks I have already made.

I have explained that I have always held that appointments to executive positions are the prerogative of the President; the duty of the Senate is to confirm or reject. I have followed the rule that as to qualifications of an appointee, if he were shown not to be qualified, I always voted to reject his nomination.

It is quite apparent that this appointment is personally offensive to many Senators; Mr. Newton may have done things that have been personally offensive to me, but I have never since I came to the Senate put my opposition to the confirmation of any candidate or any Senator in any vote on the grounds of personalities, and I have tried never to mix personal matters with public affairs. In view of what I have already said, I thought I had to make that statement.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas to pass the nomination over temporarily?

Mr. CONNALLY. I ask unanimous consent out of order from the Committee on Finance to report several nominations and ask that they be placed on the calendar at the appropriate place for consideration.

The VICE PRESIDENT. Without objection, the reports will be received and placed on the calendar.

Mr. FLETCHER. Mr. President, may I be permitted to say in reference to this nomination that I think all the members of the committee know Mr. Newton? It was not necessary, therefore, for anybody to come before the committee and tell them who he was. They recognize him as a man having ample ability and character for this position. He was nominated by the President, and there was no protest or opposition to him. So the committee reported his nomination favorably. That is all I have to say about that.

The present situation regarding the Board is that there are two Democrats at least on it. Mr. Stevenson and Mr. Wells are on that Board. Another name has been sent, another man who is a Democrat, Mr. Fahey, from Massachusetts. Still another name is pending before the Senate, Mr. Russell Hawkins, of Oregon, who is, I understand, a Republican. The names of Mr. Hawkins and Mr. Fahey do not appear on the calendar. I should like to inquire if the Senator from Arkansas proposes to return—there are a number of nominations which have come in here since the calendar was printed—are we going to take up these nominations, and, if so, when?

Mr. ROBINSON of Arkansas. Certainly we are going to take up those nominations. I think we will proceed with the calendar, and when those nominations shall be reached, while they may not be on the printed calendar they will still be on the calendar and subject to disposition.

May I say there are a number of nominations that have come in today? If they shall be reported by the respective committees to which they have been referred, an opportunity will be given to consider them when they shall have been reported.

Mr. HASTINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware desire to submit a report?

Mr. HASTINGS. I have three reports to submit and I was going to ask unanimous consent that they be immediately considered.

Mr. McNARY. Mr. President, I suggest that they should follow the call of the calendar.

Mr. HASTINGS. Very well.

The VICE PRESIDENT. In the regular order, these reports, as the Chair understands, by unanimous consent, may be put on the calendar to follow the nominations on the calendar as it is printed. Is there objection? The Chair hears none. Is there objection now to the request of the Senator from Arkansas to pass over the Newton nomination temporarily?

Mr. TYDINGS. Mr. President, I understand the unanimous-consent agreement includes all reports of nominations made heretofore that are not on the printed calendar. Is not that correct?

The VICE PRESIDENT. The Chair assumes that it does; that all reports of committees will be interlined by the clerk, to be considered in the order in which they were reported. The Chair hears no objection to that. Is there objection to temporarily passing over the Newton nomination? The Chair hears none, and the clerk will report the next nomination on the calendar.

FEDERAL HOME LOAN BANK BOARD

The Chief Clerk read the nomination of Russell Hawkins, of Oregon, to be a member of the Federal Home Loan Bank Board.

Mr. COPELAND. Mr. President, I should like to inquire from some Senator who may have the information whether Mr. Hawkins is a building-and-loan expert.

Mr. McNARY. Mr. President, Mr. Hawkins is a resident of Portland, Oreg. He is an outstanding citizen, a successful business man, and a man of exceedingly high character, of tremendous energy, and fit in every way to serve the public in the position to which he has been nominated. He was recommended by my colleague, Mr. STEIWER, and myself to the President. We were consulted in the matter. That great territory has no representation on the Board at the present time. He has peculiar qualifications, including not only his standing as a citizen and a successful business man but other endowments which nature has given him. He has done much in the line of charitable work and has been interested in home life and home building for years. He has not been manager of any loan company, but he is as well qualified, I think, by training and experience—in fact, better qualified—than anyone now serving on the board.

Mr. COPELAND. Mr. President, if I had had any doubts about the personal qualifications of this nominee, they would have been removed by what the Senator from Oregon has said. However, I wish to call the attention of the Senate to the fact that the building-and-loan associations of this country are not having a square deal as regards appointments to the Home Loan Bank Board. So far as I know, there is not one single man upon the board or any prospect of the appointment of one who has had any training in this field.

I was much pleased with what the Senator from Arkansas said about Mr. Bodfish and also the kind words that were uttered by the Senator from Illinois [Mr. LEWIS]. If it had not been for the building-and-loan associations and the group that came here headed by Mr. Bodfish, we never would have had the law, because the building-and-loan associations, having confidence in Mr. Bodfish and in others who advocated this legislation, have put in $15,000,000, representing all the money that has been paid in from the outside, to take up the bonds of that organization. All the money has come from the building-and-loan associations. There is no other body in this country so well qualified to deal with the small mortgage and the owner of the small home as is the building-and-loan association. It is a great pity that there is not to be included in the membership of this Board some man who has had training in this line.

I took it upon myself 2 or 3 days ago to send word to the President that I had found out the feeling of the building-and-loan associations and their desire to be represented. These organizations are very strong in New York; they are strong everywhere. I doubt if there is a State in the Union where the building-and-loan association is not represented either under that name or by another name. They have built millions of houses in America. The local boards are unpaid boards; they are composed of prominent citizens of the various communities, men who are giving their time to the administration of the affairs of the local boards.

I am here to say, Mr. President, that I think it is a great mistake on the part of the President not to include in the membership of this Board someone representing the building-and-loan associations.

I have nothing in the world against Mr. Hawkins, and from what the Senator from Oregon has stated here I am convinced that he is well qualified in every other respect than the possession of expert knowledge in this field, and I shall be glad to vote for him, but I hope and I pray that the building-and-loan associations may be represented.

I think it was a great mistake—and I say it with all respect to the President—that Mr. Bodfish was not urged to remain upon the Board. He is known everywhere throughout this country in building-and-loan association circles as a man who has remarkable knowledge in this field, and would have been advantageous for the country if he could have been continued as a member of the Board.

I wish to state further that I hope the administration may be impressed by what we are saying here today about the necessity of including in the membership of the Board somebody who has expert knowledge of the building-and-loan associations.

I am going to vote for the candidate proposed by the Senator from Oregon, but I do think it is a sad mistake that a building-and-loan association man has not been appointed to membership on the Board.

WALTER H. NEWTON

Mr. LONG. Mr. President, I will have to leave the Chamber, and for fear the nomination of Mr. Newton may come up when I am not here I wish to state the grounds upon which I am opposing the confirmation of his nomination.

We were informed that Mr. Newton had not been what may be described as Republican out in the Northwestern section. However reliable this information may be, I do not know, but I think it is very reliable, although it comes, of course, through several hands; but in the Nebraska campaign for the United States Senate between the Democrats and Republicans it seems that right here in Washington the national committee made an arrangement by which the Democrats would control half the time and the Republicans would control the other half. They sought to parcel out that time here in Washington so that the Democratic candidate in Nebraska would have his time——

Mr. DILL. To what kind of time does the Senator refer?

Mr. LONG. Time on the radio. But when it came to the Republican candidate for United States Senator, who was Senator NORRIS, having his time, it was sought here to parcel it all out from Washington, instead of through the State committee in the State of Nebraska; so that the candidate of the Republican Party in the State could not have any time.

We were told, Mr. President, that one of the radio men in charge refused to allow that to go on, refused to recognize their right to parcel the time for Nebraska from Washington for the Republican and from Omaha for the Democrat. We were told that this individual was called to the Radio Commission by somebody there, and upon his defying the Radio Commission he was called to the White House by Mr. Newton himself and told that the candidate for the Republican Party, Mr. GEORGE W. NORRIS, whom Mr. Lucas was opposing at that time for the National Committee, would not allow him to be given any time over the radio.

I want my Republican friends before they act too quickly to consider the fact that there are very ample grounds and reasons why this man, with no support from any Senators at all, should not be confirmed.

I want to say something else. The Home Loan Bank Act came very near not being passed anyway. I want to say that I went over to the House of Representatives on the request of the then senior Senator from Indiana, Mr. Watson, and was asked to go and see the then Speaker of the House of Representatives and intercede with him and see if he would not lend his friendly offices. I took the Louisiana delegation in to see the Speaker at the time. We were almost under the mouths of the guns in getting that act over. My recollection is the Speaker did not warm up very much to start with in getting that measure passed, but we did get it over; and if this gentleman had not been there I am satisfied there would not have been any Home Loan Bank Act.

Under the circumstances I think we are doing a cruel injustice in two ways, being disrespectful to the Republican Party in one instance, and certainly not rewarding efficiency and good service on the other hand. I am sorry to take so much time, but some of our Republican friends think there is some partisanship in it and I wanted to assure them that there is not.

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

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Missouri?

Mr. LONG. I yield.

Mr. CLARK. I should like to ask the Senator whether it is his intention to follow the same course of procedure in

this matter that he did on the industrial recovery bill, where, after having made a violent speech against it, he got cold feet and voted for it? [Laughter.]

Mr. LONG. Now, Mr. President, that is just like my friend from Missouri. [Laughter.] He has not yet understood that business, and neither have I. [Laughter.] I do not yet know how I voted on the industrial-recovery bill. The Senator from Missouri voted in favor of some of the provisions in the bill. The Senator from Missouri put into it a provision relating to tax-exempt securities and then turned around and voted to kill it. Is that consistency?

Mr. CLARK. I did as much as I could to improve the bill and make it as palatable as possible, but I was not able to make it palatable enough to swallow it.

RUSSELL HAWKINS

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Russell Hawkins? Without objection the nomination is confirmed.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of Carroll Miller, of Pennsylvania, to be Interstate Commerce Commissioner for a term expiring December 31, 1939.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL TRADE COMMISSION

The Chief Clerk read the nomination of Raymond B. Stevens, of New Hampshire, to be Federal Trade Commissioner for the term expiring September 25, 1933.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL POWER COMMISSION

The Chief Clerk read the nomination of Basil Manly, of the District of Columbia, to be a member of the Federal Power Commission for a term of 5 years from June 22, 1933.

Mr. FLETCHER. Mr. President, may I ask when the nomination came to the Senate?

The VICE PRESIDENT. It came to the Senate yesterday.

Mr. FLETCHER. I should like to ask a member of the committee if there has been a meeting of the committee with reference to the nomination?

Mr. BARKLEY. Mr. President, I will say to the Senator from Florida that the chairman of the committee polled the members on the floor of the Senate and was authorized to make a favorable report. Practically every member of the committee signed the favorable report.

Mr. FLETCHER. I understand there was an agreement with the chairman of the committee that nominations were not to be submitted by poll.

Mr. BARKLEY. I am not sure whether it was the chairman of the committee or not, but my recollection is that it was the chairman of the committee himself who circulated the poll and obtained a favorable report.

Mr. FLETCHER. I was wondering if there had been a meeting of the committee. If there had been a meeting of the committee, then why has not the previous nomination to this Commission been reported? That is what I cannot understand. There has been a nomination before the committee for some weeks. Now we have a nomination submitted yesterday and reported out the same day, and there is yet no action at all taken by the committee with reference to the other nomination. That is strange to me. Members of the committee tell me they want to vote on it, but the chairman of the committee refuses to call a meeting so as to give them the privilege and opportunity of voting.

Mr. SMITH. Mr. President, if the Senator will allow me, I do not see the chairman of the committee here, but I was present when this matter came up and I understood that the vote was deferred on account of some member of the committee asking for time to make some investigation. My impression was that at the expiration of a reasonable time the matter was to be brought up and decided. I was under the impression that the chairman of the committee was given power, if the objection was not material or was withdrawn, to report the nomination favorably. I see another member of the committee here and if I am in error in that respect I hope he will correct me. I ask the Senator from Ohio if that is his recollection of the situation with reference to the nomination of Mr. Drane?

Mr. FESS. Mr. President, I think the chairman was not given power to report. I think he asked to consult with the President about the matter.

Mr. SMITH. I thought he desired to consult with another member of the committee.

Mr. FLETCHER. Mr. President, I also want to say that I hope the chairman of the committee will call a meeting of his committee. If he refuses to call a meeting I do not see why the committee should be helpless.

Mr. FESS. Oh, I think that is not to be attributed to the chairman. The chairman polled the committee here in the Chamber. I did not know anybody asked that there was to be a call of the committee. I did not get any call. He polled the committee on this nomination.

Mr. FLETCHER. I am not objecting to that, but why does not the chairman poll the committee on the other nomination? Why tie up one nomination and refuse to allow the committee to act on it, and then when another nomination comes in proceed to poll the committee on it immediately? That is what I am objecting to. I want fair play.

Mr. LONG. Mr. President, I happen to be a member of the committee. I do not see our chairman here. I do not mind stating that nearly all of the Senators who were polled were not satisfied with reference to the qualifications of the nominee to fill the position. I think I can say that we have a very high regard for the Senator from Florida on all recommendations. The Senator was talking about the Drane nomination?

Mr. FLETCHER. Yes. I do not object to the nomination now before us.

Mr. FESS. Mr. President, I fear the statement of the Senator from Louisiana may be misunderstood.

Mr. LONG. I am not speaking for the committee.

Mr. FESS. Every member of the committee, so far as I know, was very friendly to the nominee.

Mr. LONG. Oh, yes.

Mr. FESS. But his age was an uncertain thing, for one thing, and the vigor required for the duties of the office was something else. I think I am not unjustified in saying that the committee asked the chairman to state to the President that we would be glad to commend and approve this lovable character. I served with him and I hate to have to state that the committee felt it was unwise to go to the extent of approving him for this position, but that we would be glad to confirm him to any office where his age was not against him.

Mr. SMITH. Mr. President, may I say that that was not the result of the last meeting or at least the meeting at which I was present. That may have occurred at the meeting previously, because I was not in the city at the time the nomination first came up. At the last meeting we had it was determined that an investigation was to be made. I did not hear any statement made at that meeting that the matter should be referred to the President again.

Mr. LONG. Mr. President, the nomination of Mr. Drane is before the committee. Mr. Drane is a very elderly gentleman. He was nominated to succeed a man from Louisiana, Mr. Marcel Garsaud, who held the position up to that time. I felt that Mr. Garsaud's qualifications were such that, much as I wanted to see this job go to my State, I opposed his confirmation, and I may say that I believe it is very likely that the opposition I made prevented confirmation of his nomination. Mr. Drane I understand to be a man of the highest standing and qualifications, but we believed that the requirements for this job were absolutely beyond his capacity at his age in life. It is one of the most difficult jobs in Washington, entailing the hardest kind of work.

Mr. TRAMMELL. Mr. President, I do not think the Senate is any place to discuss the question of the qualifications of a nominee where the committee has not yet acted on

the nomination. In view of some of the statements made regarding Mr. Drane, just recently a Congressman from my State, and the fact that opposition is being based principally upon his age, I want to say that I differ a little with Senators making that contention and taking that position. Mr. Drane has not yet reached his seventieth birthday. I know of some Senators here who are very useful who have passed their seventieth birthday. They are vigorous and energetic and contribute as much to the proceedings of the Senate and the success of legislation that we have before us from time to time as any other Members of the body.

I do not much like the idea of bringing up the question of a person's age in such matters. We have too much of that in the Government anyway. In the Civil Service I know a very competent accountant who was denied an opportunity to qualify for a position because he was 46 years old, and I believe the limit is 45 years. I think that idea has been carried very much to extremes. I regret exceedingly that it seems, in its influence, to have reached the United States Senate, or at least a committee of this body.

Mr. Drane is a vigorous, energetic man, and is as capable of doing his work and as much work as any man in the Senate. With his energy and perseverance he would do as much work, if he were placed on the Commission, as any other man on the Commission. His age is not against him at all. I do not know of any man 69 years of age throughout the country with whom time has dealt more gently than it has with Mr. Drane, so far as concerns his vigor, intelligence, and devotion to public duty.

Of course, Mr. Drane's nomination is not now before the Senate, and I regret very much to see that the Senate committee has seen fit to hold up the nomination and give his age as an excuse for so doing.

The VICE PRESIDENT. Is there objection to the confirmation of Mr. Manly? The Chair hears none, and the nomination is confirmed.

COLLECTOR OF CUSTOMS—CARL E. MOORE

Mr. BARKLEY. From the Committee on Finance, I report back favorably the nomination of Carl E. Moore, of Cleveland, Ohio, to be collector of customs for customs collection district no. 41, with headquarters at Cleveland, Ohio. I ask to have it placed on the calendar.

The VICE PRESIDENT. Without objection, the report will be received and placed on the calendar.

Mr. BARKLEY. Mr. President, I do not want to appear to be crowding anybody else off the calendar for confirmation; but, inasmuch as the nomination I have just reported from the Finance Committee has been before the committee and the report was authorized some time ago, I feel disposed to ask unanimous consent for its present consideration.

The VICE PRESIDENT. The Chair will say to the Senator that an order has been made by the Senate that each report will follow the others, and nominations will be called in their regular order until the calendar is completed.

Mr. BARKLEY. Very well.

BOARD OF MEDIATION

The legislative clerk read the nomination of Vincent Y. Dallman, of Illinois, to be a member of the Board of Mediation for the term expiring 5 years after January 1, 1933.

Mr. LEWIS. Mr. President, Mr. Dallman is a very competent man, and this is a fitting nomination.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POST OFFICE DEPARTMENT

The legislative clerk read the nomination of Harrison Parkman, of Kansas, to be purchasing agent of the Post Office Department.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of South Trimble, Jr., of Kentucky, to be Solicitor, Department of Commerce.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of William Stanley, of Maryland, to be Assistant to the Attorney General.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Harold M. Stephens, of Utah, to be Assistant Attorney General.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank J. Wideman, of Florida, to be Assistant Attorney General.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Louis Fitz-Henry to be United States circuit judge, seventh circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William J. Barker to be United States attorney, district of New Mexico.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Carl C. Donaugh to be United States attorney, district of Oregon.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William McClanahan to be United States attorney, western district of Tennessee.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clyde O. Eastus, of Texas, to be United States attorney, northern district of Texas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Carl L. Sackett, of Wyoming, to be United States attorney, district of Wyoming.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Bertrand Money Bates, Jr., of Tennessee, to be United States marshal, western district of Tennessee.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

TREASURY DEPARTMENT

The legislative clerk read the nomination of Peter J. Haggerty to be Superintendent, United States Mint, San Francisco, Calif.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

BUREAU OF INTERNAL REVENUE, COLLECTORS

The legislative clerk read the nomination of Harwell G. Davis to be collector of internal revenue, district of Alabama.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Sidney P. Osborn to be collector of internal revenue, district of Arizona.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John P. Carter to be collector of internal revenue, sixth district of California.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John V. Lewis to be collector of internal revenue, first district of California.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ralph Nicholas to be collector of internal revenue, district of Colorado.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William E. Page to be collector of internal revenue, district of Georgia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Fred H. Kanne to be collector of internal revenue, district of Hawaii.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John R. T. Viley to be collector of internal revenue, district of Idaho.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Will H. Smith to be collector of internal revenue, district of Indiana.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles D. Huston to be collector of internal revenue, district of Iowa.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Harry D. Baker to be collector of internal revenue, district of Kansas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Steven P. Vidal to be collector of internal revenue, district of New Mexico.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. ROBINSON of Arkansas. Mr. President, I wonder if we could not save time by confirming these nominations en bloc, unless some Senator wishes to have one or more of the nominations withheld. I ask unanimous consent that that may be done.

The VICE PRESIDENT. Is there objection to confirming these nominations en bloc?

Mr. McNARY. Mr. President, the list is nearly completed. The positions are rather important. While we have done that in the case of nominations in the Army and Navy, I think in this case it would be better to proceed in the regular course.

Mr. ROBINSON of Arkansas. I withdraw the request.

The legislative clerk read the nomination of Charles N. Robertson to be collector of internal revenue, district of North Carolina.

Mr. BAILEY. Mr. President, I wish to have that corrected to read "Charles H. Robertson."

The VICE PRESIDENT. Without objection, the correction will be made, and, without objection, the nomination is confirmed.

The legislative clerk read the nomination of J. Enos Ray to be collector of internal revenue, district of Maryland.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Eugene Fly to be collector of internal revenue, district of Mississippi.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Lewis Penwell to be collector of internal revenue, district of Montana.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James W. Maloney to be collector of internal revenue, district of Oregon.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of David L. Lawrence to be collector of internal revenue, twenty-third district of Pennsylvania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Alvin F. Fix to be collector of internal revenue, first district of Pennsylvania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert M. Cooper to be collector of internal revenue, district of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles M. McCabe to be collector of internal revenue, district of Tennessee.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William A. Thomas to be collector of internal revenue, second district of Texas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Alexander S. Walker to be collector of internal revenue, first district of Texas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Fred C. Martin to be collector of internal revenue, district of Vermont.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John C. Bowen to be collector of internal revenue, District of Washington.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Walter R. Thurmond to be collector of internal revenue, District of West Virginia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas K. Cassidy to be collector of internal revenue, District of Wyoming.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

CUSTOMS SERVICE

The legislative clerk read the nomination of Joseph H. Lyons to be collector, Customs Service, district no. 19.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William B. George to be collector, Customs Service, district no. 25.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles O. Dunbar to be collector, Customs Service, district no. 28.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph A. Maynard to be collector, Customs Service, district no. 4.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John O'Keefe to be collector, Customs Service, district no. 34.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James Houlahen to be collector, Customs Service, district no. 12.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Warren Van Dyke to be collector, Customs Service, district no. 11.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Verda Allison Wright to be collector, Customs Service, district no. 43.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Fred C. Pabst to be collector, Customs Service, district no. 22.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Saul Hass to be collector, Customs Service, district no. 30.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to announce sundry nominations in the Army.

The VICE PRESIDENT. Is there objection to confirming the Army nominations en bloc?

Mr. McNARY. Mr. President, I note the absence of the ranking member of the Military Affairs Committee; but I spoke to him just a few moments ago, and he was quite well satisfied. Therefore, I have no objection.

The VICE PRESIDENT. Is there objection to confirming the Army nominations en bloc? The Chair hears none, and the nominations are confirmed.

UNITED STATES CIRCUIT JUDGE, SEVENTH CIRCUIT

Mr. LEWIS. Mr. President, at this moment may I seek information on a parlimentary point?

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. LEWIS. I am very anxious that the newly appointed judge of the circuit court of appeals to serve in Chicago shall be in a situation where he can open his court on Monday morning. May I ask in what manner the matter could be facilitated? Is it proper for me to move that the Senate notify the President at once?

The VICE PRESIDENT. If the Senate adjourns today, the notifications of confirmation will go to the President on Monday. If the Senate does not adjourn today, the only way in which the Senator could bring about the desired result would be to ask unanimous consent that the President be immediately notified.

Mr. LEWIS. I thank the Chair.

I ask unanimous consent that the President be notified of the confirmation of Judge Louis Fitz Henry to be United States circuit judge, seventh circuit.

The VICE PRESIDENT. The Senator may make that request, and it is just a question as to whether any Senator will object.

Mr. McNARY. Mr. President, I do not see any reason for making an exception in this case. As was well stated by the Vice President, if the Senate adjourns tonight, automatically the notifications will go to the President. If the Senate does not adjourn tonight, we will have an executive session on Monday, at which time the Senator can make his request.

The VICE PRESIDENT. Objection is heard.

Mr. LEWIS. Since the objection is made, I accept the suggestion of the Senator from Oregon.

The VICE PRESIDENT. That completes the calendar. The clerk will now read the nominations reported today.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of William E. Dodd, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States to Germany.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Lincoln MacVeagh, of Connecticut, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Greece.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John Cudahy, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Poland.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

PATENT OFFICE

The legislative clerk read the nomination of Conway P. Coe, of Maryland, to be Commissioner of Patents.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

BUREAU OF STANDARDS

The legislative clerk read the nomination of Lyman J. Briggs, of Michigan, to be Director of the Bureau of Standards.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

REGISTER OF LAND OFFICE, SANTA FE, N.MEX.

The legislative clerk read the nomination of Maurice F. Miera, of New Mexico, to be register of the land office at Santa Fe, N.Mex.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

The legislative clerk read the nomination of Jewell W. Swofford, of Missouri, to be a member of the United States Employees' Compensation Commission for a term of 6 years from March 15, 1933.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL RESERVE BOARD

The legislative clerk read the nomination of J. J. Thomas, of Nebraska, to be a member of the Federal Reserve Board for a term of 10 years from January 25, 1933.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of M. S. Szymczak, of Illinois, to be a member of the Federal Reserve Board for a term of 10 years from April 19, 1933.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

MARINE CORPS

The legislative clerk read the nomination of Midshipman Gerald Roland Wright to be a second lieutenant in the Marine Corps, revocable for 2 years, from the 1st day of June, 1933.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE NAVY

The legislative clerk proceeded to announce sundry nominations in the Navy.

The VICE PRESIDENT. Without objection, the Navy nominations will be confirmed en bloc. The Chair hears no objection, and the nominations are confirmed.

FEDERAL HOME LOAN BANK BOARD

The legislative clerk read the nomination of John H. Fahey, of Massachusetts, to be a member of the Federal Home Loan Bank Board for the unexpired portion of the term of 3 years from July 22, 1932.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

RECONSTRUCTION FINANCE CORPORATION

The Vice President read the nomination of John J. Blaine, of Wisconsin, to be a member of the board of directors of the Reconstruction Finance Corporation for the unexpired term of 2 years from January 22, 1932.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POST OFFICE DEPARTMENT

The legislative clerk read the nomination of William L. Slattery, of Massachusetts, to be comptroller, Bureau of Accounts, Post Office Department.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Henry Clifford Jones, of Carnegie, Okla., to be collector of internal revenue for the district of Oklahoma.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of William H. Gilliland, of Texas, to be collector of customs at Port Arthur, Tex.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Berthol J. Husting, of Wisconsin, to be United States attorney, eastern district of Wisconsin.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Patrick P. Stone, of Wisconsin, to be United States district judge, western district of Wisconsin.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles C. Wyche, of South Carolina, to be United States attorney, western district of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph A. McDonald, of Alaska, to be United States marshal, division no. 4, district of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John M. Comeford, of Wisconsin, to be United States marshal, western district of Wisconsin.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert C. Bell, of Minnesota, to be United States district judge, district of Minnesota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John A. Carver, of Idaho, to be United States attorney, district of Idaho.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William J. Keefe, of Iowa, to be judge of the United States Customs Court in New York City.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph A. McNamara, of Vermont, to be United States attorney for Vermont.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. HASTINGS. Mr. President, from the Committee on the Judiciary I report back favorably three nominations on behalf of the Senator from Utah [Mr. KING].

The first is the nomination of Ralph J. Rivers, of Alaska, to be United States attorney, division 4, District of Alaska. I ask unanimous consent for the consideration of the nomination at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, without objection, the nomination is confirmed.

Mr. HASTINGS. Likewise the nomination of William A. Holzheimer to be United States attorney, division no. 1, District of Alaska. I ask unanimous consent for the consideration of that nomination.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, without objection, is confirmed.

Mr. HASTINGS. Also the nomination of George C. Sweeney, of Massachusetts, to be Assistant Attorney General. I ask unanimous consent that that nomination be considered at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, without objection, the nomination is confirmed.

That completes the list of nominations.

Under the order of the Senate, the Senate returns to the question of the confirmation of Mr. Newton. The question is, Shall the Senate advise and consent to the nomination of Mr. Newton?

FEDERAL HOME LOAN BANK BOARD—WALTER H. NEWTON

Mr. LONG. Mr. President, so many of the Senators who are interested in this matter are in committees that I should like to inquire of the Chair, what have we for consideration in case we lay this nomination aside a little longer?

The VICE PRESIDENT. The Senate would be in session.

Mr. LONG. Have we anything else on the calendar besides that?

The VICE PRESIDENT. The Chair has not consulted the Senator from Arkansas [Mr. ROBINSON] or the Senator from Oregon [Mr. MCNARY], the selected leaders of the two parties of the Senate, whom the Chair always recognizes with reference to policy.

Mr. LONG. 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:

Adams	Costigan	Kendrick	Robinson, Ind.
Ashurst	Cutting	Keyes	Russell
Austin	Dale	King	Schall
Bachman	Davis	La Follette	Sheppard
Bailey	Dickinson	Lewis	Shipstead
Bankhead	Dieterich	Logan	Smith
Barbour	Dill	Lonergan	Steiwer
Barkley	Duffy	Long	Stephens
Black	Erickson	McAdoo	Thomas, Okla.
Bone	Fess	McCarran	Thomas, Utah
Borah	Fletcher	McGill	Thompson
Bratton	Frazier	McKellar	Townsend
Brown	George	McNary	Trammell
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Gore	Neely	Van Nuys
Byrnes	Hale	Norris	Wagner
Capper	Harrison	Nye	Walcott
Caraway	Hastings	Overton	Walsh
Carey	Hatfield	Patterson	Wheeler
Clark	Hayden	Pope	White
Connally	Hebert	Reed	
Coolidge	Johnson	Reynolds	
Copeland	Kean	Robinson, Ark.	

The PRESIDING OFFICER (Mr. COPELAND in the chair). Ninety-three Senators have answered to their names. A quorum is present.

FRENCH BROAD RIVER BRIDGE, TENN.

Mr. SHEPPARD. I report favorably from the Committee on Commerce the bill (S. 1872) to extend the times for commencing and completing the construction of a bridge across the French Broad River on the proposed Morristown-Newport road between Jefferson and Cocke Counties, Tenn., and I call the attention of the Senator from Tennessee to the bill.

Mr. MCKELLAR. Mr. President, this bill merely extends the time for the building of a bridge, and I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

That the times for commencing and completing the construction of a bridge across the French Broad River on the proposed Morristown-Newport road between Jefferson and Cocke Counties, Tenn., authorized to be built by the Highway Department of the State of Tennessee, by an act of Congress approved February 6, 1931, are hereby extended 1 and 3 years, respectively, from February 6, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

AWARDS AGAINST GERMANY

Mr. LA FOLLETTE. Mr. President, from the Committee on Finance I report favorably House Joint Resolution 183, extending for 1 year the time within which American claimants may make application for payment under the Settle-

ment of War Claims Act of 1928, of awards of the Mixed Claims Commission and of the Tripartite Commission, and submit a report thereon (No. 140).

After making a brief statement as to what the resolution contains, I shall ask unanimous consent for its immediate consideration.

Mr. McNARY. Mr. President, did I understand the Senator to say that this had been ordered reported from the Committee on Finance?

Mr. LA FOLLETTE. Yes.

Mr. McNARY. A unanimous report?

Mr. LA FOLLETTE. Yes.

Mr. McNARY. What is the measure?

Mr. LA FOLLETTE. It is a joint resolution, which has been passed by the House of Representatives, to extend for 1 year the time within which those who have received rewards in the settlement of war-claims awards as a result of settlements by the Claims Commissions may file applications for payment.

When Congress originally passed the act, it provided for 5 years, and on the recommendation of the House committee, and the House, and the Secretary of the Treasury, it is recommended that an additional year be given those claimants who have received awards, but who have not as yet made application for their payments. It does not extend the time in which claims can be filed. There is such legislation pending, but the committee felt that that was a more controversial matter and should not be taken up for consideration at this time.

If the Senator would be interested, I should be glad to read to him a few paragraphs from the letter of the Secretary of the Treasury which explains the need for this legislation.

The PRESIDING OFFICER. Is there objection to immediate consideration?

Mr. LA FOLLETTE. I was going to make a statement, in all fairness, before I asked unanimous consent.

Mr. McNARY. Mr. President, I will probably have no objection to the substance of the joint resolution. However, the unfinished business is the confirmation of Mr. Newton.

Mr. LA FOLLETTE. I do not wish to delay that, and if this leads to any debate, I will not press it.

Mr. McNARY. Very well. I have no objection, if it can be passed without debate.

Mr. LA FOLLETTE. I just wish to make a brief statement as to what the joint resolution provides, so that the Senate may know what is proposed to be done.

I read from the letter of the Secretary of the Treasury, dated May 8, and addressed to the Speaker of the House of Representatives:

> I have the honor to transmit herewith for consideration by the Congress a draft of a proposed joint resolution to amend the Settlement of War Claims Act of 1928 for the purpose of extending for 1 additional year from March 10, 1933, the time within which American nationals who have obtained awards from the Mixed Claims Commission, United States and Germany, or from the Tripartite Claims Commission, United States, Austria, and Hungary, may make application to the Treasury for payment of such awards.

That is all the joint resolution seeks to do, and I ask unanimous consent for its immediate consideration.

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed, as follows:

> *Resolved, etc.*, That subsection (g) of section 2 and subsection (f) of section 5 of the Settlement of War Claims Act of 1928, as amended by Public Resolution No. 27 (72d Cong.), approved June 14, 1932, are further amended, respectively, by striking out the words "5 years" wherever such words appear therein and inserting in lieu thereof the words "6 years."

Mr. NEELY. Mr. President, the Senate Banking and Currency Committee's recent disclosures should impel all of the anarchists on the globe to pay homage to J. P. Morgan, the mighty monarch of money. They should bring sacrifices to his stately temple, burn incense on his gilded altar, and prostrate themselves before his plutocratic throne in appreciation of his financial practices which have shaken the confidence of millions in the rectitude of existing government and the justice of existing law.

Soviet Russia, the resourceful, industrious, and tireless fomenter of world-wide revolution against the capitalistic system, should officially decorate Mr. Morgan for his distinguished service to the cause of bolshevism, and crown him for having made more nihilists and more converts to the political philosophy and fallacy of Lenin by 36 months of tax dodging than a horde of soap-box orators could have made in a hundred years.

For more than a generation the postgraduate exploiters, who have composed the House of Morgan, have enjoyed unparalleled prosperity, and unsurpassed privileges under Federal law. In recent years the Treasury has, without investigation, obligingly accepted as correct the income-tax returns which Mr. Morgan and his partners have submitted. These favored financial necromancers and pampered governmental pets have not been annoyed by curious revenue agents inquiring into the profits of their far-flung, diversified, questionable operations.

The liberality of our laws and the laxity of their enforcement have permitted the House of Morgan to arrogate to itself the power of financial life and death over the country's transportation facilities; its vast network of electric light and power companies; its banking institutions; and the production and distribution of a large part of the necessaries of daily life.

Mr. Morgan has, from his throne of privilege and security in the United States, extended his financial influence to every inhabited country. The companies which he completely or partially controls have, with their telegraph and telephone wires and ocean cables, encircled the globe. There is no nation that does not contribute to the Morgan wealth; there is no race that does not add to the Morgan profits; there is no great international enterprise that does not come within the Morgan grasp or greed.

By common consent Mr. Morgan is one of the richest men of all time and place. Many believe that he is the wealthiest American, living or dead. His millions defy computation; his world-wide power staggers the mind; his financial magnificence stuns the imagination. "He doth bestride the narrow world like a Colossus, and petty men walk under his huge legs and peep about to find themselves dishonorable graves."

During the last 3 years Mr. Morgan and his partners collected from the public for so-called "securities" more than a billion a hundred twenty million dollars. According to the estimate contained in an illustrated article which appeared in the papers on the 28th day of May, the profits of the House of Morgan on these sales alone amounted to more than $44,000,000. During these 3 years Mr. Morgan, the multimillionaire, the recipient of a fourth of these profits and of additional millions of income from innumerable other sources, did not pay the Federal Government a single cent of income tax. In 2 of these years Mr. Morgan's numerous wealthy partners emulated his tax-dodging example and paid nothing from their incomes to the Federal Treasury. With unrestrained resentment and undisguised alarm the people have learned that for 3 successive years America's richest man, and for 2 successive years its wealthiest group of men, paid no tax on their swollen incomes and thus failed to lend financial support to the Government which had so long and so effectively protected, enriched, and favored them.

If this startling tax-dodging information had been supplied by anyone but a Morgan spokesman, it would have been deemed too preposterous for consideration, too inflammatory for publication, too monstrous for mortal belief. But the members of the House of Morgan themselves have written this shameful, shocking revelation into the record of the Senate's investigation where it will remain forever as a melancholy memorial to the immorality, the greed, and the barbarity of plutocracy at its highest tide in American history.

During the years that Mr. Morgan dodged his tax the congressional clerks, whose salaries were as low as a hundred and fifty dollas a month, patriotically paid a tax on their incomes. Thousands of wage earners, whose incomes did not exceed $1,800 a year, discharged their duties as good citizens by dedicating a substantial part of their earnings to the payment of their taxes.

Let us hope that Mr. Morgan will enlighten us concerning his own standard of conduct to his country by informing the committee that is investigating him the minimum number of millions a year in gross profits that will constrain him to pay at least a nominal tax on his income.

Within the 3 years that Mr. Morgan escaped the payment of an income tax, more than 140,000 American farmers had the last acre of their ground sold from under their feet in satisfaction of their taxes which they were too poor to pay. During the same period thousands of faultless, jobless working men had the roofs sold from over their heads to satisfy their taxes. But Mr. Morgan, the mightiest of millionaires, with his palatial English manor house, his mansions in New York City and Glen Cove, Long Island, his shooting lodge in Scotland, his luxurious sea-going yacht *Corsair* that cost millions, his innumerable priceless treasures of art collected from the four corners of the earth, with all of his superfluities of luxury, power and pelf, he was not moved by the heart-breaking tragedies in the lives of the Nation's distressed to contribute a farthing of his income to the support of the Federal Government and thereby relieve the unfortunate of a part of their burdens.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Nebraska?

Mr. NEELY. I am glad to yield to the Senator.

Mr. NORRIS. The Senator just mentioned the yacht of Mr. Morgan. I wonder if he is right. It seems to me the name of this yacht is "*Corsair II*", is it not? I wonder if the Senator could enlighten us about that historic name.

Mr. NEELY. Does the Senator mean why the yacht was so named?

Mr. NORRIS. Yes.

Mr. NEELY. Presumably because "Corsair" means one who plunders on land or sea, and the name was therefore entirely appropriate.

Mr. President, whether Mr. Morgan's tax evasions are within or without the letter of the Federal law, what must be the judgment of this financially embarrassed Nation against its richest man who, upon any pretext or under any claim of exemption, failed to contribute anything to the expense of maintaining the Government during the most trying peace-time period of its entire existence.

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

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Texas?

Mr. NEELY. I gladly yield to the Senator from Texas.

Mr. CONNALLY. Let me say to the Senator right there that the bill which we passed last night, as reported from the Senate committee, carries provisions which will prevent the repetition of what the Senator is complaining of.

Mr. NEELY. Let us hope that this new law in its operation against tax dodgers will be as drastic as the laws of Draco.

Mr. CONNALLY. It undertakes to prevent it but, of course, nothing can prevent some things happening.

Mr. NEELY. Certainly not when Mr. Morgan is in control.

Mr. President, in what esteem will Mr. Morgan be held by the bankrupt farmers, whose homes were sold for taxes, when they reflect that Mr. Morgan, the modern Midas, whose millions are more numerous than the dimes of the average man, for 3 years failed to contribute any of his huge income to the Federal Treasury?

What will the innumerable jobless toilers, who have seen the last of their earthly possessions sold to pay their taxes, think of the justice of the law under which the mighty Morgan and his affluent partners paid no income tax at all?

When the disabled veterans of our various wars remember that Mr. Morgan's tax dodging contributed to the necessity which caused their compensation to be diminished or discontinued; when they recall that they freely gave their bodies to their country's cause in time of war and that Mr. Morgan three times refused to give any of his income to the country's Treasury in time of peace, what will be their judgment against him? Will it not be similar to the doom of the selfish king and his wicked kingdom which the mysterious finger of God wrote upon the plaster of a Babylonian palace wall 24 centuries ago? Will not the veterans, in the bitterness of their souls, cry out to Mr. Morgan, "Thou art weighed in the balances and found wanting. Thy kingdom is finished forever and forever"?

If Mr. Morgan's failure to pay tax on his millions of gross income during the last 3 years violates no law, then indeed, in the words of the famous Mr. Bumble in Oliver Twist, "The law is a ass." Whatever the law may be, it should be promptly amended so as to make it utterly impossible for any American citizen, with a gross income of a million dollars a year or more, ever to escape the payment of an income tax.

But tax dodging is only one of Mr. Morgan's high misdemeanors against the code of ethics which is regarded as binding upon all men who consider their honor more valuable than silver and their patriotism more estimable than gold.

Mr. Morgan's banking house preferred some of its customers and sold them its so-called securities at prices far below their market value. For example, at the time the Morgan exploiters were selling Alleghany Corporation stock to their clients who were on the preferred list at $20 a share, other shares of the same stock were being sold to the public at prices ranging from $31 to $35 a share. Thus the Morgan preferred clients enjoyed an advantage of at least 35 percent over the average person in the purchase of Alleghany Corporation stock.

The Morgan preferred list reads like a page from a political, financial, and industrial who's who in the United States. The names on it include an ex-President, and another ex-President's intimate associate, cabinet officers, past and present; ambassadors, past, present, general, and particular; judges of courts, a college professor, representatives of almost every great financial and industrial enterprise, famous officials, ex-officials, and members of both great political parties.

Mr. Morgan in choosing his preferred customers and donating millions to them manifested no particular political bias. He appears to have given stock purchase rights of vast value to Democrats of influence and promise of usefulness just as cheerfully as he gave them to Republicans. Obviously Mr. Morgan's motive for impartiality in this matter was no purer than that of the despairing man on a sinking ship, who alternately cried out, "Good Lord" and "Good devil", and later said in explanation of his inconsistency that he had endeavored to conciliate the rulers of both paradise and purgatory because he did not know into whose hands he might fall.

Mr. Morgan has proved himself to have been just as prudent and diplomatic in his financial practices as the imperiled man was in his devotional exercises on the sinking ship. And what keen foresight and rare ability Mr. Morgan has manifested in selecting his preferred customers and in creating situations favorable to the operations of the House of Morgan. Because of his schemes, no matter what political party loses, the House of Morgan wins. As a result of his stratagems, it is practically impossible for a President of the United States, however great and wise and good, to choose a Cabinet of which every member will be independent of obligations to the House of Morgan or free from the blighting influences of the Morgan power.

With due respect for the absolute innocence of some of those whose names appear on Mr. Morgan's preferred list, the naked, unblushing truth of the whole sordid matter is that so far as Mr. Morgan and his fellow exploiters are con-

cerned, the operation of the Morgan preferred list and the donation of millions of dollars in purchase rights to those on it constitute a brazen attempt to commit bribery on a wholesale, national scale, in the hope of tightening the Morgan strangle hold on the industrial and financial life of the Nation.

No amount of simulated righteous indignation on the part of Mr. Morgan's apologists or defenders can disguise the fact that men of his intelligence and greed do not give away the equivalent of hundreds of millions of dollars to influential politicians; or to past, present, or prospective office-holders; or representatives of great enterprises, without ultimate expectations of value received for their benefactions. Manifestly, Mr. Morgan's object in giving away untold millions of dollars' worth of purchase rights to the powerful persons named on his preferred list was to subsidize the country's political, financial, and industrial leaders so that they would either assist him or not resist him in his ambitious, ruthless efforts to increase his wealth and power through legislative privileges and governmental favors.

A more stupendous, sinister, and seductive scheme to rob the masses of the people of their last vestige of protection against the usurpation of the Money Trust has never been devised.

Thanks to the patriotic service of Chairman FLETCHER and some of the members of the Committee on Banking and Currency, and the able, fearless, and industrious Mr. Pecora, the committee's counsel, the devastating march of the Morgan minions has at last been halted. Let us hope that it can never be resumed.

The opponents of the investigation have made herculean efforts to suppress it, or limit its activities to utter futility. But fortunately for those who wish to see the Augean financial stable thoroughly cleansed, the attitude of the disgusted press and the temper of the outraged people make it just as impossible for any human power to suppress this investigation or whitewash the House of Morgan as it was for Job to meet God's challenge to bind the sweet influences of the Pleiades, loose the bands of Orion, or guide Arcturus with his sons.

Enemies of the investigation have attempted to draw a red herring across its trail by attacking Mr. Pecora, who is most successfully prosecuting the case. Let no one be deceived by this effort. Mr. Pecora is not on trial. For the purposes of this investigation, the manner in which he has discharged his duties on other occasions is of no concern to the Senate, and perhaps of little interest to the public. For the present it matters not what Mr. Pecora's enemies, or the enemies of the investigation may think of him or say about him. Mr. Pecora, by his great service to the United States in this investigation, has already securely placed his name on the scroll of fame. If he only completes his task half as satisfactorily as he has so far performed his duties, his accomplishments will eventually be recorded in the "Golden book of immortality," and a statue in commemoration of his achievement should occupy a conspicuous place in the rotunda of the Capitol.

Most encouraging of all to the friends of the investigation are the newspaper announcements to the effect that the President desires that it be prosecuted to the limit of the law, and that all of the Presidential influence will, if necessary, be lent to those who are so satisfactorily serving the people in this most important matter. In the early thirties of the nineteenth century this country had in the person of "Old Hickory" Jackson a President who defeated the money power in its brazen efforts to trample upon public rights. In the early thirties of the twentieth century this country has another heroic President in the person of Franklin D. Roosevelt, who neither fears nor hesitates to wage exterminating warfare against the enemies of the Government which has been entrusted to his control.

Mr. Chairman and members of the investigating committee, you now have the vicious, voracious, and loathsome monster known as the "Money Trust" at bay. A hundred twenty million people want you to do to it what Herodotus says Apollo did to Marsyas, namely, flay it alive and hang its hide in a crab-apple tree by a fountain.

Mr. President of the United States, Mr. Chairman and members of the investigating committee, and Mr. Pecora, the American people with singular unanimity are expectantly saying to you in this matter;

Our hearts, our hopes, our prayers, our tears
Our faith triumphant o'er our fears,
Are all with thee,
Are all with thee.

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.

As in legislative session,

FARM CREDIT ADMINISTRATION

Mr. BYRNES. Mr. President, I move that the Senate insist upon its amendments to the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes, ask a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. COPELAND in the chair) appointed Mr. BYRNES, Mr. ADAMS, and Mr. GOLDSBOROUGH conferees on the part of the Senate.

As in executive session,

UNITED STATES MARSHAL, TEXAS

Mr. BRATTON, from the Committee on the Judiciary, reported favorably the nomination of Guy McNamara, of Texas, to be United States marshal, district of Texas.

Mr. CONNALLY. Mr. President, the report just made by the Senator from New Mexico is the nomination of Mr. Guy McNamara to be United States marshal for the district of Texas. I ask unanimous consent for the present consideration of the nomination.

Mr. McNARY. Mr. President, we have just gone through the calendar. Has the committee reported on the nomination?

Mr. CONNALLY. We secured a poll from the committee.

Mr. McNARY. I have no objection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

As in legislative session,

INFORMATION FROM TREASURY DEPARTMENT

Mr. McKELLAR. Mr. President, as in legislative session, I send to the desk a resolution, which I ask may be read, and I then ask for its immediate consideration. Before it is read I want to say that it simply asks for certain information from the Secretary of the Treasury, and I think there will be no objection to it.

The PRESIDING OFFICER. Let it be reported for the information of the Senate.

The Chief Clerk read the resolution (S.Res. 90), as follows:

Resolved, That the Secretary of the Treasury is hereby directed to furnish to the Senate, at the earliest possible moment, the hereinafter-described information concerning the following corporations and individuals: Andrew W. Mellon, the Gulf Refining Co., the Gulf Oil Corporation, the Gulf Production Co., the Gulf Pipeline Co., the Gulf Refining Co. of Louisiana, the Gypsy Oil Co., the Gulf Pipeline Co. of Oklahoma, the Mexican Gulf Oil Co., the South American Gulf Oil Co., the Panama Gulf Oil Co., the Gulf Cooperage Co., the Gulf Commissary Co., the Standard Steel Car Co., the Middletown Car Co., the Baltimore Car & Foundry Co., the Verona Steel Casting Co., the Forged Steel Wheel Co., the Steel Car Forge Co., the Butler Bolt & Rivet Co., the Butler Car Wheel Co., the Lundora Land & Improvement Co., the Mellon National Bank, the Union Trust Co., the Union Savings Bank, Aluminum Co. of America, Aluminum Cooking Utensils Co., Aluminum Die Casting Corporation, the Aluminum Ore Co., the Aluminum Seal Co., the Electric Carbon Co., the Knoxville Power Co., the St. Lawrence River Power Co., the St. Lawrence Securities Co., the Tallahassee Power

Co., McClintic-Marshall Co., Union Shipbuilding Co., Carborundum Co., the Pittsburgh Plate Glass Co., and the Koppers Corporation; Pittsburgh Coal Co., American Window Glass Co., and American Window Glass Machine Co.; also Ogden L. Mills, and Ogden L. Mills, executor of the estate of Ogden L. Mills, Sr.

First. The assessments for individual and corporation income taxes as first made against each of said corporations and individuals for the years 1917 to 1933, inclusive;

Second. The aggregate sums actually paid by each of said several taxpayers for said several years, inclusive, the said several sums given by years;

Third. The claims for tax refunds, the dates of their filing, the names of the several attorneys filing same, the several amounts claimed as refunds by each of said parties for each, all, or any of said years, giving same by years;

Fourth. The claims of any of said parties for depletion allowances, the date of their filing, and the amounts allowed for depletion, and the dates of such allowances, giving the same by years;

Fifth. The dates and amounts refunded to each of said companies or individuals in the way of credits for current taxes or otherwise, giving the same by years;

Sixth. The amounts allowed in abatement to any of said corporations or individuals during said period, inclusive, giving the same by years;

Seventh. The amounts refunded to each of said several companies and individuals, by the years, in cash;

Eighth. The names of the officials in the Treasury Department approving such refunds, abatements, depletions, or credits, and the dates of their several approvals; and

Ninth. The names of the members of the committee or committees first determining each of said claims, the amount of salary paid each, and the names of any other officials or employees approving said claims, as well as the names of any officials or employees who disapproved any of said refunds.

Mr. McNARY. Mr. President, in the absence of the Senator from Pennsylvania [Mr. REED] I am disinclined to grant consent to proceed to the consideration of the resolution. We have matters before us in executive session, the unfinished business being the nomination of Mr. Newton. I suggest we dispose of that first and then take up these other matters if it is so desired.

Mr. McKELLAR. I am sorry the Senator from Oregon feels inclined to object.

Mr. McNARY. I have no objection personally.

Mr. McKELLAR. This is merely asking for information from the Secretary of the Treasury.

Mr. McNARY. I appreciate that.

Mr. McKELLAR. I do not see how anyone really could object to the information being given. It is a matter of first importance, as we know from an examination already made as to others. I hope the Senator will withdraw his objections.

Mr. McNARY. I do not think the Senator should make the request. It has been my practice, as far as possible, to protect Senators absent from the floor with reference to matters in which they may have some interest. It is only temporarily delaying the matter.

Mr. McKELLAR. With that understanding, I shall not insist.

The PRESIDING OFFICER. The resolution goes over temporarily.

REPORT OF A COMMITTEE

Mr. BARKLEY. Out of order, I ask unanimous consent to file a report on Senate bill 1867, from the Committee on the Library.

The PRESIDING OFFICER. The report will be received and placed on the calendar.

As in executive session,

Mr. ASHURST. Mr. President, I wish to say a word with reference to executive business. I was called away from the Chamber. The nomination of a marshal for the State of Texas has been confirmed. In response to a question propounded by the Senator from West Virginia [Mr. HATFIELD] a couple of hours ago I want to make this statement.

When I inherited the chairmanship of the Committee on the Judiciary I found that one of its inviolable rules, a rule over 50 years old, was that all nominations coming to that committee, judges or marshals or district attorneys or what not, were referred to the Senators from the State, no matter what their political party might be. So far as my able predecessor [Mr. NORRIS] is concerned, I am able to say that in each and every case he obtained the opinion in writing of the Senators from the various States, no matter whether Republicans or Democrats, and during my short tenure in the chairmanship of that committee I have followed that rule which he so carefully observed. Every nomination that has been referred to the Committee on the Judiciary since I have been chairman has been approved by the Senators from the State from which the nominee came.

I understand that the nomination of the marshal of the State of Texas was polled. I have no objection to it; I think the circumstances justified it; but it is not the policy of the Judiciary Committee under any circumstances to poll the nomination of any nominee. Owing to the situation, however, I think it is proper to do that in this case.

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

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

Mr. ASHURST. I do.

Mr. HATFIELD. I may say to the able Senator that it was my understanding that a courtesy of that kind had been extended during the Hoover administration; that the minority Senators from a State were accorded the privilege of either approving or disapproving the nominations sent to the Senate by the President. That courtesy, I may say, has not been extended to me. However, had that opportunity been afforded me, I would have whole-heartedly approved of the nominations sent by the President to the Senate for confirmation from West Virginia.

Mr. ASHURST. I wish to repeat and assure the Senate that every nomination confirmed by the Senate during this session of Congress that has come from the Judiciary Committee has borne the imprimatur, the O.K., the visa of the two Senators from that State, be they Democrats or be they Republicans; and I should deem myself deficient in courtesy to Senators, and remiss in my duty, if I failed at least to ask their opinion on the nomination. I do not mean to say that I would be guided by their judgment or opinion; but I would be remiss in my duty and lacking in courtesy if I failed to ask their opinion.

FEDERAL HOME LOAN BANK BOARD—WALTER H. NEWTON

The PRESIDING OFFICER. Is the Chair right in assuming that the question before the Senate is the confirmation of Mr. Walter H. Newton?

Mr. McNARY. That is the order.

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

Mr. STEPHENS. Mr. President, what is the question?

The PRESIDING OFFICER. The question is action upon the nomination of Mr. Walter H. Newton to be a member of the Federal Home Loan Bank Board. The Senator from California has suggested the absence of a quorum. The clerk will call the roll.

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

Adams	Costigan	King	Robinson, Ind.
Ashurst	Cutting	La Follette	Russell
Austin	Dale	Lewis	Schall
Bachman	Davis	Logan	Sheppard
Bailey	Dickinson	Lonergan	Shipstead
Bankhead	Dieterich	Long	Smith
Barbour	Duffy	McAdoo	Stephens
Barkley	Fess	McCarran	Thomas, Okla.
Black	Fletcher	McGill	Thomas, Utah
Bone	Frazier	McKellar	Thompson
Borah	Glass	McNary	Townsend
Bratton	Goldsborough	Metcalf	Trammell
Brown	Gore	Murphy	Tydings
Bulkley	Hale	Neely	Vandenberg
Bulow	Hastings	Norris	Van Nuys
Byrnes	Hatfield	Nye	Walcott
Capper	Hayden	Overton	Walsh
Caraway	Johnson	Pope	White
Carey	Kean	Reed	
Connally	Kendrick	Reynolds	
Copeland	Keyes	Robinson, Ark.	

The PRESIDING OFFICER. Eighty-one Senators having answered to the roll call, a quorum is present. The question is, Shall the Senate advise and consent to the nomination of Walter H. Newton, of Minnesota, to be a member of the Federal Home Loan Bank Board?

Mr. NYE. Mr. President, I move that the nomination be recommitted to the committee.

Mr. McNARY. On that I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from North Dakota that the nomination be recommitted. The clerk will call the roll.

The legislative clerk called the roll.

Mr. KEYES. I have a pair with the junior Senator from Massachusetts [Mr. COOLIDGE]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. HEBERT. I desire to announce the general pair of the Senator from Missouri [Mr. PATTERSON] with the Senator from New York [Mr. WAGNER]. I am not informed how either of those Senators would vote on this question.

Mr. McKELLAR (after having voted in the affirmative). I have a general pair with the junior Senator from Delaware [Mr. TOWNSEND], which I transfer to the senior Senator from Montana [Mr. WHEELER] and will allow my vote to stand.

Mr. AUSTIN (after having voted in the negative). I have a general pair with the senior Senator from Virginia [Mr. GLASS], who is temporarily absent. Not being able to secure a transfer of my pair, I withdraw my vote.

Mr. LEWIS. I ask that the announcement as to the Senator from Nevada [Mr. PITTMAN] may remain for this roll call.

I desire to announce that the Senator from Ohio [Mr. BULKLEY], the Senator from Virginia [Mr. GLASS], the Senator from Utah [Mr. KING], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from New York [Mr. WAGNER] are in attendance upon a meeting of a Senate committee.

The Senator from Missouri [Mr. CLARK], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Washington [Mr. DILL], the Senators from Louisiana [Mr. LONG and Mr. OVERTON], the Senator from Florida [Mr. TRAMMELL], and the Senator from Montana [Mr. WHEELER] are detained on official business.

The Senator from Virginia [Mr. BYRD] is necessarily detained at the White House.

The result was announced—yeas 33, nays 43, as follows:

YEAS—33

Adams	Cutting	McAdoo	Shipstead
Bachman	Duffy	McCarran	Smith
Black	Erickson	McGill	Stephens
Bone	Frazier	McKellar	Thomas, Okla.
Bratton	Gore	Neely	Thompson
Brown	Hayden	Norris	Van Nuys
Bulow	Johnson	Nye	
Caraway	La Follette	Pope	
Costigan	Logan	Russell	

NAYS—43

Ashurst	Davis	Hebert	Schall
Bailey	Dickinson	Kean	Sheppard
Bankhead	Dieterich	Kendrick	Steiwer
Barbour	Fess	Lewis	Thomas, Utah
Barkley	Fletcher	Lonergan	Townsend
Byrnes	George	McNary	Tydings
Capper	Goldsborough	Metcalf	Vandenberg
Carey	Hale	Murphy	Walcott
Connally	Harrison	Reed	Walsh
Copeland	Hastings	Robinson, Ark.	White
Dale	Hatfield	Robinson, Ind.	

NOT VOTING—20

Austin	Coolidge	King	Pittman
Borah	Couzens	Long	Reynolds
Bulkley	Dill	Norbeck	Trammell
Byrd	Glass	Overton	Wagner
Clark	Keyes	Patterson	Wheeler

So the motion to recommit the nomination was rejected.

The VICE PRESIDENT. The question is, Shall the Senate advise and consent to the confirmation of the nomination of Mr. Newton?

Mr. KING. Mr. President, has the result of the vote been announced?

The VICE PRESIDENT. It has been announced.

Mr. KING. I was in the rear of the Chamber, and I am not sure whether I spoke loud enough to be heard or not. Is it too late to have my vote recorded?

The VICE PRESIDENT. It is too late, unless the Senator's vote was recorded.

Mr. KING. I am sorry. If I were permitted to vote, I should vote "yea."

Mr. STEPHENS. Mr. President, I regret that the motion to recommit this nomination was not carried. I would rather help men than harm them. I never like to do or say anything that is calculated to offend a fellow man. For that reason it is somewhat embarrassing to me to make the statement I am about to make.

Mr. President, I always felt and believed that it was the duty of a Senator to support any nomination when a name was sent to the Senate by a President unless there was a strong and compelling reason for opposing confirmation. That was my policy during the Republican administration. I supported every nominee of President Coolidge and President Hoover unless I felt that I could not honestly do so. I stood in this Chamber and helped fight the battles of the Republican Presidents on more than one occasion when a nominee was being attacked.

However, Mr. President, I cannot vote for the confirmation of Walter H. Newton. My reason for feeling this way about it may not appeal to others. Others may not think that the events I shall describe justify his rejection by the Senate. I shall not criticize any Senator if his views do not coincide with mine on the proposition.

Mr. President, it has always been my thought that there were two essential qualifications for holding office: One, ability; the other, character. I shall not raise any question against Mr. Newton with reference to the first qualification, but I do challenge him on the second qualification. Now to the story.

Four years ago, or just a little later, after conference with the referee of the Republican Party in Mississippi, it was agreed that two names would be submitted to the President of the United States, and those two names were submitted. The referee was the Honorable Lamont Rowland. He had displaced the Negro referee. There were only two Republicans in the northern district of Mississippi who were candidates for the office of district attorney. Mr. Rowland came to me and said, "I should like to advise with you about this matter." He lived in the southern district, the southern end of the State, and was practically unacquainted in the northern part of the State.

It happened that the Republican district attorney had been removed from office by President Hoover, and the Department of Justice instructed the judge of the court to name an acting district attorney, and he did name one. The man who was so named was the one agreed upon between us, and the Department of Justice agreed to appoint him, and a "Hoovercrat" from Mississippi was selected for that district. I was asked if I would oppose his nomination. I knew that he was an honorable, honest, decent man and a well-equipped lawyer, so I said that of course I would not oppose his confirmation.

Mr. President, it happens that I was called home just a few days before the end of the session. After I reached home the two names so agreed upon were sent by the Attorney General to President Hoover. I noticed in the paper the next morning that only one name had reached the President, and only one man had been named by the President, him, and a "Hoovercrat" from Mississippi was selected for

I did not understand the situation then. Friends of mine in the State telephoned me and asked me to see that this man was confirmed as district attorney in the southern district. Doubtless he has forgotten it, but I sent the then chairman of the Committee on the Judiciary, the Senator from Nebraska [Mr. NORRIS], a telegram, and asked that that man be confirmed, and he was confirmed, I think the very and that was the "Hoovercrat."

Before I returned to Washington I had seen the referee. He told me that he indorsed Mr. Fant, the man who was to be appointed district attorney in the northern district, to the Department of Justice. I went to the Department of Justice, and I was told there that the names of these two men were sent in at one and the same time. They went to the White House, and there was no question about those two names reaching the White House at the same time.

What became of the slip containing the recommendation of the Department of Justice? The President never saw it.

I know he never saw it, because he told me he knew nothing of it. Into whose hands did it go? It went into the hands of Walter H. Newton, and he admitted to me that he did receive it. I said, "What became of it?" His only explanation was that unfortunately it got lost; that he could not find it. Yet I will call attention to this fact: It would have been extremely easy for him to have communicated with the Department of Justice and had another slip sent over, but he did not do that. Why did he not deliver it into the hands of the President of the United States? I will tell Senators why.

There were two factions and still are two factions in the Republican Party in the State of Mississippi, the Black and Tans and the Lily Whites. The national committeeman and the national committeewoman were both Negroes. President Hoover refused to recognize them, took their patronage away from them, and, as I said, appointed Lamont Rowland referee.

When I went to the White House and made inquiry of Walter H. Newton as to what became of this appointment slip he began to argue at once that they could not afford to appoint Lester G. Fant because a number of Negroes down in the State of Mississippi were opposing his appointment; and, Senators, when he began to make his argument, and I heard what he said, I fully understood what became of that appointment slip. The President of the United States never saw it. The President acted splendidly about it, because he had agreed with Mr. Rowland that these two men should be appointed.

"Oh, but", someone may say, "how do you know that he destroyed that appointment slip? Did you see him tear it up and throw it in the wastebasket or burn it into ashes"? Of course not, but every circumstance goes to indicate that he did make away with it by some means or other. When he found it was lost, his failure to send to the Department of Justice for another slip, his great interest in the defeat of this man Fant because certain Negroes down in the State of Mississippi were opposing him, indicates his connection with the loss of the slip. Many a man has been convicted upon circumstantial evidence and has suffered the death penalty. Some of the law writers state that circumstantial evidence is the best and the strongest of all evidence.

I do not like to say these things, but I am thoroughly convinced that Walter Newton purposely, intentionally, defeated the appointment of Mr. Fant. He failed to carry out the request of the Department of Justice; he was unfaithful and untrue to his own chief, President Hoover, because he was there an employee, as Secretary to the President, and it was his duty to deliver this appointment slip to the President, and to deliver it into his hands. He was false to the Department of Justice and untrue to the President of the United States. I am just as certain that he is guilty, as I have described it, as I am that I am standing before this body at this moment.

Senators, I am making this statement in order that my position on this question may be known. I should like to follow the leadership of the President of the United States. I never fail to do so unless I am convinced that he is wrong, and I have sometimes gone along with him when I thought he was wrong on a legislative matter; but this is an important matter, and I have felt it was my duty, as a Senator and as a Democrat, to state my reason for refusing to support the confirmation of Mr. Newton. I did not care to vote and let my reasons for casting that vote against confirmation go unexplained.

Mr. President, what I have said may not be to other Senators sufficient reason for failing to support the confirmation, but to me it is. If they think that this man's conduct was not such as to disqualify him, then I shall not criticize them if they vote for his confirmation.

I believe firmly that when a man in high position is guilty of such reprehensible conduct as I believe Mr. Newton's conduct in this instance to be, under such circumstances a man of that type and character is not a safe man to be given high position, a position so important as is this one. I feel sure that each Senator will vote his honest convictions, just as I shall vote mine.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination?

Mr. LA FOLLETTE and other Senators demanded the yeas and nays, and they were ordered.

The legislative clerk proceeded to call the roll.

Mr. KEYES (when his name was called). I have a pair with the junior Senator from Massachusetts [Mr. COOLIDGE]. Not knowing how he would vote I withhold my vote. If permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. HEBERT. I wish to announce that the Senator from Missouri [Mr. PATTERSON] is paired with the Senator from New York [Mr. WAGNER] on this vote. If the Senator from Missouri were present, he would vote "yea." I am not advised how the Senator from New York would vote, if present.

Mr. LEWIS. I desire to announce the absence of the Senator from Virginia [Mr. GLASS], the Senator from Washington [Mr. DILL], the Senator from Louisiana [Mr. LONG], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Montana [Mr. WHEELER], the Senator from New Mexico [Mr. BRATTON], the Senator from Ohio [Mr. BULKLEY], the Senator from Oklahoma [Mr. GORE], the Senator from Wyoming [Mr. KENDRICK], the Senator from Iowa [Mr. MURPHY], the Senator from Louisiana [Mr. OVERTON], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER]. I am informed they are all detained on official business.

The result was announced—yeas 43, nays 30, as follows:

YEAS—43

Ashurst	Dale	Hatfield	Robinson, Ind.
Austin	Davis	Hebert	Schall
Bailey	Dickinson	Kean	Sheppard
Barbour	Dieterich	Lewis	Steiwer
Barkley	Fess	Logan	Thomas, Utah
Byrd	Fletcher	Lonergan	Townsend
Byrnes	George	McAdoo	Vandenberg
Capper	Goldsborough	McNary	Walcott
Carey	Hale	Metcalf	Walsh
Connally	Harrison	Reed	White
Copeland	Hastings	Robinson, Ark.	

NAYS—30

Adams	Clark	King	Pope
Bachman	Costigan	La Follette	Russell
Bankhead	Cutting	McCarran	Stephens
Black	Duffy	McGill	Thompson
Bone	Erickson	McKellar	Trammell
Brown	Frazier	Neely	Van Nuys
Bulow	Hayden	Norris	
Caraway	Johnson	Nye	

NOT VOTING—23

Borah	Glass	Norbeck	Smith
Bratton	Gore	Overton	Thomas, Okla.
Bulkley	Kendrick	Patterson	Tydings
Coolidge	Keyes	Pittman	Wagner
Couzens	Long	Reynolds	Wheeler
Dill	Murphy	Shipstead	

So the Senate advised and consented to the nomination of Walter H. Newton to be a member of the Federal Home Loan Bank Board.

ADDITIONAL MEMBERS OF SPECIAL COMMITTEE ON CONSERVATION OF WILD-LIFE RESOURCES

The VICE PRESIDENT. Under authority of Senate Resolution 96, the Chair appoints the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. BYRD] as additional members of the Special Committee on Conservation of Wild Life Resources.

COMMITTEE SERVICE

Mr. ROBINSON of Arkansas. Mr. President, when this session terminates, the Senator from New Mexico [Mr. BRATTON] is expected to assume duties on the circuit court of appeals of the district in which he lives. Mr. BRATTON has served here with distinction. He has devoted himself diligently to the study of public questions, has been liberal in his views and fair in his conclusions. He possesses the

judicial temperament in a very marked degree. I am sure that every Member of the Senate will regret to see him leave this body.

He asks to be relieved from further duties as a member of the special committee of the Senate to investigate campaign expenditures. I submit the request.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBINSON of Arkansas. Mr. President, I ask that the Senator from Colorado [Mr. ADAMS] be assigned to the vacancy of the majority on the Committee on Public Lands and Surveys.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBINSON of Arkansas. I also ask that the Senator from Ohio [Mr. BULKLEY] be excused from further service on the Committee on Commerce, and that he be assigned to the vacancy of the majority on the Committee on Foreign Relations.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. LEWIS. Mr. President, I wish to add a word to that which has been appropriately expressed by the Senator from Arkansas [Mr. ROBINSON] touching the departure of the Senator from New Mexico [Mr. BRATTON]. I think, sir, in a single expression we find greatest pleasure in certifying to his constituency whence he came, the kindly manner in which his colleagues on both sides of the Chamber have dealt with him, the genial courtesy he always displayed to his colleagues on either side, his eminent capacity as a lawyer respected in any judgment he uttered, but above all else his devotion to the cause of his constituents, his ripe judgment as to his country, and his ceaseless efforts in behalf of the United States of America while in the Senate, have commended him to the admiration of this body which submits him as a body to the new state to which he now goes, holding the balances of justice in the judiciary.

As in executive session,

THE JUDICIARY

Mr. ASHURST. Mr. President, as in executive session I wish to state that within the past 30 minutes three nominations have come to the Senate and should be appropriately referred to the Committee on the Judiciary. Obviously, at this hour it would be impossible to secure a meeting of the Committee on the Judiciary. I stated not over half an hour ago that it was never the policy of that committee to poll the membership. It has never been done. I think it is a good policy and one to which we should strictly adhere.

But the nominations which have come are as follows: Clarence E. Bailey, of Oklahoma, to be United States attorney, northern district of Oklahoma; W. C. Geers, of Oklahoma, to be United States marshal, western district of Oklahoma; and John C. Logan, of Oklahoma, to be United States marshal, northern district of Oklahoma.

I have secured the written approval of the two Senators from Oklahoma [Mr. THOMAS and Mr. GORE]; all of the minority members of the Committee on the Judiciary have certified in writing their approval of the nominations; likewise a majority of the majority members have approved the nominations. I therefore make bold, without a formal reference to the committee, to present the nominations and ask that they be read and considered.

The VICE PRESIDENT. The nominations referred to by the Senator from Arizona have not yet been laid before the Senate. The Chair lays before the Senate a message from the President of the United States, which will be read.

The legislative clerk read as follows:

To the Senate of the United States:

I nominate Clarence E. Bailey, of Oklahoma, to be United States attorney, northern district of Oklahoma, to succeed John M. Goldesberry, term expired.

The VICE PRESIDENT. The nomination will be referred to the Committee on the Judiciary. The Chair lays before the Senate another message from the President which will be read.

The legislative clerk read as follows:

To the Senate:

I nominate W. C. Geers, of Oklahoma, to be United States marshal, western district of Oklahoma, to succeed Duke Stallings, appointed by court; and John P. Logan, of Oklahoma, to be United States marshal, northern district of Oklahoma, to succeed John H. Vickrey, term expired.

The VICE PRESIDENT. The nominations will be referred to the Committee on the Judiciary.

Mr. ASHURST. Mr. President, I apologize to the Chair for my premature and rather precipitate action of a moment ago. I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the nominations just read.

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

Mr. McNARY. Mr. President, the wise practice and the safe practice is reference of these nominations to a committee.

Mr. ASHURST. The Senator is correct.

Mr. McNARY. I do not know why we should make exceptions of the cases that go to the Committee on the Judiciary and not of all nominations. I think it would be unwise to make an exception at all.

Mr. ASHURST. Will the able Senator permit me to make a statement? I doubt very much if it would be practical to secure a meeting of the Committee on the Judiciary this afternoon because so many Senators who are members of the committee have other duties, but I have presumed to do this. I am opposed to polling the Judiciary Committee and for that matter other committees. We never have polled the Judiciary Committee. However, the two Senators from Oklahoma have approved the nominations. All of the minority Republican members of the Judiciary Committee have in writing approved the nominations and all of the majority members with whom I could get in touch have approved the nominations. That is my excuse for asking that the committee be discharged and the nominations considered at this time.

Mr. McNARY. I repeat that the vice of the whole thing is twofold: First, there is no consideration given by the committee to the type of men. Secondly, if we make an exception in these cases, we must make it in all cases. I think that is a pretty big order. At the present time I shall have to object.

Mr. GORE. Mr. President, I hope the Senator from Oregon will not interpose an objection to the confirmation of these three nominations. I will say to him that there is an existing vacancy in respect of each of the appointments. The nominations are made to fill existing vacancies. The three nominees have the hearty approval of my colleague and myself. The committee has been polled and the minority members have been given an opportunity to express their views on the nominees.

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

Mr. GORE. I yield.

Mr. ASHURST. I shall yield to the overwhelming force of the suggestion of the Senator from Oregon. I cannot attack the logic of the argument. May I suggest therefore to the Senate that there will be a meeting of the Judiciary Committee this evening at 6 o'clock in its usual place of meeting.

Mr. GORE. Very well. I shall not object to the regular order.

The VICE PRESIDENT. The nominations have been referred to the Committee on the Judiciary.

REPORT OF COMMITTEE

Mr. BARKLEY. Mr. President, from the Committee on Finance I reported favorably sundry nominations. I ask unanimous consent for the immediate consideration of the nominations.

The VICE PRESIDENT. Let them be reported.

COLLECTORS OF INTERNAL REVENUE

The legislative clerk read the nomination of Ira N. Hinckley, of Salt Lake City, Utah, to be collector of internal reve-

nue for the district of Utah, in place of James H. Anderson.

The VICE PRESIDENT. Without objection the nomination is confirmed.

The legislative clerk read the nomination of Harry L. Maloney, of Camden, N.J., to be collector of internal revenue for the first district of New Jersey, in place of Edward L. Sturgess.

The VICE PRESIDENT. Without objection the nomination is confirmed.

The legislative clerk read the nomination of Charles V. Duffy, of Paterson, N.J., to be collector of internal revenue for the fifth district of New Jersey, in place of John R. Rogers.

The VICE PRESIDENT. Without objection the nomination is confirmed.

The legislative clerk read the nomination of Robert L. Douglass, of Nevada, to be collector of internal revenue for the district of Nevada, in place of Louis A. Spellier.

The VICE PRESIDENT. Without objection the nomination is confirmed.

The legislative clerk read the nomination of Hector H. Perry, of Allendale, N.Dak., to be collector of internal revenue for the district of North Dakota, in place of Gunder Olson.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Otto H. LaBudde, of Wisconsin, to be collector of internal revenue for the district of Wisconsin, in place of Alonzo H. Wilkinson.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COMPTROLLER OF CUSTOMS

The legislative clerk read the nomination of David M. Barnwell, of Fresno, Calif., to be comptroller of customs in customs collection district no. 28, with headquarters at San Francisco, Calif., in place of John D. Deane.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

ASSISTANT SECRETARY OF STATE—HARRY F. PAYER

Mr. ROBINSON of Arkansas. From the Committee on Foreign Relations I report the nomination of Harry F. Payer, of Ohio, to be an Assistant Secretary of State; and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The nomination will be read.

The legislative clerk read the nomination.

The VICE PRESIDENT. Is there objection to the present consideration of the nomination? The Chair hears none; and, without objection, the nomination is confirmed.

Mr. ROBINSON of Arkansas. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to.

IMPEACHMENT OF HAROLD LOUDERBACK

Mr. HAYDEN. Mr. President, by direction of the Committee on Printing, I report back an order submitted by my colleague, the senior Senator from Arizona [Mr. ASHURST], and ask for its immediate consideration.

The VICE PRESIDENT. The order will be read.

The order was read and agreed to, as follows:

Ordered, That the proceedings in the Senate in connection with the trial of Harold Louderback, United States District Judge for the Northern District of California, upon articles of impeachment exhibited against him by the House of Representatives, be printed as a Senate document.

REFUNDING OF UNITED STATES GOVERNMENT BONDS AT LOWER RATE OF INTEREST

Mr. BONE. Mr. President, it is my desire at this time to call up for consideration Senate Resolution 85, which I submitted several weeks ago and which has been lying on the table.

The VICE PRESIDENT. The resolution will be read.

The legislative clerk read Senate Resolution 85, submitted by Mr. BONE on May 24, 1933, as follows:

Whereas the Government of the United States finds it necessary to undertake a program of public works in order to afford employment for its unemployed citizens, and current revenues are insufficient to provide adequate funds for this program; and

Whereas great sums of money are being paid to the holders of war time and other Government obligations to maintain a rate of interest in excess of that now justified by the credit of the Government of the United States of America; and

Whereas the British treasury has successfully converted its war-time obligations from a rate approximating 5 percent per annum to a rate of less than 3½ percent per annum, effecting a saving of $38,000,000 a year by an appeal for voluntary reduction in interest paid to the holders of its bonds; and

Whereas the French treasury, by appeal to the patriotism of the French bondholders, also succeeded in bringing about a substantial reduction in the interest rate on its outstanding obligations; and

Whereas the Government of the United States has demonstrated its ability to borrow at less than the present average price of its outstanding obligations, particularly war-time obligations; and

Whereas an appeal to patriotic holders of Government obligations, particularly war-time obligations, to convert their bonds into new bonds bearing a lower and more equitable yield would, if successful, tend to equalize the burden which must be borne by all sections of the country in the hour of national difficulty; and

Whereas practically all other elements of the country, excepting only the creditors of the Government of the United States, have either been called upon or compelled to contribute toward the maintenance of the national credit; and

Whereas reduction of the interest burden would strengthen the national credit and greatly increase the borrowing power of the Government of the United States; and

Whereas the Government of the United States is faced with the immediate necessity of finding additional sources of revenue with which to pay interest on expenditures made necessary by the national emergency; and

Whereas many of the holders of Government obligations pay no taxes on the income derived from these obligations; and

Whereas creditors of the Government of the United States have generally been insistent upon rigid national economy, not, however, including reduction in interest on Government obligations; and

Whereas such a reduction is consistent with a program of national economy and with prevailing prices for Government money: Therefore be it

Resolved, That the Senate of the United States request, and it hereby does request, the Secretary of the Treasury of the United States to call immediately upon holders of United States Government bonds, particularly those issued to finance the World War, to exchange their bonds for new bonds of an issue to be known as the "new Liberty Loan of 1933", and bearing a lower rate of interest, which would effect a saving as nearly as possible sufficient to service such additional loans as may be made necessary by the pending public-works program, and by such other emergency needs of the Government as the President may see fit to prescribe, such conversion loan to bear interest, however, at a rate not less than the rate paid to depositors in United States Postal Savings banks.

Mr. BONE obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. BONE. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). The clerk will call the roll.

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

Adams	Costigan	Kendrick	Robinson, Ind.
Ashurst	Cutting	Keyes	Russell
Austin	Dale	King	Schall
Bachman	Davis	La Follette	Sheppard
Bailey	Dickinson	Lewis	Shipstead
Bankhead	Dieterich	Logan	Smith
Barbour	Dill	Lonergan	Steiwer
Barkley	Duffy	Long	Stephens
Black	Erickson	McAdoo	Thomas, Okla.
Bone	Fess	McCarran	Thomas, Utah
Borah	Fletcher	McGill	Thompson
Bratton	Frazier	McKellar	Townsend
Brown	George	McNary	Trammell
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Gore	Neely	Van Nuys
Byrnes	Hale	Norris	Wagner
Capper	Harrison	Nye	Walcott
Caraway	Hastings	Overton	Walsh
Carey	Hatfield	Patterson	Wheeler
Clark	Hayden	Pope	White
Connally	Hebert	Reed	
Coolidge	Johnson	Reynolds	
Copeland	Kean	Robinson, Ark.	

The PRESIDING OFFICER. Ninety-three Senators have answered to their names. A quorum is present.

Mr. BONE. Mr. President, I merely want to state in a preliminary way that the purpose of this resolution, which is

a Senate resolution, is to request, on behalf of the Senate, that the Secretary of the Treasury of the United States shall undertake a refunding operation of outstanding bonds of this country, particularly bonds issued during the war, and for the purpose of financing the war.

The resolution does not contain any coercive features. It does not compel the doing of any act, but merely is a request that the Secretary of the Treasury shall issue a call similar to that issued in Great Britain and France in their refunding operations of last year.

The Senate resolution is one I have previously discussed with the highest authority in the executive branch of the Government. I feel that the purpose of the resolution is well regarded by the Executive, and that the passage of the resolution would not be objected to. I do not see how anyone could object to its passage.

Let me explain the resolution briefly, and present a few of the facts which impelled me to introduce it.

I have secured copies of the appeals made by the British and French Governments to their citizens last year, when the budgets of these nations presented problems similar to those presented by the American Budget.

The President and the Congress apparently are making excellent progress in the balancing of our own Budget. Unfortunately, many of the proposed savings under the terms of the national economy bill merely transfer the burden from the Federal taxpayer to the local taxpayer. Since the local taxpayer in a great many American communities is unable to pay his taxes, we are presented with the problem of hundreds of unbalanced local governmental budgets and—what is more terrifying—unbalanced individual budgets with their consequent inevitable results—hardship, hunger, despair for millions of men, women, and children.

In my opinion—and I am sure that the Senate will agree with me—balancing of governmental books is merely an empty gesture, if there does not also result a more equal balance in the opportunity to earn a living and to live in this great wealthy country of ours. It will not do for us as a nation to make a good showing on the books to our creditors, when behind those books are hidden the faces of despairing patriotic American citizens.

Who are the creditors of America who collect in interest each year an amount in excess of the total which was being paid to veterans and their widows and orphans and dependents, who now in many cases face the almshouse? These creditors themselves are Americans, and it is a curious thing that these American creditors are the very persons who have insisted, through such organizations as the National Economy League, that governmental wages be cut; that the blind, the crippled, the sick, and the out-of-work, who fought for their country, be also cut. I do not say that organizations of such men as compose the National Economy League urged that this be done in order that the Government might more easily pay them their interest on their war-time bonds, although it would not be hard to understand if millions of hungry Americans should think so.

I recently received a letter from Admiral Byrd, then the chairman of the National Economy League. Admiral Byrd wrote, expressing his gratification over the success of his organization in urging upon the President and the Congress the reduction of Government wages and the reduction of pensions, and even medical attention, for America's citizen soldiers. I replied to Admiral Byrd's letter, and I am going to quote two paragraphs from my reply.

No doubt a great many injustices will be done by the economy bill—

I wrote Admiral Byrd—

I know that it is not your desire to have this Government, merely for the sake of saving money, place itself in the position of being ungrateful to its citizen soldiers. The injustices, as they develop, must be corrected. I hope the National Economy League will not oppose this. I prefer to believe that the National Economy League will not set economy above humanity and justice. If it does, the League will be discredited, the measures it advocates justly unpopular, the men who share its views in Congress justly suspected.

I therefore now submit to you this question: Will the National Economy League join with me in an effort I intend to make to eliminate doles and gratuities being paid to large corporations, and in a plan to reduce the interest on the public debt? The distinguished men composing the personnel of the National Economy League and corporations with which they are affiliated no doubt hold war-time bonds in substantial amounts. Would it not be possible for you, as chairman of the National Economy League, to call upon all of your members who control or own Government bonds issued to finance the war, voluntarily to turn these bonds in to the National Treasury with the request that the interest rate be reduced in exactly the same proportion that the compensation of veterans has been reduced under the terms of the economy bill urged upon the Congress and the President by the National Economy League? Such action by you would prove to America that those who contributed only money during the war are willing to take as much cut in their pay as they have successfully called upon veterans, who ventured their lives, to take. If this be done, there could be no further complaint that the National Economy League is the "tool of big business." It would be an inspiring example to the country and bring renewed faith in those who occupy high place in our political, industrial, and financial life.

The letter from which I have just quoted was written on April 25. Admiral Byrd replied. He said that he had resigned as chairman of the National Economy League, intimated that he rather shared the views I had expressed with respect to reduction of the interest on the public debt, and added that he was turning my letter over to the officials of the National Economy League for action.

It is now June 10. Yesterday we passed a public works bill for the purpose of providing jobs for the unemployed. To finance these public works we appropriated $3,300,000,000. The Government has not the money. The Government will have to borrow the money. The National Economy League and its members know this as well as you and I know it, but they have not yet come forward, and with the same aggressiveness that marked their fight on what they called "high wages and high veterans' compensation", joined in the fight against war-time wages for war-time money lenders. The soldiers who fought the war are compelled to take the cut. People who work for the Government are compelled to take the cut, but there is no cut in the wages (interest) of those who provided only money with which to fight the war. Everybody knows that at the time Liberty bonds were sold, the dollar would buy very little compared to what it will buy now. The result is that those who will be repaid in dollars of present value are getting a bonus of as much as 100 percent in purchasing power, in addition to the war-time wages they are getting on their money. They could not have brought any form of property in 1918–19 which would have been worth as much today as the Liberty bonds are, because obviously the Liberty bonds, even though they have the same face value as they had, are in terms of buying power worth a lot more than they were when the money was given to the Government, and the value of everything else has gone down.

Faced with the necessity of providing the Government with money for jobs and with money to help those communities which cannot take care of the new burdens being thrown upon them, through the operation of the economy bill, we must either find new forms of taxation, go further into debt, or find further economies. Fortunately, other nations faced with the same problem have found a way of handling it. This brings me back to the official documents covering refunding operations of England and France, by which the interest on the public debt was reduced and money provided with which to take care of the needs, the human needs, of the people of those countries.

Let me give you some of the facts—the figures are astounding. I quote from a letter addressed to me on May 9 by James H. Douglas, Assistant Secretary of the Treasury of the United States:

The Department (United States Treasury) does not have complete information concerning the refunding operations of the French Government. I understand, from various consular reports which we have received, that the conversion operation of last fall affected outstanding obligations of the French Government in the principal amounts of about 85,000,000,000 francs * * *. From reports received it is indicated that holders accepted the conversion privileges up to approximately 81,000,000,000

francs. This left about 4,000,000,000 francs to be paid in cash, but it is understood that there were cash subscriptions to the refunding loan of approximately 2,900,000,000 francs. The net demand, therefore, on the government amounted to only a little more than 1,000,000,000 francs, or less than 2 percent of the entire operation.

So you see, France did what is proposed in this resolution.

I quote now from a letter written by N. Chamberlain, Chancelor of the Exchequer of Great Britain, "relating to the conversion of the war loan." The letter was written June 30, 1932, from the British Treasury Chambers, Whitehall, S.W., London. On November 5, 1932, there appeared in the Economist, the leading financial publication of England, a story entitled "The Full Tale of Conversion", in which it is stated:

Over 36 percent of the nation's internal debt has been converted from an interest rate averaging not far short of 5 percent to one of less than 3½ percent; and the gross saving in interest is approximately £38,000,000 per annum. Considering that 4 months ago the Government's credit was on a 4-percent basis at the best; that sterling has undergone since midsummer a serious depreciation; that fully 4 percent is still obtainable on high-grade bonds abroad; and that the budget is balanced precariously enough, even if we pay no more on the war-debt account to the United States—the treasury is entitled to praise for its boldness, adroitness, and success.

Now let me quote from the letter directed to patriotic Britishers, which earned the British Government such high praise for its boldness, adroitness, and success in reducing the interest on the public debt. You will recall that the letter was directed primarily to those who handled the funds of the British Government, asking that these bonds be turned in, in exchange for new bonds bearing a lower rate of interest. I want to call the attention of the Senate, parenthetically, to the fact that the resolution I have offered is simply one asking the Senate of the United States to request the Secretary of the Treasury to do this simple thing which the Chancelor of the Exchequer of Great Britain did. Said the Chancelor of the Exchequer:

The change was inevitable. * * * If holders are called upon to make a sacrifice, they will be quick to recognize that there is no section of the community from which sacrifices have not been asked in this time of trouble—sacrifices which are being resolutely borne.

Moreover, what is clearly requisite in the interests of our country cannot in the long run prove injurious to interests of the holders (of its bonds). The successful conversion of the war loan will not merely make a great saving in state expenditure, the loan is so vast that this saving will be in the region of £30,000,000 a year—but it will pave the way for lower interest rates and enable industry more easily to obtain capital with which to employ more people and produce more goods as our trade conditions improve.

Accordingly, I confidently make my appeal to all British holders, primarily to those in this country who form the majority, but not forgetting also those who dwell across the seas and whose patriotism burns none the less brightly on that account.

You will observe that the patriotic Britishers responded nobly to the call of their country, when asked that they charge their country less interest for the money they had loaned. You will observe that the patriotic appeal was so successful that 38,000,000 pounds a year, 8,000,000 pounds more than was estimated, was saved. I feel that Americans are no less patriotic, class for class, than are Englishmen or Frenchmen. I should be reluctant to think that an American bondholder is not so patriotic as a British bondholder, or that American bondholders would respond less readily to an appeal from their country in this time of trouble.

In the case of the French loan conversion, the interest rate was reduced from 7 percent to 4 percent—a reduction in interest charges of approximately 45 percent. In view of the estimated reduction in veteran expenditures, this percentage would be a fair reduction in interest on American war-time bonds. Veteran expenditures were approximately $1,000,000,000 a year. Interest on the public debt is approximately $1,000,000,000 a year. The estimated saving of $450,000,000 in the Veterans' Administration was a reduction of 45 percent in the compensation of these men. A reduction of $450,000,000 a year in the interest on the public debt would also be a reduction of 45 percent, approximately the amount readily accepted by the holders of some of the French bonds. Without attempting to be precisely accurate to the decimal point, it would simply mean a reduction in interest on Government—particularly war-time—bonds from 4¼ percent to something under 2½ percent. Two and one-half percent is a very good price for American Government money in these times. Just a few days ago the Government was offered five billion at a little more than 2½ percent. Small depositors in the Postal Savings bank are paid only 2 percent by the Government. Recently the Government offered its obligations in small denominations at a similar or lower rate.

A few weeks ago the Government offered to American citizens several hundred million dollars of securities bearing an interest rate of 2⅞ percent. I was very much interested in the outcome of this offering, because it has, as you readily see, a very distinct bearing on what we are talking about. I called up the Treasury Department and was told that as soon as the offering was made the American people had oversubscribed it and that the books had been closed. This would seem to indicate that the people are willing to lend money to their Government at less than a war-time rate of 4¼ percent. Such a reduction in interest would provide money for the financing of the President's public-works program, for adjustment of the injustices or avoidable hardships done to the veterans under the proposed regulations of the economy bill. In fact, cutting the interest in half on presently outstanding obligations of the Government would permit increasing the public debt without imposing a single penny of additional burden on the taxpayer.

My resolution simply calls upon the Secretary of the Treasury of the United States to attempt such a reduction in the interest on the public debt as will reduce the compensation of capital in the same proportion that the compensation of the human elements of society have been forced to undergo these troubled times.

I am sure there can be no serious objection to the resolution, which merely provides for what will be termed a "new Liberty Loan drive." I am sure that the vast majority of patriotic American bondholders will respond as readily as British and French bondholders. I hesitate to think of the state of the public mind if they do not. I will say, though, that if Americans who have this Government in debt refuse to help it in its hour of need, then we must find some way of drafting slacker dollars, as we drafted men, to end the depression as we ended the war.

Passage of this resolution and response to its reasonable requests may avoid the necessity of drafting dollars.

I urge the Senate to act favorably so that the people will know before we adjourn that we look to capital to make voluntarily and patriotically the same contribution to the support of the country that we have demanded from the veteran, from labor, and from the small taxpayer.

In conclusion, Mr. President, I want to say that agreement to this resolution would not mean the adoption of any coercive power brought to bear on the Secretary of the Treasury. It would be purely a voluntary matter, following exactly the technique, the philosophy, and the form employed by the French and British Governments in a patriotic movement over there to assist their Governments.

One last consideration. We need to finance this program which the President may now face, and within this proposal lies the power to consummate that program without additional taxation.

Mr. BARKLEY. Mr. President, I have very hastily glanced over the resolution while the Senator has been discussing it. It deals with matters of such great importance that it seems to me it ought to be considered by a committee. It is brought before us the last day of the session, and while there is nothing compulsory about it, as a matter of fact, it requests the Secretary of the Treasury to invite everybody in this country who has a Liberty bond to bring that bond in and surrender it in return for another bond drawing less interest. The bonds for which the other bonds are supposed to be exchanged are designated the "new Liberty Loan of 1933", when, as a matter of fact, there is no law authorizing such a loan, there is no law authorizing

any such bonds, and we could not authorize such bonds merely by the passage of a Senate resolution.

I wonder whether the Senator would agree that the resolution might go to the Finance Committee, which deals with the issuing of Government bonds, and let it be given consideration. I am sure it would be given consideration. But to pass it here at this time, without any consideration in the committee, while it is not compulsory and probably nothing might ever happen under it, would seem rather a bad method of legislation.

Mr. BONE. Mr. President, the Senator's suggestion is one to which I might very readily have given my acquiescence in the early part of the session, but now it would mean that the resolution would die in the committee.

Mr. BARKLEY. The Senator introduced his resolution only a week or two ago.

Mr. BONE. The resolution has been on the table for many days.

Mr. BARKLEY. It seems to have been introduced on the 24th of May. It was not even referred to a committee at that time. It was ordered printed and has been lying on the table ever since.

I appreciate fully the good intentions of the Senator, and we would all like to see these bonds refunded at a low rate of interest in order that we might save a considerable amount of money. If we are going to undertake to do that, we ought to do it by a joint or concurrent resolution, in which the House of Representatives would join, which might have some effect, or by the enactment of a substantive law on the subject. Just the passage of a Senate resolution asking the Secretary of the Treasury to request a lot of people to do a thing which he is not authorized to do under the law seems to me to be futile.

Mr. TYDINGS. Mr. President, I am not an expert in finance, but is it not possible to issue Treasury notes without an act of Congress for refinancing? It occurred to me that some of the objection of the Senator from Kentucky, not all of it, of course, but some of the objection, might be eliminated if the refinancing were done in that character of security which can now be used by the Secretary of the Treasury, without any additional act of Congress.

Mr. BARKLEY. I will say to the Senator that about five or six billion dollars' worth of Liberty bonds will become callable in October of this year. The Secretary of the Treasury has the authority, under the law, to call those bonds, and to issue other bonds, if the state of the financial market will permit, at a lower rate of interest. As a matter of fact, it has been contemplated that when October arrives, the Treasury will undertake to refund these Liberty bonds at a lower rate of interest. Whether that can be done will, of course, depend upon the state of the financial market at that time. Whether those who hold those bonds would be willing to surrender them and take in exchange bonds at lower rates of interest I do not know.

I do not want to prolong this discussion, but there will be an opportunity to refund a considerable portion of these Liberty bonds at a lower rate of interest if the Treasury Department can refund them at such a rate.

Mr. TYDINGS. I am no expert in finance, but I think the Senator from Washington is decidedly on the right track, and is attempting to render not only a needed but a patriotic service. However, I cannot escape drawing the conclusion that if we have inflation in the meantime, it is a very serious question as to whether or not we can reissue these bonds at a lower rate of interest. If we do not have inflation in the meantime, probably that could be done. But certainly if we inflate our money the interest rate on Liberty bonds is likely to increase rather than diminish. I simply make that as a passing observation.

Mr. HASTINGS. Mr. President, I wanted to inquire of the Senator from Washington the object of his resolution. From the suggestion of the Senator from Oregon I got the distinct impression that all the Senator from Washington hoped to do was to stir public opinion to such a point that if the Treasury should deem it advisable to make this effort, the public would be in a more receptive mood when it was brought to their attention.

As the Senator distinctly said in his opening remarks, there is nothing compulsory about it; it is wholly within the discretion of the Secretary of the Treasury as to whether he will do it at all; and if so, when he shall do it. As I have said, I got the impression that the hope of the Senator, in view of the speech he made, was that he might stir up public opinion to the point where the holders of the securities would be in a receptive mood if the matter were brought to their attention. Is not that, generally speaking, the object of the resolution?

Mr. BONE. That is quite correct. It could be no more compulsory than public opinion, and that was my desire.

I want to say to the Senator from Maryland, who suggests the possibility of inflation, assuming that it be true that we face that possibility, with the veterans' compensation and pensions we have cut, certainly we should treat them more tenderly than we will treat the men who merely lend their money to the Government.

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

Mr. BONE. Yes.

Mr. TYDINGS. I should like to say to the Senator, as showing my sincerity and my sympathy for the purpose of his resolution, that many Senators will recall in the last session of Congress I myself several times made a plea to accomplish the same result on the floor of the Senate, and suggested that those who held such bonds would help to make their securities worth while if they would pursue the identical policy pointed out by the Senator. All I was attempting to do was to recall the realities before the Senate without wishing to reflect in any way upon the merits of the resolution or of the Senator's proposition. I myself am heartily in favor of it. I simply mentioned the possibilities of inflation as a very real factor which has entered the situation since the suggestion was first broached.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. BONE. Yes.

Mr. BARKLEY. Let us assume this resolution is adopted, and that the Secretary of the Treasury, taking it in good faith, invites all holders of Liberty bonds to come to Washington and exchange those bonds for what the Senator terms "the new Liberty Loan of 1933"; let us assume further that they come to Washington for that purpose; has the Secretary of the Treasury any authority to issue bonds called "the new Liberty Loan bonds of 1933"?

Mr. BONE. Mr. President, I am not concerned with what the Secretary of the Treasury may call this issue; I am not concerned with names or anything else; I am concerned with a reduction of the interest rate paid by the United States. I will be perfectly frank with the Senator and say that I do not care what he calls it; but, being a realist, I want to see some results; I want to see this horrible interest burden written down. The Senator says he would be in sympathy with this idea and other Senators would. If they are in sympathy with it, the only thing to do to accomplish anything is to do it.

We have this terrible interest debt, and we have not cut that debt while we have been cutting the compensation of the veterans. I hold no brief against the man who collects interest, but I do feel in these somber and tragic times, when veterans are bitter and when wageworkers in my State are going hungry and are being sweated to pay this great burden of interest that is being collected day by day, that the time has arrived that these men, the holders of these bonds, shall voluntarily do it and show some little shred of sportsmanship.

I do not say it with any bitterness in my heart, but I merely feel that it is the part of wisdom for men who are collecting interest from the Government to be very certain that the United States continues to be a solvent, going business concern, and that we maintain its financial integrity; and certainly we cannot be chary about doing that. Here we are trying to legislate to preserve the financial integrity of this Government, and what better way is there to do it than to reduce the interest rate on Government obligations?

May I go a step farther and tell the Senator of a little experience that an acquaintance of mine had in England, which I think will be interesting to Members of the Senate? A prominent man, one who is a distinguished writer in American magazines, was walking down a street in London one day and saw a great crowd around a bank. Being curious that a crowd should be gathered around a British bank—a run on a British bank being almost an unheard of thing—he went up there to find out what it was all about, what was happening there. The extraordinary thing that produced it could not happen in this country; perhaps Americans do not have these reactions of our British cousins, but the men and women standing around that bank were there with their bonds in their hands in answer to the patriotic call of the British Government to turn their bonds in and to accept new bonds issued at a lower rate of interest. In other words, the Britisher may be a Bolshevist, a Communist, a Whig, a Tory, or a Liberal, but he is a Britisher first, last, and all the time; and when his Government, through Mr. Chamberlain, announced that Great Britain was in a dangerous financial condition, and that it had to have a more firm financial foundation, these loyal Britishers brought their bonds in and said, "We will stand for lowering the rate of interest." I say the time is here for us to do it, too.

The former President, Mr. Hoover, said the condition that confronted us was worse than war—I think I have correctly quoted him—and we have been assured repeatedly since I have been in the Senate that the conditions that confront this country are worse than war. If that is true, why split hairs over a thing like this? I do not care whether the Secretary of the Treasury takes advantage of this or not, but I want him to have the opportunity to do it; and I want him to know that the United States Senate wants him to do it. That is my reason for asking that it may be done.

Mr. BARKLEY. Mr. President, I appreciate that, and that was a beautiful spirit on the part of the British people to induce them to accept bonds, and to make a run on a bank in order to accept them at a lower rate of interest; but I am probably as great a realist as is the Senator from Washington, and that perhaps is what my trouble is. I am such a realist that I fear there is no law authorizing it, and that this resolution itself does not authorize the Secretary of the Treasury to issue bonds in lieu of the Liberty bonds outstanding, some of which will not fall due for years.

Mr. BONE. I am sure the Senator realizes that we do not have to have a law for the Secretary to refund the bonds if people are willing to refund them.

Mr. BARKLEY. Of course, if the holders of these bonds should come to Washington and agree to take a lower rate of interest, it might be possible, but these bonds are not callable for a number of years.

Mr. BONE. Eight billion dollars of bonds can be called in April and October.

Mr. BARKLEY. And there are others that are callable over a period of years later on. The Secretary of the Treasury, of course, cannot call these bonds until they are callable. Could he invite the public to come in and surrender their bonds without any additional law on the subject by the passage of a mere Senate resolution that would authorize him to issue new bonds in lieu of the bonds not yet due or callable?

Mr. BONE. I think the Secretary of the Treasury has the power if the people are willing to do it of their own volition at any time, and certainly as to the Liberties that are due in October, while we will be at home and the Senate will not be in session, the Secretary of the Treasury would have the power to do that under a refunding operation when these Liberties come due in October. I think there are $6,000,000,000 worth of them which will be callable in October.

Mr. BARKLEY. That is true.

Mr. BONE. And if we could reduce the interest rate 1 or 2 or 2½ percent on them by that process, there would be a great saving, and the interest rate could be reduced on other bond issues. Possibly, by the right sort of patriotic action—horse-sense action, if you please—we can underwrite this program that we put out yesterday without any additional taxes. All I want to see the Senate do is to take a stand on this question.

Mr. BARKLEY. The Secretary of the Treasury can do that, and it is an open secret——

Mr. BONE. Mr. Mellon did it repeatedly.

Mr. BARKLEY. The Secretary of the Treasury has had in mind, when these bonds become callable in October, which is 5 or 10 years before they are really due, that he may be able to refund six or eight billion dollars at a lower rate of interest. We all hope we can do it; I certainly do. If we could refund all the outstanding bonds of the country, amounting to some twenty and odd billion dollars at a lower rate of interest, I would certainly be enthusiastically in favor of it.

Mr. BONE. Does not the Senator think, with the compensation of veterans being cut, with the wages of workers being reduced, with many of them idle, with others being sweated in the shops, that the Government of the United States should make, at least, that one simple, little gesture toward the men who have loaned billions of money to this country and whose wages on their money have not yet been touched?

Mr. BARKLEY. That is the very point. I think it would be a very beautiful gesture, but I am afraid that is all it would be.

Mr. BONE. We had better begin to be very practical about that.

I think it is a very practical way of approaching it, and I cannot imagine the United States Senate pushing aside a suggestion of this kind, especially after we have cut the veterans and cut the wages of Government workers, and when the wages of workers over all the country have been cut. The only suggestion is that we cut the wages of capital very timidly; not to make a very severe cut, but in order to preserve the financial integrity of the Government and make the investment of these men still more secure.

Mr. President, at this time I ask for a vote on the resolution.

Mr. BARKLEY. Mr. President, the Senator does not insist on the preamble of the resolution, does he? There are a number of whereases in it.

Mr. BONE. I have recited those, I will say to the Senator from Kentucky, because they, in a sense, constitute a reason for the resolution itself. They are a recital of what was done in England and France, and I think are rather a healthy suggestion. I may say to the Senator from Kentucky that it is my opinion that the administration would have no objection to this kind of a resolution.

Mr. BARKLEY. Of course, I am in no position to say whether they would or not.

Mr. CONNALLY. Mr. President, in connection with this matter, is it not true that the President has already a program on foot to refund the bonds in all cases, where it is possible, at lower rates of interest?

Mr. BARKLEY. That has been my understanding; and, as I said a moment ago, it has been the intention all along to refund these bonds and to call five or six billion dollars' worth of them.

Mr. CONNALLY. Without the necessity of any legislation?

Mr. BARKLEY. Of course, the Treasury has that authority whenever the bonds are callable under the law.

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.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H.R. 6034) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30,

1933, and June 30, 1934, and for other purposes, in which it requested the concurrence of the Senate.

HOME OWNERS' LOAN CORPORATION—STATEMENT BY W. F. STEVENSON

Mr. WALSH. I ask to have printed in the RECORD a statement by W. F. Stevenson, chairman of the Federal Home Loan Bank Board, giving information as to the home owners' loan corporation. Many inquiries have been made of Senators and Members of the House and of the members of the Board as to just what is the objective of the Home Loan Board. The statement gives that information, and I think it will be very helpful to Members of Congress and the public at large. So I ask to have it printed in the RECORD.

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

STATEMENT BY W. F. STEVENSON, CHAIRMAN FEDERAL HOME LOAN BANK BOARD

What is the home owners' loan corporation? It is a corporation created by Congress to be administered by the Federal Home Loan Bank Board as directors for the purpose of saving the homes of home owners where they are unable to secure money to pay mortgages otherwise and where the mortagee is threatening foreclosure.

What capital has the corporation? It has $200,000,000 of capital stock subscribed for and to be paid by the United States Treasury, and it has the authority to issue $2,000,000,000 of bonds, running 18 years with 4 percent interest, the interest being guaranteed by the United States Government.

What homes can be dealt with under this corporation? Homes not exceeding $20,000 in value.

What mortgages can be taken up on homes? Only those which are of record on June 12, 1933, the date of the approval of the act.

How will the citizen get the loan to which he is entitled? There will be a general manager for the corporation established in each State, with sufficient employees to handle the business, whose location will be well known, and applications to such manager should be made by mail or personal call for blanks to fill out, making applications for loans to take up mortgages in existence. If, from the application, it appears that the loan is one that the corporation can make under the law, it will be referred to an appraiser or agent in the county where the applicant lives, who will immediately appraise the property and have the local attorney there determine as to the soundness of the title, and on their report, if favorable, the loan will be closed, papers executed, and the bonds or cash, as the case may be, paid to take over the mortgage which is in existence.

How about the loaning of bonds and of cash? The provision is and the expectation is that the mortgagor can arrange with his mortgagee to take the 18-year bonds, which have back of them the $200,000,000 stock and all of the mortgages which are taken on loans made by the corporation in exchange for his mortgage, and he will transfer his mortgage to the corporation upon being paid the amount of bonds he agrees to take for his mortgage.

The corporation will loan in bonds 80 percent of the value of the property in taking up such a mortgage. It will also furnish the money to pay taxes that may be in arrears on the property which will be made a part of the 80 percent loaned. When the exchange is made and the mortgage assigned to the corporation, the corporation will then take a new mortgage from the home owner, running for 15 years, with payments either monthly, quarterly, semiannually, or annually, according to the agreement then entered into, with interest at 5 percent, and the home owner will then have a long-term loan with small payments.

If the mortgagee refuses to take bonds, and the mortgage and taxes and other encumbrances due are not in excess of 40 percent of the value of the property, the corporation will loan the mortgagor up to 40 percent of the value of his property, or so much as is necessary below 40 percent to take up the mortgage with cash, and also any taxes due, and take a mortgage from the home owner at 15 years, payable as in the other cases, with interest at 6 percent.

This is the method of making loans, except that where a home owner has no encumbrances on his home but is in default in taxes and in danger of losing his property from tax sale, the corporation will loan him the money on the home to pay the taxes and amortize that for 15 years, just as in other cases.

It is desired to emphasize the fact that this corporation will only deal with the redemption of homes valued at not over $20,000, and it will not loan over $14,000 on any one home, either in bonds or in cash.

The corporation may grant an extension of time to any home owner under conditions of stress if he continues to pay the interest installments, and this indulgence may extend to 3 years in the currency of the 15-year period.

To give a specific example: Mr. A owns a home and lives in it; it is unfortunately encumbered; the house is worth $10,000; the mortgage is for $7,500; his neighbor, who holds the mortgage, Mr. B, needs cash, or its equivalent, and yet he does not like to sell out his neighbor. Mr. A applies to the manager in his State, who furnishes him with a blank and assists him in filling out the blank, giving the entire facts about the case. The mortgage necessarily was on record June 12, 1933. Mr. A gets an agreement with Mr. B that he will take $7,500 of the bonds of the corporation, guaranteed as to interest by the United States, and assign his mortgage without recourse to the corporation.

The corporation finds that Mr. A owes $475 in taxes. Mr. A is unable to pay the taxes; the corporation then furnishes Mr. A with $7,500 of bonds and pays the $475 taxes and pays expense of registration and investigation of the title with the other $25, making $8,000, which is 80 percent of the value. Then he takes a new mortgage from Mr. A, canceling the old mortgage or extending it, and in this way they give Mr. A 15 years to pay the $8,000 made up as above stated.

If Mr. A is a laboring man getting wages, they will want him to pay monthly. If it suits him better, they may allow him to pay quarterly or under certain conditions may require him to pay semiannually or annually and give him 15 years in which to redeem his property. But suppose Mr. B will not take the bonds. Then if the debt is over 40 percent of the value of the property, nothing can be done. But suppose the debt, instead of being $7,500, was $3,500. The corporation will loan the cash on that amount and take up the taxes and everything so it does not run over $4,000 and complete the transaction with the cash settlement, but the owner gives a new mortgage at 15 years, just as in the other cases, with a rate of interest at 6 percent instead of 5 percent, which is the rate where bonds are loaned. That is the illustration of the manner in which it is to be handled.

Finally, the second part of the act provides for the establishment and organization of building-and-loan associations under national charter and supervision. The building-and-loan associations are now the principal source of money to be had by people who desire to acquire or build a home, and there are 1,500 counties in the United States in which there is no such association. The idea is to promote the organization of such associations by the corporation taking 50 percent of the stock right along with the citizen of any local community who desires to establish such an association. The association, when established, would be a source from which the local people could borrow money to build, buy, or improve their homes, and the associations therefore would be a cooperative effort to save and conserve capital in the local communities. The corporation says to a community, "If you want to organize a building and loan association of this type, we will put in a dollar of capital for every dollar that you can figure. If you take $10,000 capital, we will take $10,000, pay it in as fast as you pay yours in, and that association will become a member of one of the Federal home-loan banks, and as it loans to its members in a local community it can take that paper to the Federal home-loan bank to which it belongs and use it for procuring money from the home-loan bank to reloan to the people in its community. It is to encourage thrift in the first place and to build up a great cooperative financial structure dealing strictly with homes.

REVISED REGULATIONS PERTAINING TO VETERANS' RELIEF (S.DOC. NO. 72)

Mr. WALSH. Mr. President, on April 10 I had printed as a Senate document a letter from the Solicitor of the Veterans' Administration explaining the regulations issued by the President up to that date relating to the veterans' relief. As is well known, since that time the President has made some additional regulations, modifying and changing the original regulations. I have asked the Solicitor of the Veterans' Administration to interpret those regulations so that we may easily have an understanding of just what is their purport. I have that communication from the Solicitor of the Veterans' Administration, and I ask that his explanation and letter may be printed as a Senate document, as was the previous letter.

The PRESIDING OFFICER. Without objection, the matter referred to by the Senator from Massachusetts will be printed as a document.

FEDERAL CONSERVATION AND RECLAMATION PROJECTS

Mr. McCARRAN. Mr. President, I ask unanimous consent to have printed in the RECORD certain articles appearing on the subject of Federal conservation and reclamation projects.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

GOVERNMENT AT ITS HIGHEST POINT

By R. L. Duffus in June Harper's under the title "Washington Jig Saw"

Consider the scientific agencies, which can be found in almost all the Departments. They are full of men who are building roads into the future. In stuffy little offices, in laboratories smelling of chemicals and of decaying organic matter, these devotees study the habits of insects, the diseases of poultry, human beings, and livestock; they test soils and seeds, they weigh the earth and the stars and, when called upon, as Pul de Kruif has glowingly related, lay down their lives in a rather casual way for the service of mankind.

In these men, who are not really government at all, government in Washington seems to me to reach its highest point. Their line goes out through all the earth; they map and sound;

they set up instruments in jungles and on bleak mountain tops; their adventures, homely and heroic, would fill many volumes. A bit shabby, they lunch in groups in cheap restaurants, drive battered cars or else walk, live in little apartments or in dingy houses over on the Virginia side, complain humorously rather than bitterly when the Federal auditors cut out of expense accounts items that auditors, not being scientists, cannot understand. They are frequently overworked, usually compelled to get along without some of the facilities they believe their researches demand, sometimes envious of one another's salaries and promotions; also they are happy and have been known (in the old days, when private employers once in a while actually took on new help) to refuse outside offers of many times their Government salaries. May no retrenchment make the seats of their pants shinier or add one thread to the ravels on their cuffs!

(By Science Service)

Fear and anxiety are prevalent in universities and scientific research institutions and scientists are apprehensive as to the continued financial support of research according to president W. W. Campbell, of the National Academy of Sciences.

"The deep depression in the curve representing the recent course of financial and economic events in our country is apparently not matched by a similar depression in the curve depicting the output of new knowledge achieved through research in the domain of the physical and biological sciences". Dr. Campbell said in citing the crowded program of scientific papers over which he presided.

But the immediate future threatens to bring conditions that will be very different, he warned.

Legislatures that appropriate funds for the support of universities which conduct research at public expense for public benefit were described by Dr. Campbell as "in most cases unsympathetic and in some cases as severely hostile."

Warning these bodies of the necessity for the continuance of research where it has been sympathetically nurtured and supported through the years, Dr. Campbell paraphrased the Bible: "Where there is no research, the universities perish."

Dr. Campbell urged also that the scientific work of the Federal Government in Washington should be preserved and continued, because the scientific bureaus of the Government undertake work of great benefits to the Nation which cannot be done by universities or other research institutions. How could the State of Nevada, he asked, do its share in surveying the coasts of America except by the indirect support by its citizens through the Federal Government of the United States Coast and Geodetic Survey?

Federal financial support of science has been obtained, Dr. Campbell said, "upon the basis of need and merit for the most part, and not at all by political logrolling, not to any extent whatsoever by the threats of an 'organized minority', tacit or vocal, to the effect that the Congressman or the Senator who does not vote the financial support asked for will be defeated at the next election."

Confidence was expressed by Dr. Campbell that officials of the Federal Government will not cut appropriations for the support of existing research activities in unjust or catastrophic degree.

By congressional act passed in 1863, during the Civil War, the National Academy of Sciences is an official agency of the Federal Government, not supported, however, by Federal funds, but charged with the duty of reporting to the Government on any subject in science upon demand by any Federal department of the Government. Dr. Campbell implied that if called upon, the National Academy of Sciences would willingly give its counsel in the present emergency, just as it has many times in years past.

SCIENTIFIC RESEARCH AS "PUBLIC WORKS"

By Watson Davis, managing editor, Science Service

Scientific research might well be made an integral part of the Roosevelt administration's new public-works program now being formulated.

While the term "public works" brings visions of public buildings, rivers and dams, reforestation, etc., the record of the past will bear out the contention that scientific research is one of the most fruitful activities that can be maintained for the public benefit.

It is peculiarly the function of government to support such intellectual activity as research. It is a service that brings fruitful results not alone to the nation that supports it, but to the world as a whole.

There is no point in minimizing the existing emergency in intellectual fields. Universities are faced with 20 to 25 percent cuts in budgets in many cases, and where States appropriate, some universities will have budgets more heavily cut. This means that their scientific research will suffer even greater cuts. Foundations that have carried much of the financial burden of intellectual research have lost heavily in income and principal in the past year. It is definitely known that at least 12,000 scientists in laboratories of industries have lost jobs in the last 3 years. The situation surrounding the Federal Government's scientific program is acute, although strenuous efforts are being made within and without the Government to save Uncle Sam's science work which costs little and pays large dividends.

Altogether, it may be estimated conservatively that some 10,000 to 20,000 scientifically trained men and women are or will be out of work this summer and next fall. If we were engaged in a foolish, wasteful war with a foreign power, their services would be in great demand. As it is their idleness is an economic loss to the present and the future far greater than can be measured by their hours of enforced joblessness. It has cost literally thousands of dollars to train these men and women. Their potential contribution to our civilization is billions of dollars.

A relatively small part of the $3,000,000,000 suggested as the total of the projected public-works program would put these men and women to work in laboratories upon the problems that beset us. Suppose $20,000,000 or $10,000,000 were available. This is 2 or 1 percent.

[From an address before the Franklin Institute of Philadelphia]

SECRETARY WALLACE SEES SCIENTIFIC RESEARCH AS FOUNDATION OF DEPARTMENT OF AGRICULTURE'S SERVICE TO NATION—RESEARCH EXPENDITURE ON CORN, WHEAT, AND COTTON WOULD BE INCREASED TEN TO HUNDRED TIMES IF UNCLE SAM INVESTED IN SCIENCE LIKE BUSINESS CORPORATION

By Henry A. Wallace, Secretary of Agriculture of United States

Scientific research is not merely the Department of Agriculture's biggest job but the foundation of all its other jobs. The Department's agricultural extension service, cooperating with the States, is clearly designed to help farmers apply the results of research. In a host of regulatory and service activities—from food and drug law enforcement to the building of highways—scientific research provides the essential foundation upon which we build. Practical though all this can be shown to be, financially useful though it may be to industry and agriculture alike, still it does not protect the basic scientific work of the department from the barbs of the uninformed.

For many months organized groups have waged war on scientific research in government. They have objected that it costs money, which is not directly returned to their pockets. They have reasoned that we are in this economic impasse in part by virtue of the excessive efficiency of scientific production. They would virtually eliminate scientific research from the Government, and they make no bones about saying so. And if from the Government, why not from the publicly supported colleges and all other public institutions?

Mind you, I am quite ready to agree that when the income of citizens and of the Government is as drastically reduced as it is at present we have no choice but to reduce all expenditures of Government, and scientific work must shoulder its share of the reduction. Conceivably, a searching examination may reveal deadwood here and there; some of our less obviously important scientific activities can be slowed down in deference to the emergency; but that is very different from a heedless elimination of governmental activity because it is scientific or of scientific activity because it is governmental.

Suppose we consider our agricultural research much as a business man would. The total value of the corn, wheat, and cotton crops of the United States is normally about $4,000,000,000 Around these three basic crops the entire agriculture of the United States revolves. If a private corporation had an annual output so valuable, how much would it be spending for scientific research to reduce production costs, discover new uses, and the like? Probably anywhere from 40 million to 400 million dollars.

Does that seem fantastic to you? An officer of the National Research Council, in a letter to Dr. A. F. Woods, of our Department, last summer reported the results of a query sent to several hundred industrial corporations. In 309 replies, representing 19 classes of industries, it was revealed that most of the corporations spent from 1 to 10 percent of their total sales on scientific research. About 1 in every 6 corporations of those reporting spent more than 5 percent of their sales on research, and 1 in every 14 spent more than 10 percent of their sales. Thus the range—40 million to 400 million dollars—when computed on the basis of a total output of $4,000,000,000.

You may ask how Government's expenditures for research compare with industry's. The Federal Government for this $4,000,000,000 crop of corn, wheat, and cotton has been in the habit of spending around $3,000,000 annually for scientific research. That is a very small fraction of 1 percent. Even on the tragically reduced value of these crops in 1932, Federal expenditures for research amounted to less than two tenths of 1 percent.

Similarly with dairy products, the farm value of which in 1932 amounted to more than a billion and a quarter dollars, and on which Federal research expenditures amounted to about a million dollars, or 0.08 percent. By the term "Federal expenditures", it should be explained, we include not only what the Department of Agriculture spends directly in its own laboratories and in the field, but what the Congress appropriates, through the Department of Agriculture, for expenditure by the State experiment stations.

It may interest you to analyze a typical expenditure for research on one commodity. The estimated gross farm income from swine production amounted to a billion and a half dollars in 1929. The Department's expenditures for research in swine production and marketing in that year amounted to less than $125,000. About two fifths of that money went for research in feeding and breeding, in swine management in general. Another third, or thereabouts, went for research on diseases—on parasites of swine, on hog cholera, and on pathological investigations of various kinds. For studies in marketing and standardization the department spent $20,000.

It would be interesting to compare expenditures of various years with gross farm incomes, but I fear such a study would fail to show any correlation between total sales, as an industrialist might state it, and research expenditures.

The $3,000,000 expenditure for research in corn, cotton, and wheat may be reflected upon in the light of the fact that these

great crops occupy a total of nearly 200,000,000 acres of land, and absorb the energies of more than 6,000,000,000 hours of man labor annually. The scientific work of the Department of Agriculture and the State experiment stations during the past 30 years has undoubtedly made its imprint upon even this vast acreage and expenditure of human labor. Though a relatively small investment, the expenditures for research by the Federal and State Governments have undoubtedly made it possible for the farmers of the United States to produce the present volume of corn, wheat, and cotton with a billion hours less man labor annually.

This is a tremendous increase in efficiency. It has been of great benefit to a few farmers—those who were first able to utilize it—and to all the consumers of food and fiber in the United States. In fact, it has been of greater benefit to them than to the rank and file of the farmers.

[From an address before the Franklin Institute of Philadelphia.]

SCIENCE MUST NOW HELP MANKIND CONQUER SOCIAL AND ECONOMIC OBSTACLES, SECRETARY WALLACE URGES—"GREAT INJUSTICE" DONE GOVERNMENT'S SCIENTIFIC WORK BY CERTAIN BUSINESS GROUPS—HOW FAR FLEA JUMPS IS IMPORTANT

By Henry A. Wallace, Secretary of Agriculture of United States

If I may paraphrase a famous remark, we have somehow to make science safe for democracy.

What I mean by that is this: That science has magnificently enabled mankind to conquer its first great problem—that of producing enough to go around; but that science, having created abundance, has now to help men learn to live with abundance. Having conquered seemingly unconquerable physical obstacles, science has now to help mankind conquer social and economic obstacles. Unless mankind can conquer these new obstacles, the former successes of science will seem worse than futile. The future of civilization, as well as of science, is involved.

In the recently published "Recent Social Trends", by President Hoover's committee, the problem has been stated thus:

"Americans have been well schooled in a theory of economics which starts with production, a theory born of the uncounted centuries of recurring famines and shortages. This theory in America received tacit governmental sanction in the efforts of the agricultural extension service constantly to increase per-acre yields through better technic.

"But now what was once held impossible has happened. Production has outstripped consumption and is caught in the web of the economics of a period that never visioned such a possibility. Want and suffering are rampant in a land of plenty.

"It seems right to ask, therefore, whether the serviceable social science of today and tomorrow must not consider these things."

I would not minimize, even momentarily, the past accomplishments of science, in government or out. I do not see how any intelligent person can hear some of the complaints registered against research without desiring to jump at once to the defense. Certain business groups, a few highly articulate chamber of commerce people, have done a great injustice to the scientific work of the Government by inferring that considerable sums of money have been spent to investigate how far a flea could jump, and to look into the love-life of the frog.

I am unable to find any account of a Government project dealing with the love-life of a frog. It is true that someone wrote into the Department of Agriculture to inquire how far a flea could jump, and that one of our entomologists, after a brief search through the scientific literature on fleas, was able to make a suitable reply. The publicist who ridiculed the Department for this jumped in a variety of inaccurate conclusions, one of them being that special and expensive research was involved, and another being that fleas, from whatever aspect, are screamingly funny. They seem to be in the same category with spinach.

As many of you know, research on fleas—including a knowledge of how far they can jump—has been fairly important for the human race. For through this research it was learned, back in 1906, that the dread bubonic plague was carried from rats to man by fleas. The knowledge of how far a flea could actually jump was of considerable importance in fighting outbreaks of the plague shortly thereafter.

I don't believe I should have been ashamed to have had the Department of Agriculture discover that knowledge, amusing though the very subject of fleas may be to a publicist with an ax to grind.

[From an address before the Franklin Institute of Philadelphia]

MORE MONEY, NOT LESS, SHOULD BE SPENT ON GOVERNMENT'S SCIENTIFIC RESEARCH, SECRETARY WALLACE SAYS—ILLUSTRATES FRUITFULNESS OF SCIENCE BY EXAMPLE OF CORN-BREEDING RESEARCH WHICH INCREASES CROP BY 10 BUSHELS PER ACRE

By Henry A. Wallace, Secretary of Agriculture of United States

I am not disposed to apologize for a certain amount of Government money spent in pure scientific research. On the whole, I am inclined to think that more money should be spent in this way rather than less.

Let me give an illustration coming out of my own experience. It happens that 20 years ago this summer I did my first experimenting with the inbreeding of corn and was led to do so by the work in pure science done along this line by Dr. G. H. Shull, of the Carnegie Institution, and Dr. E. M. East, of the Connecticut experiment station. Dr. Shull especially had no thought whatever of bringing his inbreeding work in corn to a practical conclusion. More than 20 years ago he dropped his corn-breeding experiments and turned to the breeding of evening primroses and the weed known as shepherd's purse. Yet I may say that the purely scientific work started by Dr. G. H. Shull 28 years ago can easily make it possible for us within the next 10 years to produce our present supply of corn on 80,000,000 acres instead of 100,000,000.

I say this advisedly and with full knowledge, because last year in Iowa more than 1,000 farmers grew corn produced by this method which originated in the pure science of Shull and East. As an average of a thousand weighed-up comparisons it was found that the corn produced by crossing inbred strains outyielded the farmers' own corn by 10 bushels an acre.

The Federal and State scientists engaged in this particular branch of research know from a practical point of view that their discoveries have just begun. They also know that from the point of view of pure science, there are strange vistas opening up in many directions. The corn geneticists of the United States Department of Agriculture and the State experiment stations have developed several thousand inbred strains of corn which when properly combined have in them the ultimate potentiality of saving the corn farmers of the United States a billion hours of man labor annually. A saving of this magnitude properly distributed through the right kind of economic machinery can be of enormous help to all the people of the United States.

[From an address before the Franklin Institute of Philadelphia]

MORE SCIENCE IN ECONOMICS, NOT LESS SCIENCE IN FARMING IS NATION'S NEED, SAYS SECRETARY WALLACE—HOPE OF FUTURE LIES WITH SCIENTISTS WHO DEAL WITH LIFE, UNITED STATES CABINET MEMBER DECLARES IN DEFENDING FEDERAL RESEARCH

By Henry A. Wallace, Secretary of Agriculture of United States

What we need is not less science in farming, but more science in economics. I have no patience with those who claim that the present surplus of farm products means that we should stop our efforts at improved agricultural efficiency. We need economic machinery corresponding in its precision, its power, and its delicacy of adjustment to our scientific machinery. Science has no doubt made the surplus possible, but science is not responsible for our failure to distribute the fruits of labor equitably. We must charge that failure squarely up to organized society and to government.

In some respects scientists must shoulder the blame for some of our present economic distress. Relatively few scientists, I fear, have a well-developed social point of view. It may be that specialization has forced them into the cloister, out of touch with the surge of economic and social problems.

It may be that the Darwinian theory of the survival of the fittest has so impressed them that they have permitted it to color their views on economics as well as on biology. For there is a very direct relationship between the survival-of-the-fittest theory and the theory of laissez-faire, which has so long dominated our economic thinking.

Or again, it may be that scientists have had to applaud any consequence of profit motive, if they were to pursue their research. Generally removed from any desire for great wealth, scientists may not always have realized the problems daily arising from an inequitable distribution of wealth.

Whatever the basis, I believe the time has come for men of science to consider both the effect of current economic problems on science, and the contributions that science may be able to make to the solution of those problems.

Perhaps the star of the social scientist—who seems to specialize, so to speak, in a social point of view—is rising. I have often wondered what the character of modern science would be if the early scientists had been biologists, for instance, like Pasteur, rather than mathematicians and physicists, like Newton and Galileo. At any rate, it is true that the social and biological sciences have lagged far behind the physical sciences.

I want to pay a tribute to those scientists who deal with life. While I have the greatest respect for the physicists, the astronomers, and the engineers, I have an evenly greater respect for the scientists dealing with living organisms. I am sure, as a result of my own continuous contact with the corn plant during the past 30 years, that both the pure scientists and the practical scientists dealing with corn are on the verge of unusual discoveries. This same situation doubtless exists with the scientists dealing with other plant and animal organisms. I have the feeling that it is time for the human race to devote its attention more definitely toward the life side rather than the mechanical side of things. As more and more scientists work with the problem of bringing together the superior germ plasm of the different plant and animal organisms, a social consciousness will be built up which will find an eventual expression in the search for superior human germ plasm.

These things, of course, will develop slowly, but to my mind in this direction we shall find some of the most hopeful activities of the human race. We may become eventually disillusiond by our efforts at mechanical progress; but if we look deeply into the life side of things, we will find endless vistas unfolding which, as they express themselves in the social world, are not so likely to be disillusioning as the activities which are built on the inorganic sciences.

A very high percentage of the scientists dealing with genctics and biology is employed either by the United States Department of Agriculture or the State experiment stations. I suspect that 90

percent of their efforts may seem foolish from a narrowly practical point of view. They are, therefore, peculiarly subject to attack from the unthinking criticism of so-called "practical" business men.

I fully agree that scientists should be subject to some of the same vicissitudes as the rest of humanity in these troublous times. They should be willing to take their share of salary cuts and reduction in activities. Some of these men are engaged in projects which should be stopped. It is certainly necessary in times like these to reexamine scientific projects in order to discover which ones might well be discontinued. But I think it would be a serious mistake completely to destroy, as some people apparently wish to do, such scientific work as that done by the Department of Agriculture.

In defending the scientific work of the Department of Agriculture I am not making a plea for the farmers. Much of our research expenditures are of direct interest only to industry. All of them benefit city standards of living far more than rural incomes. Indeed, I believe the standard of living of the next generation will be definitely lower, especially in the cities, if the scientific work of the Department of Agriculture is destroyed at this time merely to save ten or fifteen million dollars a year.

I want the standard of living, in city and country alike, constantly improved. But we shall never achieve that desideratum unless we learn how to distribute what we have produced, as well as we have learned to produce it. Science has done the first job, and done it magnificently; now let it turn to the second and infinitely more difficult one. I feel assured that the challenge appeals to your imagination and to your craving for social justice as much as it does to mine.

Federal Scientific Research in This National Emergency

Less than 1 cent out of every dollar spent by the Federal Government is devoted to the support of scientific research. The dividends from research are munificent. Dr. A. F. Woods, of the Department of Agriculture, estimates that scientific research expenditures in that department for the past years have returned annual dividends to the people of about 50,000 percent on the money spent by the Government. This is a typical, not an extraordinary rate of return from the Government's scientific research.

About $40,000,000 is the most that has ever been spent annually for scientific research by the Federal Government. The total Budget of the Government at the peak was about $5,000,000,000. Science consumes less than 1 percent of the Budget.

It is obvious that the Federal Budget cannot be balanced by the complete elimination of all Federal expenditures for research in agriculture, geology, mining, standards, fisheries, health, and other essential, profitable fields.

Detailed tables and comments follow:

Federal Government Expenditures

Wars, past, present, and future consume most of the Government's annual expenditures. If the Budget is visualized as a gigantic pie, the slice consumed by scientific research, 0.85 percent, would hardly be visible. All education, research, and development expenditures total only 2.7 percent; less now because economy cuts have fallen more heavily in percentage on research.

Table 1

Group	For	Millions of dollars	Percent
I	Primary Government functions (legislative, executive, judicial)	$630	12.6
II	Research, education and developmental	135	2.7
III	Public works	475	9.5
	Total civil expenditures	1,240	24.8
IV	Army and Navy	707	14.1
V	Pensions and care of soldiers	1,051	21.0
VI	Special recent war activities	51	1.2
VII	Interest	600	12.0
VIII	Retirement on public debt	1,349	26.9
	Total past and future wars	3,758	75.2
	Total expenditures chargeable against ordinary receipts	4,998	100.0

Figures are actual expenditures, fiscal year ending June 30, 1932.

The late Dr. E. B. Rosa, of the Bureau of Standards, in 1921 used the above groupings, I to VIII, in his pioneer study on the United States Budget.

Table 2—*Expenditures for Federal scientific research*

Department or bureau	Actual expenditures, 1932	Budget, 1934
Agriculture	$17,718,049	$15,191,986
Payments to States	4,356,592	4,381,000
Geological Survey	1,604,953	1,078,550
Bureau of Mines	1,944,892	1,375,685
Coast and Geodetic Survey	2,894,113	2,289,713
Bureau of Standards	3,079,974	[1] 2,167,320
Bureau of Fisheries	416,960	258,160
Public Health Service	6,828,972	4,936,047
Smithsonian and National Museum	312,587 795,110	1,104,692

[1] 1934, after Budget Bureau cuts, $1,336,000(?).

Table 2—*Expenditures for Federal scientific research*—Continued

Department or bureau	Actual expenditures, 1932	Budget, 1934
National Advisory Committee for Aeronautics	$1,112,464	$866,030
Naval Research Laboratory [1]	32,436 214,262	182,381
Ocean and lake surveys, Navy [1]	69,617	62,331
Hydrographic Office, Navy [1]	428,986 131,203	392,085 129,360
Naval Observatory [1]	190,812 192 38,968	175,056 20,000
Astrographic equipment [1]	48,357	
Observation, eclipse of sun [1]	74	10,000
Support of Gorgas Memorial Laboratory [1]	50,000	50,000
International Research Council [1]	3,248	
Investigation fisheries, United States and Canada [1]	15,991	
Pan American Sanitary Bureau [1]	28,775	30,024
International Bureau of Weights and Measures [1]	4,343	4,342
Committee on Annual Table of Constants [1]	500	500
Fisheries Commission [1]	29,839	31,500
Hydrographic Bureau [1]	5,789	5,790
Institute of Agriculture at Rome [1]	7,335	5,400
Office Public Health [1]	3,015	3,015
Society for Exploration of Arctic by Airship [1]	300	
Radiotelegraphic Convention [1]	6,768	7,527
Astronomical Union [1]		781
Union of Chemistry [1]		675
Union of Geodesy and Geophysics [1]		3,088
Union of Mathematics [1]		38
Council of Scientific Unions [1]		46
Scientific Radio Union [1]		154
Union of Physics [1]		64
Geographic Union [1]		195 5,043
Total, all scientific research	42,375,476	34,768,578
Total, whole U.S. Government	4,997,893,258	3,775,884,870
Total, ordinary receipts (1932)	2,118,092,899	

[1] These activities are not included in group II, table 1.

The figures are for fiscal years ending June 30 of the years shown.

Total amounts for bureaus and departments are larger than figures shown, but the amounts shown are those devoted to scientific research, broadly interpreted.

Table 3.—*Percentage of Federal expenditures devoted to education, research, and development*

	Percent
1910	5.1
1915	5.4
1920	1.3
1921	1.5
1922	1.9
1923	1.9
1924	2.2
1925	2.5
1926	2.4
1927	2.6
1928	2.6
1929	2.7
1930	3.1
1931	3.2
1932	2.7
1933 (Budget)	3.1

This table shows that the percentages of expenditures in group II (see table 1) have decreased since the World War.

Equivalents of Scientific Research Expenditures

If all of the approximately $40,000,000 of Federal funds devoted to scientific research, which is the maximum ever expended, were used otherwise, it would pay for one modern battleship, or meet the cost of four modern cruisers, or defray about one third of the "pay of the Army", or equal about a tenth of the tax on tobacco collected annually by the Federal Government.

Any attempt at tampering with these essential key research men and women must be vigorously opposed, and an alert watch must be kept to detect any attempted abuses of the Civil Service regulations or any political-spoils attempts in the field of scientific research now or in the future.

Scientific Personnel

The 1933 edition of the American Men of Science will list 22,000 men and women. This means that each scientist is one out of 5,500 in our Nation. Our civilization can ill afford not to give any of these highly trained, creative scientists the economic opportunity of conducting research for the benefit of the whole people. A laborer, clerical worker, and even a more skilled mechanic when unemployed deprives the community of a definite amount of service which can be definitely measured by the number of hours he is idle. But if idleness is forced on a man or woman of science by economic conditions the world may lose hundreds of times the monetary value of his services. It should be of correspondingly greater concern, therefore, when competent scientists are among the unemployed. The reduction of scientific work, Federal or State, will inevitably place many scientists among the unemployed.

Persecution of the Jewish People in Germany

Mr. WAGNER. Mr. President, the majority leader of the Senate has again given evidence of his splendid judgment

in raising today upon the floor of the Senate the question of religious intolerance and discrimination against the Jewish people in Germany. True enough, these are the closing hours of an emergency session of Congress, but I am in full accord with the Senator from Arkansas in his judgment that the establishment of tolerance and religious liberty is a matter of the utmost emergency and deserves thorough consideration by this body before it adjourns.

Mr. President, what I shall say today is spoken in the spirit of deep friendship for the German people. I cherish the memory of the land of my boyhood, and I take pride in the story of Germany's stupendous accomplishments since becoming a nation. Deeper than that is my loyalty and devotion to the ideals of America—which are as well the ideals of all free peoples. Liberty and tolerance are not catch phrases for me; they are objectives to be fought for regardless of danger.

The World War was the most disastrous calamity in the history of mankind. Not only did it rob every participant of its greatest wealth—men in the prime of life and hope—but it left an aftermath of hatred and discord of almost unquenchable bitterness among the nations of the earth.

Just when we were beginning to recover from the material disasters of the war, the depression came upon us. The one hopeful sign during the past 3 years has been the spirit of brotherly help and cooperation which has been developing among the people of this country, and among all the civilized peoples. No one can fail to realize that this spirit is our greatest weapon in the existing disheartening and demoralizing effects of economic dislocation and poverty.

That is why I am struck with horror at the reports from Germany of manifestations of intolerance, discrimination, and even violence. The emergence of this destructive spirit is of concern not only to the Jewish people; it is a menace not only to the German people but it threatens to blot out every hope of mankind, for the disrupting force of prejudice spreads on the wings of the wind and blights every spot of ground over which it sweeps. If not checked at an early stage, its consequences are too horrible for contemplation.

Shall we again reap the hellish harvest of human hate? Is the shameful record of man's folly to be lengthened? I cannot believe that the liberty-loving, peace-loving people of the world will tolerate it.

I appeal to the people of America and to the conscience of mankind. I do not ask anyone to meet force with force, or to meet hatred and prejudice with more hatred and more prejudice. At the same time, we must leave no doubt of our utter disapproval of the policy now being pursued in Germany.

My primary appeal is to the German people. I do not mean the malicious and irresponsible minority, which thrives upon hatred. I do mean the German people who are proud of their cultural heritage, proud of Kant and Hagel, of Beethoven and Mendelsohn, of Goethe and Heine. How the souls of these great masters must be agonized in the face of the insidious discord which is drowning out the universal harmony to which they aspired! I appeal to the descendants of the Forty-eighters who fought for German liberty and unity, who would have rebelled against cowardly attacks against innocent and defenseless people. I appeal, in good faith, to the millions of patriotic men and women of Germany who will unite with us in condemning and preventing the actions which are threatening the bases of civilization.

I am not defending a creed or a race. Neither Judaism nor Germanism is the issue; the sacredness of human life and ideals is the issue. The peace of the world is at stake.

The world cannot recover so long as discord and hatred are poisoning the springs of human activity. Our only hope lies in cementing bonds of friendship, and in building the progress of mankind upon the nobility of man, regardless of race or creed.

ST. LAWRENCE DEEP WATERWAY

Mr. SHIPSTEAD. Mr. President, I have here on the wall a map showing the international waters on the boundary between Canada and the United States. The red area shows that part of the section of the St. Lawrence where the dam and locks for the proposed seaway are located. The line through the center of the waterway shows the international boundary. The map shows also Georgian Bay and Lake Michigan, the two pieces of water that have been in controversy. At the foot of Lake Michigan we have the Illinois River canalized for transportation down to the Mississippi River. The opposition to the proposal has been based to a large extent upon the claim that the treaty would bar the further diversion of water from Lake Michigan into the waters of the Illinois River, and therefore would hamper transportation on the Illinois because of a lack of sufficient water in the Illinois River.

I have a statement of the amount of water in some of the rivers of the United States and the Panama Canal, furnished by the Chief of Engineers of the United States Army. This statement discloses the following facts:

On the Monongahela River in Pennsylvania, 131 miles of canalized length with a total fall of 153 feet, the average low-water cubic feet per second is 200. That river carries an annual tonnage of 25,000,000 tons.

The Ohio River, with 981 miles of canalized length with a total fall of 429 feet, has a low-water flow of 1,100 cubic feet per second and carries a yearly total of 20,000,000 tons.

The Panama Canal, with 51 miles of waterway, has a fall of 85 feet and carries 1,300 cubic second-feet of water and a tonnage averaging nearly 28,000,000 tons.

The Illinois River, with 291 miles of canalized waterway with a fall of 165 feet, has a flow of cubic feet per second of 3,400, with an estimated future tonnage of 10,000,000 tons.

The 9-foot channel of the Illinois River has, therefore, three times the amount of water necessary to provide a channel similar to that of the Ohio River, carrying 25,000,000 tons of freight. It will carry two and one half times the amount of water in the Panama Canal, carrying approximately 28,000,000 tons of freight a year. So the charge that there will not be enough water in the Illinois River does not seem to be sustained when compared with other navigable waters canalized as is the Illinois River.

It is contended by the opposition to the Great Lakes-St. Lawrence Waterway Treaty that articles VII and VIII of the agreement impair the sovereignty of the United States with respect to Lake Michigan, and that for this reason, among others, said treaty should not be ratified by the Senate.

It seems to me the difference of opinion or controversy over that matter comes from a lack of differentiation between jurisdiction for police powers and for purposes of navigation.

Article VII and the contested portion of article VIII may well be considered in the light of the historical approach to this agreement. Such approach will show beyond controversy that the extension of rights of navigation under article VII is not intended to impair and does not impair the sovereign rights of the United States or of Canada. In like manner it will be shown that paragraph (a) of article VIII is protective in its intent and violates no sovereignty of the United States.

Paragraph (a) reads as follows:

(a) 1. That the diversion of water from the Great Lakes system, through the Chicago Drainage Canal, shall be reduced by December 31, 1938, to the quantity permitted as of that date by the decree of the Supreme Court of the United States of April 21, 1930;

2. In the event of the Government of the United States proposing, in order to meet an emergency, an increase in the permitted diversion of water, and in the event that the Government of Canada takes exception to the proposed increase, the matter shall be submitted, for final decision, to an arbitral tribunal, which shall be empowered to authorize, for such time and to such extent as is necessary to meet such emergency, an increase in the diversion of water beyond the limits set forth in the preceding subparagraph, and to stipulate such compensatory provisions as it may deem just and equitable; the arbitral tribunal shall consist of three members, one to be appointed by each of the Governments, and the third, who will be the chairman to be selected by the Governments.

The question as to just what rights and privileges are enjoyed by the citizens of either Nation using the waters of

the other is clarified by an examination of the agreements made between the United States and Great Britain relative to such usage. These agreements rest upon the matter of actual use which antedates the Republic itself. The commercial use of the St. Lawrence system from the head of the Lakes to the ocean began with the advent of the French fur traders and has continued uninterrupted except for the exigencies of war down to the present time.

The treaties of 1783 and of 1796, the treaty of 1815, and the Bagot convention of 1817, the treaty of 1842, that of 1846, and that of 1854 all may be referred to as laying a foundation of international accord, as well as international need, which culminated in 1871 in the Treaty of Washington. These treaties, precedent to the Treaty of Washington, together with that treaty and those subsequently mentioned, are all to be found in their entirety in Malloy, volumes I and III, Treaties, Conventions, International Acts, Protocols, and Agreements Between the United States of America and Other Powers.

An already ancient highway of commerce—the St. Lawrence-Great Lakes road from the sea to the interior of the continent, with its wealth of fur trading, already then reaching as far westward as the Rocky Mountains—was divided under the treaty of 1783 between the two nations. Yet, in that treaty not a word is said respecting the manner of use of the waters of the St. Lawrence system. Apparently it was taken for granted that the subjects of Great Britain and the citizens of the United States should alike enjoy the advantages of this commercial highway. (Treaty of 1793, which introduced the basic principle that a nation whose territories are upon the upper reaches of a navigable stream has the right to the use, for peaceful navigation, of that portion of the stream which lies in alien territory.) The treaty of 1794 expressly gives the right to the people of either nation who navigate on the lakes, rivers, and streams thereof—that is, the Great Lakes-St. Lawrence system—freely to carry on trade and commerce with each other.

The rivers of Europe are internationalized. The line is the Rhine. The Rhine is controlled for purposes of navigation by a treaty with four or five different nations, but each nation through which the river passes is sovereign for purposes of jurisdiction as to police powers and its own sovereignty so far as protecting property is concerned within its territory, but for purposes of navigation all nations have the same rights.

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

The PRESIDING OFFICER (Mr. OVERTON in the chair). Does the Senator from Minnesota yield to the Senator from Connecticut?

Mr. SHIPSTEAD. I yield.

Mr. WALCOTT. The Rhine is a border line also for about 220 miles, so that more than one nation own the banks of the river there.

Mr. SHIPSTEAD. That is true.

Article II of the treaty of 1794 sharply distinguishes between the right of commerce to move freely and the right of the nation into which that commerce moves to maintain law and order after its own fashion "by causing speedy and impartial justice to be done and necessary protection to be extended to all who may be concerned therein."

Two years later, in 1796, the freedom of commercial usages was again reiterated, but again with the clear-cut provision that nationals of either country using the waters and harbors of the other shall comply with all laws and regulations there enforced.

The Rush-Bagot agreement neutralized the Great Lakes, limiting the naval forces of either nation to a mere police patrol, and must be included as one of the important steps that led up to the treaty of 1871.

In 1842, and again in 1846, treaties between the two nations sharply drew the line between navigation use and the police power of the nation into whose waters that navigation entered.

The treaty of 1854 specifically deals with the problems of navigation of Lake Michigan and of the various canals—American and Canadian—that had been built. This treaty, which enlarges the freedom of commerce movement, again specifically retains to either signatory exclusive jurisdictional and police powers. The time had now arrived when the treaty of 1871 might be written.

The Treaty of Washington, proclaimed July 4, 1871, differs from all former treaties both in its language and in its character, in that it internationalized the River St. Lawrence from its source to the sea, but only for purposes of commerce, "forever."

Keeping in mind the clear distinction maintained throughout all preceding treaties between full navigational rights which were given and proprietary and jurisdictional rights which were zealously reserved, we now proceed to discuss the terms of that treaty as basic to those that follow:

Articles 26, 27, 28 bear directly upon present treaties including the one now pending in the Senate.

ARTICLE XXVI

The navigation of the river St. Lawrence, ascending and descending, from the forty-fifth parallel of north latitude, where it ceases to form the boundary between the two countries, from, to, and into the sea, shall forever remain free and open for the purposes of commerce to the citizens of the United States, subject to any laws and regulations of Great Britain, or of the Dominion of Canada, not inconsistent with such privilege of free navigation.

The navigation of the rivers Yukon, Porcupine, and Stikine, ascending and descending, from, to, and into the sea, shall forever remain free and open for the purposes of commerce to the subjects of Her Britannic Majesty and to the citizens of the United States, subject to any laws and regulations of either country within its own territory, not inconsistent with such privilege of free navigation.

ARTICLE XXVII

The Government of Her Britannic Majesty engages to urge upon the Government of the Dominion of Canada to secure to the citizens of the United States the use of the Welland, St. Lawrence, and other canals in the Dominion on terms of equality with the inhabitants of the Dominion; and the Government of the United States engages that the subjects of Her Britannic Majesty shall enjoy the use of the St. Clair Flats Canal on terms of equality with the inhabitants of the United States, and further engages to urge upon the State governments to secure to the subjects of Her Britannic Majesty the use of the several State canals connected with the navigation of the lakes or rivers traversed by or contiguous to the boundary line between the possessions of the high contracting parties, on terms of equality with the inhabitants of the United States.

ARTICLE XXVIII

The navigation of Lake Michigan shall also, for the term of years mentioned in article XXXIII of this treaty, be free and open for the purposes of commerce to the subjects of Her Britannic Majesty, subject to any laws and regulations of the United States, or of the States bordering thereon not inconsistent with such privilege of free navigation.

It will be noted that article XXVI makes the St. Lawrence from the international boundary to the sea free and open "for the purposes of commerce to the citizens of the United States, specifically retaining to Great Britain the imposition of all laws and regulations it may see fit to lay upon its own citizens. Exactly the same freedom of action is retained by the United States.

Article XXVII throws open to both nations on equal terms the improved channels through the St. Clair River and Lake, and the United States engaged to exercise its good offices to make free to British commerce the several State canals "connected with the navigation of the lakes or rivers traversed by or contiguous to the boundary lines * * *."

The agreement as to the navigation of Lake Michigan—note the language of article XVIII—is restricted as to time by article XXXIII to "10 years or at any time afterward."

The now-existing St. Lawrence canals, the recently dismantled Welland Canal, and the improved Erie and New York State Barge Canal, all were constructed following this treaty. Those constructions were enlargements of existing channels.

The treaty of 1901 (Malloy, vol. 1, 782) continues the unbroken line of reasoning with respect to common usage when it provides for the supercession of the convention of April 19, 1850, known as the Clayton-Bulwer Treaty (Malloy, vol. 1, 659), which provided for the joint ownership and building of a canal across the Panama Isthmus.

Great Britain withdraws its interest, the United States agrees to assume construction, and under article III the canal is neutralized:

> Open to the vessels of commerce and war of all nations. Observing these rules (as in article III) on terms of entire equality so that there shall be no discrimination against any such nation or its citizens or subjects in respect of conditions or charges of traffic or otherwise * * *

Clearly, the assumption by the United States of the power and privilege of sovereignty to stipulate the terms of usage, which terms shall apply equally to all users.

This does not limit sovereignty. It does not limit the jurisdiction of the United States. It validates that jurisdiction over the Panama Canal Zone, as we have validated our jurisdiction for the purposes of navigation, and validated also the right of Canada for the purpose of navigation to use our waters, as Canada has validated our right to use hers; but each country keeping control of its jurisdiction, the police power, giving up only certain rights by treaty for the benefit of the other, for the mutual benefit of both.

Once more, after more than a generation of friendly and joint use of the Great Lakes and St. Lawrence River has passed, the two nations met in 1909 to still further clarify their joint usage of the great waterway extending from the heart of the continent to the Atlantic.

By the way, in this debate we have been referring both to the treaty of 1909 and to the treaty of 1910. The treaty of 1909 was ratified in 1910, and I assume that is the reason why it is referred to by many as the treaty of 1910. At first it led to considerable confusion on my part; but when I found it was the same treaty it was not so confusing. I make that statement for the benefit of Senators who have not had time to study the treaty.

This agreement, known as the "1909 Boundary Waters Treaty" declares that—

> The navigation of all navigable boundary waters shall forever continue free and open for the purposes of commerce to the inhabitants and to the ships, vessels, and boats of both countries equally, subject, however, to any laws and regulations of either country, within its own territory, not inconsistent with such privilege of free navigation and applying equally and without discrimination to the inhabitants, ships, vessels, and boats of both countries.

Note that the language here used is broader in its scope than in the treaty of 1871. Again the two nations clearly distinguish between the Great Lakes and their connecting channels when considered as a highway of commerce, and as such the indivisible and common property of both nations, and those other and exclusive territorial rights, police powers, and other natural appurtenances of sovereignty which throughout their history both nations have maintained as inalienable.

Again in the last paragraph, which reads as follows:

> It is further agreed that so long as this treaty shall remain in force, this same right of navigation shall extend to the waters of Lake Michigan and to all canals connecting boundary waters now existing or which may hereafter be constructed on either side of the line.

Note that the language of the treaty covers canals "which may hereafter be constructed." We possess now every navigation usage right necessary. That much is clear. Police powers we do not seek. We have denied them to Great Britain in the case of the Columbia and of the Stikine and Yukon. They are denied to us in the wholly Canadian portion of the St. Lawrence. Both nations are in perfect agreement as to principle and practice. This long history of treaties on this subject between Great Britain and the United States bears out the principles involved on that subject in this treaty. How absurd to argue that either nation desires the slightest extension of its sovereignty rights beyond that of the free and equal use of navigable waters, the usage of which belongs in common to the two peoples!

That the 1908 Treaty of Washington was to be a living, working agreement is shown by the further fact that this treaty established the International Joint Commission, clothed with powers that constitute it a superior court in all matters involving (we quote from article VIII of the treaty)—

> the use of obstruction of diversion of the waters with respect to which articles III and IV of this treaty the approval of this commission is required.

Can language be plainer this this? Can anyone longer doubt that the real purpose, both expressed and implied, not only of the treaty of 1909, but of those precedent to it and particularly the basic treaty of 1871, lead up to and have resulted in both a legal and an actually working joint ownership of the usage of waters constituting the Great Lakes-St. Lawrence waterway—that such joint usership is limited to navigation usage and that such joint usership of usage rights involves not only the right but the duty of both nations to develop and improve the waterway as the necessities of commerce arise?

The usage of these waters for purposes of navigation belongs in common to the people of the two countries. The navigation agreement with respect to Lake Michigan, over which there has been so much controversy, has continued from 1871 up to the present time. The present treaty proposes to extend the terms of this agreement from an indefinite and terminable right of usage to one that is on an exact parity with the right of usage of the St. Lawrence from the international border to the sea, with the rights of usage of the channels of and connecting the Great Lakes, and with the right of usage which under the treaty of 1932 the United States acquires in the artificial channel of the Welland Canal wholly owned and controlled by Canada.

Any contention that this right of usage impairs or destroys the sovereignty of the United States over the waters of Lake Michigan is disproved by the language of the treaties above cited. The right of the citizens of either nation to enter the waters and the ports of the other while engaged peaceably in commerce is a right enjoyed in common, subject to the controlling laws of the nation so visited. This right is now extended and has been since 1871 to the waters of Lake Michigan, and no alternation of the practice will be effected by the treaty now awaiting ratification. The citizens of Canada now enjoy every practical usage right which they will enjoy under the treaty of 1932. That treaty simply places two temporarily open sections of the great international highway upon a permanently open basis.

In the treaty of 1909, negotiated by Mr. Root, a great deal has been made out of the fact that Georgian Bay and Lake Michigan were not included or were not mentioned. They were wholly within Canadian and United States territory, and for that reason it has been claimed that they are not boundary waters.

It is interesting to note that the water level of Georgian Bay, Lake Huron, and Lake Michigan is exactly the same. The controversy in the Supreme Court of the United States between the States bordering upon the Great Lakes and the State of Illinois has been covered in many addresses in the Senate and also in the records of the courts. I am not going to go into that controversy now. The Supreme Court did hold that the lowering of the water by diversion from Lake Michigan had injured other States bordering upon the Great Lakes by reducing the level of the water a certain number of inches—I am not quite sure just how much—but, anyway, enough so that the Supreme Court issued an order that Chicago must cease and desist from continuing the diversion.

The fact that the United States has surrendered no sovereignty through the opening of the St. Lawrence from the international boundary to Lake Ontario and of the connecting channels of the upper Lakes—the fact that national sovereignty is not in question because of the common usage of these waters and of the boundary Lakes themselves, should set at rest any fear that extending the like usage right to Lake Michigan in return for a like usage right to the waters of the Welland Canal will infringe in any degree the sovereign rights of the Republic.

The creation and opening of a road which is international in character implies not merely its use but its protection.

This duty of protection of the property which territorially belongs in part to the one and in part to the other, but which from the standpoint of usage is common to both, is an exercise of sovereignty and not its abrogation.

The boundary-waters treaty of 1909 seeks to set up measures protective to the existing waters and channels of the Great Lakes.

The definition of boundary waters as given in the preliminary article limits these waters to Lake Superior, Lake Huron, Lake Erie, and Lake Ontario, with their immediately connecting waters. It excludes Lake Michigan and Georgian Bay and all tributary waters flowing into the same or into the lakes mentioned, together with the Welland Canal.

Article I reiterates the pact of 1871, saying:

> * * * shall forever continue free and open for the purpose of commerce to the inhabitants and to the ships, vessels, and boats of both countries equally, subject, however, to any laws and regulations of either country, within its own territory, not inconsistent with such privilege of free navigation and applying equally and without discrimination to the inhabitants, ships, vessels, and boats of both countries.

This paragraph excludes from such perpetual agreement all waters not included in boundary waters (i.e., the Welland Canal and Lake Michigan in particular).

In paragraph 2 of article I the right of usage of the waters of the Welland and other "Canals connecting boundary waters and now existing or which may hereafter be constructed on either side of the line", is extended on the same terms as the right of usage under paragraph 1, but limited by the lifetime of the 1909 treaty.

Once more in this same paragraph is reiterated the declaration of sovereign power to adopt rules, charge tolls, make regulations, and so forth, subject to the condition of equality as between the two nations.

Article II approaches the subject of possible injury to the waterway so established and internationalized. It is important to the present treaty otherwise, but its second paragraph is especially so.

Paragraph 2 of article II reads:

> It is understood, however, that neither of the high contracting parties intends by the foregoing provision to surrender any right which it may have to object to any interference with or diversions of waters on the other side of the boundary the effect of which would be productive of material injury to the navigation interests on its own side of the boundary.

Does not this paragraph distinctly acknowledge the right of Canada not to interfere with the laws or regulations of the United States with reference to Lake Michigan, but to act as a common user of the Great Lakes-St. Lawrence searoad to protect that property from any injury whatsoever though such injury be entirely within the American territories? It would seem that such is the plain intent of this paragraph. If this be true, then it would appear that the recognition of interest on the part of Canada in the waters of Lake Michigan or any other American waters that might be tributary to the St. Lawrence system, the abstraction of which might affect the levels of the lakes and canals in the St. Lawrence River, was recognized and established by the treaty of 1909, and that the provisions of the treaty of 1932 respecting the diversion of water from Lake Michigan recognizes such a right and seeks to set up definite provision for a situation which exists, and by so doing to prevent for all time to come impairment of a road which it is the duty of Canada in common with the United States to protect.

Article III, paragraph 2, gives to either nation clear-cut right to the usage of waters of the Great Lakes for "domestic and sanitary purposes." This clause is of particular force with respect to the interpretation of article VIII of the treaty of 1932. The abstraction of water by the sanitary district of Chicago, amounting to 1,900 cubic feet per second, is validated and is not a part of the present treaty considerations. Therefore, the contention by opponents of the 1932 treaty that it limits Chicago to a total of 1,500 cubic feet per second mentioned therein by inference when quoting the United States Supreme Court decision is incorrect. The 1,500 cubic feet per second granted by the Supreme Court in its decision, and accepted by Canada in the treaty, is additional to the pumpage for sanitary purposes.

It may be noted by referring to article VIII of the treaty of 1909 that the International Joint Commission was given jurisdiction "upon all cases involving the use or obstruction or diversion of the waters with respect to which under articles III and IV of this treaty the approval of this commission is required."

The rules under which such jurisdiction may be exercised are laid down. The declaration is made that—

> The high contracting parties shall have, each on its own side of the boundary, equal and similar rights in the use of the waters hereinbefore defined as boundary waters.

These waters may be used as follows:

> (1) For domestic and sanitary purposes;
> (2) For navigation, including the service of canals for the purpose of navigation;
> (3) For power and for irrigation purposes.

Health is placed above navigation. Navigation is placed above power or irrigation.

Then occurs the following statement:

> The foregoing provisions shall not apply to or disturb any existing uses of boundary waters on either side of the boundry.

The boundary waters already defined exclude Lake Michigan, as they exclude the Welland Canal and all other waters save the four lakes above mentioned and their connecting channels. This would seem to be the plain interpretation of the language of the treaty and if so, any diversions made prior to the signing of the treaty of 1932 wholly within American tributary waters to the boundary waters of the Great Lakes, are under American and not under treaty sanction except as the second paragraph of article II is declarative of the equal interest of Canada with that of the United States in any diversion that works an injury to the navigation rights of either and both.

The contention of the sanitary district of Chicago that this proviso—that is, "the foregoing provisions shall not apply to or disturb any existing uses of boundary waters one either side of the boundary"—validates a diversion of 10,000 cubic second-feet or any other amout in excess of the waters necessary for domestic and sanitary purposes, is not substantiated either by the language of the treaty or by the international evidence as to its intent.

With this statement we refer to the highly controversied article V and in more general terms.

The immediate purpose of the treaty of 1909 was to protect and preserve the beauty of Niagara Falls, then threatened by large diversions of water for hydroelectric purposes, which threatened to destroy the scenic beauty of the river at that point. The effect of such diversions upon navigation was considered and an attempt was made to fix the amounts which might be taken for power purposes on either side of the falls at a total figure which should not work injury from the scenic standpoint, but that at the same time should grant to existing power companies having investments on the Canadian as well as the American side, sufficient water to operate their plants without injury to their property values or to the distributive service which they had built up.

The United States was granted "for power purposes not exceeding in the aggregate a daily diversion at the rate of 20,000 cubic second-feet."

Canada was granted "not exceeding in the aggregate a daily diversion at the rate of 36,000 cubic second-feet."

This did not include "diversion of water for sanitary or domestic purposes or for the service of canals for the purposes of navigation" (i.e., the Welland and the Erie Canals). It is the claim of the Sanitary District of Chicago that the larger amount of water granted to Canada at Niagara was for the purpose of balancing the water abstraction from Lake Michigan by way of the sanitary canal at Chicago.

The fact is, the division of water between the two nations at Niagara was made upon a basis of substantially actual usage. This usage by Canada amounted to some 36,000 cubic feet per second and by the United States to approximately 26,400 cubic feet per second, but I want to quote

what was said by Secretary of State Root, appearing before the Senate Foreign Relations Committee and in answer to the question of Senator Carter: "On what theory is 36,000 allowed on the Canadian side and 20,000 on ours?"

Secretary ROOT. Because the water can be taken out on the Canadian side without interfering. The great bulk of the water goes on the Canadian side, and the waterways commission that was appointed some time ago to deal with the question of the lake levels reports, I think, that 36,000 feet can be taken out on the Canadian side and 18,500 on the American side without injury to the Falls. I thought it wise to follow the report of the commission and I put in 1,500 feet in addition to get round numbers; so our limit is higher than we want, but their limit could not be cut down below what it is because there are three companies on the Canadian side who have the right and works there. Two of these companies are owned in the United States, and the power they produce is now substantially in the United States, so that as long as that condition of things exists it is as well for us to have them over there as to have them on our side. That condition of things is bound to continue in substance, because their grants from Canada provide that they shall furnish one half of the power they produce in Canada at the same rates they charge in the State of New York, and the Canadians have held that that carries the right to furnish the other half in the State of New York, so that one half of the power produced is bound to come to the United States.

This is the basis for the division and it is to be noted that the diversion of water by the Chicago Sanitary District is not even included.

Why was it not included? Secretary Root, following immediately upon the statement above made, says:

Then there is this further fact why we could not object to this 36,000 provision on the Canadian side. We are now taking 10,000 cubic feet a second out of Lake Michigan at Chicago, and I refused to permit them to say anything in the treaty about it. I would not permit them to say anything about Lake Michigan. I would not have anything in the treaty about it, and under the circumstances I thought I better not kick about this 36,000.

Here is language that completely refutes the claim of the Sanitary District of Chicago.

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

Mr. SHIPSTEAD. I yield.

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

The PRESIDING OFFICER (Mrs. CARAWAY in the chair). The clerk will call the roll.

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

Adams	Costigan	Kendrick	Robinson, Ind.
Ashurst	Cutting	Keyes	Russell
Austin	Dale	King	Schall
Bachman	Davis	La Follette	Sheppard
Bailey	Dickinson	Lewis	Shipstead
Bankhead	Dieterich	Logan	Smith
Barbour	Dill	Lonergan	Steiwer
Barkley	Duffy	Long	Stephens
Black	Erickson	McAdoo	Thomas, Okla.
Bone	Fess	McCarran	Thomas, Utah
Borah	Fletcher	McGill	Thompson
Bratton	Frazier	McKellar	Townsend
Brown	George	McNary	Trammell
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Gore	Neely	Van Nuys
Byrnes	Hale	Norris	Wagner
Capper	Harrison	Nye	Walcott
Caraway	Hastings	Overton	Walsh
Carey	Hatfield	Patterson	Wheeler
Clark	Hayden	Pope	White
Connally	Hebert	Reed	
Coolidge	Johnson	Reynolds	
Copeland	Kean	Robinson, Ark.	

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

Mr. LONG. Madam President, I demand order in the Chamber.

The PRESIDING OFFICER. Senators will please take their seats and refrain from audible conversation.

Mr. SHIPSTEAD. Madam President, Secretary Root further said, interpreting the preliminary article of the treaty of 1909, defining boundary waters:

The definition of boundary waters was carefully drawn in order to exclude Lake Michigan.

The last paragraph of article I is entirely to our advantage. It enlarges our right to the use of the Canadian canals, and it will give them the same enlarged rights to any canals on our side which connect boundary waters. The main canal is now on the Canadian side, but there are certain limitations to the use of those under existing provisions. We have to get their authority if we want to put a gunboat through or any naval vessel.

The last paragraph of article II reserves our right to object to any interference with or diversions of waters on the other side of the boundary, the effect of which would be productive of material injury to the navigation interests on its own side of the boundary.

There should clearly be a right, there would be a right, to object to, for instance, drying up one of the lakes. Either country, for instance, would be justified in going to war to prevent the other country from drying up Lake Erie, and that right to object to the destruction of the navigation in those international waters is preserved. I did not want to press Canada to give up any such rights, and I did not want to give up any such rights ourselves. There is a company incorporated in Canada, which involved very important political interests there, to cut a canal from Lake Erie to Ontario, across the Jordan River, and turning the entire current of Lake Erie down through that canal for power purposes. It would dry up Niagara River and appropriate the entire water power design from the level of Lake Erie to Lake Ontario.

It is a matter of record that it was the strenuous opposition of the Chicago Sanitary District, as represented by Col. Isham Randolph and others, that led the American Secretary of State to take this definite stand for the exclusion of Lake Michigan from the terms of the 1909 treaty as in article V.

The above-quoted testimony of Secretary of State Root is conclusive on two points:

(a) Lake Michigan was not included in the treaty of 1909 as a boundary water between Canada and the United States, rather it was definitely excluded from such definition. This exclusion bars any possibility of interpretation that Canada agreed under the terms of article V, to the diversion of waters by the Chicago Sanitary District in any way or to any extent. Article V is limited to the diversions in the boundary waters themselves, and such diversions considered within the treaty are substantially equal in amount and entirely within the Niagara Falls area, no consideration being given by the treaty to the Chicago Sanitary District water abstraction.

(b) Article II of the treaty just as specifically does grant to either nation—and in this particular instance to the Dominion of Canada—the right to object to anything that might be done either within the boundary waters themselves, or to their contributing waters, that would diminish the navigability of the Great Lakes and St. Lawrence. This is expressed by Secretary Root in the last paragraph above quoted interpreting the meaning of the treaty of 1909.

There is still to be considered the treaty of 1932, known as the "Great Lakes-St. Lawrence Deep Waterway Treaty", now before the United States Senate. The complete text of article VII follows, together with paragraphs 1 and 2 of section (a) of article VIII. Articles V, VI, and VII of the treaty of 1932 once more express in the clearest possible language the distinction between the rights of usage for navigation purposes on the one hand and jurisdictional rights on the other:

ARTICLE VII

The high contracting parties agree that the rights of navigation accorded under the provisions of existing treaties between the United States of America and His Majesty shall be maintained, notwithstanding the provisions for termination contained in any of such treaties, and declare that these treaties confer upon the citizens or subjects and upon the ships, vessels, and boats of each high contracting party, rights of navigation in the St. Lawrence River and the Great Lakes system, including the canals now existing or which may hereafter be constructed.

ARTICLE VIII

(A) 1. That the diversion of water from the Great Lakes system, through the Chicago Drainage Canal, shall be reduced by December 31, 1933, to the quantity permitted as of that date by the decree of the Supreme Court of the United States of April 21, 1930;

2. In the event of the Government of the United States proposing, in order to meet an emergency, an increase in the permitted diversion of water and in the event that the Government of Canada takes exception to the proposed increase the matter shall be submitted for final decision to an arbitral tribunal which shall be empowered to authorize, for such time and to such extent as is necessary to meet such emergency, an increase in the diversion of water beyond the limits set forth in the preceding subparagraph and to stipulate such compensatory provisions as it may deem just and equitable; the arbitral tribunal shall consist of three members, one to be appointed by each of the Governments, and the third, who will be the chairman, to be selected by the Governments.

It will be noted that article VII is simply a reaffirmation of existing treaty rights and that the terminable clauses in

present treaties with respect to such navigation rights are indefinitely extended with the result that the connecting canals and the Great Lakes system, inclusive of Lake Michigan and Georgian Bay, are placed upon the same usage basis as that of the boundary waters themselves as such boundary waters are defined by the treaty of 1909.

The preceding discussions of earlier treaties make it apparent that such rights of navigation are not intended to infringe in any degree on the sovereign rights of either nation to impose rules or regulations or to pass laws or administer the same, but it does provide in all such cases the subjects of Canada and the citizens of Great Britain shall be treated under these regulations or within these laws in an equal and impartial manner.

With respect to the intent of article VII, section (a), inclusive, the testimony of Hon. J. Grafton Rogers, Assistant Secretary of State, before the Foreign Relations Committee of the Senate, is pertinent. On December 20, 1932, Mr. Rogers said:

> No; so far as the use of the waters are concerned, this treaty provided that after its date (1909) the principles of law, the international law, I judge, should be applicable to all diversion made from boundary waters or from waters which would affect the level or flow of the boundary waters.

Article 11 of the treaty of 1909 is as follows:

> Each of the high contracting parties reserves to itself or to the several State governments on the one side and the Dominion or provincial governments on the other, as the case may be, subject to any treaty provisions now existing with respect thereto, the exclusive jurisdiction and control over the use and diversion, whether temporary or permanent, of all waters on its own side of the line which in their natural channels would flow across the boundary or into boundary waters; but it is agreed that any interference with or diversion from their natural channel of such waters on either side of the boundary, resulting in any injury on the other side of the boundary, shall give rise to the same rights and entitle the injured parties to the same legal remedies as if such injury took place in the country where such diversion or interference occurs; but this provision shall not apply to cases already existing or to cases expressly covered by special agreement between the parties hereto.
>
> It is understood, however, that neither of the high contracting parties intends by the foregoing provision to surrender any right which it may have, to object to any interference with or diversion of waters on the other side of the boundary the effect of which would be productive of material injury to the navigation interests on its own side of the boundary.

Mr. Rogers' comments on the foregoing section follows:

> Its meaning is first of all that each one of the countries reserves the right to authorize and control diversions within its own boundaries from waters which flow across the boundary or into boundary waters; that is to say, on Lake Michigan. It is agreed, however, that although each party reserves that right of control, the validity of it shall be governed by the courts, so that, for example, an American whose rights or whose condition, let us say, was affected by diversions in Canadian waters on the Canadian side of the boundary would have the right to sue in the Canadian courts; and in a similar way a Canadian would have the right to sue in the American courts with a similar legal remedy and under similar conditions to those which would have occurred if the actual injuries were in either one of the two countries. * * *
>
> This requires the courts of the United States, for example, to hear a Canadian citizen for an injury occurring on the Canadian side from a diversion occurring on the American side, either in boundary waters or in waters which flow into boundary waters and affect their flow. That is the adoption of the regime of law applicable to Lake Michigan and to the whole of the Great Lakes system.
>
> Now that general principle was adopted and we now have the two great fields, the only two important fields, in which the waters of Lake Michigan become of national or international concern, covered by treaty provisions; first, navigation; and, second, the diversion or use of waters for various miscellaneous purposes.
>
> If we stopped at that stage it would, of course, at once have produced a situation in which Canada or people in Canada could have asserted the right to sue in the American courts for the diversions on the American side that then existed. They went on with the exception which I have read, "but this provision shall not apply to cases already existing or to cases expressly covered by special agreement between the parties hereto."
>
> The clause that interests us for the moment is, "shall not apply to cases already existing." Now, there were several cases already existing. Undoubtedly, the Chicago diversion was the one principally in mind. The Chicago diversion, Senator Root says in his testimony, was then a diversion of about 10,000 cubic feet per second; but the Supreme Court finds in its judicial investigation that in 1909 the Chicago diversion was carrying 5,751 cubic feet per second of direct flow plus the pumpage. I assume that the pumpage was somewhat less than that now, but assuming that it was 1,500 cubic feet per second, it would indicate that the Chicago flow was somewhat in the neighborhood of 7,500 cubic feet per second at that time. I mention it because it has some bearing a little bit later.
>
> You will notice that after making this exception which seems to me to have the effect of taking the existing diversions and putting them aside on the table and saying, "We are not going to do anything about them just now", or "We reserve all rights in them", the parties go on and provide that neither of them intends by the foregoing provision to surrender any right which it may have to object to any interference with or diversion of waters on the other side of the boundary; the effect of which would be productive of material injury to navigation interests on its own side of the boundary.
>
> It seems to me that that is intended to be a clear and complete reservation by both sides of the legal rights which are affected by the previous exception of existing diversions and that that was clearly the intention. In short, that, as I have repeated, the effect of the treaty is to set aside the problem of these existing diversions and leave them where they were, and neither party would agree to anything regarding them.

In answer to the contention that in the treaty of 1909 the excess water given to Canada at Niagara Falls was in compensation for the water taken by the Sanitary District of Chicago, Mr. Rogers introduced former Secretary of State Root's testimony, already quoted above, and such testimony is written into the record. (See pp. 1005 to 1010, inclusive, St. Lawrence Waterway Hearings, 2d sess. 72d Cong., S.Res. 276.)

The testimony of former Secretary of State Root has already been largely quoted in this memorandum (see supra).

We may conclude that it is the plain language and intent of articles VII and VIII of the treaty of 1932—

First. To protect the sovereignty of the United States and of Canada at all points where such sovereignty formerly has been protected, and that

Second. The limitation made upon abstraction of waters from Lake Michigan is an exercise of sovereignty arising from the need for protection to a navigable road created severally by the two nations and controlled and used by them as a common highway of commerce.

The practical reasons for dealing with the Chicago diversion in a treaty now in view of the changed conditions are principally as follows:

First. There can be no doubt that the Chicago diversions have a general effect on lake levels. The Supreme Court found expressly that the diversions in 1928 of about 8,500 feet lowered Lake Michigan and Lake Huron 6 inches and even Lake Erie and Lake Ontario 5 inches. The maintenance of lake levels is intimately connected with any general navigation plan for the Great Lakes.

Second. It is 23 years since the Chicago diversions were involved in the policy with Canada. During that time the population, the shipping, the harbor facilities, and the settlement in the area around the Great Lakes have all greatly increased, and what was then a minor problem has become a major one.

Third. The Supreme Court decisions in 1928 and 1930, based on suits by Wisconsin, Minnesota, Ohio, Pennsylvania, Michigan, and New York against Illinois, have crystallized both American and Canadian public opinion into the view that Lake Michigan cannot be treated as separate from the other Great Lakes, and the findings in them recognize that the Chicago diversions are a matter of concern to every bordering community, as even New York was concerned.

Fourth. There is no doubt that in international law Lake Michigan would be treated by any tribunal as a part of the St. Lawrence system, and the growth of the principles of arbitration and judicial settlement of international disputes leads inevitably to the conclusion that the United States might at any moment have to meet the question on the basis of international law. As a general rule, diversions of water from a watershed are looked upon with disapproval in both our American law and the law of all other countries. It has become increasingly evident that even the present diversions at Lake Michigan might be difficult to sustain without at least damages being assessed.

Fifth. The treaty of 1909, while it excepted Lake Michigan from international regulation at that time, conceded

the principle that waters of its sort were subject to international regulation, and the application of this principle to Lake Michigan was really only delayed. The treaty gives Canada the right of navigation on Lake Michigan, it gives the International Commission supervision over a lot of waters in various places throughout the continent flowing in and out of the two countries. Indeed on Lake Michigan itself the claims of Canada to object to the Illinois diversion are expressly reserved at the end of paragraph 2, and the right to make further diversions is limited in the first part of paragraph 2. In other words, the whole principle of Canada's interest in Lake Michigan is conceded although the treaty expressly excludes the narrow and limited point which we have now admitted.

Sixth. In the Supreme Court decision, while the court says that it does not pass upon the right to take water out of Lake Michigan for navigation to the Mississippi because Chicago has not rights under any grant of Congress, all the intimations there are in the opinion indicate that the court would be suspicious about diversions at Chicago for navigation purposes which, as they necessarily would, affect lake levels. It is evident to any lawyer reading the decision that the courts have grave doubts about a diversion from the watershed for this purpose.

Seventh. The effect of the treaty is not only to validate the previously very doubtful position as against Canada and the Lake States for any diversion for navigation purposes at Chicago, but to even enlarge the Supreme Court decree. The emergency provision recognizes the principle of further diversions at Chicago if necessary. They are not limited to sanitary or domestic water requirements but include navigation. From a legal point of view, Chicago is better off with this recognition both as against Canada and the other States than she would be without the treaty. As early as January 5, 1925, in the case of the Sanitary District against the United States, the Supreme Court mentions the fact that this treaty—

Expressly provides against uses "affecting the natural level or flow of boundary waters" without the authority of the United States or the Dominion of Canada within their respective jurisdictions and the approval of the International Joint Commission agreed upon therein (268 S.S., p. 426).

On February 5, 1926, Canada in a note to the United States cited this Supreme Court statement and objected to navigation diversions at Chicago, pointing out that it is a recognized principle of international practice that unless by joint consent, no permanent diversion should be permitted to another watershed from any watershed naturally tributary to the waters forming the boundary between the two countries.

Madam President, I ask unanimous consent to print in the RECORD a statement issued by General Brown, Chief of Engineers of the United States Army, dated July 21, 1932, as to the effect of the St. Lawrence waterway treaty, if and when ratified, upon the Illinois River.

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

The statement is as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, July 21, 1932.

Memorandum for the Secretary of War:

The following memorandum is submitted on the effect the provision of the St. Lawrence waterway treaty will have upon the Illinois waterway.

The decree of the Supreme Court entered April 21, 1930, in the matter of the diversion of water from Lake Michigan by the State of Illinois and the Sanitary District of Chicago specified:

"That on and after July 1, 1930, the State of Illinois and the Sanitary District of Chicago are enjoined from diverting any of the waters of the Great Lakes-St. Lawrence system of watersheds through the Chicago Drainage Canal and its auxiliary channels or otherwise in excess of an annual average of 6,500 cubic feet per second, in addition to domestic pumpage;

That on and after December 31, 1935, unless good cause is shown to the contrary, the State of Illinois and the Sanitary District of Chicago are enjoined from diverting as above in excess of an annual average of 5,000 cubic feet per second, in addition to domestic pumpage, and on and after December 31, 1938, are enjoined from diverting as above in excess of an annual average of 1,500 cubic feet per second, in addition to domestic pumpage."

It is estimated that by 1938 the domestic pumpage will be approximately 1,900 cubic feet per second, in addition to the amount of 1,500 feet provided by the decree, giving a total permissible flow through the drainage canal and waterway of 3,400 cubic feet per second. The flow in the Illinois River will be greater.

Article VIII of the Great Lakes-St. Lawrence Waterway Treaty limits the diversion of water from the Great Lakes system through the Chicago Drainage Canal to that decreed by the Supreme Court, but provides that in the event of an emergency the United States proposes to increase the diversion of water from the Great Lakes system through the Chicago Drainage Canal in excess of 1,500 cubic feet per second, as decreed by the Supreme Court; and if the Government of Canada takes exception thereto, the matter shall be submitted for final decision to an arbitral having power to increase the diversion and to stipulate such compensating provisions as may be just and equitable.

There is no conflict between the decree of the Supreme Court and article VIII of the treaty. The decree specifies a minimum withdrawal after December 31, 1938, of 1,500 cubic feet per second in addition to domestic pumpage, unless good cause can be shown to the contrary; whereas the treaty provisions, while limiting the diversion to the same amount, provides that in an emergency an increase may be permitted.

It has been contended that the flow at Lockport as limited by the treaty will destroy the usefulness of the Illinois waterway. This contention is without basis of fact, as will be seen by a study of the table set forth below:

Waterway	Total canalized length	Total fall	Average low-water flow	Average yearly tonnage
	Miles		*Cubic feet per second*	
Monongahela River	131	153.6	200	25,000,000
Ohio River	981	429.14	1,100	20,000,000
Panama Canal	51	85	1,300	28,000,000
Illinois River	291	165	[1] 3,400	[2] 10,000,000

[1] At Lockport.
[2] Estimated commerce upon completion of waterway.

The flow at Lockport permissible under the treaty will not only be more than three times the average low-water flow of the Ohio River at Pittsburgh, and 2.5 times the yearly average amount required for lockages in the Panama Canal, but will be 17 times the low-water flow of the Monongahela River which carries an average yearly tonnage 2½ times that estimated for the Illinois waterway. These facts establish without question that the permissible flow will be more than ample for any commerce that may develop on the Illinois waterway.

If additional locks and dams in that portion of the Illinois River below Utica are found to be necessary to provide a 9-foot channel during low-water stages, the cost thereof will be negligible compared to expenditures made on other waterways and to the advantages resulting to the public from the proposed improvement of the St. Lawrence River.

So far as the Mississippi River is concerned, it is possible that a large diversion in the order of 10,000 cubic feet per second might have a sensibly beneficial effect during extreme low stages. However, such a diversion is unacceptable to the lake States since it materially lowers the level of the lakes, thereby injuriously affecting navigation. The difference between the permissible withdrawal of 3,400 cubic feet per second and 5,000 or 6,000 cubic feet per second which has been advocated, is entirely immaterial, in its effect upon the Mississippi River.

The above facts and opinions do not take into consideration the sanitary situation at Chicago and south of there. It is assumed that it will be safeguarded without requiring more water from Lake Michigan than is specified in the decree of the Supreme Court, and that this will be done in the time allowed for the purpose in that decree.

LYTLE BROWN,
Major General, Chief of Engineers.

HOUSE BILL REFERRED

The bill (H.R. 6034) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

EXECUTIVE SESSION

Mr. ASHURST. Madam President, I desire to have a short executive session for the purpose of considering three nominations. Therefore I move that the Senate proceed to the consideration of the executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. ASHURST. Madam President, from the Committee on the Judiciary, I report favorably three nominations and ask for their immediate consideration.

Mr. DAVIS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Copeland	Johnson	Reynolds
Ashurst	Costigan	Kean	Robinson, Ark.
Austin	Cutting	Kendrick	Robinson, Ind.
Bachman	Dale	Keyes	Russell
Bailey	Davis	King	Schall
Bankhead	Dickinson	La Follette	Sheppard
Barbour	Dieterich	Lewis	Shipstead
Barkley	Dill	Logan	Smith
Black	Duffy	Lonergan	Steiwer
Bone	Erickson	Long	Stephens
Borah	Fess	McAdoo	Thomas, Okla.
Bratton	Fletcher	McCarran	Thomas, Utah
Brown	Frazier	McGill	Thompson
Bulkley	George	McKellar	Townsend
Bulow	Glass	McNary	Trammell
Byrd	Goldsborough	Metcalf	Tydings
Byrnes	Gore	Murphy	Vandenberg
Capper	Hale	Neely	Van Nuys
Caraway	Harrison	Norris	Wagner
Carey	Hastings	Nye	Walcott
Clark	Hatfield	Overton	Walsh
Connally	Hayden	Pope	Wheeler
Coolidge	Hebert	Reed	White

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

Mr. ASHURST. Mr. President, I have heretofore reported favorably from the Committee on the Judiciary three nominations. I ask for their immediate consideration.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will report the nominations.

THE JUDICIARY

The Chief Clerk read the nomination of Clarence E. Bailey, of Oklahoma, to be United States attorney, northern district of Oklahoma.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John P. Logan, of Oklahoma, to be United States marshal, northern district of Oklahoma.

The VICE PRESIDENT. The nomination is confirmed.

The Chief Clerk read the nomination of W. C. Geers, of Oklahoma, to be United States marshal, western district of Oklahoma.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COLLECTOR OF INTERNAL REVENUE, FLORIDA

The VICE PRESIDENT. The Chair lays before the Senate the following message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the Senate:

I nominate Herbert Felkel, of St. Augustine, Fla., to be collector of internal revenue for the district of Florida, in place of Peter H. Miller.

FRANKLIN D. ROOSEVELT.

Mr. FLETCHER. Mr. President, I ask unanimous consent for the present consideration of the nomination.

Mr. McNARY. Mr. President, has the nomination gone to a committee?

Mr. FLETCHER. No; it just came to the Senate from the President.

Mr. BARKLEY. Mr. President, the committee has authorized me to report favorably all nominations that come in at this time. Acting for the committee, I report favorably the nomination just read.

Mr. McNARY. Mr. President, in discussion of the matter with the Senator from Arizona [Mr. ASHURST] earlier in the afternoon, I said I would object to the consideration of any nominations that have not gone to a committee of general jurisdiction. If a committee has not acted on this nomination, I must object.

Mr. FLETCHER. But the committee has acted.

Mr. McNARY. Has the nomination been referred to the committee, and has the committee reported it favorably?

Mr. FLETCHER. Yes.

The VICE PRESIDENT. Is there objection to the confirmation requested by the Senator from Florida? The Chair hears none, and the nomination is confirmed.

Mr. FLETCHER. Mr. President, I ask that the President be notified.

The VICE PRESIDENT. Without objection, the President will be notified.

UNITED STATES DISTRICT ATTORNEY, MISSISSIPPI

Mr. STEPHENS. Mr. President, I ask unanimous consent for the immediate consideration of the nomination of Lester G. Fant, of Mississippi, to be United States attorney for the northern district of Mississippi.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, has the nomination been reported favorably from the committee?

Mr. STEPHENS. I will say that this morning at a meeting of the Judiciary Committee I made the statement that I was very sure this nomination would come during the day. I told the committee about this man's ability and qualifications and a favorable report was authorized. The Senator from Arizona [Mr. ASHURST], chairman of the committee, called my attention to the matter just a little while ago.

The VICE PRESIDENT. Is there objection to confirmation of the nomination as requested by the Senator from Mississippi?

Mr. McNARY obtained the floor.

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

Mr. McNARY. I yield to the Senator from Arizona.

THOMAS J. MORRISSEY

Mr. ASHURST. From the Committee on the Judiciary I report the nomination of Mr. Thomas J. Morrissey, of Colorado, to be United States attorney, district of Colorado.

The VICE PRESIDENT. Is there objection to the confirmation? The Chair hears none, and the nomination is confirmed.

LESTER G. FANT

Mr. STEPHENS. Mr. President, I desire to inquire whether or not Mr. Fant was confirmed.

Mr. LONG. Let us confirm him.

The VICE PRESIDENT. The nomination has not as yet been confirmed. The Senator from Oregon is addressing the Chair.

Mr. McNARY. Mr. President, I said to the Senator from Arizona today that unless these nominations have been referred to the committee or have been discussed by the committee, and not left here to open discussion on the floor of the Senate, I should object to them.

Mr. STEPHENS. Will the Senator permit me to repeat what I said a moment ago, that this matter was discussed in open session of the committee this morning, and I was authorized to make a favorable report to the Senate if the name was sent in.

The VICE PRESIDENT. Is there objection to confirmation? The Chair hears none, and the nomination is confirmed.

GEORGE L. SWARVA

Mr. BARKLEY. From the Committee on Finance, I report favorably the nomination of George L. Swarva to be assayer in charge of the United States assay office at Seattle, Wash., and ask for its present consideration.

The VICE PRESIDENT. The nomination will be read.

The Chief Clerk read the nomination.

Mr. BONE. Mr. President, I did not get that. Will the clerk read the nomination again? That is in my own State, and this is the first time I have heard of the nomination.

The Chief Clerk reread the nomination.

Mr. BONE. May I ask the Senator from Kentucky who nominated this gentleman?

Mr. BARKLEY. All I know is that the President sent in the nomination.

Mr. BONE. Can the Senator tell me who recommended him?

The VICE PRESIDENT. Is there objection to the confirmation of the nomination?

Mr. BONE. Mr. President, I am not objecting. I am asking the Senator, who sent the nomination in or who recommended the gentleman for the appointment?

Mr. BARKLEY. The President sent in the nomination. I do not know who recommended him.

Mr. BONE. May it go over until I ascertain who recommends the gentleman?

The VICE PRESIDENT. The nomination will be passed over for the moment.

Mr. BARKLEY subsequently said: Mr. President, I renew my request for the confirmation of Mr. Swarva, from Washington, to the assay office.

Mr. BONE. That is entirely satisfactory.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the nomination is confirmed.

DEPARTMENT OF LABOR—W. FRANK PERSONS

Mr. BAILEY obtained the floor.

Mr. WALSH. Mr. President——

Mr. BAILEY. I yield to the Senator from Massachusetts.

Mr. WALSH. From the Committee on Education and Labor, I report the nomination of W. Frank Persons, of the District of Columbia, to be director of the United States Employment Service, Department of Labor, and ask for its immediate consideration.

The VICE PRESIDENT. The nomination will be read.

The Chief Clerk read the nomination.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. May I ask the Senator from Massachusetts if the nomination has been referred to the committee?

Mr. WALSH. It has been.

Mr. McNARY. And has there been a favorable report?

Mr. WALSH. Yes; a majority report.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

REORGANIZATION OF EXECUTIVE DEPARTMENTS (H.DOC. NO. 69)

The PRESIDING OFFICER (Mrs. CARAWAY in the chair) laid before the Senate a message from the President of the United States, which was read, ordered to lie on the table, and to be printed, as follows:

To the Congress:

Pursuant to the provisions of section 1, title III, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith an Executive order for certain regroupings, consolidations, transfers, and abolitions of executive agencies and functions thereof.

Please let me tell you very simply and frankly that in transmitting this Executive order at this late hour in the special session, I have had no thought of taking what might be considered an advantage of the Congress. The very urgent demands of the public business, both legislative and administrative, during the past few weeks have made it literally impossible to complete the study of consolidation.

Many other changes are in contemplation and I have selected only those which I believe should be put into effect as quickly as possible. These additional changes I do not feel it right to submit until the next regular session of the Congress.

May I suggest that if the changes proposed in the present Executive order are not concurred in by the Congress they can be restored or otherwise changed at the beginning of the next regular session a few months hence.

The justification for sending this Executive order up, even at this late hour, is that it will effect a saving of more than $25,000,000. This is well worth while.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 10, 1933.*

PERSECUTION OF JEWISH PEOPLE IN GERMANY

Mr. BAILEY. Mr. President——

Mr. TYDINGS. Mr. President, will the Senator from North Carolina yield to me?

Mr. BAILEY. I yield.

Mr. TYDINGS. Mr. President, for just a moment I should like to say that the speech made by the Democratic leader [Mr. ROBINSON of Arkansas] today concerning the treatment of the Jews in Germany was a splendid presentation in a very tolerant and proper way. I heartily endorse every word that he said.

I recall that when Thomas Jefferson, the founder of the Democratic Party, died he requested that there be placed upon his tombstone three things:

That he was the author of the Declaration of Independence.

That he was the father of the statute for religious freedom in the State of Virginia.

That he was the founder of the University of Virginia.

He had been President of the United States, Vice President of the United States, and ambassador to France; but he wrote his record in things that would promote human progress.

As a Democrat, an American citizen, and a Senator from Maryland, I, too, want to join in respectful protest against the treatment of the Jews, and utter a word of sympathy for the Jews at this time when they are the victims of intolerance.

I thank the Senator from North Carolina for giving me this brief moment to endorse most heartily the splendid sentiments expressed by the Senator from Arkansas.

Mr. LEWIS and other Senators addressed the Chair.

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

Mr. BAILEY. I yield first to the Senator from Illinois, who first requested me to do so.

Mr. LEWIS. Mr. President, I rose merely that I might join with the sentiment of the Senator from Maryland [Mr. TYDINGS] in giving endorsement to the classic utterance and eloquent oration of the Senator from Arkansas upon the subject of the individual liberty of the man. I should like to say, however, to the Senator from Maryland, as well as to all of those who are interested in hearing the matter, that this administration had taken steps looking first to obtaining accurate information as to the charges being made of persecution and oppression of the Jews in Germany; that while the investigation is pending where the matter could be gathered, in cool, faithful service this administration continued to do everything that could be undertaken to assure the families of the Jewish citizens of this community—I use the expression "this community" as meaning the United States—who had relatives in Germany that everything would continue to be done looking to pacifying and calming a situation where friendship could intervene; and that in the meantime great success has followed the action of the administration.

It will please all of us to hear and to know that the administration has received assurance that whatever has been transpiring from any quarter that worked an injustice or oppression to the Jewish people has ceased by the orders of those in charge and control of government in Germany, and that there will be a continuous and complete supervision and observance in every form that hereafter, whatever one friendly nation might say to another friendly nation, everything will be done to insure security of life, the protection of property, and religious freedom of the Jewish citizens residing in Germany or anywhere else where the United States may have an appropriate voice to enforce it.

FOURTH DEFICIENCY APPROPRIATIONS—REPORT OF THE APPROPRIATIONS COMMITTEE

Mr. ROBINSON of Arkansas and Mr. BONE addressed the Chair.

The VICE PRESIDENT. The Senator from North Carolina has the floor.

Mr. BAILEY. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. I should like to move that the Senate return to legislative business.

Mr. BRATTON. Mr. President——

Mr. BAILEY. I yield to the Senator from New Mexico.

Mr. BRATTON. It is my desire to present the last deficiency bill, and ask for its immediate consideration. Of course, it will be necessary that we go into legislative session before that can be done.

Mr. ROBINSON of Arkansas. Mr. President, I move that the Senate return to legislative session.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and the Senate resumed legislative session.

Mr. BRATTON. Mr. President——

The VICE PRESIDENT. The Senator from North Carolina has the floor. Does he yield to the Senator from New Mexico?

Mr. BAILEY. I do.

Mr. BRATTON. Through the courtesy of the Senator from North Carolina, I report back favorably, from the Committee on Appropriations, with amendments, the bill (H.R. 6034) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes; and I submit a report (No. 142) thereon.

I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Is there objection?

Mr. LA FOLLETTE. I object; and I desire to make a statement, Mr. President.

I object to the consideration of this bill—and it can be considered today only by unanimous consent, under the rules of the Senate—until we may know the fate of the conference report on the industrial recovery bill and the independent offices appropriation bill.

The VICE PRESIDENT. Objection is heard.

Mr. BRATTON. I submit the report, and ask that it lie on the table.

The VICE PRESIDENT. The report will lie on the table.

GEORGE ROGERS CLARK MEMORIAL

Mr. BARKLEY. Mr. President, will the Senator from North Carolina yield to me to ask unanimous consent for the present consideration of a bill which I send to the desk?

Mr. BAILEY. I yield.

The VICE PRESIDENT. The bill will be read.

The Chief Clerk read Senate bill 1867, authorizing an appropriation to provide for the completion of the George Rogers Clark Memorial at Vincennes, Ind., as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000, or so much thereof as may be necessary, for the completion of the memorial authorized by section 2 of the joint resolution approved May 23, 1928, as amended, to be erected at or near the site of Fort Sackville in the city of Vincennes, Ind., in commemoration of the winning of the Old Northwest and the achievements of George Rogers Clark and his associates in the War of the American Revolution, and for the acquisition and removal of all structures on the site of such memorial, and for the grading, filling, and landscaping of the grounds thereof. Such sums as may be appropriated pursuant to the provisions hereof shall be expended by the George Rogers Clark Sesquicentennial Commission in the manner provided in section 2 of such joint resolution, as amended.

Mr. BARKLEY. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

ADMINISTRATION OF FRANKLIN D. ROOSEVELT

Mr. BAILEY. Mr. President, it happens that the extraordinary session of the Congress is approaching its adjournment on approximately the one hundredth day of the administration of Franklin D. Roosevelt.

I will pass by the historical significance of the phrase "100 days." There was in history, and in modern history, a very significant 100 days. These 100 days of the Franklin Roosevelt administration are manifestly of an historic character. I take it that under any circumstances they will form a chapter of unusual import in the history of the American people, and I am sure there are those who suspect that they may have initiated an era in the history of our Republic.

In view of the significance of these 100 days, I wish to make very briefly certain remarks that occur to me as worthy of record at this moment; and I wish further to have read into the RECORD, or printed in the RECORD, certain data that may be not only of political but also of historical interest.

The first remark I wish to make is this:

We are in the forty-fourth month of what is generally denominated "the depression." It is a singular commentary, in view of all I read in the newspapers and much that I hear, that throughout these 44 months the Congress of the United States has unfailingly responded to the recommendations of two Presidents. If, during the administration of Mr. Hoover, he made even one important request touching the relief or amelioration of conditions which was refused by the Congress, I have no recollection of it, and I do not think the RECORD will show any evidence of it.

Now we come to the end of 100 days of tremendously important legislation, a list of which we find on our calendar, consisting of some 17 or 18 major measures, each of them coming from the present President of the United States, and each of them having been enacted according to his recommendations. I think that this record of responsiveness to the recommendations and the leadership of the Chief Executive of the Nation ought, in justice to the Congress and for the information of the American people, be made known. We have not failed to do anything we were asked to do, and I think the witness might be borne here appropriately that not only under the present administration but under the former administration the Congress, whether on the other side of the aisle or on this side, has with singular regularity subordinated its judgment to the judgments of the two Chief Executives who have presided over our country in these trying times.

All of money that has been asked for has been granted. All of constructive measures which have been recommended have been enacted, and all the power that has been called for has been given; and when we go home, as most of us will in a few days, we at least can go home with the sense of satisfaction that the Congress has responded, not in any small measure but in the utmost measure, to the recommendations of the chosen leader of our people in the present crisis.

The second remark I wish to make about these 100 days is this: By every test of business, by every test of human conditions, by every chart that goes to show the conditions in the United States, these have been the best 100 days in 44 months of this depression.

I have in my hand an article prepared by Mr. Charles Merz, a staff writer of the New York Times, the article being printed in that journal as of Sunday, May 21, 1933, entitled "Business Advances: A Survey of the Trend", and the subtitle "For the first time since the depression there have been 2 months of uninterrupted progress, as shown by the indices of trade."

I am going to hand this statement to the clerk, and I ask consent that it shall be printed in the RECORD with my remarks.

The PRESIDING OFFICER (Mr. MURPHY in the chair). Is there objection? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. BAILEY. Mr. President, I wish to read one or two extracts from this article. In his first paragraph the writer states:

Although there are large uncertainties in the international situation and many problems pressing for solution at home, the improvement of business in the United States since early March has now become the largest and best sustained since 1929.

Mr. President, I rejoice that the time has come when record can be made, and I am not rejoicing as a Democrat, I am not taking that to ourselves in any sense of party pride, but I am rejoicing that an independent and disinterested observer can say that we have reached the point of improvement in business that is the largest and the best sustained since the debacle of 1929.

Again this writer says:

Time and again during the last 4 years the prophets of an early return have ascended the mountain tops of their statistics and beheld the promised land at no great distance in the future. But up to the present time they have not had behind them the record

of 2 months of uninterrupted progress and a net gain, measured by many indices of business, which amount to 25 percent. Whatever lies ahead, the stretch immediately behind differs from earlier rallies both in the extent of the ground recaptured and, examination will show, in the character of the advance.

Mr. President, we all know that until the 8th of March, 1933, there appeared to be no bottom whatever for prices of commodities. If they rose, they rose but for a day, and then returned and seemed to be finding a new bottom. But from March 8, four days after Mr. Roosevelt took the oath of office, the commodity prices throughout the whole range of commodities have continued to rise, convincing every thoughtful observer that, whatever else might be said, we had reached the end of the infernal deflation that was destroying the civilization itself.

Let us take the comparative figures. On March 1 of this year wheat was selling at 47½ cents a bushel. On May 17 wheat was selling at 72 cents a bushel, indicating a gain of 52 percent. Since May 17 further gains have been made.

On March 1 cotton was selling at 6.15 cents a pound. Today it is selling at 9.30 cents, which represents a gain of 50 percent a pound in cotton.

Corn was selling on March 1 at 24½ cents. On May 17 it was selling at 45 cents, showing a gain of 85 percent.

I have here the statistics for the other commodities, but I will not trouble the Senate beyond saying that the rise in the prices of commodities produced by the farmers, that is the raw materials, have so outstripped the rise in the prices of manufactured goods that we have corrected the disparity between the prices paid by farmers and the prices received by farmers to the extent of more than 20 percent. The old figures which gave us so much trouble will be remembered. We have cut the manifest injustice of them down, at any rate, by 20 percent in the short space of 100 days.

Now the other remark. With regard to business in general, if we may judge by the charts, American business activity today is precisely at the same point where it was in November 1931, and every curve is upward. We have not only arrested the tide of the depression, but we have turned it back to the point at which it was before the terrific crashes of 1932 and 1933 set in, and we are back upon the plateau of November 1931; and all of that recaptured territory has been recovered and recaptured within these 100 days of the administration of Franklin Roosevelt.

Mr. BORAH. Mr. President, will the Senator from North Carolina yield to me for a moment?

Mr. BAILEY. Certainly.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

Mr. BORAH. Mr. President, I do not wish to divert the Senator from North Carolina from the course of his remarks, but a situation has arisen on which I should like to have the views of the Senator, and particularly of the majority and minority leaders.

The President of the United States has just sent us a message on the reorganization of the departments. That message has not even been printed. I have not been able to find a copy of it, though I understand there are two copies somewhere. We must pass upon that proposal, if we pass upon it at all, within 60 days. We are told we are to adjourn tonight. There is no way in which Congress can pass upon this matter under these circumstances. If we wish to take action, we would have to take action by joint resolution. That is utterly impossible.

I am perfectly cognizant of the fact that the President has been crowded with affairs of state, and I can well understand why this message to the Congress has been delayed. But the question which I present to the Senator from North Carolina and to those who have the shaping of the course of affairs here in charge is how the Congress can possibly deal with this important message between now and 12 o'clock tonight.

I am not charging the President of the United States with anything in the nature of taking advantage of the Congress of the United States, but there are some of these matters connected with the reorganization in which the West is most vitally interested, and I do not know by what possible means I can even get an opportunity to read the message between now and midnight tonight.

It seems to me, if I may make a suggestion, that the majority and minority leaders might ask the President formally to withhold his message until the Congress reconvenes. Unless we do that the law which permits us to pass upon it will have been made a dead letter. I suggest this for the consideration of those who may have something to do with shaping the course between now and 12 o'clock tonight.

I would feel justified in preventing adjournment tonight, if I could, unless we have an opportunity to read that message and to know what there is in it, and if we choose to do so to approve or disapprove it.

Mr. BARKLEY. Mr. President, the Senator from Idaho suggested that the President withhold the message. I understand the message is already before the Senate and has been read.

Mr. BORAH. I understand that, but the President could formally withdraw it.

I see the majority leader has just come into the Chamber. I understand that the message has been formally presented, but it could be withdrawn. I am not asking that, except upon the theory that we are going to adjourn tonight. There are some features of that message and some parts of the reorganization which, as I have said, are of vital concern to the West. We have to pass upon it within 60 days. If we adjourn, say, tonight, we will have no opportunity even to familiarize ourselves with the message.

I ask the majority and minority leaders to take into consideration the fact that some of us are deeply concerned about some features of this possible reorganization, and that some method be arranged so that if we cannot pass upon it tonight, the time will not run against the 60 days which is the limit under the law.

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Arkansas?

Mr. BAILEY. I yield.

Mr. ROBINSON of Arkansas. Mr. President, I will be prepared to present to the Senate within a short time an analysis of the Executive order to which the Senator from Idaho has referred. It is, without question, a difficult situation, insofar as the opportunity of the Congress is concerned in relation to the subject matter of the Executive order. I do not at this moment think of any plan which would prevent the order from becoming effective after the expiration of 60 days.

A little later when some notes that have been made have been transcribed, I shall be glad to present the analysis to which I have referred, and if a suggestion occurs to me respecting the point made by the Senator from Idaho, I shall be glad to present it at that time. I do not know of any way, without repealing or modifying the law or passing a joint resolution of Congress, which is the equivalent of passing a new statute, by which the Executive order can be prevented from going into effect at the expiration of 60 days.

I wish to say further that it has been my hope to conclude the session tonight or, at least, during the present legislative day. Always near the conclusion of a session of Congress business becomes congested. The failure to present the Executive order, I am assured by the Executive himself, has not been due to a desire to deny Congress the opportunity of passing upon the merits of the order. It has been due to the pressure of business, to the fact that it has been impossible to frame the details of the order and present them to Congress at an earlier time.

With this statement I shall for the present content myself.

Mr. JOHNSON. Mr. President——

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

Mr. BAILEY. I yield.

Mr. JOHNSON. Mr. President, I am entirely certain that what the Senator from Arkansas says is absolutely correct. There is no desire or design on the part of the Executive, I

know, in any fashion whatsoever to bring to us a measure that is of grave importance without giving ample opportunity to Congress to pass upon that measure; but, sir, the fact remains that the measure has come, because of the multiplicity of the duties of the Chief Executive, at a time when we cannot act intelligently upon it.

Not only that, but now at 5 minutes after 8 o'clock we are waiting for conference committee reports on measures that are of the utmost consequence and importance. There is one way in which we can do our duty; there is one way in which we can act as the Chief Executive of the Nation, of course, wishes us to act; that is by staying here for the period that is essential in order to do our job—and our job is to stick here—and if it takes another week or another 2 weeks or another 3 weeks, that is what we are here for, and there is no reason on earth why we should be shoved into an adjournment here at 7 minutes after 8 o'clock or 8 minutes after 12 o'clock tonight. Here is work to be done; work that cannot be done within the limits of the time that has been accorded to us under the agreements that probably have been entered into or the suggestions that have been made. Here are things devolving upon United States Senators which it is their duty to do. Let us do them, and let us take a recess until Monday next to consider the conference reports which will be submitted, which we shall have an opportunity to act upon, and consider then the message of the President, and determine exactly whether or not, under the law, we consent to what the President desires in respect to departmental reorganization.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Arkansas?

Mr. BAILEY. I yield to the Senator.

Mr. ROBINSON of Arkansas. Again I thank the Senator from North Carolina for yielding.

Mr. President, the statement just made by the Senator from California [Mr. JOHNSON] is misleading, in that it suggests that by staying here a brief time the Senate will conclude and reach a decision as to all questions that may be presented. Everyone who hears me knows that if we stay here throughout the summer there will still be problems of legislation upon which to act. Everyone knows that it is not possible to decide every issue that may be raised. If we are to stay here for the disposition of one particular subject, there is no way with which I am familiar to preclude the consideration of other problems.

I know it has been said, and I have heard the Senator from California say within the last few minutes, that Senators ought to remain here and do their duty. Mr. President, never before in the history of this country has so much legislative business been transacted in so short a time as has been disposed of during the last 90 days, and if we were to stay here until Christmas there would still be problems unsolved; there would still be legislation to consider.

Now we have disposed of all the major measures of the program presented by the President except those which are in conference. I admit that any Senator who chooses to do so, acting under the rules of the Senate, can prevent an adjournment, can prevent a decision on these important measures that remain in conference; but, Mr. President, if we stay here indefinitely, we will not have done all that some may demand we shall do; and I wish to point out now that it is a very dangerous issue that the Senator from California has raised. It is my intention to get in touch with the President as soon as it is practicable to do so, and if the withdrawal of the Executive order will enable Congress to go forward to a conclusion on the measures that are regarded as important in the present program, I shall not hesitate to advise him to withdraw the order; but if the suggestion merely means that it is one in a series that are intended to prostrate his program, to protract the session of the Congress, I see nothing to be accomplished by pursuing that course.

I thank the Senator from North Carolina.

Mr. BAILEY. Mr. President——

Mr. JOHNSON. Mr. President, will the Senator from North Carolina yield to me for just a moment?

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

Mr. BAILEY. Mr. President——

Mr. JOHNSON. I make my apologies to the Senator.

Mr. BAILEY. I wish to make just one statement.

Mr. JOHNSON. The Senator from Arkansas is entirely right in saying what has been accomplished.

The PRESIDING OFFICER. The Chair understood the Senator from North Carolina [Mr. BAILEY] not to have yielded.

Mr. JOHNSON. I beg the Senator's pardon.

Mr. BAILEY. I will yield to the Senator from California.

Mr. JOHNSON. Mr. President, I thank the Senator from North Carolina. I misunderstood him.

The Senator from Arkansas [Mr. ROBINSON] is entirely correct in what he has said about what has been accomplished in the last 3 months. It has been a marvelous accomplishment, an accomplishment of which the President may well be proud, an accomplishment of which the Congress participating in it—whether it was particularly familiar with the details or not—may be proud, too. I grant that the work that has been done at this session is extraordinary in character, and such as no other Congress has witnessed, but that does not detract from the fact that tonight there come to us other matters that ought to be done as well as we are able to do them.

I hold in my hand the message of the President which is entirely in accord, I think, with what I believe and with what the Senator from Arkansas believes, in which he says:

> Please let me tell you very simply and frankly that in transmitting this Executive order at this late hour in the special session I have had no thought of taking what might be considered an advantage of the Congress. The very urgent demands of the public business, both legislative and administrative, during the past few weeks have made it literally impossible to complete the study of consolidation.

Of course, we know that the President is entirely accurate in that statement, but here comes this important document on consolidation of governmental departments; it is presented to us, and upon it we must act before adjournment, which is to occur this evening, or we cannot act at all. The President has done his utmost in its presentation at the earliest possible moment. He could not have conceived—we could not indeed in justice to ourselves, permit a contrary impression—that we would not, at the earliest possible moment, act upon it, and act as Senators ought to act within the knowledge that they may have and the study that they may make of this important plan. So, Mr. President, not only is this presented to us tonight, but tonight, as well, will be presented disagreements of Members here to amendments of the utmost importance that they have had adopted to bills that are in conference, and upon those amendments we must act; we must act between now and 12 o'clock. Why?

My friend from Arkansas says that we always will have legislative matters before us. True that may be; but the fact is, and the realities are right now, that we will have within the next few hours legislative matters before us. Why should we have to pass upon them by midnight tonight or by 1 o'clock in the morning or by 2 or 3 or 4 o'clock in the morning? Why can we not, in the fashion that we may do our work as we ought to do it, take the requisite time, not until Christmas—although if it were necessary to do our duty upon legislation pending before us, we ought to stay until Christmas—but stay the day or two or the week, if it even went to the length of a week, which will enable us to act upon these matters of extraordinary importance, of marvelous consequence to our people that are coming before us, and determine them as best we can with our judgment and within our consciences.

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

Mr. JOHNSON. The Senator from North Carolina has the floor.

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Louisiana?

Mr. BAILEY. I yield to the Senator from Louisiana for a question.

Mr. LONG. I wish to ask the Senator from California what is the point the Senator is making? Is it the fact that someone has come here with something upon which we cannot act? I was out of the Chamber for the moment.

Mr. JOHNSON. I do not phrase it in that fashion at all. What I did say is that there has come to us a message from the President of the United States within the hour—read within the hour, but I do not know whether it came before that time—dealing with reorganization of the bureaus and departments of the Government. I am unable to say what they are or what the reorganization plan is, but the fact is that under the law we must act upon that reorganization within 60 days or it becomes final and conclusive. We cannot act within 60 days, of course, if we are going to adjourn between now and midnight.

Mr. LONG. Mr. President, will the Senator from North Carolina be so kind as to indulge me for another sentence?

Mr. BAILEY. Certainly.

Mr. LONG. It rather seems, while we may not be able to act within 60 days, that if we are allowed 60 minutes, it is rather an indulgence. [Laughter.]

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

ADMINISTRATION OF FRANKLIN D. ROOSEVELT

Mr. BAILEY. Mr. President, I am convinced that probably the best way to keep a Senator silent is for him to obtain the floor. I am going to submit the request that my remarks shall be printed in order and that the interruptions all be placed in their proper order.

The PRESIDING OFFICER. Without objection, the request is granted.

Mr. BAILEY. This request is made for the reason that since I rose I have been interrupted—and I am not complaining—28 times, 2 bills have been passed, half a dozen appointees for public office have been confirmed, two speeches have been made on the subject of the Jews in Germany, and there has been debate on the President's latest message to the Congress.

The PRESIDING OFFICER. Will the Senator permit one more interruption so the Senate may receive a message from the House of Representatives? [Laughter.]

Mr. BAILEY. I am delighted.

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 amendments of the Senate to the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes, agreed to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONES, Mr. FULMER, Mr. DOXEY, Mr. CLARKE of New York, and Mr. HOPE were appointed managers on the part of the House at the conference.

ADMINISTRATION OF FRANKLIN D. ROOSEVELT

Mr. BAILEY. Mr. President, when I was interrupted some time ago I was beginning just a brief statement on the subject of the recovery in this country with respect to the condition of unemployment, unquestionably the most perplexing and at the same time the most distressing aspect of the depression.

Mr. President, I am not at all disposed to complain and I am very grateful for the attention I have received. I feel that it is a Senator's duty to yield to a courteous request. I shall always do so. I understand what was on the minds of the Senators who engaged in the debate and I appreciate their motives and I have no complaint to make about it. I am going to get through as soon as I can in order that that debate may proceed, but I do not want anyone to think that I am at all impatient about it. I understand the situation, fully appreciate it, and have no sense of criticism about it.

Mr. President, I was going to point out that with respect to the depression Mr. Lewis Douglas, who I believe is in a position to know, informed me during the present week that the number of unemployed in our land has been reduced within these 100 days by the number of 1,500,000 workmen. That is an achievement not only of great magnitude, but one that reaches the heart of every human being.

That condition of employment and its relief to the extent of 1,500,000 out of a probable total of 12,000,000 is a magnificient achievement that ought to give heart not only to the Members of Congress but to all the people who have hopes for our civilization. I have always known that the unemployed not only have a voice here but they have a right. I have heard a great many things said about the condition of the unemployed, but I have heard very little said in the Congress about the rights of the unemployed. I am going to take time to say something about their rights.

Every man in America has a right to a job. He has it in the Declaration of Independence. Senators have read from and quoted Thomas Jefferson here. The right to life is the right to a job, and it underlies the right to liberty. I do not want to give up liberty; but between the two I will give up liberty to gain life, and every other human being will do likewise.

The inalienable right to the pursuit of happiness is written in the Declaration, underlying the Constitution and determining the character of the Republic itself. The right to the pursuit of happiness is the right to a job. I will stand for doles when they are necessary, but we will never stop short of jobs. That is the justification for the bill for which we voted last night and the justification for the votes which the Senator from Louisiana [Mr. LONG] cast when he found himself divided betwixt the two—and not the first time men have been in that position—when he took section 1 in order to get section 2 he was asserting the right, the underlying right of a man without a job, to a job at the expense of whatever it might be—a fundamental right in America, a fundamental right of a man anywhere.

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

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Louisiana?

Mr. BAILEY. Very well.

Mr. LONG. I want to thank the Senator. I was perplexed between voting for a bill that undid fundamental principles of Democracy on the one hand and a promise of a job to the man unemployed on the other.

Mr. BAILEY. I am going a little farther. He not only has the right to a job, but he has the right to a just reward. That is "the pursuit of happiness." When he cannot get a job and a just reward out of the ordinary economic conditions in which we have lived, it is the duty of the Government which he constitutes to see that he does get it.

I simply wanted to lay down the free rights of the unemployed man in America and I wanted to say that the man in the White House, President Roosevelt, whatever else may be said about him, has convinced the American people that he is a man with a heart for humanity. Whatever we may say about the legislation here, insofar as it is calculated to assert and maintain the rights of the unemployed masses in America, it is profoundly established upon the Declaration of Independence and the Constitution and written in the very character of the Republic itself.

Mr. President, one word more. The people welcomed the Roosevelt administration with hope, and it was a voiceless and inexpressible sort of hope. They hoped, but did not know just why they hoped. As we go home they are hoping, knowing why they hope. Underneath their hopes tonight is the substantial progress of 100 days of real achievement of relief for the American people. It has been brought home in the way of jobs and in the way of better prices for their products.

I have a new hope, Mr. President, and with the expression of this new hope I am going to take my seat. We have all been in more or less of despair. Many of us have not known what to think. Many of us have not dared to say what we were thinking. But as we come to the end of the

session here with commodity prices lifted, as I have shown, from 40 to 60 percent in 100 days, I will make the prophecy that even if they go no higher and the crops come in this fall in ordinary measure, on the existing prices the American farmers will have a gross income of $8,500,000,000 compared with $5,500,000,000 last year—$3,000,000,000 at the head of the stream and gathering force as its runs down throughout the rivers of American commerce. The farmers were not getting cost of production last year. They were losing money. They are going to make some money this year, and that is going to make for the circulation of money. The $3,300,000,000 which we have provided is going to make for more circulation. The two together ought to carry us far forward.

I think it is time for us to cultivate our hopes. It is time to speak the word of cheer to the American people. I think we have something substantial upon which to go. I am not going to assume the role of prophet, but I say in these 100 days we have had 100 days of real achievement; and we have in prospect in the coming in of the harvest at prices, God knows, too low, but so much higher than they were last year, that we can look forward to that and view the turning over of $8,500,000,000 of gross income amongst the farmers and spreading it over our whole commercial life.

The American people's hope in Franklin D. Roosevelt has been justified by these 100 days of achievement. The blowing of the bugle on March 4 rallied the people and now after 100 days, and with Congress coming to an end, he is as strong in their hearts as he was the day he first spoke the word of hope to us. He is the stronger because of the actual justification of their faith in him in the form of realized advancement.

EXHIBIT A

BUSINESS ADVANCES: A SURVEY OF THE TREND—FOR THE FIRST TIME SINCE THE DEPRESSION THERE HAVE BEEN 2 MONTHS OF UNINTERRUPTED PROGRESS AS SHOWN BY THE INDEXES OF TRADE—CAUSES OF THE TURN IN THE TIDE AND QUESTIONS FOR THE FUTURE

By Charles Merz

Although there are large uncertainties in the international situation, and many problems pressing for solution at home, the improvement of business in the United States since early March has now become the largest and best-sustained advance since 1929.

There is reason to believe, as President Roosevelt said in his latest radiobroadcast, "That the domestic situation is inevitably and deeply tied in with conditions in all of the other nations", and that recovery in this country "will not be permanent unless we get a return to prosperity all over the world."

The success or failure of the World Economic Conference at London, and more immediately the efforts now being made to deal with the joint problems of security and armaments, seem certain in the long run to affect the fortunes of the Georgia cotton planter, the steel manufacturer in Cleveland, the textile worker in Fall River. But if we survey the record of events in the United States while the Geneva Conference has been marking time and the question of security has troubled European capitals, we find marked evidence of progress.

Time and again, during the last 4 years, the prophets of an early turn have ascended the mountain tops of their statistics and beheld the promised land at no great distance in the future. But up to the present time they have not had behind them the record of 2 months of uninterrupted progress and a net gain, measured by many indexes of business, which amounts to 25 percent. Whatever lies ahead, the stretch immediately behind differs from earlier rallies both in the extent of the ground recaptured and, as examination will show, in the character of the advance.

The purpose of this article is to consider the extent of the present gains, the apparent causes, and some of the major questions which now lie ahead.

I. The gains

The chart at the top of the page plots three lines, whose successive ups and downs have reflected the alternate hopes and disappointments of the American public since 1929.

The first line (drawn in solid black) represents the New York Times index of business, a component of six significant items which measure weekly changes in freight-car loadings, steel-mill activity, electric-power production, automobile production, lumber production, and forwardings of cotton to the mills.

The second line (checkered) traces the movement of wholesale prices as compiled by the Bureau of Labor Statistics from monthly variations in the value of 784 commodities, each weighted according to its importance in domestic and foreign commerce. This is the line around which revolve most of the arguments for and against inflation.

The third line (white and black dashes) traces successive fluctuations in the average value of 50 representative securities on the New York Stock Exchange. At times this line has shown itself to be a poor prophet of the movement of the other two. From the end of May to the end of August 1929 it went charging up at a time when the index of business activity was headed down. It has repeated this performance less disastrously on several later occasions. But except for these few aberrations in the movement of stock prices all three lines have held together closely in their long, discouraging drift toward lower levels.

THE DECLINE PRIOR TO MARCH

In the period before March 1933 the most characteristic features of this drift were the failure of any improvement of business to hold for more than a few weeks at a time, the small amount of lost ground recaptured during these short-lived revivals, and the persistent decline of commodity prices during the whole period since 1929, though in its later stages this decline showed a tendency to flatten out. Thus commodities lost 16.7 percent of their value in 1930 and 12.5 percent in 1931, but only 8.1 percent in 1932.

With this brief résumé of earlier events and due recognition of the fact that we are still very far indeed from the high plateau of 1929, let us now note the changes which have taken place in recent weeks.

(A) Prices: On March 4, the date which witnessed both the closing of the banks and the inauguration of a new President, the index number of the Bureau of Labor Statistics for all the commodities on its varied list stood at 59.6. On May 6, the latest date for which a figure is available, the same number stood at 61.9. This is a gain of 4 percent in 9 weeks' time, or an advance at the rate of 23 percent for a full year.

Larger gains are evident, if we use a measuring rod that can be brought more nearly down to date. Between March 1 and May 16 the wholesale-price index of the Annalist advanced by 13.9 percent, abruptly wiping out all of the losses sustained during the previous 12 months and lifting the price level from a record postwar low to a point well above that reached on the same date a year ago.

Individually many important commodities have experienced remarkable advances ranging from 20 to more than 100 percent. The following table shows the prices of 10 of these commodities on March 1, compared with last Wednesday's prices, and the consequent percentages of increase during this short period of 11 weeks:

		Mar. 1	May 17	Percent gain
Wheat	bushel	$0.47½	$0.72⅜	52.4
Cotton	pound	.0615	.0875	42.3
Corn	bushel	.24½	.44⅞	83.2
Oats	do	.16¼	.25¼	58.5
Hides	pound	.04¼	.10½	147.1
Wool	do	.54	.81	50.0
Sugar, raw	do	.0285	.0330	15.8
Copper	do	.05	.07	20.0
Zinc	do	.027	.041	51.8
Rubber	do	.0288	.0493	71.2

Not only have the gains since the bank holiday considerably outdistanced those recorded during any equivalent period since 1929; there has also been evident a process of readjustment between farm prices and those of nonagricultural products. Both have been rising since March 1. But the figures of the Bureau of Labor Statistics show that the advance in the case of farm commodities has been at a pace more than four times as swift as the gains achieved by textiles, fuels, metals, machinery, building materials, housefurnishing goods and other industrial products.

For the first time during the whole course of the depression, the growing disparity between prices of goods the farmer sells and of those he buys has been checked, and the trend turned in the opposite direction over a period of several months.

(b) Business: The Times business index reached its lowest point on March 18, shortly after the bank holiday and the inauguration. It then stood at 60. Seven consecutive advances in as many weeks have subsequently carried it to 74.1—a gain of 23.5 percent.

On no previous occasion since the depression first began to deepen has so well-sustained an advance been made, or even one fourth so large a percentage of recovery been achieved.

GAINS NOT SEASONAL

On May 6 the index stood 8 points above its level for the same date a year ago. The gains made in March and April are all the more striking by comparison with the record of these months in other years. For, as the chart shows, in 1930, in 1931, and again in 1932 business was rapidly declining at this season of the year.

The most significant aspect of the present advance, however, is neither its duration nor its extent, but the wide range of the factors participating in the upward movement. Earlier rallies during the depression have invariably been caused chiefly by substantial gains at 1 or 2 points, such as automobile production or cotton forwardings, while the other items included in the Times index have either marked time or actually declined. But in the present case gains have been shared without exception by all of the factors of which the index is comprised.

Moreover, the present advance has been led by steel. This was not true of any of the earlier upturns, and the failure of steel

to lead the way in the spring of 1930 or the fall of 1932 was one reason, as the Annalist has pointed out, why experienced observers doubted the permanence of the recovery then under way. From the lagging figures of steel-ingot production, they drew the conclusion that the advance was inspired primarily by a temporary shortage of consumers' goods—such as shoes and clothing—rather than by an increased demand in basic lines of production.

In the present case, however, the rate of operations in the steel industry has more than doubled in 6 weeks, and for the first time since the beginning of the depression the output of ingots has exceeded production during the corresponding period of the preceding year. The automobile industry furnished the primary market for this increased production in its early stages. But an authoritative trade review, the Iron Age, reported last week "a steadily increasing number of miscellaneous outlets"—including industries engaged in manufacturing kitchen utensils, metal sinks, washing machines, refrigerators, and stoves—and cited as evidence of this broadening consumption "the fact that sheet-mill output going to the automobile industry is declining in percentage, although still increasing in quantity."

OTHER INDICES

Outside of the field of industry directly charted by the Times index, there is other evidence of improvement. Business failures in March were fewer than in the corresponding month of any year since 1925, according to Dun & Bradstreet, and showed a continuing decline last month compared with 1932. The index of department-store sales computed by the Federal Reserve Board advanced from 55 in March to 68 in April. Five of the leading chain-store systems showed increases in that month ranging from 1.8 to 9.4 percent above sales in April 1932. Bank clearings in New York City during May have run ahead of those in the corresponding month last year.

Meantime, factory employment in New York State last month increased by 2.2 percent, compared with March, and pay rolls were 4.4 percent higher, despite the fact that a seasonal decline in both employment and pay rolls usually occurs in April. For the country as a whole the Department of Labor's index showed a gain of 1.6 percent in employment and of 4.5 percent in pay rolls. The counting of jobs proceeds more slowly than the counting of steel sheets or electric kilowatts, and some time will elapse before the effect of the most recent gains in business can be measured accurately in terms of employment.

The reality of these gains, however, is demonstrated by well-tested evidence. Measured either by the extent and duration of the recovery effected since early March, or by the number of industries which have participated in this recovery, the present upturn marks the most substantial change in the course of American business since the summer of 1929.

II. The causes

The progress thus recorded has occurred simultaneously with the suspension of gold payments by the United States and the enactment of legislation permitting a vast inflation of credit and currency. That these influences have played some part both in the rise of prices and the improvement of business is scarcely to be questioned.

OPERATIONS OF INFLATION

Even the most vigorous opponents of inflation recognize its ability to apply a powerful stimulant to prices and to business, though they believe that this stimulant soon loses its force unless it is applied in larger doses, and that, if so applied, it is certain to have disastrous consequences. Fear that the dollar will purchase less 1 month hence or 6 months hence prompts many investors to buy stocks and commodities. Prices rise. And as they rise these same people and others, again fearing depreciation of the dollar, buy the kitchen stoves or the parlor rugs or the low-priced motor cars whose purchase they have been deferring. Goods move from the shelves of retailers and orders go through the wholesale houses to the factories for replacements.

There is no way of determining how large a part has been played in the present upturn by the belief that inflationary measures will be taken. Opinion on this point is likely to vary with the individual observer's approval or disapproval of such measures.

There is a group at one extreme which credits practically the whole gain of recent weeks to the belief that either a great increase of currency or a reduction of the gold content of the dollar is impending. There is a group at the opposite extreme which regards the possibility of inflation merely as an incidental factor in the gains of recent weeks. This group points out that prices were already rising and that business had been expanding over a period of at least a month, from the low point reached in March, before the strength of inflationary sentiment in Congress was suddenly revealed on April 17 by the Senate's vote on a free-silver amendment to the farm bill.

The question can be discussed at length. But whether the influence of inflationary legislation is regarded as the primary cause of recent gains, or an incidental factor, it is important to note that this influence has been exerted precisely at a time when other forces were combining to stimulate recovery. Among these forces we may note:

1. The decline of hoarding: On February 1 the amount of money outside of the Treasury and the Federal Reserve banks stood at $5,652,000,000—a figure far above normal. But by the end of February an additional $893,000,000 had been withdrawn, largely for purposes of hoarding. From this point forward, in a spectacular rise for which no precedent can be found in American financial history, the figure soared to a record-breaking total of $7,536,000,000 on March 8.

The return of money to the Treasury and the Reserve banks has been almost as spectacular as its withdrawal, though the return of funds has attracted less attention. Both movements are shown in the chart at the bottom of the page. At the present time the amount of currency outstanding has fallen below $5,900,000,000. More than four fifths of the damage done during the period from February 1 to March 8 has been repaired since the latter date, with a consequent strengthening of the financial situation.

2. The return of gold: Of particular importance in this movement of money is the return of gold. From a total of $1,346,000,000 outstanding on March 8 in gold coin and gold certificates, the amount outstanding has declined to $653,000,000 on May 11, the latest date for which a figure is available. The position of the Federal Reserve banks has been improved and the basis laid for an expansion of credit. So substantial has been the return of gold during recent weeks that except for a comparatively short period in 1921–22 the amount now outstanding in coin and certificates is actually the smallest figure since 1897.

3. Bank reopenings: Since the enactment of emergency bank legislation on March 9 unrestricted operations have been resumed by 12,787 banks. The fact that about 5,200 are still closed or are operating under restrictions is one of the major problems for the future. But the restoration of normal facilities by banks holding an estimated 90 percent of the money on deposit has inevitably played a part in the recovery of confidence.

4. Federal finance: Confidence has also been strengthened by the energetic efforts of the Roosevelt administration to balance the National Budget for the fiscal year beginning next July. Economies amounting to more than $500,000,000 have already been achieved and additional savings which may equal this figure are in prospect. Unless Federal revenues decline by an even larger amount than the most pessimistic prophets in Washington have assumed, there is reasonable hope that the current expenditures of the Government will be brought within its income after a series of deficits since June 1930, which have amounted to about $5,000,000,000.

It is true that the Government is now planning a program of public works which may involve the expenditure of $3,300,000,000 and that it proposes to finance this program by borrowing outside of the regular Budget. But a distinction may fairly be drawn between an expenditure for purposes of reconstruction, which can readily be discontinued whenever it ceases to be necessary, and routine costs, which constitute an enduring charge. These routine costs the Roosevelt administration has drastically reduced.

5. International cooperation: The past month has witnessed a new and more ambitious effort to deal with influences which have prolonged the depression simultaneously in all parts of the world. Eight of the chief commercial nations have sent representatives to Washington to discuss with the American Government the reduction of tariffs, the stabilization of currencies, and the future of intergovernmental debts. These discussions have resulted in an agreement on a tariff truce and in the fixing of a definite date for the World Economic Conference at London. That any important step toward the solution of international difficulties exerts a stimulating influence in domestic markets was clearly shown 2 years ago by the sharp rally in prices and in business which followed announcement of the Hoover moratorium.

The President has also discussed armaments and security with each of the delegations which has visited Washington. His message of last week, broadcast to 54 governments, was intended to provide a larger basis of confidence for the discussions which begin next month in London.

6. Other factors: Finally, among other favorable factors of varying importance in their effect on the price structure or on the expansion of business activity are the recent Government forecast, predicting the smallest crop of winter wheat since 1904; the legalization of beer, which has in effect created a new industry; and the growing evidence of a shortage in many kinds of manufactured goods. At the end of March the Department of Commerce index of stocks in the hands of manufacturers or at other visible points stood at the lowest level reached in more than 7 years.

III. Future questions

What we have witnessed during recent weeks has been a well-sustained improvement over a broad front, stimulated in part by inflationary legislation and in part by the strongest combination of political and economic influences which have thus far appeared at any point in the depression.

Events of the immediate past have written a dramatic story. There remain, for the immediate future, these important questions to be answered:

First, will the President make use of the inflationary powers which Congress has given him? He is authorized (a) to arrange for an increase of credit through the purchase by the Federal Reserve banks of $3,000,000,000 of Government securities; (b) to issue $3,000,000,000 of Treasury bonds; (c) to reduce the gold content of the dollar by not more than 50 percent; and (d) to provide for the unlimited free coinage of silver at a fixed ratio with gold. These powers are practically equivalent to complete control over the national monetary system. Thus far the President has said only that he will seek "an enlargement of

credit * * * when, as and if it may be necessary" in order to raise prices.

Second, will an enlargement of credit stimulate industrial activity? During the spring and summer of 1932 the Federal Reserve banks bought more than $1,000,000,000 of Government securities in the open market, hoping thereby to make something like 10 times this amount, available as credit for industry. This credit was not used, partly because the banks which had sold bonds to the Federal Reserve were reluctant to hazard the proceeds in the form of loans to business men, under the conditions then prevailing, and partly because comparatively few business men wished to borrow money when they could find no profitable means of using it. Have conditions changed sufficiently in 1933 to insure a larger measure of success for open-market operations?

LONG-TERM LENDING

Third, can long-term lending be revived? Many of the most important types of business activity, such as the building trades, now lagging far behind most other industries, are dependent on long-term investment. Will such investments be made if the Government's intentions regarding the future value of the dollar remain uncertain?

Fourth, how promptly can banks which are still closed be reopened? It has been pointed out that approximately 90 percent of the country's deposits are in institutions now operating without restrictions. But the 10 percent still frozen amount to about $4,000,000,000, and the purchasing power represented by these deposits is not available to help sustain the present movement toward recovery.

Fifth, can the readjustment of existing debt be expedited where such readjustment is necessary? Much has already been done to scale down fixed charges, through reduction of both principal and interest. In many cases this has been accomplished through voluntary agreement between creditor and debtor, thus avoiding bankruptcy proceedings and conserving assets which would otherwise be lost. The necessity of further readjustment is most evident in the case of railways, public-utility holding companies and real-estate obligations.

PUBLIC-WORKS PROGRAM

Sixth, can a large program of public works be undertaken with assurance of a prompt increase of employment, definite advantages for private industry, and adequate protection of national credit? The administration has proposed a broad grant of power to the President, enabling him to spend as much as $3,300,000,000 for the construction of roads, the building of bridges and tunnels, and other public projects. Funds for this purpose would be raised through the sale of bonds. Additional taxes would be imposed to provide $220,000,000 annually for interest and amortization.

Seventh, is the administration's plan for the control of industry a practicable proposal? The plan authorizes any representative group or association within an industry to prepare a code covering wages, hours of labor, and control of output. Once such a code is approved by the President, or issued by him in case the managers of industry fail to act, it becomes the standard of fair competition within the trade to which it applies, and all those who comply with it are exempt from the provisions of the anti-trust laws, while those who violate it are subject to legal penalties.

APPLICATION OF FARM ACT

Eighth, what use will be made of the new farm law? Its purpose is to reestablish the balance between farm prices and those of nonagricultural commodities as it existed in the pre-war period, 1909–14. The broad powers of imposing taxes, allotting bounties, and controlling output, vested in the Secretary of Agriculture, are described by the administration itself as frankly experimental.

It is also recognized that full use of these powers would conflict at certain points with other purposes of the administration. The law provides that in case a tax is imposed on the purchase of wheat, cotton, corn, and other basic farm commodities, an equivalent tariff must be placed on imports of the same products. But the United States now stands as the chief sponsor of the recently accepted tariff truce. And for this reason the administration has deferred for the time being any use of the principal feature of the farm law.

FOREIGN RELATIONS

Ninth, can the President obtain from Congress authority to negotiate reciprocal tariff agreements with other governments and to authorize either postponement or revision of the war debts? On the answer to this question hinges the probability of any action by the American Government with respect to debts and tariffs during 1933.

Finally, can the World Economic Conference justify the elaborate preparations made for it? The difficulties in the way of an agreement are enormous. Some progress must first be made in dealing with security and armaments. But it is clear that any gains achieved at London and Geneva toward a solution of long-standing problems would greatly help American industry hold and consolidate the substantial gains it has made since early March.

(Mr. BAILEY presented a statement showing the closing wholesale cash prices for commodities in the New York market for the previous day, as published in the New York Times of June 11, 1931, which was ordered to be printed in the RECORD following his remarks, as follows:)

EXHIBIT B

[From the New York Times, June 1, 1931]

Yesterday's closing wholesale cash prices for commodities in the New York market, unless otherwise noted, were:

		May 31, 1933	May 24, 1933	June 1, 1932
FOODSTUFFS				
Wheat, No. 2 red	bushel	$0.99⅛	$0.99⅝	$0.69⅛
Corn (h), No. 2 yellow	bushel	.57⅛	.59½	.42⅝
Rye, No. 2 white	bushel	.74½-.77	.75	.51⅝
Oats, No. 2 white	bushel	.35½-.36½	.36¾	.33¼
Flour	barrel 196 pounds	5.25	4.85	4.25
Coffee, No. 7 Rio	pound	.07¾	.08¼	.08¼
Sugar, granulated	pound	.0450	.0450	.0375
Sugar, raw	do	.0330	.0330	.0257
Butter, cr. 92 sc	pound	.21½@.21¾	.22	.17½
Eggs, mix. C, 1st	dozen	.13½@.13¾	.12½	.13¾
Lard, Mid W	pound	.0685@.0695	.0690	.04
Pork, m	bbl. 200 lbs	19.75	18.75	16.25
Beef, family	bbl. 200 lbs	12.50@13.50	13.50	13.00
METALS				
Iron, 2 Phila	ton	16.34	16.34	14.84
Steel billets, Pitts	do	26.00	26.00	27.00
Antimony	pound	.06½	.06¼	.05⅛
Aluminum	do	.2330	.2330	.2330
Copper	do	.07¾@.07⅞	.07	.05¼
Lead	do	.0410	.0365	.03
Quicksilver	flask	62.00	63.00	68.50
Zinc, E.St.L.del	pound	.0437	.0385	.0285
Zinc, N.Y	do	.0472	.0420	.0320
Tin, Straits	do	.41	.37	.2075
Tin, std. nat. m. ex	do	.3780	.3380	.2005
TEXTILES				
Cotton, mid. upl	pound	.0935	.0870	.0505
Printcloths (64-60)	yard	.05½	.04¾	.03
Silk, cr.db.e.(13-15)	pound	1.75	1.57½	1.10
Wool tops, Bos	do	.85	.83½	
MISCELLANEOUS				
Rubber, spot	pound	.0625	.0505	.0269
Hides, hvy., nat. strs	do	.12	.11	.04¼
Gasoline	gallon	.10½	.10½	.0950
Crude oil, Mid-Con., 33 to 33.9 gr., bbl. (42-gallon)		.25	.25	.86

RANGE OF PRICES, 1933

	Highest		Lowest	
	Amount	Date	Amount	Date
Wheat	$1.03⅛	May 27	$0.62⅝	Jan. 3
Corn	.61⅜	May 13	.38½	Mar. 3
Rye	.77¾	May 29	.48½	Jan. 3
Oats	.38	May 11	.25¼	Jan. 3
Flour	5.25	May 29	3.45	Jan. 3
Coffee	.08¾	Feb. 6	.07½	Apr. 18
Sugar, refined	.0450	Apr. 22	.0390	Jan. 19
Sugar, raw	.0340	May 4	.0265	Feb. 3
Butter	.23¾	May 13	.16¾	Feb. 1
Eggs	.34	Jan. 7	.12½	Feb. 1
Lard	.0720	May 13	.0410	Feb. 3
Pork	19.75	May 29	14.25	Jan. 3
Beef	13.50	Apr. 24	9.50	Feb. 28
Iron	16.34	May 24	13.34	Jan. 3
Steel billets	26.00	Jan. 3	26.00	Jan. 3
Antimony	.0650	Apr. 19	.0550	Jan. 3
Aluminum	.2320	Jan. 3	.2320	Jan. 3
Copper	.07⅞	May 31	.05	do
Lead	.0410	do	.03	do
Quicksilver	63.00	May 1	51.00	do
Zinc, E.S.L	.0437	May 31	.0260	Feb. 18
Zinc, N.Y	.0472	do	.0295	do
Tin, standard	.3780	do	.7110	Jan. 4
Tin, Straits	.41	do	.2175	do
Cotton	.0935	do	.0590	Feb. 1
Printcloths	.05½	May 27	.03	Feb. 3
Silk	1.75	May 29	1.12½	Feb. 27
Wool tops	.85	May 27	.54	do
Rubber	.0625	May 31	.0281	Feb. 27
Hides	.12	do	.04½	Feb. 11
Crude oil	.63	Jan. 3	.25	May 10
Gasoline, gallon	.10½	Jan. 2	.09½	Jan. 4

GOVERNOR OF HAWAII

Mr. TYDINGS. Mr. President, I ask unanimous consent for the consideration of the bill (H.R. 5767) to authorize the appointment of the Governor of Hawaii without regard to his being a citizen or resident of Hawaii. The bill has been reported favorably.

Mr. NORRIS. Mr. President, may I ask what the bill is?

Mr. TYDINGS. I ask that the clerk read the title of the bill.

The PRESIDING OFFICER. The clerk will read the title as requested.

The CHIEF CLERK. A bill (H.R. 5767) to authorize the appointment of the Governor of Hawaii without regard to his being a citizen or resident of Hawaii.

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

Mr. LA FOLLETTE. I object.

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

Mr. TYDINGS. I still have the floor and should like to say a word, and then I will yield. I have no objection to the suggestion of the absence of a quorum if the Senator wishes to call other Members in so they may hear the explanation I wish to make.

Mr. NORRIS. I am going to object, anyway, whether there is a quorum here or not.

Mr. TYDINGS. Then, of course, the bill will probably be defeated.

Mr. NORRIS. I hope so.

Mr. TYDINGS. Then I will have to move to suspend the rule. May I say to the Senator from Nebraska that I too in general philosophy am opposed to the very bill to which I have referred. I believe the Governors of the Hawaiian Islands should come from the Hawaiian Islands whenever it is possible. The Governor of any one of our territories should be a man who resides in the territory, and I never thought I would be here advocating a measure which would vary that rule. I am advised on reliable authority that this action may be necessary in the best interests of the people who live in the Hawaiian Islands.

I will explain to the Senator why I have that view.

The Senator will recall that last winter, I think, or perhaps last summer, an untoward incident occurred in the Hawaiian Islands. A lady of American nationality was outraged by some four or five persons in Hawaii. Race feeling grew very rapidly and very acutely, and internal conditions were not wholesome there for some time after that occurrence. That occurrence, with the mixed races that reside in Hawaii, has tended to divide the people up into groups. They are not homogeneous. Crime has increased on a very great scale. I am advised by reputable citizens of Hawaii that the reason for this is that the police force is divided into groups, and that a policeman of a certain racial derivation will not arrest violators of the law of his own race. So a period of demoralization has occurred in Honolulu and the Hawaiian Islands which is very, very serious; and good fortune, rather than anything else, has prevented serious trouble.

The President of the United States—I am sure I speak with authority—has no desire in the world to appoint a Governor of the Hawaiian Islands from the mainland as a general proposition; but after careful thought it has occurred to him, in the light of the researches and the information which has come from the islands, that perhaps to get an outside person at this critical time might tend to break down these racial blocs there and permit order to be restored where chaos now exists.

I am not attacking the philosophy of local self-government. I think I have pretty well demonstrated my allegiance to that philosophy through a good many years here in Congress. Normally, I would under no conditions report a measure of this kind; but since I have had the honor of being the chairman of this committee, I have received numerous letters from reputable citizens in the Hawaiian Islands who have written me confidentially of the conditions there. These letters go on to state that normally they would like to have a Hawaiian Governor, but that they believe it will be to the interest of the people of Hawaii now if, during this emergency, a Governor comes from the mainland. They have asked that these communications be held confidential.

Mr. NORRIS. Mr. President——

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

Mr. TYDINGS. Yes; I yield.

Mr. NORRIS. When was the bill introduced?

Mr. TYDINGS. The bill was introduced in the House about 4 or 5 weeks ago.

Mr. NORRIS. How long has the Senate committee had it under consideration?

Mr. TYDINGS. The Senate committee has had it about 5 days, and the chairman of the committee has vainly tried to hold several meetings.

Mr. NORRIS. How successful has he been?

Mr. TYDINGS. The Senator has not been successful. At the last meeting only one Senator besides the chairman showed up for the meeting.

Mr. NORRIS. Does the Senator think it is fair to override a principle that he himself says he loves and believes in, affecting people two or three thousand miles away, without hearing, on 4 or 5 days of consideration by a committee, when there was not any quorum present, and to bring a measure in before the Senate for consideration at half past 8 on the last day of the session, and expect the Senate to pass it under those conditions, and take those rights away from the Hawaiian people without any hearings whatever?

Mr. TYDINGS. Will the Senator let me answer his question?

Mr. NORRIS. I asked it for that purpose.

Mr. TYDINGS. Yes; I believe it is eminently fair when that request is predicated on the welfare of the people affected, which is the prime consideration in this case; when it comes from the Chief Executive of the Nation, who has had an investigation made; when one branch of Congress has considered it and passed it; and when, if it is not acted upon now, we will leave these people in their present deplorable state of lawlessness.

Mr. NORRIS. Will the Senator yield again?

Mr. TYDINGS. Yes; I yield to the Senator.

Mr. NORRIS. Is it not true that the House of Representatives rejected this bill on the first consideration?

Mr. TYDINGS. No; the House never rejected it.

Mr. NORRIS. I thought they did.

Mr. TYDINGS. It required a two-thirds vote of the House in order to pass the bill, and the House nearly marshaled that number of votes the first time it was up. My recollection is that it lost by some 4 or 5 votes. Subsequent to that time the House did pass the measure with a two-thirds vote.

May I say to the Senator, in all seriousness, that I am just as intent as he is upon upholding the right of local self-government to the people in our possessions wherever possible; and under no ordinary circumstances would I be connected with a proposition of this kind to deprive them of that right. I do submit, however, that these are unusual circumstances, and that our refusal to vary this rule for a temporary period of time is likely to result in permitting lawlessness to exist in the Hawaiian Islands, which would be a source of greater danger to the people of the islands than anything that could result from the temporary change contemplated by the bill.

Mr. NORRIS. Does the Senator think we ought to take advantage, I will say, of a people who are helpless, who have no defense, to whom we have given the right to select their own Governor, and take it away from them without an opportunity to be heard?

Mr. TYDINGS. They do not select their own Governor.

Mr. NORRIS. And does the Senator think——

Mr. TYDINGS. If the Senator will allow me—he certainly is going to allow me to answer his questions in order.

Mr. NORRIS. Oh, yes; certainly; because the Senator has the floor.

Mr. TYDINGS. The Hawaiian people do not select their own Governor. The President appoints the Governor.

Mr. NORRIS. I understand that.

Mr. TYDINGS. They have no voice in the selection of their Governor.

Mr. NORRIS. No; but the President has no right to select in the United States mainland a person to go over to Hawaii and govern them.

Mr. TYDINGS. Not under existing law, no; but we do that in the case of the Philippines. We select from the

United States a governor general for the Philippines. We send to Puerto Rico a Governor for the Puerto Ricans.

Mr. NORRIS. Yes.

Mr. TYDINGS. We send one to the Virgin Islands for the inhabitants of those islands; and inn those places the conditions of law and order are more stable than they are in the Hawaiian Islands.

Mr. NORRIS. The Senator, of course, is speaking upon information that he has gained within a very short length of time, within a few days.

Mr. TYDINGS. That is true, I must concede.

Mr. NORRIS. He ought at least, it seems to me, following out the logical course that he usually takes, to give his colleagues here an opportunity, in meeting that question, at least to come somewhere within reason of hearing the evidence and knowing what the conditions are from their own investigations, if the committee has made none.

Mr. LA FOLLETTE. Mr. President——

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

Mr. TYDINGS. I will yield in a moment.

The Senator's ground is well taken. I am not going to stand here and contend that on this short investigation, here at the heel of the hunt, my position is a strong one and one that ordinarily I would prefer to take; but may I say to the Senator from Nebraska that it has been due to the fact that when the bill was first considered by the House there seemed to be no need for the Senate to take it up if the House was not going to pass it. Then when the House finally did, may I say, to my surprise, pass the measure, there was not time, and Senators were not available, owing to their multifarious duties and the long sessions here, to hold a hearing.

I regret that I am forced to bring up the matter at this time. I can well see how many Senators would not want to consider it now, and I am not quarreling with that position. Neither am I quarreling with those who want the Governor to come from the Hawaiian Islands. I am simply stating that from the investigation I have been able to make and from the investigation I know the President has made, such information as has come to him causes him to want to do this, not to violate the principle of the organic act, but to carry to the people of the Hawaiian Islands what they should and I believe do want above all things, an orderly and a lawful government; and conditions there have been very bad, according to the reports that have come to Washington.

Mr. LA FOLLETTE. Mr. President——

Mr. TYDINGS. I know the Senator's desire for fairness; I know his adherence to principle; and, as great as his allegiance is to the right of local self-government for these people in Hawaii, I am satisfied that if I could convince him—as I have not the time or the facts now to do—that the interests of the people of the Hawaiian Islands would be served by the passage of this bill, he would forego temporarily the very rigid and altogether praiseworthy precepts he has concerning this matter.

Mr. LA FOLLETTE. Mr. President——

Mr. TYDINGS. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. My information is that the people of Hawaii are very much opposed to this legislation. Furthermore, may I remind the Senator that after the unfortunate incident which occurred in the Hawaiian Islands to which he has referred there was introduced at the short session of Congress very comprehensive legislation intended to revise the organic law governing the islands; but upon the assurance of the chairman of the committee that that legislation could not be considered in the short session, people who desired to come from the Hawaiian Islands to be heard and to make their position before the people of the United States clear, following all the unfortunate publicity that there has been concerning this incident, decided not to incur at the time the expense incident to a trip to Washington in order to present their position to the committee.

Mr. President, it seems to me, and I concur absolutely in the statement made by the senior Senator from Nebraska, that this is a snap judgment being taken against the people of Hawaii, who during a long period of years have had an enviable record so far as the enforcement of law and the conduct of their citizenship are concerned.

I believe that it would be eminently unfair for the Senate of the United States and the Congress——

Mr. TYDINGS. Mr. President, I am glad to yield to the Senator for a question, but——

Mr. LA FOLLETTE. Very well; I will wait until the Senator concludes.

Mr. TYDINGS. I do not want to be discourteous, and I am glad to yield for a question; but, knowing that this is the last night of the session, perhaps, I should like to conclude what I have to say.

May I again say that I have no quarrel at all nor do I take issue in any respect with those Members of Congress who believe in local self-government wherever possible for the citizens of our Territories and possessions. I should like to see the Governor of the Hawaiian Islands selected out there at this time. I think the President made an honest effort to find a candidate who would fit into the particular job that has to be done there now. After he had combed the field and gone into it very carefully, he concluded that it would be best to have some detached person put on the islands to reconcile, if possible, these warring racial groups which to a large extent had brought on demoralization of the police force in the islands.

The people of the Hawaiian Islands do not elect their Governor. True, under the existing law the President must nominate a native of the Hawaiian Islands; so that it is not as if we were taking away from the people themselves a right which they now have. All that this bill would do is, as a temporary measure, pending this period of unrest in the Hawaiian Islands, to permit the President to have a detached person go in there, free from influences, free from backgrounds of prejudice, free from the happenings that have occurred out there, and attempt to bring order out of chaos.

Mr. GORE. Mr. President——

Mr. TYDINGS. As I said at the beginning, I have no quarrel in the world with the philosophy of the organic act; and for a long while I said that I would not vote for this bill, even in spite of the President's request, at this session of Congress. It has only been in the last few days, when I have been convinced that the good of the people of Hawaii will be served by this temporary innovation, that I have surrendered my former position and consented to vote for this measure.

I yield to the Senator from Oklahoma.

Mr. GORE. Mr. President, I desire to inquire whether the resolution is limited in duration by its own terms. I have not had a chance to read it.

Mr. TYDINGS. The resolution is not long, and if the Senator from Oklahoma desires, I shall be glad to have it read.

Mr. GORE. I should not wish to have the Senate detained by having that done.

Mr. TYDINGS. No; the resolution is not so limited, but under the terms of the appointment it could not be more than 4 years.

Mr. GORE. Does not the Senator think it would be well to limit it?

Mr. TYDINGS. I do. I should be glad to see an amendment of that kind adopted, limiting it to a lesser period of time than 4 years.

Mr. GORE. I think it ought to be limited by its own terms, if it is to be agreed to.

Mr. TYDINGS. I think it would be a mistake to limit it to a year. I think it should be at least 2 years, because I doubt whether the task can be terminated well by a stranger in less than 2 years. It would take him sometime to familiarize himself with the actual situation there, and it would certainly take him some time to put into effect the necessary reforms. I think it will be unwise to limit the term, but I certainly hope that if it is limited, it will not

be limited to such a short period of time that the job cannot be done by an outsider.

Mr. GORE. I think 1 year would be too short a time. Two years, perhaps, would be better. I wish to say, before I sit down, if the Senator will indulge me, that I am very strong in my conviction for local self-government and home rule, and whoever desires to part from that principle bears the burden of proof, from my point of view.

Mr. TYDINGS. I may point out to the Senator from Oklahoma, in conclusion, that the people of the Hawaiian Islands do not have local self-government and home rule in the sense that they now elect their Governor. In any event, he is appointed by the President. The sole question here is, Shall the Presidential appointee be a mainlander or an islander? The people of Hawaii will have nothing to do with it. The President can appoint any person in Hawaii he wishes to appoint. True, some color of title to local self-government may exist, but that would be a far different proposition were the people themselves to select the Governor. In that case I think the departure would be too pronounced.

For these reasons, Mr. President, I move that the rules be suspended——

Mr. LA FOLLETTE. Mr. President——

Mr. TYDINGS. Just let me finish my motion and then I will be very glad to yield. I move that the rules be suspended so that House bill 5767 may be considered immediately.

Mr. LA FOLLETTE. Mr. President, I make the point of order that the Senator must submit his motion in writing 1 day in advance.

The PRESIDING OFFICER. The point of order is sustained.

Mr. LA FOLLETTE. Mr. President, if I may be recognized by the Chair——

Mr. NORRIS. Mr. President, before we go any farther I want it understood that I have objected to the Senator making the report. I do not want any misunderstanding about it. The Senator asked unanimous consent to make a report, and I have objected to that.

Mr. TYDINGS. The Senator objected, and I submit in view of his objection.

Mr. LA FOLLETTE. Mr. President, since this matter has been disposed of I wish to complete the statement I desired to make while the Senator from Maryland had the floor.

Under the admission of the Senator who desired to report this bill he has come to a conclusion concerning a very fundamental and important change in the organic law of the Hawaiian Islands, without testimony and without facts. Upon that statement the Senate would be justified in refusing to consider the measure.

May I say that I have never had the privilege of visiting the Hawaiian Islands, but I am in possession of information which I believe to be accurate in character, and that information justifies me in making the statement that the record of those islands, insofar as law and order and crime and its punishment are concerned, compare very favorably with records in the United States of America.

True, an unfortunate incident occurred in those islands. True, it was a horrible crime of its kind. But crimes of a similar character occur in every community of any size in the United States. In these islands there are various races represented. I am in possession of information, which I believe to be accurate, that prior to the time this incident occurred these various races had lived in harmony and in peace. So far as I am concerned, I do not propose, insofar as I may exercise my rights under the rules of the United States Senate, to see the people of these islands prejudged, without an opportunity to be heard upon an important change in their organic statutes.

Therefore, Mr. President, I join with the Senator from Nebraska in objecting to the report being received.

Mr. BONE obtained the floor.

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

Mr. BONE. I yield.

BUSINESS OF THE SESSION

Mr. BORAH. Mr. President, may I ask the minority leader if there is any program in contemplation looking to a recess this evening?

Mr. McNARY. Mr. President, it is quite true that I represent the minority in the best way I can. I know it has been the ambition of the able leader of the majority that we should adjourn the session tonight. Some action must be taken by the House on certain matters and their action come to the Senate, in the nature of conference reports, which are not here now. Beyond that I have no knowledge of the program.

Mr. BORAH. Mr. President, what I want to know is whether the program is, as the Senator understands it, that we remain here until the industrial recovery bill is disposed of, until the veterans' legislation is disposed of, and until all such matters are disposed of.

Mr. McNARY. I think that is the hope of the majority leader.

Mr. BORAH. If I may make a suggestion, there had better be a consultation upon that matter, unless Senators want to stay here until tomorrow morning.

Mr. LONG. Mr. President, will the Senator from Washington yield to me for just a moment?

Mr. BONE. I yield.

Mr. LONG. I understand that the industrial recovery bill has been to some extent emasculated, that the provision relating to the publication of income-tax returns has been taken out of the conference report, that our amendment for the taxing of tax-exempt securities has been taken out of the report, that the Borah amendment has been emasculated, that an amendment which I offered has been emasculated; that the veterans' amendment to the economy bill, insofar as it affects Spanish War veterans, has been entirely emasculated, and that the World War veterans have been given considerably less charitable treatment than we intended. Therefore I do not think we should be in any hurry. I hope we will take our time here tonight, and tomorrow night, and the next night. The boys who stood in the trenches for several weeks for us did not ask anything in the way of luxuries whilst they undertook to keep what we call the "foreign foe" away from our shores. They would not have been our foreign foes if we had not decided that we had to have a foe.

Therefore, I hope we will not be in any hurry. I am not in a hurry, and I propose to ask my colleagues not to get excited. Let us take our time. We are not going to leave here tonight, and we are not going to leave here tomorrow night. I am not able to say whether we will be in session the night after that, but I think we may be. Until we do substantial justice by what we thought was enacted in this Chamber, there is no reason to talk about adjourning.

Mr. President, last night I voted "nay" on the recovery bill, and I intended to let that vote stand. I voted "nay" to start with, the first time. But when I began to think that the La Follette amendment for the publishing of income-tax returns was incorporated in the bill, and that the Clark amendment, providing for taxing heretofore tax-exempt securities, was in the bill, I concluded that I was probably voting for the good in order to vote against the bad, and I changed my vote and voted "yea" instead of "nay." I thought the good counterbalanced the bad, and a little more, perhaps. I was not certain, and I am not certain now. But tonight I am told that they have cut out the La Follette amendment, that they have cut out the Clark amendment, that they have emasculated the Borah amendment. I have not looked to see what they did with the amendment they allowed me to adopt unanimously, but I guess they took it out the same way they allowed it to be adopted. They usually do that. They vote for the amendment unanimously, and then take it out the same way. [Laughter.]

Mr. BONE. Mr. President, I do not want to appear ungenerous toward my friend from Louisiana, but I merely

want to proceed. I would be very glad to yield the floor when I am through with the suggestion I want to make.

Mr. LONG. Very well. I will wait until the Senator gets through.

VETERANS' ALLOWANCES UNDER THE ECONOMY ACT

Mr. COPELAND. Mr. President, I ask to have printed in the RECORD resolutions adopted at a mass meeting of veterans in Stanley Hall, United States Soldiers' Home, Washington, D.C., on June 8, 1933.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

VETERANS NATIONAL RANK AND FILE COMMITTEE,
Washington, D.C.

The following resolutions were adopted at a mass meeting of 500 veterans assembled in Stanley Hall, United States Soldiers' Home, Washington, D.C., June 8, 1933:

Resolution No. 1

Whereas the recently passed Economy Act will deprive us and thousands of our disabled comrades of compensations, pensions, disability allowances, hospital and domiciliary rights, throwing us into the streets to suffer extreme privation and starve; and

Whereas we who fought the wars of this country which made large numbers of millionaires and billionaires and those of us who served this country in peace time, are about to be deprived of our meager allowances in order to permit the spending of immediate sums in preparation for future wars: Be it therefore

Resolved, That this body of veterans and ex-service men, assembled in Stanley Hall, United States Soldiers' Home, Washington, D.C., on this 8th day of June 1933, demand the repeal of the so-called "Economy Act" and immediate restoration of our compensations, pensions, disability allowances, hospital and domiciliary rights without discrimination as to race, color, creed, or political affiliation.

FRANCIS R. CHAMBERLAIN,
National Committeeman for District of Columbia, U.S.A.
GEORGE H. NEAL,
Chairman of the Meeting.

Resolution No. 2

Whereas a convention of veterans was recently held in Washington, D.C., and at Fort Hunt, Va., for the purpose of uniting the rank and file of all veterans and veteran organizations on a common program, namely:

1. Immediate cash payment of the remainder due on adjusted-service certificates, the so-called "bonus."
2. Restoration of disability compensation, pensions, disability allowances, and no curtailment in hospital and domiciliary rights.
3. Immediate remedial relief for the impoverished farmers and unemployed; and

Whereas a large degree of unity was achieved in support of this common program, regardless of race, color, creed, or political affiliation; and a plan of national organization of the rank and file adopted to facilitate carrying out this common program: Be it therefore

Resolved, That this body of veterans assembled in Stanley Hall, United States Soldiers' Home, Washington, D.C., on this 8th day of June 1933, do hereby unanimously approve said common program and purpose as adopted by the veterans' national rank and file convention; be it further

Resolved, That we pledge our united efforts to the support of the veterans' national rank and file committee who were elected to carry out the organization program of the rank and file.

FRANCIS R. CHAMBERLAIN,
National Committeeman for District of Columbia, United States of America.
GEORGE H. NEAL,
Chairman of the Meeting.

STATEMENT OF THE AIMS AND PURPOSES OF THE VETERANS' NATIONAL BANK AND FILE COMMITTEE

The Veterans' National Rank and File Committee, elected by the delegated and mass convention of rank-and-file veterans, representing all veteran organizations and unattached groups of veterans throughout the Nation, has for its purpose the uniting of all veterans and veteran organizations, regardless of political differences or race, on a common program agreed upon by the Veterans' National Rank and File Convention (May 13–22).

This program, in keeping with and carrying forward the aims and objects of the retired Veterans' National Liaison Committee, implies not only unity among the ex-service men as a social group but cooperation and unity on the part of veterans, jobless workers, and farmers toward the common end of securing needed and just relief.

OUR PROGRAM

1. Immediate cash payment of the remainder of the adjusted-service certificates.
2. No cuts in disability compenation, disability allowances, pensions, hospitalization provisions, and other veteran benefits. Reconsideration of the Economy Act, with the view of preventing the harsh injustices entailed in its application.
3. Immediate remedial relief for all impoverished farmers and the Nation's unemployed.

VETERANS' NATIONAL RANK AND FILE COMMITTEE,
FRANK A. FLYNN, *Chairman.*
H. S. CANNELL, *Secretary.*
R. L. LOVELACE, *Treasurer.*
HARRY S. BRENNAN, *Contact Officer.*

MESSAGES FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 5645) to amend the National Defense Act of June 3, 1916, as amended.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate nos. 1 to 46, inclusive, and Senate amendment no. 48, to the bill (H.R. 5389) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes; that the House had concurred in the amendment of the Senate no. 47 to the said bill with an amendment, in which it requested the concurrence of the Senate; that the House asked for a further conference with the Senate on the disagreeing votes of the two Houses on the amendments still in disagreement, and that Mr. WOODRUM, Mr. BOYLAN, Mr. HASTINGS, Mr. BUCHANAN, Mr. TABER, and Mr. THURSTON were appointed managers on the part of the House at the conference.

REFUNDING OF UNITED STATES GOVERNMENT BONDS AT A LOWER RATE OF INTEREST

Mr. BONE. Mr. President, earlier in the evening the Senate was generous in listening to me discuss a resolution I had introduced many days ago, Senate Resolution 85, dealing with the matter of the refunding of the national debt at lower interest rates.

At the time I discussed the resolution, which is a Senate resolution and not a joint resolution, I asked for a vote on it. The Senator from New York [Mr. WAGNER] got the floor, and it was impossible to have a vote at that time. This seems to be perhaps an opportune moment to ask for an expression of the Senate on that particular resolution.

I am not going to repeat the arguments I employed in presenting the resolution to the Senate this afternoon. I think there are very cogent reasons for the Senate making the request of the Secretary of the Treasury which I am asking. Certainly, in view of the needs of the country in the way of finances to underwrite this proposed $3,300,000,000 issue, it is vital that we use every legitimate method of getting the money without adding burdens of taxation to the burdens the people are already bearing.

At this moment I ask for a vote on the resolution. I should like to have a yea and nay vote, if I can have the support of Senators. I think it is a reasonable request. It does not involve anything more than a reasonable request of the Secretary of the Treasury. I ask for a yea and nay vote.

Mr. LONG. Let us have the yeas and nays

The yeas and nays were not ordered.

Mr. BONE. Mr. President, may I then have a quorum called? I want this matter fairly presented to the Senate, because it is a vital need.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Bailey	Black	Brown
Ashurst	Bankhead	Bone	Bulkley
Austin	Barbour	Borah	Bulow
Bachman	Barkley	Bratton	Byrd

Byrnes	George	Long	Sheppard
Capper	Glass	McAdoo	Shipstead
Caraway	Goldsborough	McCarran	Smith
Clark	Gore	McGill	Steiwer
Connally	Hale	McKellar	Stephens
Coolidge	Harrison	McNary	Thomas, Okla.
Copeland	Hastings	Metcalf	Thomas, Utah
Costigan	Hatfield	Murphy	Thompson
Cutting	Hayden	Neely	Townsend
Dale	Hebert	Norris	Trammell
Davis	Johnson	Nye	Tydings
Dickinson	Kean	Overton	Vandenberg
Dieterich	Kendrick	Pope	Van Nuys
Dill	Keyes	Reed	Wagner
Duffy	King	Reynolds	Walcott
Erickson	La Follette	Robinson, Ark.	Walsh
Fess	Lewis	Robinson, Ind.	White
Fletcher	Logan	Russell	
Frazier	Lonergan	Schall	

Mr. LEWIS. I rise to announce the absence of the Senator from Montana [Mr. WHEELER], who has been called out on a sudden emergency. He hopes to return later.

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present.

Mr. LONG. I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. ROBINSON of Indiana. Mr. President, will the Senator from Washington yield to me?

Mr. BONE. I merely wish to make a brief statement, and then the Senator may have the floor.

I wish to say to Senators who have come in since I spoke a little earlier in the evening and discussed this resolution, being Senate Resolution 85, that I content myself now with saying that this resolution merely invites the Secretary of the Treasury to call upon the holders of United States Government bonds, particularly those bonds issued to finance the war, asking them—not demanding of them, but asking them—to agree to a refunding of those bonds at a lower interest rate so that they may share in the burdens that the Government has been compelled to place upon the veterans and the wageworkers of the country in the compensation cuts of veterans and in the salary cuts of wage earners. I see no reason why we should not do that, in view of the fact that we have placed this burden on the soldiers and on the wageworkers.

The British and French Governments sent out a call asking that the holders of war bonds of those two countries turn them in and accept bonds paying a lower rate of interest, and that was done; it was accomplished.

The resolution that I have prepared, and on which I am going to ask for a vote, simply follows the technique and formula employed by the British and the French Governments in the fall of last year, by which the English Government saved £38,000,000 by the voluntary bringing in of bonds and their refunding by the Government. What I am seeking to do by this resolution is to ask the Secretary of the Treasury to do that. It is at best a mild gesture for the Senate to make in this hour of peril. It certainly cannot be said to be a very radical or a very drastic step to ask the bondholders of the country to share some of the burdens which all citizens now have to carry.

On this resolution, Mr. President, I am going to ask for the yeas and nays; but I now yield to the Senator from Indiana to enable him to make his statement.

Mr. ROBINSON of Indiana. Mr. President, I held up my hand a moment ago, with a number of other Members of this body, asking for the yeas and nays on this resolution. I am wondering why anybody would hesitate to vote on that question; it seems perfectly apparent to me that something ought to be done in this direction.

The war cost approximately $38,000,000,000. The money came out of the pockets of the American people. Of that vast sum, approximately four and one half billion dollars went to the "cannon fodder"—the troops, the soldiers, the sailors, and the marines. Thirty-three and one half billion dollars, almost all of it, went to the profiteers, so that millionaires were raised up over night like mushrooms.

Thousands and hundreds of thousands of disabled veterans now are abroad in the land. They have not sufficient means with which to live. When they were thrown into the breach and asked to make the sacrifice that has ruined their lives and ruined their careers, the allied cause was a lost cause. Only the intervention of American troops brought victory to the allied armies; and here, 4,000 miles behind the front, in complete safety, the profiteers were busy. They were piling up their millions on the sacrifices of the soldiers, sailors, and marines who were fighting, bleeding, and dying that the swollen fortunes of organized wealth might be increased.

The war ended. The troops came home, and they came home to every family in America; not a home in the land but was affected by bloodshed, in one way or another. Loved ones connected with every home were engaged in that struggle. Hundreds of thousands of them have never to this day been rehabilitated. God pity them all! They are out yonder in the night, looking for jobs and bread. Suddenly the cry goes up in the midst of depression, "Balance the Budget with the nickels of the poor", and the Liberty bond holders who own the bonds, who profiteered as a result of the rivers of blood poured out by the best youth of America, are so unsportsmanlike tonight as not only to demand that the Budget be balanced by the blood of the veterans of our various wars, but they dodge, dodge in the most disgraceful fashion, their own fair share of the cost of government. Witness the House of Morgan—J. Pierpont Morgan and his 19 partners—lying, lying, deceiving right and left, to get out of paying a single penny toward the cause of government, and they receive more protection from the Government than any others in the land. Their huge fortunes must be protected, police protection, fire protection, the many kinds of protection that property demands and that capital has always received. Now, they say, "You must slash the veterans still further, drive them out of the hospitals, refuse to give them decent clothing to go out into the weather; take away the only means they have of sustenance"; and the President of the United States, there in the White House, listens to these bondholders and profiteers.

It is an amazing situation. If anybody had told me 10 years ago that the time would ever come in this country when America would turn on the defenders of the Nation, and that a cowardly Congress would abdicate its powers to a cruel Chief Executive, who, through the means of a lord-high chief executioner would put them to death, I would have told that man it was a slander of my country and its flag. That day has come; we have seen it arrive; and I say to you, Mr. President, with all the earnestness at my command, that whenever a nation—and this has been proven true in all the history of the past—has turned its back on those who have defended it with their blood, it has been on the road to ruin and it has never come back. And I go farther. As I have said in this presence before, a nation that will not deal generously and considerately with those who have defended it in time of peril does not deserve to be defended if war comes—and we may have war tomorrow.

I saw figures a day or two ago, and from an authoritative source in the Treasury Department, to the effect that the bond interest on the Liberty bonds totaled an enormous sum. I am speaking only of the $12,000,000,000 that are due us from foreign lands; we have their bonds in the Treasury; they have given us their bonds; their bonds are there and they will be repudiated next Thursday. I think one of the reasons why the Chief Executive wants to get the Congress out of the way is that he may next Thursday accept 10 percent of the amount due from Great Britain on her bonds.

Mr. LONG. Mr. President——

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

Mr. ROBINSON of Indiana. No; not now.

Let it be understood that the House of Morgan wants these debts canceled. Up in the Treasury there is Mr. Woodin, who has received gratuity after gratuity from the House of Morgan. How can he deal with the House of Morgan with justice to the American people? There under him is Mr. Acheson, of Maryland, himself an attorney in a firm that

does business for the House of Morgan. He testified, so the Senator from Michigan [Mr. COUZENS] said, that Mr. John W. Davis, the Morgan attorney, frequently counseled with his firm. There in the same place as Commissioner of Internal Revenue is Mr. Helvering, of Kansas—God save the mark—who is charged with selling post offices out there at "so much per." That man the Democrats have placed in office as Commissioner of Internal Revenue. All the ingredients are present for the worst racket the world has ever known.

Mr. President, I saw figures a few days ago which show that something like $800,000,000, almost $1,000,000,000, must be paid out of the Treasury this year to the holders of tax-exempt securities of this Nation.

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

Mr. ROBINSON of Indiana. Not now. Eight hundred million dollars! That is nearly one fourth of the entire Budget, but we take $450,000,000 from the disabled veterans of the land and put them out on the streets without food. We balance the Budget with the nickels of the poor, and here a cowardly Senate refuses to vote on this question of whether the holders of these tax-exempt securities shall pay taxes or not. Can anybody imagine such a thing?

I yield now to the Senator from Washington.

Mr. BONE. I am sure the Senator realizes that if the interest rate on the bonds is reduced, even though the Congress does not enact a law taxing or attempting to tax the income of the bonds, by the process of reducing even voluntarily the interest rate on the bonds we will have accomplished, I think, a very decent and very reasonable thing in reducing the return on the bonds in that fashion.

Mr. ROBINSON of Indiana. Of course. I understand that. I am trying to get a yea-and-nay vote on the Senator's resolution, but awhile ago when we asked the Senate to vote on that question we were refused. Senators are not afraid to vote on the veterans, not afraid to crucify the veterans by their votes, but they are afraid to vote on a question that might injure the House of Morgan or any of its affiliates, or its pets on the preferred lists, or that might hurt those who have received gratuities who now hold positions of power in the National Government. Why should not the Senate stand up and be counted, yea or nay? Stand where ye belong! Let us see if Senators are for the American people or for the House of Morgan. Here is their chance.

I say again, Norman H. Davis is over yonder speaking for Mr. Roosevelt, not for the country. He is on another preferred list, this time for the Johns-Mansville stock. I think he bought the stock at 57 when it was selling in the open market at 78. He was getting thousands of dollars from the House of Morgan. He is the most powerful man abroad now for this administration, a tool of Morgan who desires the debts canceled in order that his private loans might be the more secure. Here is Mr. Woodin, Secretary of the Treasury, with his sattelite Acheson, attorney for the House of Morgan, and Helvering, of Kansas, who was charged with selling post offices right and left. Mr. Woodin is on all the preferred lists. Mr. Woodin is here at home on the preferred list of pets and over there abroad is Mr. Davis, ambassador at large of the House of Morgan, and here is the President who fears to discharge either of them because he dare not incur the wrath of the House of Morgan; yet this same President fears not to do the gravest sort of injustice to the veterans of America who wore the uniform.

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

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

Mr. ROBINSON of Indiana. Yes; I will yield now.

Mr. LONG. I hope my friend from Indiana will not include my friend Mr. Helvering. There is much that he says with which I agree, but he does a grave injustice to my friend Mr. Helvering. I read every line of the evidence in Mr. Helvering's case. I know Mr. Helvering. I never saw a line of competent evidence against Mr. Helvering. My friend from Indiana does a great injustice to the cause we both espouse, because we both think alike on these things.

Mr. Helvering unfortunately, and I say this to my friend from Indiana, set out in some method and course of procedure that aroused Mr. Henry L. Doherty, and Mr. Henry L. Doherty in his newspapers never failed to crack down on Mr. Helvering. I looked over the evidence and so far as any evidence of Mr. Helvering's selling post offices is concerned, there is not one scintilla of even half-way credible evidence to that effect. I hope my friend from Indiana will not jump on my friend Helvering any more, because he is one of the few men that we have been able to confirm who has actually stood for the rights of the little man in the administration of the matter of the income tax laws.

Mr. ROBINSON of Indiana. Mr. President, sometimes I am able most heartily to agree with my friend from Louisiana. Unfortunately in this instance we cannot agree.

Mr. President, I have no more to say at this moment. These facts are entirely plain to the American people. Here is Mr. Woodin on all the preferred lists, running the Treasury of the United States——

The PRESIDING OFFICER (rapping for order). The Senator from Indiana will suspend until the occupants of the galleries are in order. The Chair must admonish the occupants of the galleries that they are here by courtesy of the Senate. Laughter or demonstrations of approval or disapproval of the proceedings of the Senate are strictly forbidden by the rules of the Senate. If necessary, the Chair will have the galleries cleared.

Mr. TRAMMELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TRAMMELL. Does not the rule apply with equal force to Members of the Senate as it does to occupants of the galleries?

The PRESIDING OFFICER. It does, and the Chair would admonish Members of the Senate as he admonished the occupants of the galleries.

Mr. TRAMMELL. I think very often there is more disturbance and more disorder on the floor of the Senate than there is in the galleries.

The PRESIDING OFFICER. The Chair agrees with the Senator from Florida in that statement.

Mr. CONNALLY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. Does not the rule with reference to disorder apply to those who speak as well as to those who listen? [Laughter.]

The PRESIDING OFFICER. The Chair will state to the Senator from Texas that there are certain rules relating to the conduct of Senators in debate. If the Senator from Texas raises the question the Chair will pass on it.

Mr. ROBINSON of Indiana. I am grateful to the Chair. I am wondering if the Senator from Texas desires to call me to order for anything I have said, and if so whether he will specify? I pause for an answer.

The PRESIDING OFFICER. The Chair will pass on such questions when they are raised and submitted to the Chair. The Senator from Indiana will proceed.

Mr. ROBINSON of Indiana. Mr. President, over on the other side of the ocean is Mr. Davis, undertaking to get the debts canceled and to enter into consultative pacts and commit this country to a national policy which it has refused with scorn in the past. I ask, Mr. President, as we now go back to our homes throughout the country, how can we expect the people of the country to have confidence in this administration with Mr. Woodin receiving gratuities right and left from the House of Morgan, now under fire from a committee of the Senate, and ensconced in the Treasury as Secretary thereof, with Mr. Davis, principal agent of the President abroad, an emissary of the House of Morgan, which desires the debts canceled and transferred from Europe to the backs of the American people? I predict that by the time we come back, unless the President gets rid of these people, the American people will have completely lost confidence in this administration.

Now, Mr. President, why not vote "yea" or "nay" on this resolution? Why not stand up here and either vote for

the House of Morgan or against the House of Morgan and its affiliate, the National Economy League, which started out to crucify the veterans of the United States and their dependents?

Mr. President, I join the Senator from Washington [Mr. BONE] in demanding the yeas and nays.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. LONG. Mr. President, apparently we cannot get enough Senators to second the demand for the yeas and nays——

The PRESIDING OFFICER. The Chair will state that the Senator from Illinois claimed the floor and was recognized by the Chair.

Mr. LONG. If the Chair recognized the Senator from Illinois, that is all right with me. I would rather have somebody else talk.

The PRESIDING OFFICER. The Chair recognized the Senator from Illinois, and he has the floor.

Mr. LEWIS. I am glad that my rising meets the approval of the able Senator from Louisiana.

Mr. LONG. It does not meet with my approval.

Mr. LEWIS. Then I am glad it meets the disapproval, for that proves I must be correct in whatever I undertake.

Mr. President, of course under circumstances where events are unusual and the occasion itself remarkable, one may expect the ordinary excitement; and in public speech from a Senator who may be moved either by enthusiasm or indignation we could very readily understand the fever to which our able friend from Indiana [Mr. ROBINSON] has managed, in the fury of his resentment, to bring himself. But, Mr. President, we are about to adjourn. Either we will leave here tonight to return to our homes, or on the following day, after the Sabbath, we will return to duties purely incidental, while a night here will close the important chapters of our legislation.

Everything which can be done, consistent with both liberty and justice, particularly in the speeches of the eminent Members of this great body, to continue the confidence of the country in their Chief Executive and to multiply the hopes of the citizens at large in what they feel is now the rising tide of a new prosperity, should be encouraged. We are doing a great injustice and we are making an assault upon the very heart of the country when our eminent Members here would rise and tell the country that the evils of legislation such as they feel they may perceive, and such as they fancy they are pointing out, are coming from the President of the United States.

It is a very unfortunate observation to go to America from so renowned a source as the distinguished Senator from Indiana when he characterizes, before all America, the President of the United States as a cruel executioner.

If there had been anything in this body in the way of a statement or action that could have justified such an accusation, I have not beheld it; and I am sure the able Senator from Indiana will recognize that unless there be evidences to justify an accusation of such an extreme nature, it ought not to be indulged in.

Mr. President, it is impossible to know what particular details are carried in the bosom of the distinguished Senator from Indiana which, from his point of view, justify him in charging whatever may have been the conduct of what is called Morgan, or any other source, to the President of the United States. I beg to call to the able Senator's attention the fact that his remarks will be printed throughout the land, and wherever there are those inclined to characterize the President unjustly or who in themselves are unworthy of doing justice to an official the speech of the eminent Senator from Indiana will be quoted at length; and among other charges which will be dwelt upon it will be said that here in the Senate a Senator of the United States charges that the President of the United States incites his legislation to the conduct of such cruelty and to the extent of such barbarity that he would rob a crippled soldier.

The eminent Senator probably is not aware to what extent these observations may go, and how throughout the land where the law is not understood, and where the prescriptions of the act that has to do with pensions and with the distribution of compensation and allowances are not understood, the speech of the Senator from Indiana will inspire those who are unfortunate or those who are hopeless to feel that it is the President of the United States who, by some act of his lacking every spirit of justice and inspired by every wanton cruelty, has brought upon the soldier and the unfortunate the fate he is compelled to endure.

Mr. President, no President of the United States should be exempt from a just criticism and a rightful condemnation for any conduct that can be directly traced to his authorship; but we do a great injustice to the citizens when we incline to encourage what must be a misrepresentation of the character of the official, when we weaken the President in the estimate of his countrymen, and leave him before the civilized world as one charged in the highest legislative body of his land with deeds and with conduct that would not be laid to the door of the most ordinary individual engaged in the most cruel and brutal pursuit of ordinary war and murder.

Mr. President, the Senator from Indiana seems to feel some spirit of resentment against those who are the bondholders. I dare say there is none on this floor who has characterized that set of gentlemen with more ferocity for their injustices than have I. But, Mr. President, what I wish understood is that it is an injustice to the President that we should leave in the country the impression that he is in any respect chargeable with responsibility for the exorbitant and inordinate demands of bondholders who became possessed of their property in the form of securities seasons and seasons before the present President of the United States was ever called to office.

Why should he be charged with responsibility for acts of a nature so exacting, and, in the language of the able young Senator from the State of Washington [Mr. BONE], so far-reaching, as to pilfer the Treasury? Why should responsibility for those acts be charged to the present President, who was neither in office at the time as President nor holding any position of authority where he could either guide or direct whatever might have been the course, and now whatever may be the result, of the purchases of those bonds or of their possession?

I feel that too much ardor, we might say, too much spirit, has been disclosed in these debates, leaving upon our countrymen the impression as if there was a breach between the Senate of the United States and the President of the United States, where the Senate is charging the President, through responsible sources, as a public criminal against his country, and, on the other hand, charging the legislators with being remiss in the duty they owe to the office and too cowardly to discharge a duty they owe to mankind and to God.

Mr. President, let us realize that we are leaving for our homes. We are all under the obligation of cooperating as much as possible to bring about a calm spirit of something of renewed brotherly kindness. We are here to restore, if we can, and on tomorrow to multiply confidence in our fellow citizen in his country.

If we at the last hour of this body shall withdrawn from our fellow citizen the respect he has for his Nation, the regard he has for his country, the feeling of obedience he has to his Lord, and the respect he should owe to his officials, we do much, sir, to bring our fellow citizen back to that hour of desperation, that frightful day when in his depression he was helpless and hopeless; and in doing this, far from elevating the country with education in truth, we are bringing it down to the very low level where only falsehood and defamation could possibly have hurled it. Not intending such, I am sure the able Senator from Indiana upon reflection on his address will discover that the injury

he is doing unconsciously by the manner in which he anathematizes the great heads of his Government will fall upon a million who are helpless and just now in doubt and want of confidence and send them to where they are without faith and without hope.

At this hour, Mr. President, since the record of the President of the United States discloses no incident in all his life of cruelty to mankind, of barbarity to beasts, or anything save gentle humanity to fellow sufferers, let us feel that it has been a misapprehension on the part of any source that he would hold the office to the desecration of mankind and expose himself to the execration of his fellow citizens.

We will depart, we hope, after the few hours that hold us here, to return to where we may behold the brightened faces of our fellow citizens—those who have looked to us to restore to them faith and ardor, who are regarding us now as those who are bringing back a lost prosperity. If this can continue and be multiplied, as we are sensing it now to be, we will invite our fellow citizens into a new cooperation, and as they meet each other it will be with extended hand of a new aid and a new help; and without party distinction or party name we will, sir, reunite our fellow citizens in the confidence they have in each other, in the faith they have in their country, in the respect they bear the President of the United States; and, sir, in the full consciousness that there is now flowing to them once again the prosperity of which they dream; that there is revivified the honor and faith which is a part of their nature, which link them in one great chain of loyalty and devotion to their country and appreciation of their officials. They may render their thanks to Almighty God that they are Americans.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5755) to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes.

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

S. 804. An act to authorize the Secretary of War to grant a right of way to The Dalles Bridge Co.;

S. 1536. An act giving credit for water charges paid on damaged land;

S. 1745. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Umpqua River at or near Reedsport, Douglas County, Oreg.;

S. 1746. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Yaquina Bay at or near Newport, Lincoln County, Oreg.;

S. 1747. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Alsea Bay at or near Waldport, Lincoln County, Oreg.;

S. 1748. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Coos Bay at or near North Bend, Coos County, Oreg.;

S. 1749. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Siuslaw River at or near Florence, Lane County, Oreg.;

S. 1783. An act granting the consent of Congress to the Overseas Road and Toll Bridge District, a political subdivision of the State of Florida, to construct, maintain, and operate bridges across the navigable waters in Monroe County, Fla., from Lower Matecumbe Key to No Name Key:

S. 1808. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary in 1936 of the independence of Texas, and of the noble and heroic sacrifices of her pioneers, whose revered memory has been an inspiration to her sons and daughters during the past century;

H.R. 3511. An act to authorize the creation of a game refuge in the Ouachita National Forest in the State of Arkansas;

H.R. 3659. An act to extend the mining laws of the United States to the Death Valley National Monument in California;

H.R. 4872. An act authorizing Farris Engineering Co., its successors and assigns, to construct, maintain, and operate a bridge across the Monongahela River at or near California, Pa.;

H.R. 5589. An act granting the consent of Congress to the city of Washington, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Washington, Mo.; and

H.J.Res. 183. An act extending for 1 year the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and of the Tripartite Claims Commission.

FARM CREDIT ADMINISTRATION—CONFERENCE REPORT

Mr. BYRNES submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 6, and 56.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, and 54, and agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: On page 7, line 19, of the Senate engrossed amendments strike out " and representing the public interest " and insert in lieu thereof the following: " of whom two shall represent the public interest and one shall represent national farm-loan associations and borrowers through agencies and such director shall be a borrower from a Federal Land Bank "; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows:

" SEC. 86. Subdivision (a) of section 10 of the act entitled 'An act to relieve the existing national economic emergency by increasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief with respect to agricultural indebtedness, to provide for the orderly liquidation of joint-stock land banks, and for other purposes', approved May 12, 1933, is amended by inserting before the period at the end of the first sentence a colon and the following: '*And provided further*, That the State administrator appointed to administer this act in each State shall be appointed by the President by and with the advice and consent of the Senate.' "

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert " 87 "; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "88"; and the Senate agree to the same.

JAMES F. BYRNES,
P. L. GOLDSBOROUGH,
ALVA B. ADAMS,
Managers on the part of the Senate.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
JOHN D. CLARKE,
CLIFFORD R. HOPE,
Managers on the part of the House.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The question is on agreeing to the conference report.

The report was agreed to.

REFUNDING OF UNITED STATES GOVERNMENT BONDS AT LOWER RATE OF INTEREST

The Senate resumed the consideration of the resolution (S.Res. 85) favoring the refunding of United States Government bonds at a lower rate of interest.

Mr. BONE. Mr. President, there was so much confusion in the Chamber that I am not aware whether the Chair ruled on the question of whether there was a sufficient showing of hands to have a roll call on the vote on Senate Resolution 85.

The PRESIDING OFFICER. The present occupant of the chair is advised that the previous occupant of the chair ruled that there was not a sufficient number. The question is on agreeing to the resolution of the Senator from Washington.

Mr. REED, Mr. ROBINSON of Indiana, Mr. TRAMMELL, and other Senators called for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DALE (when his name was called). I have a pair with the junior Senator from California [Mr. McADOO]. In his absence I withhold my vote.

Mr. WAGNER (when his name was called). On this vote I am paired with the senior Senator from Missouri [Mr. PATTERSON]. I transfer that pair to the senior Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. LEWIS (when Mr. WHEELER's name was called). I again announce the absence of the Senator from Montana [Mr. WHEELER] on official business.

The roll call was concluded.

Mr. AUSTIN (after having voted in the affirmative). Again announcing my pair with the senior Senator from Virginia [Mr. GLASS], who is necessarily absent, I withdraw my vote.

Mr. BULKLEY (after having voted in the affirmative). I have a general pair with the junior Senator from Wyoming [Mr. CAREY], who is absent. Not knowing how he would vote, I withdraw my vote.

Mr. HEBERT. The Senator from New Hampshire [Mr. KEYES] has a general pair with the Senator from Massachusetts [Mr. COOLIDGE]. I do not know how either of those Senators would vote on this question if present.

Mr. ROBINSON of Indiana (after having voted in the affirmative). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. I understand that that Senator has not voted, and that if he were present he would vote as I have voted, and therefore I permit my vote to stand.

Mr. WALSH. My colleague the junior Senator from Massachusetts [Mr. COOLIDGE] is absent from the Senate on official business. As stated by the Senator from Rhode Island [Mr. HEBERT], he is paired on this question with the senior Senator from New Hampshire [Mr. KEYES].

Mr. LEWIS. I desire to announce that the following Senators are absent on official business: Mr. MURPHY, Mr. LONG, Mr. BANKHEAD, Mr. BARKLEY, Mr. BYRNES, Mr. PITTMAN, Mr. ERICKSON, Mr. HARRISON, Mr. STEPHENS, Mr. THOMPSON, and Mr. VAN NUYS.

The result was announced—yeas 69, nays 1, as follows:

YEAS—69

Adams	Cutting	King	Schall
Ashurst	Davis	La Follette	Sheppard
Bachman	Dickinson	Lewis	Shipstead
Bailey	Dieterich	Lonergan	Smith
Barbour	Dill	McCarran	Steiwer
Black	Duffy	McGill	Thomas, Okla.
Bone	Fletcher	McKellar	Thomas, Utah
Borah	Frazier	McNary	Townsend
Bratton	George	Neely	Trammell
Brown	Goldsborough	Norris	Tydings
Bulow	Gore	Nye	Vandenberg
Byrd	Hastings	Overton	Wagner
Capper	Hatfield	Pope	Walcott
Caraway	Hayden	Reed	Walsh
Clark	Hebert	Reynolds	White
Connally	Johnson	Robinson, Ark.	
Copeland	Kean	Robinson, Ind.	
Costigan	Kendrick	Russell	

NAYS—1

Logan

NOT VOTING—26

Austin	Couzens	Keyes	Pittman
Bankhead	Dale	Long	Stephens
Barkley	Erickson	McAdoo	Thompson
Bulkley	Fess	Metcalf	Van Nuys
Byrnes	Glass	Murphy	Wheeler
Carey	Hale	Norbeck	
Coolidge	Harrison	Patterson	

So Mr. BONE's resolution was agreed to.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

Mr. ROBINSON of Arkansas. Mr. President, a short time ago a discussion was had concerning the Executive order sent to the Senate this afternoon by the President. The thought was expressed by the Senator from California and others that the session of the Congress should continue until an opportunity should be afforded for the Congress to study the Executive order and to take any action which might be found desirable respecting it.

While that discussion was in progress I stated that in a short time I would be ready to present an analysis of the Executive order, in the belief that we would be better able to determine whether it was necessary to prolong the session in order to afford an opportunity of rejecting or disapproving the order referred to.

Mr. BORAH. Mr. President, may I suggest that there is no copy of that message to be had at this time? I think there is one copy—perhaps there are two copies—in the Chamber. I am unable to get a copy. I wanted to ask some questions as the Senator proceeded. I will ask, is there a copy of the message on the desk?

The VICE PRESIDENT. There has not been a copy delivered to this desk.

Mr. ROBINSON of Arkansas. Mr. President, I will proceed with my remarks. In this Executive order the President believes that he has eliminated those subjects which are likely to provoke and to prompt controversy, and has limited the order to those eliminations in the service, to those consolidations and other changes, which it is believed will meet with general approval.

Projects for reorganization in the Executive agencies which would secure greater efficiency of operation with reductions in expenditures, have been submitted in large numbers from many sources during the course of the study that has been made, both within and without the Government agencies. These suggestions, dealing not only with mere bodily transfers of bureaus from one department to another, but also going into the principles of the distribution of work, have required an immense amount of study and consolidation with many officers and agencies of the Government. It was the desire of the President to submit at this session of the Congress, as early as practicable, a complete, integrated plan.

The course of unexpected and emergent business, and the necessity of giving primary attention to measures calculated to meet economic conditions, have made it literally impossible to give the matter of reorganization that full measure of study and consideration which it deserves.

Probably it is not necessary for me to remind Senators that while we have all been very busy, perhaps the busiest man in the whole world during the last 3 months has been the President of the United States. In spite of what has been said about him this evening by the Senator from Indiana, he has toiled with great energy and patience in an effort to work out the emergent problems which we all recognize as necessary of solution before a more stable condition may be established respecting the business affairs of the Nation.

I shall not attempt at this juncture to enter into any political discussion whatever. It is recognized now, was recognized by the President when he sent this Executive order to the Senate, that it is unfortunate it could not have been presented at an early enough day to permit fuller consideration of its provisions, but, as has already been stated, the plan involved in the Executive order was intended to eliminate matters substantially controversial and restrict the order to those changes in the organization of the Government which were believed to command almost universal approval and support.

In this contingency the Executive was faced with the alternative of deferring the presentation of reorganization matters altogether or of presenting certain selected ones, the desirability of which could be established within the limits of time available for their consideration. To have followed the former course would have postponed for a considerable period of time all the economies to be derived from these measures. To follow the latter course makes it impossible to allow the amplitude of time for consideration by Congress which the Executive earnestly desired. Balancing the relative disadvantages between these two courses, it has seemed the more in the public interest to follow the latter course and thus to realize the very considerable economies which the items of reorganization now possible of endorsement will yield.

The Executive is the more encouraged to the latter course because it is believed that the matters of reorganization to which it has been possible to give proper study are those whose desirability is the least debatable.

In detail the reasons for the various measures embraced in the Executive order will now be presented. First, with respect to procurement or purchases. Are Senators aware that there are six agencies of the Government authorized by law to purchase trucks, those agencies being the War Department, the Navy Department, the Commerce Department, the Interior Department, the Agricultural Department, and the Post Office Department?

The agencies purchasing clothing are three in number, the War Department, the Navy Department, and the Interior Department.

The agencies leasing lines of communication include the War, the Navy, the Commerce, the Treasury, and the Agricultural Departments.

The agencies purchasing medical supplies are the Interior Department, the War Department, the Navy Department, the Treasury Department, and the Interior Department.

Practically every agency of the Government now makes purchases. In doing so they very frequently compete against each other. The economy of centralized purchase was long ago established in business enterprises. It cannot be questioned that the same economy is possible in the Government service. In the execution of this centralization a sane course naturally will be followed. It is not the intent that the centralized purchasing agency will buy specialized articles which are peculiar to a particular Department. To state an extreme case, for example, the Navy obviously will continue to procure battleships. As to such specialized purchases, the central purchasing agency will exercise only a coordinating and information-assembly function. In brief, it will undertake purchasing of products used in common by several Departments and simply lend whatever of its advice and cooperation may be useful to other kinds of purchasing. The same observation applies to construction work. Buildings of a more or less standard nature will, in general, be constructed under the supervision of the Procurement Division; buildings of a specialized nature will continue to be constructed by the agency using them.

In connection with supplies which are in common use the Procurement Division will naturally undertake such warehousing and distribution functions as are reasonably connected with purchasing. In addition, in order to assure economic use of surplus properties of the Government, the Procurement Division will have charge of such surpluses and will apply them to all requirements before purchasing similar materials.

I pass now from the procurement provisions of the order to national parks, buildings, and reservations.

The administration of national parks, monuments, cemeteries, and other reservations, and of public buildings is of a similar character to that described with respect to procurement. Generally speaking, such administration involves problems of maintenance and operation which are akin throughout. These problems of maintenance and operation rather obviously can be more economically administered if under a single organization.

What has been said above applies to those facilities which are not devoted to the use of any particular agency. Buildings used solely by the Post Office Department, for example, should be administered most economically by that Department, and therefore the order provides that facilities employed in the work of a particular agency may be administered by that agency.

The order abolishes certain commissions which carried on particular aspects of this work. The necessity for such commissions which existed in the absence of any centralized administration of buildings and reservations disappears with the organization of such an agency.

The third feature of importance embraced within the Executive order relates to governmental investigations.

To the extent that the Bureau of Prohibition deals with permits for the manufacture and sale of alcohol, it duplicates work now done by the Bureau of Internal Revenue. The latter Bureau, being a revenue-collecting agency, is the proper agency to administer the issuance and cancelation of permits which are closely tied up with the collection of revenue, and therefore this function is centralized in Internal Revenue.

With a few minor exceptions, the remaining functions of the Bureau of Prohibition involve the investigation of infractions of the prohibition law. No organizational reason is perceived for a special bureau for the investigation of a particular kind of crime. The Bureau of Investigations of the Department of Justice is charged with the general investigation of crimes against Federal laws, and the apprehension of criminals, and it is believed that the Federal laws may be better enforced if the investigatory personnel is consolidated in a single organization.

The fourth feature of this Executive order relates to disbursements. There are about 2,200 disbursing officers in the United States. This is rather an absurd situation. No business organization would think of scattering a function among so many different persons and offices. Disbursement is a technical function which should be performed by a specialized personnel and could be so performed with an increased efficiency and greater economy.

The order also provides for transference to spending agencies of responsibility for improper expenditures for which disbursing officers now are solely held.

The fifth feature of the Executive order has to do with claims by or against the United States. Responsibility for prosecuting and defending suits to which the United States is a party is governed by a multiplicity of laws which are a maze of conflicting and anomalous provisions. District attorneys and marshals are responsible to the Attorney General. Nevertheless, certain agencies of the Government have the right to issue binding instructions to attorneys and marshals regarding the prosecution of suits. The Solicitor of the Treasury, who is in point of law a subordinate of the Attorney General, has the anomalous authority of final decision in certain matters without respect to the judgment of the Attorney General. It was clearly the

intent of the law creating the Department of Justice that the Attorney General should have responsibility for prosecuting and defending suits to which the United States is a party, and the whole conflict comes from failure to properly amend antecedent laws.

The order gives effect to the legislative intent respecting the Department of Justice and centers in the Attorney General the sole responsibility for the conduct of suits. The order in nowise diminishes the present authority of the various departments in respect to controversies before they get into the courts, but it provides that, once the Attorney General is called upon to act in the matter, thereafter his judgment is to be conclusive. This is highly desirable from the standpoint of sound organization and it will be productive, perhaps not of savings in actual expense, but of savings due to better administration of court matters.

Under this provision, the defense of suits regarding war-risk insurance will be transferred from the Veterans Administration to the Department of Justice, and there is a very considerable saving to be expected from this.

This provision does not relieve the Solicitor of the Treasury of his duties as legal adviser of the Secretary of the Treasury, but for the better performance of such duties he is placed in the Treasury Department.

Next I pass to the consideration of the sixth prominent feature of the order having relation to insular courts. All other courts being either under the Department of Justice in the case of legislative courts, or in the case of constitutional courts provided for by appropriations through the Department of Justice, it appears in the interest of sound organization to transfer to that Department jurisdiction of the courts in China, Panama Canal Zone, and the Virgin Islands.

Section 7. Solicitors: By an archaic bit of organization the Solicitors for the Departments of Commerce and Labor are nominally under the Attorney General but actually under the respective Secretaries. The order recognizes the facts and transfers the solicitors from the rolls of the Department of Justice.

Section 8. Internal Revenue: The Bureau of Industrial Alcohol is an offshoot of the Bureau of Internal Revenue. If reason ever existed for the segregation of this particular phase of revenue collecting, no reason is perceived for its continuance. The consolidation brings all phases of internal-revenue collection under one head.

Section 9. Assistant Secretary of Commerce: It is desired to broaden the responsibilities which may be assigned to the junior Assistant Secretary of Commerce in order that he may be of greater usefulness in the Department.

Section 10. Official Register: Preparation of the Official Register is largely from the records of the Civil Service Commission and may much better be placed there than with the Bureau of the Census.

Section 11. Statistics of cities: In the interest of economy it is believed that for a period of 2 years the collection of statistics of cities under 100,000 population may properly be suspended.

Section 12. Shipping Board: The functions of the Shipping Board are closely allied with many functions now performed by the Department of Commerce, particularly those having to do with navigation and steamboat inspection, and it is believed that material economies will result from abolishing the Board and transferring its duties to the Department.

Section 13. National Screw Thread Commission: The National Screw Thread Commission performs duties which may be performed to equal advantage within the Department of Commerce, and this provision is in the interest of simplification of the governmental structure.

Section 14. This is important. It relates to immigration and naturalization. The Bureaus of Immigration and Naturalization obviously deal with similar problems and economies will be possible in the solution of these problems if they are consolidated in a single organization.

Section 15. Vocational education: The transfer of functions of the Federal Board for Vocational Education to the Department of the Interior is proposed in the interest of simplification of the governmental structure, preserving at the same time the usefulness of the Board in an advisory capacity so that the Department may have the benefit of the various viewpoints now represented by members of the Board.

Section 16. Apportionment of appropriations: The functions of making, waiving, and modifying apportionments of appropriations were established by the Antideficiency Act, which considerably antedated the Budget and Accounting Act. They are clearly matters of budgetary control. At the present time they are exercised in a rather perfunctory manner and it is believed that the intent of Congress as expressed in the Antideficiency Act will be more fully realized by the proposed transfer.

Section 17. Coordinating service: The necessity for the coordinating service arose out of the dispersion of similar activities among all the departments. Among the most significiant of these is that of purchase. A great deal of the effort of the coordinating service has been to secure some measure of coordination of purchase. With the organization of the Procurement Division, this effort becomes unnecessary. Similar observation is to be made with respect to other activities, namely, it is believed that improvements in the organization of governmental functions will render efforts at coordination unnecessary. In view of this it is felt that the service may be abolished at this time.

Section 18. The reduction of 25 percent in the functions named in this section is in the interest of economy.

Section 19. General provisions: This section makes general provision for disposition of the records, property, facilities, equipment, and supplies of transferred and abolished agencies and functions. In respect to personnel, it enables the agencies to which functions are transferred to make selection of the best of the personnel hitherto employed upon the transferred functions.

Section 20. Appropriations: The provisions of this section enable transfer of appropriations and impoundment of savings as contemplated in the law.

Section 21. Definitions:

There are a number of definitions which are not regarded as of sufficient consequence to require discussion at this juncture.

Section 22, effective date: In accordance with law the order is made to become effective 61 days from date, except that it is felt that some discretion must be reserved to postpone the effective date in the case of particular transfers. The consolidation of procurement, for example, must follow an orderly procedure in order to avoid any disruption of service, and it is not felt possible at this time to forecast the exact date at which such transfers may be made.

In order that the Senate may fairly understand the provisions and effect of the Executive order this statement is submitted. As I said some moments ago, it is believed that the necessity for the changes contemplated in the order are apparent; that Senators upon consideration of the explanation will not find it necessary to prolong consideration of the order. If mistakes should hereafter appear to have been made, they may be corrected by legislation or by modification of the order.

I have stated as fully as I am able to do the effects of the provisions contained in the order, and I thank the Senate for the very patient manner in which it has heard me.

Mr. REED. Mr. President, it seems to me that the submission of this message is the crowning travesty in a week that has made a perfect farce of representative government. Here in the closing hours of the session comes a message from the Executive couched, so far as I have been permitted to read it—because only one copy of this has been available and that has mostly been in the possession of other Senators—in terms so general that it is utterly meaningless.

The first section, which I was enabled to read before the copy was taken from me by another eager Senator, speaks of the organization of the "procurement division." All of the accumulated wisdom of a century and a half of the Nation's experiences goes overboard now without an oppor-

tunity for the Senate or the House to consider it. All the training we have had in making purchases for the Government in such manner as to get the best quality at the lowest price and the most complete freedom from corruption, all goes overboard in a new institution called the "Division of Procurement of the Treasury Department."

That division, if you please, Mr. President, is to be charged with the duty of buying highly technical and scientific machines for the Bureau of Standards, buying ordnance for the Army, buying scientific apparatus for the Navy, buying even for the Department of Agriculture and for the Department of the Interior. A new organization, enormous in its scope, is being created to buy for all the different departments of the Government.

It means not a saving but a duplication. If that organization were to function intelligently in buying ordnance for the Army, it must have ordnance experts to place the order, but the Army must still make its request and it must maintain its present ordnance experts to make the request of this new division as to what shall be bought. So, instead of having one group of experts making the decision and guiding the purchase, we will have two of them with all of the red tape that goes in the negotiations from one department to the other. That is only an instance in miniature of what will occur throughout all the departments of the Government. The great superorganization that will do the purchasing must of necessity be duplicated in every one of the departments that it is intended to serve.

I am criticizing only the first paragraph of the Executive message. I have not had the privilege or the time of reading any further, nor have most of the Senators who sit here. When the message came to us it was expected that we were going to adjourn tonight. To shove such a thing before the Congress and ask for its passive acquiesence in this revolutionary change in our Government structure seems to me to be little more than a contemptuous gesture toward the Members of Congress, who are not expected to read or to understand or to act on what the Executive submits.

Mr. HASTINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Delaware?

Mr. REED. Yes; I yield.

Mr. HASTINGS. I wish to inquire whether the Senator knew whether it was expected that the Congress was to act favorably upon this matter at this time or whether it was not intended that this order should become effective until after the expiration of 60 days.

Mr. REED. So far as I am aware, it is intended to take advantage of the clause in the present law which provides that the Executive may submit to Congress changes in the structure of the Government and that unless Congress disagrees with them within 60 days the changes become settled fact, and the proclamation of the Executive becomes settled law. Under that clause this order is submitted to us within a few hours of expected adjournment, when it is manifest to everyone that Congress cannot possibly take any action for or against it.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Idaho?

Mr. REED. I yield to the Senator from Idaho.

Mr. BORAH. No change can be made in this matter except through the affirmative act of the Congress. That is to say, if we do not take some affirmative action, such as passing a joint resolution, and adjourn tonight, the order becomes a law, because we have no chance to act.

Mr. REED. Precisely. If we take no action, it becomes a law.

Mr. BORAH. Mr. President, may I say that with a very large portion of this message I am in sympathy. As explained by the Senator from Arkansas, there are in it two or three matters of very great importance to the West. I do not see how it is possible for us to change it. We cannot pass a joint resolution between now and 12 o'clock.

Mr. REED. Obviously not.

Mr. BORAH. But I am of the opinion that we are not going to adjourn at 12 o'clock.

Mr. REED. I quite agree with the Senator. We are not going to adjourn at 12 o'clock.

Mr. DICKINSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED. I yield.

Mr. DICKINSON. I desire to suggest that in paragraph 5 there is also a transfer of power to the Attorney General to allocate such new duties as he may desire to allocate. In the original law we gave the President certain authority; but we certainly did not give him any authority to delegate to any other official of the Government the right to allocate new positions and new jobs and assign them as he saw fit.

Mr. REED. Apparently the theory is that the trust we have reposed in the President can be delegated by him to anybody he may select.

Mr. ROBINSON of Indiana. Mr. President——

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

Mr. ROBINSON of Indiana. I wish to ask the Senator from Pennsylvania if he or anybody else knows what is in the Executive order.

Mr. REED. I do not, except as we have had a very helpful exposition of it from the Senator from Arkansas; but none of us has been able to digest that. None of us has had time to consider it. In fact, the whole animating spirit this week has seemed to be to drive Congress to the point where it is incapable of thought.

The idea of asking any parliamentary body to sit for such hours as the Senate has sat in the last 3 days! At this moment we have been in session more than 12½ hours, in addition to many committee meetings that have been forced upon us. Yesterday we were in session more than 11 hours; the day before for 13 hours. How can men give good thought to the business of government and drive ahead at any such rate? How is it possible to give of ourselves our best judgment to governmental problems and work at any such speed? And as far as I am able to discover, the only reason why we are working at any such speed is that the President wants to go on a vacation. All Government business must yield for that.

I submit that it is a travesty on popular government.

Mr. DILL. Mr. President——

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

Mr. REED. I do.

Mr. DILL. Does the Senator think that if the Congress stayed in session for the next 60 days there would be any possibility that we would pass a joint resolution interfering with this Executive order?

Mr. REED. Probably not, because the Democratic majority is so great as to prevent it; but at least those of us who are in the minority could say to the country why and wherein we believe it to be unsound—a privilege that the minority in every legislative body, outside of Russia and Italy, has been accustomed to exercise ever since parliamentary government began.

Mr. HARRISON. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Mississippi?

Mr. REED. I yield.

Mr. HARRISON. Is it not a fact that when the Senator's own party was in control of the Government, at the instance of President Harding and his successor, when the Republicans controlled the Congress, and when the Senator sat as one member of the Joint Committee on Reorganization, they framed a reorganization plan, and it failed to get through Congress?

Mr. REED. That is quite true, excepting——

Mr. HARRISON. And that is what would happen now if it were left to Congress and not to the President.

Mr. REED. That is quite true, excepting that I did not sit as a member of the committee of which the Senator

speaks; but Congress, representing the people, has a right to be heard on this matter. It may be that you can whip it through with this majority; but at least we have a right to call the attention of the people to what we believe to be its defects, and that right is being denied us.

Mr. JOHNSON. Mr. President, I do not join in any animadversions upon the President of the United States in relation to this matter, or in relation to any other matter. I am grateful indeed that the Senator from Arkansas [Mr. ROBINSON] should have submitted to us an explanation of the message which came to us so late tonight; but the explanation that thus he submits is the demonstration that this session of Congress ought not to adjourn until it has had the opportunity itself to study the message presented, and to determine for itself whether or not the recommendations therein shall be carried out.

Mr. President, I do not question at all that doubtless there are many things in the reorganization program of the President which will meet with hearty approval from all of us. But, sir, I am not ready to concede that without its being read by any of us, practically, without any of us indeed having the opportunity that the Senator from Arkansas has had to know the explanation of each particular section of the message, we should abandon our prerogative, and abandon what we ought to do in relation to a measure of this importance.

The vice of the situation is this:

Unless affirmative action be taken by us, we are denied any action at all; for the law provides that if within 60 days we do not act in respect to the recommendations that are made, then those recommendations become final and conclusive, and they are then substantive law. That is the vice of the situation here, because it is an utter, absolute impossibility for any of us, save possibly the Senator from Arkansas, who has the explanation before him—to familiarize himself with what has been presented to us by the President's message.

Mr. LONG. Mr. President——

The VICE PRESIDENT. Does the Senator from California yied to the Senator from Louisiana?

Mr. JOHNSON. No; I will not yield for the moment. Subsequently, I will yield.

The VICE PRESIDENT. The Senator declines to yield.

Mr. JOHNSON. But, Mr. President, there is another cogent reason, too. Concede, if you will—I am ready to concede it, although I do not know the fact, and I insist upon knowing it before I act—concede that every provision contained in this message is one which ought to be accepted by us, and is one which will mean betterment and greater efficiency in the service of the Government: Under those circumstances, if it be of the character that is indicated to us; if the savings are to be made that are set forth in the message; if, indeed, efficiency is to be increased and enhanced; if all of the benefits that have been described so eloquently in the message that has been read by the Senator from Arkansas are to accrue, then we should act affirmatively, so that this beneficent measure shall go into effect, not 60 days from now, but immediately—day after tomorrow, as the case may be, or the day after that—for the law in respect to this matter is set forth in no uncertain terms:

> Whenever the President makes an Executive order under the provisions of this title, such Executive order shall be submitted to the Congress while in session, and shall not become effective until after the expiration of 60 calendar days after such transmission, unless the Congress shall by law provide for an earlier effective date of such Executive order or orders.

If this message contains all the good that we believe it does; if it has within it the germ of economy for which we are all striving and all praying; then, when we have read it, and when we know it, let us act affirmatively, and put it in operation immediately, instead of waiting the 60 days that under the procedure that is here advanced we must wait before we act.

If it is not all of the character that it is asserted to be, then we ought to be able to act, and act affirmatively.

So take either horn!

First, assert—which probably is not the fact—that the order contains within itself germs that are injurious to certain sections of his country: Then we should act, and we should act in a fashion, of course, to indicate those things that we think are harmful or perilous to the service.

Secondly, if the order is of such inestimable importance, if it does have within it all of the things that are asserted by the Senator from Arkansas in the disquisition that he read, then we should act upon it and put it in force, not 61 or 60 days from now, but immediately.

We can do that only in one fashion, and we act in respect to either horn of the dilemma in one fashion, and one alone; that is, by knowing what we are doing, and then acting as our consciences and our judgments direct.

We cannot do it tonight. That is admitted. We are being driven now with all the force of a Juggernaut into an adjournment. I do not object to an adjournment early. I do not object to an adjournment whenever it may occur without harm to the public service. But if the Senate yet retains a shadow of a scintilla of a particle of its dignity, there is no reason that can be presented here, if individual Senators still have a sense of their responsibility, why we should not work on this matter on Monday, with Sunday intervening, in which we might familiarize ourselves with it; and then on Monday, if it has within it the great benefits that some of us believe it may have, by substantive law put it in force immediately; or, if it be the reverse express ourselves in that regard and prevent its being operative at all.

It means a delay of a day, a delay of 2 days, in adjournment. What of it, I ask? What of it? It may mean a day, it may mean 2 days; but think: If this message presents what we think is of vast aid to the Government of the United States, what is a day, or what are 2 days? Why not put this reorganization scheme into effect without delay; or, if it be of the other kind that some seem to assert here, then act so that it shall not go into effect at all?

Mr. LONG. Mr. President, I do not think the Senator from California need worry that he is not going to have time to familiarize himself with this particular matter before us. I called at the desk for a copy, but the copy had not yet been forthcoming. It is probably here in the hands of some Member of the Senate, but we have entirely too much business before us to be contemplating an immediate adjournment.

We legislated rather hurriedly last evening, but we were settling some propositions which had been before the American people for a number of years. We took unto ourselves the task of settling once and for all a long-argued squabble of whether we should or should not publish income-tax returns. Notwithstanding the fact that our well-recognized and beloved leaders on both sides of this Chamber voted against the publication of income-tax returns and the information therein contained, by a vote of 2 to 1 the Senate went on record last evening in favor of publishing the income-tax returns.

My learned and distinguished friend from the State of Missouri [Mr. CLARK], who I understand in a kindly and complimentary way gave me respectful mention in my absence this afternoon——

Mr. CLARK. Mr. President, it was after the Senator had made an eloquent speech, to which I called attention.

Mr. LONG. The Senator from Missouri cannot get into an argument with me, inasmuch as he refers to my speech as an eloquent speech. I am too much complimented to say anything further. My distinguished friend offered on the floor of the Senate an amendment to tax the incomes from tax-exempt securities, long a bone of contention in legislative circles, which has plagued us here for many, many years. At the conclusion of the debate the Senate went on record in favor of imposing a tax on heretofore tax-exempt securities.

Mr. President, when we had under consideration the industrial recovery bill—I believe it is called that—the Senator from Idaho [Mr. BORAH] proposed an amendment,

which in effect emasculated the so-called "exceptions" by which the antitrust law was ignored.

Mr. LEWIS. Mr. President, I ask for order in the Chamber.

The VICE PRESIDENT. Our guests will kindly retire in case they desire to.

Mr. LONG. I understand there has been some kind of a roll call ordered over in the House, and I will wait a moment until the Members of the House have retired, or expired. [Laughter.]

Mr. President, I supported last evening the proposition of imposing an income tax on the income from tax-exempt securities, and that was voted into the bill by a large majority in the Senate. I was in doubt about my vote on that matter for some time, but the more I have thought about it today the prouder I am that the Senate went on record as in favor of imposing a tax on incomes from these tax-exempt securities.

The Senator from Idaho offered an amendment in the Senate which was such that it might be called an imposition on the price fixers and trade manipulators who might seek to hide behind the so-called "annulment" of the antitrust laws. I had depended upon that amendment being retained in the bill, but I understand that has been emasculated in part.

I have not seen the report of the conference yet, but I myself proposed an amendment, which was accepted unanimously on the floor of the Senate, to the effect that the licensing provision in the law should in no manner prevent a man pursuing his customary pursuits of manual labor and marketing the products thereof. It also would have permitted a man to market and sell the products from any farm without interference from any Government bureaucrat or Government administrator. I do not know what happened to that; but I simply say, by way of passing remark, that the chances are more or less certain that the amendment has been emasculated and torn from the bill.

Such being the case, we are then faced tonight with the proposition of the veterans legislation. On the floor of the Senate my friend from the State of Texas [Mr. CONNALLY] proposed an amendment to the amendment proposed by my friend from the State of Florida [Mr. TRAMMELL]. We had stood by the Trammell amendment, proposing to limit the amount of reductions which could be put into effect by the President of the United States to 15 percent.

Lo and behold, all of a sudden, through the support of party leaders, the distinguished junior Senator from the State of Texas rose and informed us that he was armed with an amendment which would receive the approval and the benediction of all proper and necessary sanction to become law. Thereupon enough Senators, not including myself, sacrificed the better Trammell amendment to vote for the Connally amendment, under the proposed-to-be legislative assurance that that was going to mean a law to that effect, with no quibble or equivocation about it one way or the other.

I am informed from the daily press and from such information as we Senators and Representatives get that that has been emasculated, and what has been given the veterans now could be put in the eye without even soiling the most tender tissue of it.

AMENDMENT OF CRIMINAL CODE

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H.R. 5091) to amend section 289 of the Criminal Code, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ASHURST. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. KING, Mr. STEPHENS, and Mr. BORAH conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

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

S. 1425. An act to amend the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes", approved March 9, 1933; and

S. 1648. An act to amend the Reconstruction Finance Corporation Act, as amended, to provide for loans to closed building-and-loan associations.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5091) to amend section 289 of the Criminal Code; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SUMNERS of Texas, Mr. MCKEOWN, and Mr. KURTZ were appointed managers on the part of the House at the conference.

The message further announced that the House had passed without amendment the bill (S. 1634) to provide for the redemption of national-bank notes, Federal Reserve bank notes, and Federal Reserve notes which cannot be identified as to the bank of issue.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

Mr. LONG. Mr. President, we have heard about the industrial recovery bill, we have heard about the veterans' bill, and we now come to the further fact of the President's order as to certain readjustments in the executive departments of the Government. This reorganization will take effect in 60 days unless Congress takes affirmative action to the contrary.

Mr. BARKLEY. Mr. President, reading the law under which this reorganization plan is submitted, it occurs to me that Congress has no jurisdiction to veto the action of the President in sending in this reorganization message. The language is:

> Whenever the President makes an Executive order under the provisions of this title, such Executive order shall be submitted to Congress while in session and shall not become effective until after the expiration of 60 calendar days after such transmission, unless Congress shall by law provide for an earlier effective date of such Executive order or orders.

In other words, Congress could vote to put this order into effect within less than 60 days, but it has no authority under this law to nullify the President's order or to postpone its execution beyond 60 days. So that if Congress should remain in session all summer, all we could do about it would be to pass a joint resolution making it effective in less than 60 days rather than at the end of 60 days; except that we could, of course, repeal the whole law by a joint resolution, nullifying any action on the part of any department with reference to the consolidation. But this law itself under which we are acting does not provide for the nullification of the President's order by act of Congress.

Mr. BORAH. Mr. President, do I understand the Senator from Kentucky to say that it is not within the power of Congress to nullify or to vacate this order by a joint resolution?

Mr. BARKLEY. I did not say that. I said, on the contrary, that Congress, of course, could repeal the law under which the President acted or it could pass a joint resolution nullifying any order of reorganization. But this law itself does not provide for any affirmative action on the part of Congress or any negative action on the part of Congress, except action that would look to the earlier inauguration of the reorganization than the 60-day period provided in the law.

Mr. BORAH. Exactly. But suppose Congress did desire to nullify or to vacate a part of the order, or all of it, let us say a portion of it. It could do that by joint resolution.

Mr. BARKLEY. Yes; and, of course, that joint resolution would require the President's signature. Of course, it could be vetoed by the President.

Mr. BORAH. I thought when we were passing the bill that we were taking from ourselves the power to legislate without a two-thirds vote. We are in that situation, nevertheless. The only way we can do anything about it is by joint resolution.

Mr. BARKLEY. That is my interpretation.

Mr. BORAH. It would be utterly impossible to pass the joint resolution between now and the time we are going to adjourn.

Mr. BARKLEY. I am not assuming that Congress would want to pass the joint resolution.

Mr. BORAH. I think I can call the Senator's attention to a few matters from which he would agree that we would want a change.

Mr. BARKLEY. I would not want to commit myself to that in the dark.

Mr. BORAH. No; and I would not expect the Senator to do so, but we are committing ourselves to this measure in the dark, because nobody has yet been able to get a copy to read.

Mr. CLARK. Mr. President, I should like to ask the distinguished Senator from Kentucky if he can give any reason on earth, outside of the ukase of the distinguished majority leader in this body, why this particular day, the 10th day of June, 1933, is held sacred for adjournment, and why it was necessary to run night and day several days before this day in order to adjourn on this particular day. The Constitution says nothing about it, the President has said nothing about it and nothing has been said about it anywhere until within the last 10 or 15 days.

Mr. BORAH. Mr. President, the Senator from Missouri I think has fallen into an error. The international conference will meet on Monday next.

Mr. FLETCHER. Mr. President, I should like to ask the Senator from Idaho if he has looked into the question as to whether the Congress could approve a portion of the Executive order and disapprove other portions. In other words, we do not have to accept it all or reject it all, do we?

Mr. BORAH. No; I do not think so.

Mr. FLETCHER. We can approve a portion of it and reject another portion?

Mr. BORAH. I think so.

Mr. LONG. Mr. President, I understand that we will probably have some more legislation which may be thought out. Conferences are going on even now. Some have been called for 11 o'clock.

Mr. BARKLEY. Mr. President, is the Senator referring to something he heard from the junior Senator from Michigan [Mr. VANDENBERG] a moment ago?

Mr. LONG. Yes; that was the information I got. I hope it is wrong, and I hope nothing will come from the conferences about which I have been hearing.

Mr. TRAMMELL. It is a matter of common knowledge to every Senator who has been listening that only about 3 to 5 minutes ago a conference was provided for. When the Senator yielded a few moments ago, the Chair appointed conferees on a certain bill.

Mr. LONG. But there is another one.

Mr. TRAMMELL. I do not know anything about that. This one was just mentioned in the regular parliamentary procedure, so that every man in the Senate who has been listening knows that that conference has not yet gotten into operation.

Mr. LONG. There is worse than that going on. We have been praying to get back where we started. We started out here to guarantee bank deposits, and now we have been praying to get something through Congress, without any law at all on the subject, because they are emasculating the measure we passed, and we would be tickled to death if we had never opened up the subject. What we are trying to do now is to get a way out, like the old man who reached in the hollow of a tree and got the coon. His boy asked him if he wanted him to help him hold the coon. He said he did not want him to help him hold him, but for God's sake come and help him turn him loose. [Laughter.] We have been trying to turn loose this bank law ever since we sent it out of here, and now I understand they are having another conference here tonight. Well, if we are going to recess, that is all right, but when are we going to recess?

Mr. ROBINSON of Arkansas. I am ready to make a motion now, if the Senator will suspend.

Mr. LONG. Very well.

NATIONAL INDUSTRIAL RECOVERY—CONFERENCE REPORT

Mr. HARRISON. Mr. President, will the Senator from Louisiana yield to me to submit a conference report so that it may be printed and be available to Members of the Senate?

Mr. LONG. I yield for that purpose.

The VICE PRESIDENT. The Senator from Mississippi submits a conference report.

The report submitted by Mr. HARRISON is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5755) to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, 21, 23, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 47, 49, 54, 69, 76, 79, 80, 88, 89, 90, 92, and 93.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 51, 52, 53, 55, 56, 57, 58, 59, 60, 61, 62, 63, 65, 67, 70, 71, 72, 73, 74, 75, 77, 81, 82, 83, 84, 85, 87, 91, 94, and 95, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert ": *Provided*, That such code or codes shall not permit monopolies or monopolistic practices"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with the following amendments: On page 3 of the Senate engrossed amendments, line 11, strike out "and" and insert "quantities or"; on page 3 of the Senate engrossed amendments, line 16, strike out "shall" and insert "may"; and on page 3 of the Senate engrossed amendments, line 21, strike out "may" and insert "shall"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "and also the construction of any river or drainage improvement required to perform or satisfy any obligation incurred by the United States through a treaty with a foreign Government heretofore ratified and to restore or develop for the use of any State or its citizens water taken from or denied to them by performance on the part of the United States of treaty obligations heretofore assumed: *Provided*, That no river or harbor improvements shall be carried out unless they shall have heretofore or hereafter been adopted by the Congress or are recommended by the Chief of Engineers of the United States Army"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and "reconstruction, alteration, or repair"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "and paragraph (3) of such subsection (a) shall for such purposes be held to include loans for the construction or completion of hospitals the operation of which is partly financed from public funds, and of reservoirs and pumping plants and for the construction of dry docks"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "heavier-than-air aircraft and technical construction for the Army Air Corps and"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "and bridge"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "seven eighths"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "and one eighth in the ratio which the population of each State bears to the total population of the United States, according to the latest decennial census"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "citizens of the United States and aliens who have declared their intention of becoming citizens, who are"; and the Senate agree to the same.

Amendment numbered 79½: That the House recede from its disagreement to the amendment of the Senate numbered 79½, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "citizens of the United States and aliens who have declared their intention of becoming citizens, who are"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with amendments as follows:

On page 21 of the Senate engrossed amendments, line 15, strike out all after the figures "1932" down to and including the word "act" in line 17;

On page 25 of the Senate engrossed amendments, line 14, strike out "214" and insert "215";

On page 26 of the Senate engrossed amendments, line 12, strike out "the date of";

On page 26 of the Senate engrossed amendments, line 19, strike out "212" and insert "213";

On page 27 of the Senate engrossed amendments, line 15, strike out all after the colon down to and including line 20, and insert the following: "No part of any loss disallowed to a partnership as a deduction by section 23 (r) shall be allowed as a deduction to a member of such partnership in computing net income.";

On page 28 of the Senate engrossed amendments, line 2, strike out "taxable year 1932" and insert "taxable years 1932 and 1933";

On page 28 of the Senate engrossed amendments, line 5, strike out "1933, 1934, and 1935" and insert "1934 and 1935";

On page 28 of the Senate engrossed amendments, line 7, strike out the period and insert a period at the end of the line;

On page 28 of the Senate engrossed amendments, strike out lines 19 to 25, both inclusive, and lines 1 to 11, both inclusive, on page 29;

On page 29 of the Senate engrossed amendments, line 12, strike out "(i)" and insert "(h)";

On page 29 of the Senate engrossed amendments, line 14, strike out all after the colon down to and including line 17 and insert the following: "and all returns made under this act after the date of enactment of the National Industrial Recovery Act shall constitute public records and shall be open to public examination and inspection to such extent as shall be authorized in rules and regulations promulgated by the President" and a period;

On page 30 of the Senate engrossed amendments, strike out lines 4 to 24, both inclusive, and lines 1 to 19, both inclusive, on page 31;

On page 26 of the House bill, at the end of line 18, insert the following: "The President is authorized to allocate so much of said sum, not in excess of $100,000,000, as he may determine to be necessary for expenditures in carrying out the Agricultural Adjustment Act and the purposes, powers, and functions heretofore and hereafter conferred upon the Farm Credit Administration"; and

On page 26 of the House bill, after line 18, insert the following:

"SEC. 221. Section 7 of the American Adjustment Act, approved May 12, 1933, is amended by striking out all of its present terms and provisions and substituting therefor the following:

"'SEC. 7. The Secretary shall sell the cotton held by him at his discretion, but subject to the foregoing provisions: *Provided*, That he shall dispose of all cotton held by him by March 1, 1936: *Provided further*, That, notwithstanding the provisions of section 6, the Secretary shall have authority to enter into option contracts with producers of cotton to sell to the producers such cotton held by him, in such amounts and at such prices and upon such terms and conditions as the Secretary may deem advisable, in combination with rental or benefit payments provided for in part 2 of this title.

"'Notwithstanding any provisions of existing law, the Secretary of Agriculture may in the administration of the Agricultural Adjustment Act make public such information as he deems necessary in order to effectuate the purposes of such act.'"

And the Senate agree to the same.

PAT HARRISON,
WILLIAM H. KING,
WALTER F. GEORGE,
Managers on the part of the Senate.

R. L. DOUGHTON,
HEARTSILL RAGON,
SAM B. HILL,
ALLEN T. TREADWAY,
ISAAC BACHARACH,
Managers on the part of the House.

Mr. HARRISON. I ask the report may be printed and that it may go over until Monday.

The VICE PRESIDENT. The report will be printed and go over.

LOANS TO CLOSED BUILDING-AND-LOAN ASSOCIATIONS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1648) to amend the Reconstruction Finance Corporation Act, as amended, to provide for loans to closed building-and-loan

associations, which was, on page 2, line 15, after the word "same", to strike out all down to and including "purposes", in line 20.

Mr. BULKLEY. I move that the Senate concur in the House amendments.

The VICE PRESIDENT. The question is on the motion of the Senator from Ohio.

Mr. CLARK. Mr. President——

Mr. LONG. Mr. President, I yielded only for a motion to recess. I do not want to concur in anything until we take a look at what we have been doing here.

ADDITIONAL PETITIONS AND MEMORIALS

Mr. COPELAND presented a resolution adopted by the Sunnyside Branch Local of the Socialist Party, of New York City, N.Y., favoring the immediate abrogation of the Platt amendment embodied in a treaty between the United States and Cuba, and its replacement by another treaty which will accord fuller independence to the Cuban people, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Albany (N.Y.) Realty Board, protesting against the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which were ordered to lie on the table.

He also presented a resolution adopted by the Community Councils of the City of New York, N.Y., favoring the passage of legislation permitting the Reconstruction Finance Corporation or other agency to loan money to municipalities for the construction or the rehabilitation of school buildings, being non-self-liquidating projects, which was ordered to lie on the table.

ADDITIONAL ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, June 10, 1933, the committee presented to the President of the United States the following enrolled bills:

S. 1129. An act to amend sections 4399, 4418, 4429, 4430, 4431, 4432, 4433, and 4434 of the Revised Statutes, as amended, relating to the construction and inspection of boilers, unfired pressure vessels, and the appurtenances thereof;

S. 1514. An act authorizing the Administrator of Veterans' Affairs to convey certain lands to Harrison County, Miss.;

S. 1561. An act providing for the payment of $50 to each of the enrolled Chippewa Indians of the Red Lake band of Minnesota from the timber funds standing to their credit in the Treasury of the United States; and

S. 1580. An act to relieve the existing national emergency in relation to interstate railroad transportation, and to amend sections 5, 15a, and 19a of the Interstate Commerce Act, as amended.

ADDITIONAL BILL INTRODUCED

Mr. CUTTING introduced a bill (S. 1928) to enable the United States to enter the International Copyright Union, which was read twice by its title and referred to the Committee on Foreign Relations.

AMENDMENT TO THE INDEPENDENT OFFICES APPROPRIATION BILL—VETERANS' BENEFITS

Mr. STEIWER and Mr. CUTTING submitted an amendment in the nature of a substitute intended to be proposed by them to the House amendment to Senate amendment no. 47 to House bill 5389, the independent offices appropriation bill, which was ordered to lie on the table and to be printed.

"POLITICAL ORATORY AND THE NEW DEAL"—ADDRESS BY GEORGE F. AUTHIER

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address delivered by George F. Authier on June 7, 1933, entitled "Political Oratory and the New Deal."

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

Political oratory of the old school, which Bryan, La Follette, and others represented, has succumbed to the "new deal" brought about by radio and other devices.

A new school has arisen in its place. While William Jennings Bryan is the outstanding example of the old style, President Franklin D. Roosevelt has become the most prominent personification of the new. The chapter once made bright by the stump speaker, the platform and Chautauqua lecturer, and the old-time convention orator, has been closed and a new one begun.

The machine age has advanced with no more far-reaching consequence than in the development of devices for enabling the human voice to broadcast itself. The radio, the loudspeaker, and the movietone have closed the story on those old-time political orators—a race of giants who contributed much to the upbuilding of American civilization and culture.

Not only has there been witnessed the withdrawal from the stage of the men whose mechanically unaided eloquence stirred multitudes but the "new deal" has resulted in a starting independence in politics, spelling a new era in political life.

The result of the last presidential election illustrates what has occurred. A country hitherto overwhelmingly Republican placed a Democrat in the White House by one of the greatest majorities ever recorded.

President Roosevelt personifies the new political oratory. His vibrant voice, his simple and straightforward style, have enabled him to project his vivid personality over the air. His radio addresses since he became President have given him the premiership among those who receive a hearing over this new medium.

The speaker of the old school had to have a unique equipment. To be successful when there was no artificial aid for the amplification of the voice required personality, art, histrionic talent, magnetism, quickness of perception. Above all there was required a voice as splendidly equipped and as exquisitely modulated for public speaking as the wonderful throat of Caruso was adapted to singing.

The old-time orator addressed partisans and he talked partisanly. The speaker of the new school does not know whom he is addressing. His unseen audience is more interested in argument than in imagery; more in substance than in form. The appeal, accordingly, is made without glaring partisanship, and the answer is on an independent basis.

The passing of the great artists of the past will be noted with regret. They furnish the color in the pages of American history. Each generation produced its own list of champions of the spoken word, and their place in history is secure.

No American popular orator ever has reached the Presidency. Abraham Lincoln and Woodrow Wilson were effective orators, but their genius rested chiefly in the mastery of style. The halls of Congress have resounded with the eloquence of Henry Clay, of Daniel Webster, of Calhoun, of Stephen A. Douglas. Just as the great Mirabeau voiced the spirit of the French Revolution in words of flaming eloquence, so these Americans made vocal the aspirations of their time. In the final analysis they were shunted aside by men of different mold.

Within our own times a galaxy of these epic word painters burst forth with unusual brilliancy.

Like their predecessors, they failed of the grand prize in American politics and a tragic note accompanies the closing of their careers.

Outstanding in the list were Jonathan Prentiss Dolliver, of Iowa; Albert J. Beveridge, of Indiana; Robert M. La Follette, of Wisconsin; William J. Bryan, of Nebraska; and a score of others. The list is continued by men of note of today whose ranks are fast closing. Among them are Norris of Nebraska; Reed, of Missouri; Borah, of Idaho; and Johnson, of California.

In his latter years Senator La Follette made a gallant fight for the Presidency as an independent. He encountered the radio age. He complained bitterly about the effect of it upon his style. "This instrument", he said ruefully, "makes me feel as if my feet were tied to the floor." The Senator never fully adjusted himself to speaking to an unseen audience.

Of the orators of the old school, William Jennings Bryan stands out as the man who accomplished the most through sheer oratory. Other great speakers were aided by their official place. Bryan made his way through the qualities of his voice, plus those other qualitiies that make a great public speaker. Like Henry Clay, his speeches do not read well. But in the case of both, the effect of the spoken word must have been tremendous, judging from the influence they exerted.

The presidential campaign of 1896 was the crowning point in the career of Mr. Bryan. Projected into the political arena with dramatic suddenness as the result of his celebrated cross of gold speech, everything after that was largely momentum.

Bryan was 36 years old when he swept the Chicago convention off its feet. He entered the campaign with the glamor of youth.

Men and women who have come upon the stage since then little realize the fiery enthusiasm with which that campaign was waged. Bryan entered into it with the spirit of a crusader and the note of a crusade was continued to the end. The candidate traveled more than 18,000 miles. He drew large crowds everywhere, whether in the "enemy country" as he called New York, the Middle West, or the solid South. "The prairies were on fire for the candidate", it was reported. It was not until Mark Hanna had perfected his great organization that the tide was stopped. Despite the charm which the Bryan oratory exerted, regardless of the hold he had on the popular imagination, it was evident as the campaign progressed that he became less convincing, although continuing a drawing card to the end.

Bimetallism had caught the popular fancy. Accordingly, when Bryan arose before the Chicago convention to say, even then having a tendency toward biblical paraphrase:

"That if protection has slain its thousands, the gold standard has slain its tens of thousands", he was merely uttering a sentiment that already existed.

Bryan fought against ever-increasing odds. He was thundered at by pulpit and press. The Late Archbishop Ireland, of St. Paul, openly opposed him. The Reverend Thomas Dixon, Jr., of New York, in the Academy of Music, said that Mr. Bryan was a "mouching, blubbering demagogue, whose patriotism was all in his jawbone."

The late Col. Henry Watterson, in the Democratic Louisville Courier-Journal, said:

"Mr. William J. Bryan has come to Kentucky, and Kentuckians have taken his measure. He is a boy orator. He is a dishonest dodger. He is a daring adventurer. He is a political faker. He is not the material of which the people of the United States ever made a President, nor is he the material of which any party has ever before made a candidate."

When a Democratic paper could so assail him it may be imagined how he was attacked by the Republican press.

The campaign started in a blaze of glory and ended in disaster. No sooner was the result announced than Mr. Bryan commenced to build all over again. It was then he demonstrated he was the "most successful unsuccessful politician" this country ever has produced.

Up to the last he remained a member of the old school. His marvelous voice, with its bell-like tone, never needed the loudspeaker, nor was the radio a going concern in his day.

In his closing moments Mr. Bryan requested that he be buried in Arlington, the shrine of America's soldier dead. He had worn the uniform in the Spanish War, but he always maintained that "peace hath her victories as well as war."

It was in the selection of his final abode that the drama of his going away rested. The muffled note of military suggestion, the martial surroundings, the nearby presence of the tomb of the Unknown Soldier, the broken masthead of the *Maine*, whose destruction started America upon a career of adventure which Bryan deprecated—all suggested fleeting notes in the adventurous and battling life which had been led by the Apostle of Peace.

The place itself where he is buried has a suggestion of the vanished hopes which had cheered the Commoner during the burning moments of his fretted career.

Between him and the home of the Presidents lies the Potomac. During his entire lifetime Mr. Bryan had been permitted to look into the promised land, but entrance had been denied him. Like Moses he lies buried at its portals, with its historic monuments glistening in unattainable allurement.

So long as men grope for new ideas, and so long as there are others with messages to deliver, political oratory never will die. The great and eloquent voices of the past are now silent forever. The new deal and the new school make impossible the direct appeal by which the former political leaders and great popular speakers like Robert G. Ingersoll, Henry Ward Beecher, and Wendell Phillips triumphed. But where they spoke to a few thousand, the speaker of today, aided by science and invention, may reach millions. The pathway of this new experiment still is being explored, but an invitation is extended to the human voice to attain heights of eloquence never before approached.

RECESS

Mr. ROBINSON of Arkansas. I move that the Senate take a recess until 11 o'clock a.m. on Monday next.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

Mr. STEIWER. Mr. President, will the Senator from Arkansas withhold the motion for a moment?

The VICE PRESIDENT. The Senator from Louisiana said he yielded only for the purpose of taking a recess.

Mr. LONG. That is all.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and (at 11 o'clock and 3 minutes p.m.) the Senate took a recess until Monday, June 12, 1933, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 10 (legislative day of June 6), 1933

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY

William E. Dodd, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Germany.

John Cudahy, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Poland.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Lincoln MacVeagh, of Connecticut, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Greece.

ASSISTANT SECRETARY OF STATE

Harry F. Payer, of Ohio, to be an Assistant Secretary of State.

UNITED STATES ATTORNEYS

Thomas J. Morrissey, of Colorado, to be United States attorney, district of Colorado, to succeed Ralph L. Carr, term expired.

Clarence E. Bailey, of Oklahoma, to be United States attorney, northern district of Oklahoma, to succeed John M. Goldesberry, term expired.

Lester G. Fant, of Mississippi, to be United States attorney, northern district of Mississippi.

UNITED STATES MARSHALS

Guy McNamara, of Texas, to be United States marshal, western district of Texas, to succeed Scott C. White, whose term expires June 13, 1933.

John P. Logan, of Oklahoma, to be United States marshal, northern district of Oklahoma, to succeed John H. Vickrey, term expired.

W. C. Geers, of Oklahoma, to be United States marshal, western district of Oklahoma, to succeed Duke Stallings, appointed by court.

MEMBER OF RECONSTRUCTION FINANCE CORPORATION

Frederic H. Taber, of Massachusetts, to be a member of the board of directors of the Reconstruction Finance Corporation for the unexpired portion of the term of 2 years from January 22, 1932, vice Gardner Cowles, Sr.

DIRECTOR OF THE UNITED STATES EMPLOYMENT SERVICE

W. Frank Persons, of the District of Columbia, to be Director of the United States Employment Service, Department of Labor.

ASSAYER IN CHARGE

George L. Swarva, of Seattle, Wash., to be assayer in charge of the United States Assay Office at Seattle, Wash., in place of Thomas G. Hatheway.

COLLECTORS OF INTERNAL REVENUE

Robert L. Douglass, of Nevada, to be collector of internal revenue for the district of Nevada, in place of Louis A. Spellier.

Herbert Felkel, of St. Augustine, Fla., to be collector of internal revenue for the district of Florida, in place of Peter H. Miller.

Ira N. Hinckley, of Salt Lake City, Utah, to be collector of internal revenue for the district of Utah, in place of James H. Anderson.

Charles V. Duffy, of Paterson, N.J., to be collector of internal revenue for the fifth district of New Jersey, in place of John R. Rogers.

George W. O'Malley, of Greeley, Nebr., to be collector of internal revenue for the district of Nebraska, in place of Arthur B. Allen.

Harry L. Maloney, of Camden, N.J., to be collector of internal revenue for the first district of New Jersey, in place of Edward L. Sturgess.

Hector H. Perry, of Ellendale, N.Dak., to be collector of internal revenue for the district of North Dakota, in place of Gunder Olson.

Otto A. LaBudde, of Wisconsin, to be collector of internal revenue for the district of Wisconsin, in place of Alonzo H. Wilkinson.

COLLECTOR OF CUSTOMS

William H. Gilliland, of Fort Arthur, Tex., to be collector of customs for customs collection district no. 21, with headquarters at Port Arthur, Tex., in place of Kyle Elam.

Carl E. Moore, of Cleveland, Ohio, to be collector of customs for customs collection district no. 41, with headquarters at Cleveland, Ohio, to fill an existing vacancy.

COMPTROLLER OF CUSTOMS

David M. Barnwell, of Fresno, Calif., to be comptroller of customs in customs collection district no. 28, with headquarters at San Francisco, Calif., in place of John J. Deane.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 10 (legislative day of June 6), 1933

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY

William E. Dodd to be Ambassador Extraordinary and Plenipotentiary to Germany.

Robert P. Skinner to be Ambassador Extraordinary and Plenipotentiary to Turkey.

John Cudahy to be Ambassador Extraordinary and Plenipotentiary to Poland.

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

Francis White to be Envoy Extraordinary and Minister Plenipotentiary to Czechoslovakia.

John Flournoy Montgomery to be Envoy Extraordinary and Minister Plenipotentiary to Hungary.

Robert Granville Caldwell to be Envoy Extraordinary and Minister Plenipotentiary to Portugal.

Alvin Mansfield Owsley to be Envoy Extraordinary and Minister Plenipotentiary to Rumania.

Lincoln MacVeagh to be Envoy Extraordinary and Minister Plenipotentiary to Greece.

ASSISTANT SECRETARY OF STATE

Harry F. Payer to be an Assistant Secretary of State.

ASSISTANT ATTORNEYS GENERAL

George C. Sweeney to be Assistant Attorney General.

William Stanley to be Assistant to the Attorney General.

Harold M. Stephens to be Assistant Attorney General.

Frank J. Wideman to be Assistant Attorney General.

UNITED STATES CIRCUIT JUDGE

Louis FitzHenry to be United States circuit judge, seventh circuit.

UNITED STATES DISTRICT JUDGES

Robert C. Bell to be United States district judge, district of Minnesota.

Patrick T. Stone to be United States district judge, western district of Wisconsin.

UNITED STATES ATTORNEYS

William J. Barker to be United States attorney, district of New Mexico.

Carl C. Donaugh to be United States attorney, district of Oregon.

William McClanahan to be United States attorney, western district of Tennessee.

Clyde O. Eastus to be United States attorney, northern district of Texas.

Carl L. Sackett to be United States attorney, district of Wyoming.

William A. Holzheimer to be United States attorney, division no. 1, district of Alaska.

Ralph J. Rivers to be United States attorney, division no. 4, district of Alaska.

Thomas J. Morrissey to be United States attorney, district of Colorado.

John A. Carver to be United States attorney, district of Idaho.

Charles C. Wyche to be United States attorney, western district of South Carolina.

Joseph A. McNamara to be United States attorney, district of Vermont.

Berthol J. Husting to be United States attorney, eastern district of Wisconsin.

Lester G. Fant to be United States attorney, northern district of Mississippi.

Clarence E. Bailey to be United States attorney, northern district of Oklahoma.

UNITED STATES MARSHALS

Bertrand Money Bates, Jr., to be United States marshal, western district of Tennessee.

Joseph A. McDonald to be United States marshal, division no. 4, District of Alaska.

John M. Comeford to be United States marshal, western district of Wisconsin.

Guy McNamara to be United States marshal, western district of Texas.

W. C. Geers to be United States marshal, western district of Oklahoma.

John P. Logan to be United States marshal, northern district of Oklahoma.

JUDGE OF THE UNITED STATES CUSTOMS COURT

William J. Keefe to be judge of the United States Customs Court, New York City.

MEMBERS OF THE FEDERAL RESERVE BOARD

J. J. Thomas to be a member of the Federal Reserve Board.

M. S. Szymczak to be a member of the Federal Reserve Board.

MEMBERS OF THE FEDERAL HOME LOAN BANK BOARD

John H. Fahey to be a member of the Federal Home Loan Bank Board.

Russell Hawkins to be a member of the Federal Home Loan Bank Board.

Walter H. Newton to be a member of the Federal Home Loan Bank Board.

MEMBER OF THE BOARD OF DIRECTORS OF THE RECONSTRUCTION FINANCE CORPORATION

John J. Blaine to be a member of the board of directors of the Reconstruction Finance Corporation.

C. B. Merriam to be a member of the board of directors of the Reconstruction Finance Corporation.

MEMBERS OF THE BOARD OF DIRECTORS TENNESSEE VALLEY AUTHORITY

Harcourt Alexander Morgan to be member of the board of directors of the Tennessee Valley Authority.

David E. Lilienthal to be member of the board of directors of the Tennessee Valley Authority.

INTERSTATE COMMERCE COMMISSIONER

Carroll Miller to be Interstate Commerce Commissioner.

FEDERAL TRADE COMMISSIONER

Raymond B. Stevens to be Federal Trade Commissioner.

MEMBER OF THE FEDERAL POWER COMMISSION

Basil Manly to be member of the Federal Power Commission.

MEMBER OF THE BOARD OF MEDIATION

Vincent Y. Dallman to be member of the Board of Mediation.

PURCHASING AGENT OF THE POST OFFICE DEPARTMENT

Harrison Parkman to be purchasing agent of the Post Office Department.

SOLICITOR FOR THE DEPARTMENT OF COMMERCE

South Trimble, Jr., to be solicitor for the Department of Commerce.

SUPERINTENDENT OF MINT

Peter J. Haggerty to be superintendent, United States mint, San Francisco, Calif.

COMMISSIONER OF PATENTS

Conway P. Coe to be Commissioner of Patents.

COMPTROLLER, BUREAU OF ACCOUNTS, POST OFFICE DEPARTMENT

William L. Slattery to be Comptroller, Bureau of Accounts, Post Office Department.

DIRECTOR BUREAU OF STANDARDS

Lyman J. Briggs to be Director of the Bureau of Standards.

MEMBER OF THE UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

Jewell W. Swofford to be a member, United States Employees' Compensation Commission.

DIRECTOR OF THE UNITED STATES EMPLOYMENT SERVICE

W. Frank Persons to be Director of the United States Employment Service, Department of Labor.

REGISTER OF THE LAND OFFICE

Maurice F. Miera to be register of the Land Office at Santa Fe, N.Mex.

ASSAYER IN CHARGE OF ASSAY OFFICE

George L. Swarva to be assayer in charge of the United States Assay Office at Seattle, Wash.

INTERNAL REVENUE COLLECTORS

Harwell G. Davis, district of Alabama.
Sidney P. Osborn, district of Arizona.
John P. Carter, sixth district of California.
John V. Lewis, first district of California.
Ralph Nicholas, district of Colorado.
William E. Page, district of Georgia.
Fred H. Kanne, district of Hawaii.
John R. T. Viley, district of Idaho.
Will H. Smith, district of Indiana.
Charles D. Huston, district of Iowa.
Harry D. Baker, district of Kansas.
Steven P. Vidal, district of New Mexico.
Charles H. Robertson, district of North Carolina.
J. Enos Ray, district of Maryland.
Eugene Fly, district of Mississippi.
Lewis Penwell, district of Montana.
James W. Maloney, district of Oregon.
David L. Lawrence, twenty-third district of Pennsylvania.
Alvin F. Fix, first district of Pennsylvania.
Robert M. Cooper, district of South Carolina.
Charles M. McCabe, district of Tennessee.
William A. Thomas, second district of Texas.
Alexander S. Walker, first district of Texas.
Fred C. Martin, district of Vermont.
John C. Bowen, district of Washington.
Walter R. Thurmond, district of West Virginia.
Thomas K. Cassidy, district of Wyoming.
George W. O'Malley, district of Nebraska.
Henry Clifford Jones, district of Oklahoma.
Herbert Felkel, district of Florida.
Otto A. LaBudde, district of Wisconsin.
Robert L. Douglass, district of Nevada.
Ira N. Hinckley, district of Utah.
Harry L. Maloney, first district of New Jersey.
Charles V. Duffy, fifth district of New Jersey.
Hector H. Perry, district of North Dakota.

COMPTROLLER OF CUSTOMS

David M. Barnwell to be comptroller of customs in customs collection district no. 28, San Francisco, Calif.

COLLECTORS OF CUSTOMS

Joseph H. Lyons, district no. 19, Mobile, Ala.
William B. George, district no. 25, San Diego, Calif.
Charles O. Dunbar, district no. 28, San Francisco, Calif.
Joseph A. Maynard, district no. 4, Boston, Mass.
John O'Keefe, district no. 34, Pembina, N.Dak.
James Houlahen, district no. 12, Pittsburgh, Pa.
Warren Van Dyke, district no. 11, Philadelphia, Pa.
Verda Allison Wright, district no. 43, Memphis, Tenn.
Fred C. Pabst, district no. 22, Galveston, Tex.
Saul Haas, district no. 30, Seattle, Wash.
William H. Gilliland, district no. 21, Port Arthur, Tex.
Carl E. Moore, district no. 41, Cleveland, Ohio.

APPOINTMENTS IN THE REGULAR ARMY

To be second lieutenants

CORPS OF ENGINEERS

Kenneth E. Fields
George Wood Beeler
John Joseph Danis
Duncan Hallock
Alfred Dodd Starbird
Jonn Douglas Matheson
Richard Davis Meyer
Alden Kingsland Sibley
Paul R. Gowen
Marshall Bonner
Lawrence Joseph Lincoln
Clayton Samuel Gates
James Vance Hagan
Robert Campbell Tripp
Edward George Herb
Jonas Arthur Ely
Charles Russell Broshous
Percival Ernest Gabel
Bernard Card
Rodney Cleveland Gott
Hoy D. Davis, Jr.
Alvin Charles Welling
Douglas Charles Davis
Ellsworth Barricklow Downing

SIGNAL CORPS

John Edward Watters
David Parker Gibbs

CAVALRY

Charles Wheeler Thayer
Frank Sherman Henry
Howard Elwyn Webster
James Hilliard Polk
Donald Gordon McGrew
William Gordon Bartlett
Joseph Henry O'Malley
Jack Wellington Turner
Edward Deane Marshall
David Virgil Adamson
James Leo Dalton, 2d
Marshall Woodruff Frame
Robert Allen Brunt
Sherburne Whipple, Jr.
Edwin Martin Cahill
Anthony Frank Kleitz, Jr.
Joseph Edward Bastion, Jr.
Franklin Stone Henley
Harold Lindsay Richey
Charles Fauntleroy Harrison
William Howard Thompson
William Fant Damon, Jr.
Robert Evans Arnette, Jr.
Francis Clay Bridgewater
Victor Haller King
Randall Elwood Cashman
Donald Cameron Cubbison, Jr.
Robert Harold Beans
Bruce von Gerichten Scott
Matthew William Kane
Richard Ensign Myers
Jules Verne Richardson
Norman Kemp Markle, Jr.
Charles Edmund Voorhees
Jesse Martin Hawkins, Jr.
Charles Ellsworth Leydecker

FIELD ARTILLERY

John Thomas Honeycutt
William Allen Harris
John Gardner Shinkle
Walter Adonis Downing, Jr.
Guy Cecil Lothrop
Thomas Samuel Moorman, Jr.
Herbert George Sparrow
Robert Wolcott Meals
Winton Summers Graham
William Livingston Travis
Thomas Burns Hall
Chalmer Kirk McClelland, Jr.
David Nicholas Crickette
John Denton Armitage
Paul Elton LaDue
Edward Joseph Hale
William Joseph Daniel
Tayloe Stephen Pollock
William York Frentzel
Samuel Edward Otto
Gerald Chapman
Daniel Parker, Jr.
Robert Beall Franklin
Paul Rudolf Walters
Vernon Cleveland Smith
Francis Hill
Herbert Charles Plapp
Lassiter Albert Mason
Francis Iden Pohl
Harrison King
Richard Park, Jr.
Beverly DeWitt Jones
William Hadley Richardson, Jr.
Frank Patterson Hunter, Jr.
Richard Channing Moore
John Roosevelt Brindley
Marcus Tague
Joseph Leonard Cowhey
Newell Charles James
John William Ferris
Robert Penn Thompson
Neil Merton Wallace
William Paul Whelihan
Robin George Speiser
William James Given, Jr.
Avery John Cooper, Jr.
Lawrence Browning Kelley
Cam Longley, Jr.
Carlyle Walton Phillips
Robert Benton Neely
Phillip Henshaw Pope
William John Ledward
George Allen Carver
James Monroe Royal, Jr.
Robert Totten
Douglas Moore Cairns
William Orlando Darby
Daniel Light Hine
George Thomas Powers, 3d
Frank James Carson, Jr.
Joshua Robert Messersmith
William Francis Ryan
James Henry Skinner
Richard John Meyer
Randolph Whiting Fletter
Horace Benjamin Thompson, Jr.
Humbert Joseph Versace
Milton Fredrick Summerfelt
Franklin Guest Smith
Gabriel Poillon Disosway
James Pugh Pearson, Jr.
Emile Jeantet Greco

COAST ARTILLERY CORPS

William Harris Ball
Robert Amrine Turner
Robert Crain Leslie
Francis Joseph McMorrow
Charles Golding Dunn
Thomas Allen Glass
Harry Julian
William Cunningham Reeves
Dabney Ray Corum
Edward Bodeau
Ferdinand Marion Humphries
John Joseph Lane

Travis Monroe Hetherington
Edgar O. Taylor
Ira Whitehead Cory
Thomas Kocher MacNair
John Glenn Armstrong
Robert Richard Lutz
Harry Winfield Schenck
Lamar Cecil Ratcliffe
Robert John Lawlor
Arthur Alfred McCrary
Edgar Haskell Kibler, Jr.
Harold Cooper Donnelly
William Oscar Senter
Frank Joseph Zeller
Richard Louis Matteson
Sidney Francis Giffin
Paul Nelson Gillon
John Hardy Lewis
Edward Thorndike Ashworth
William Bruce Logan
Lafar Lipscomb, Jr.
Harry Stephen Bishop
Harry Sheldon Tubbs
Frederic Henry Fairchild
Emory Edwin Hackman
Patrick William Guiney, Jr.
John Frederick Thorlin
Frank Harris Shepardson
William George Fritz
Robert Worman Hain
Charles Goyer Patterson
Ethan Allen Chapman
George Harold Crawford
Samuel McFarland McReynolds, Jr.

INFANTRY

John Steven Conner
David Warren Gray
William Orin Blandford
Lauren Whitford Merriam
Walter August Jensen
Theodore John Conway
Clayton Earl Mullins
Chester Arthur Dahlen
Morris Oswald Edwards
Herman Henry Kaesser, Jr.
George Hobart Chapman, Jr.
Henry Taylor Henry
Clyde Lucken Jones
Victor Edward Maston
Oren Eugene Hurlbut
George Warren White
Harold Roth Maddux
Dwight Divine, 2d
George Leon Van Way
Charles Henry Chase
Russell Roland Klanderman
Harry Nelson Burkhalter, Jr.
Stephen Ogden Fuqua, Jr.
Hardin Leonard Olson
Benedict Ray
Joseph Warren Stilwell, Jr.
Peter Paul Bernd
Arthur Robert Cyr
Arthur Wilson Tyson
Joseph Menzie Pittman
Gordon Pendleton Larson
Thomas Joseph O'Connor
George Rushmore Gretser
Edgar Collins Doleman
Cyril Joseph Letzelter
Jack Wallace Rudolph
John Abell Cleveland, Jr.
Roy Tripp Evans, Jr.
Raymond Emerson Kendall
Paul Thomas Carroll
Joseph Lockwood MacWilliam
Charles Harlow Miles, Jr.
William Henry Baumer, Jr.
Earl Jacob Macherey
Ralph Alspaugh
Gerald Lorenzo Roberson
Jewell Burch Shields
Thomas Herbert Beck
Maurice Evans Kaiser
Benjamin Thomas Harris
Gardner Wellington Porter
Harry William Sweeting, Jr.
Cyrus Abda Dolph, 3d
John Martin Breit
Thomas Bowes Evans
Walter Andrew Valerious Fleckenstein
Franklin Gibney Rothwell
Leo Harold Heintz
William Gray Sills
Ernest Mikell Clarke
Daniel W. Smith
Thomas de Nyse Flynn
Harold Keith Johnson
James Orr Boswell
William Howard Garrett Fuller
Gordon Milo Eyler
Cordes Frederich Tiemann
Maddrey Allen Solomon
Lyle William Bernard
Shelby Francis Williams
Richard Glatfelter
Jean Evans Engler
Corwin Paul Vansant, Jr.
Walter Abner Huntsberry
Andrew Donald Stephenson
Douglas Graver Gilbert
Frank Laurence Elder
Amaury Manuel Gandia
Samuel Abner Mundell
Felix Louis Vidal, Jr.
Gwinn Ulm Porter
Frederick Robert Zierath
Robert Hulburt Douglas
Carl Darnell, Jr.
Ira Bashein
Joseph Brice Crawford
Frederick William Coleman, 3d
Raymond Wiltse Sellers
Alton Alexander Denton
Frederick William Gibb
Ralph Talbot, 3d
Austin Andrew Miller
Henry Walter Herlong
Morris King Henderson
Earl Francis Signer
Richard Thomas King, Jr.
John Daniel O'Reilly
Roland Arthur Elliott, Jr.
Lloyd Ralston Fredendall, Jr.
Edson Schull
Joel Lyen Mathews
Royal Reynolds, Jr.
George Hollie Bishop, Jr.
Stephen B. Mack
Lawrence Kermit White
Graydon Casper Essman
Russell Franklin Akers, Jr.
Claude Leslie Bowen, Jr.
Duff Walker Sudduth
David Wagstaff, Jr.
Clyde Jarecki Hibler.
James Rhoden Pritchard
James Dennis Underhill
Robert Emmett Gallagher
Samuel Edward Gee
Alston Grimes
Nelson Parkyn Jackson
Frederick Otto Hartel
Ivan Walter Parr, Jr.
William Roberts Calhoun
Roy Dunscomb Gregory
Karl Truesdell, Jr.
William Anderson Hunt, Jr.
Glenn Howbert Garrison
Edson Duncan Raff
Chester Braddock Degavre
Erdmann Jellison Lowell
William Agin Bailey
Seymour Eldred Madison
Robin Bruce Epler
John Newman Scoville
William Field Due
Peter Demosthenes Clainos
John Frederick Schmelzer
Sydney Dwight Grubbs, Jr.
John Caldwell Price, Jr.
David Thomas Jellett
Millard Loren Haskin
Joseph Anthony Remus
Ben Harrell
Richard Churchfield Blatt
Richard Allen Risden
Joseph Ermine Williams
Miller Payne Warren, Jr.
Stanley Nelson Lonning
Robert Moore Blanchard, Jr.
William Wilson Quinn
Charner Weaver Powell
Charles Pearce Bellican
Edward Spalding Ehlen
Travis Albert Beck
Thomas Tallant Kilday
Richard Mattern Montgomery
Charles Hoffman Pottenger
John Roberts Kimmell, Jr.
William Vernard Thompson
Paul Douglas Wood
Gerald Carrington Simpson
Robert Wilkinson Rayburn
John Baird Shinberger

APPOINTMENT IN THE PHILIPPINE SCOUTS

Emanuel Cepeda y Salvador to be second lieutenant.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

First Lt. William John Crowe to Ordnance Department.

PROMOTIONS IN THE REGULAR ARMY

Fay Warrington Brabson to be colonel, Infantry.

Oliver Seth Wood to be lieutenant colonel, Infantry.

Allen Mitchell Burdett to be lieutenant colonel, Judge Advocate General's Department.

Edwin Kennedy Smith to be lieutenant colonel, Coast Artillery Corps.

Frederic Ballard Westervelt to be captain, Medical Corps.

Edmund Anthony Buchanan to be colonel, Cavalry.

Benjamin Delahauf Foulois to be colonel, Air Corps.

Ralph Hill Leavitt to be colonel, Infantry.

Goodwin Compton to be colonel, Signal Corps.

Sam Pruitt Herren to be colonel, Infantry.

Robert Goolrick to be lieutenant colonel, Air Corps.

Marshall Magruder to be lieutenant colonel, Field Artillery.

Walter Putney Boatwright to be lieutenant colonel, Ordnance Department.

John Piper Smith to be lieutenant colonel, Coast Artillery Corps.

George Richard Koehler to be lieutenant colonel, Infantry.

Joshua Dever Powers to be major, Coast Artillery Corps.

William Thomas Connatser to be major, Quartermaster Corps.

Frank Augustus Keating to be major, Infantry.

Richard David Daugherity to be major, Infantry.

Thomas Francis Kern to be captain, Corps of Engineers.

Ralph Edward Cruse to be captain, Corps of Engineers.

Lewis Tenney Ross to be captain, Corps of Engineers.

Charles Francis Baish to be captain, Corps of Engineers.

Lewis Hinchman Ham to be first lieutenant, Field Artillery.

Virgil Miles Kimm to be first lieutenant, Coast Artillery Corps.

Milton Merrill Towner to be first lieutenant, Air Corps.

Robert Curtis White to be first lieutenant, Field Artillery.

Clarence Ralph Bell to be lieutenant colonel, Medical Corps.

Robert Henry Duenner to be lieutenant colonel, Medical Corps.

PROMOTIONS IN THE NAVY

William H. Standley to be Chief of Naval Operations in the Department of the Navy with the rank of admiral.

William S. Hogg, Jr., to be a commander.

To be lieutenant commanders

William D. Sample	Richard B. Tuggle
Alfred P. Moran, Jr.	Henry R. Herbst

To be a lieutenant

William D. Brown.

To be lieutenants (junior grade)

Andrew M. Jackson, Jr.	Ray E. Malpass
Philip C. Evans	Roy A. Newton
Richard T. Spofford	Theodore T. Miller
Charles B. Martell	Horatio A. Lincoln
James H. Howard	Paul W. Hanlin
Frederick V. H. Hilles	George K. Brodie
Richard R. Briner	George Cook
Harry B. Dodge	Mervin Halstead
Kleber S. Masterson	Mack E. Vorhees
Claud W. Hughes	Samuel P. Weller, Jr.
Wilfred A. Walter	Frederick W. Laing
Frank E. Highley, Jr.	Hiram W. Spence
William A. Burgett	Edward Brumby
Peter R. Lackner	David A. Harris
Nicholas Lucker, Jr.	Leo G. May
Herman A. Pieczentkowski	Nathan S. Haines
Mell A. Peterson	Walter W. Strohbehn
Burrell C. Allen, Jr.	Elonzo B. Grantham, Jr.
John O. Kinert	Charles E. Earl
Denys W. Knoll	Montgomery L. McCul-
Martin C. Burns	lough, Jr.
Edward S. Carmick	Frederic C. Lucas, Jr.
John R. McKnight, Jr.	Walter G. Ebert
Jefferson R. Dennis	Kyran E. Curley
John E. Lee	Dana B. Cushing
Henry O. Hansen	Herbert H. Marable
Christian L. Engleman	Everett M. Block
Robert S. Trower, 3d	Bowen F. McLeod
Gifford Scull	Josephus A. Robbins
Alfred E. Grove	John B. Azer
Cyrus G. Hilton	Oliver D. T. Lynch
James W. Davis	Edson H. Whitehurst
Clyde B. Stevens, Jr.	William H. Sanders, Jr.
Harvey P. Burden	Walter C. Wingard, Jr.
George M. Holley, Jr.	Elias B. Mott, 2d
Robert J. Esslinger	William L. Harmon
Albert P. Kohlhas, Jr.	Ned Harrell
James D. L. Grant.	Burton S. Hanson, Jr.
Edgar J. MacGregor, 3d	Kelvin L. Nutting
Parke H. Brady	Davis W. Olney
Charles W. Lord	Oakleigh W. Robinson
James E. Stevens	George W. Foott, Jr.
Rowland C. Lawver	Royal A. Wolverton

To be ensigns, revocable for 2 years, from the 1st day of June 1933

Harold E. Ruble
Howard C. Duff
Charles W. Travis

To be an assistant dental surgeon

Richard H. Barrett, Jr.

To be a pay director

John H. Knapp.

To be assistant paymasters in the Navy with the rank of ensign, revocable for 2 years

Howard T. Bierer	Herbert S. Fulmer
Francis L. Blakelock	Donald O. Lacey
Hugie L. Foote, Jr.	Alfred T. Magnell

To be a chief pharmacist

John O. Labrie.

MARINE CORPS

Gerald Roland Wright to be a second lieutenant.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 10, 1933

The House met at 10 o'clock a.m.

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

O give thanks unto the Lord, for He is good and His mercy endureth forever. We thank Thee, our blessed Heavenly Father, that Thy mercies are fresh every morning and new every evening. The tides of divine care are still chanting a lay of our Father's love. In these moments let a solemn hush be upon us. Praises be unto Thy excellent name for the hearts that are near when labor is heavy, for the joy of companionship and for those who just loiter with us, for the firesides that radiate the sweet sunlight of happiness, and for the wealth of pleasure which bids us forget the hardships of life. Father, for all these blessings we most gratefully thank Thee. Bless the President of the United States, the Speaker, and Members of the Congress assembled. May they administer the sacred trust committed unto them in the fear of God and in the love of man. Abide with us all until the sun eternal breaks. Through Jesus Christ our Lord. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5012) to amend existing law in order to obviate the payment of 1 year's sea pay to surplus graduates of the Naval Academy.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5040) to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes; also the Senate agrees to the amendment of the House to the amendment of the Senate, no. 3.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5240) to provide emergency relief with respect to home-mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes occupied by them and who are unable to amortize their debt elsewhere, to amend the Federal Home Loan Bank Act, to increase the market for obligations of the United States, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1580) to relieve the existing national emergency in relation to interstate railroad transportation, and to amend sections 5, 15a, and 19a of the Interstate Commerce Act, as amended.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 1129) to amend sections 4399, 4418, 4428, 4429, 4430, 4431, 4432, 4433, and 4434 of the Revised Statutes, as amended, relating to the construction and inspection of boilers, unfired pressure vessels, and the appurtenances thereof.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 1562) granting the consent of Congress to the Levy Court of Sussex County, Del., to construct a bridge across the Deeps Creek at Cherry Tree Landing, Sussex County, Del.

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

H.R. 5091. An act to amend section 289 of the Criminal Code;

H.R. 5495. An act to amend an act entitled "An act creating the Great Lakes Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich.", approved June 25, 1930, and to extend the times for commencing and completing construction of said bridge; and

H.R. 5645. An act to amend the National Defense Act of June 3, 1916, as amended.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

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

There was no objection.

Mr. SNELL. There are various rumors relative to adjournment. We on this side do not intend to, or want to, put any unnecessary hurdles into the orderly procedure of business today, if it is the intention to adjourn this session of Congress sometime today or tonight; but I wish the majority leader would give us an outline of the program he intends to present and let us have an opportunity to consider it at this time.

Mr. BYRNS. There are three essentials necessary in order to bring about an adjournment tonight, and there should not be any difficulty in disposing of all three of these matters if Members are anxious to get away, if we do not throw anything that is unnecessary in the way.

These essentials are, in the first place, the industrial recovery bill which passed the Senate last night. The gentleman from North Carolina [Mr. DOUGHTON] will, as soon as we have concluded, ask unanimous consent to disagree to the Senate amendments and to put that bill into conference, and the conferees will meet at 10:20 this morning for the purpose of considering these amendments, if the House will give its consent to an immediate disagreement to the Senate amendments.

The second essential is the independent offices appropriation bill, which, as you gentlemen know, carries the provision relative to the veterans. A rule was to be presented this morning upon this subject, but there will be a little delay before the rule is presented, because some objection has been raised. Several Members have gone down to the White House now for the purpose of conferring with the President relative to a few changes that were made by a committee which has been conferring with him. As soon as they return I am hoping it will be possible to present this rule, and I hope the Members will not ask for more than an hour at the outside for its discussion. We all know what we are going to do about it in advance of the discussion.

I think we ought to adopt it. It represents concessions made by the President which we should accept, and I think it is in the interest of the veterans to accept it, because no one knows what may happen if we do not accept this rule or if we should adopt the Connally amendment.

The third essential is the appropriation bill. The Appropriations Committee was in session last night. I understand they are ready to make their report. It carries some provisions which may be subject to points of order. If no point of order is made and these matters are discussed upon their merits, it ought to be very easy to pass that bill quickly.

When these three matters are disposed of the House and the Senate are ready to adjourn, having completed the entire emergency program of the President. [Applause.] We can easily do it if we all show a disposition to put it through, and I am sure we will. We can do it and get away at a very reasonable hour this evening, and possibly we can take a recess this afternoon for 3 or 4 hours while these conference committees are in session. [Applause.]

Mr. SNELL. We are perfectly willing to cooperate with you and give unanimous consent, but we would like to have the understanding that no highly controversial matters are going to be thrown in later in the afternoon. We are willing to grant the unanimous-consent request in respect of all these emergency matters.

Mr. BYRNS. There is a rule pending that the gentleman from New York [Mr. CELLER] and some others are very anxious to bring up. I understand it is controversial.

Mr. SNELL. It is very controversial.

Mr. BYRNS. The gentleman from New York was anxious to bring it up yesterday, but the time that was taken in the consideration of the bill which was passed yesterday prevented it, and he deferred it out of deference to the House. He would like to call it up sometime today. Personally, I should like to see him have an opportunity to call it up, but if it means any interference with this program and the possibility of getting away tonight, I do not want to see it called up, nor do I want to see anything taken up which would cause delay.

Mr. SNELL. That is my position, I may say to the gentleman from Tennessee. We are perfectly willing to cooperate in respect of all essential matters in the President's program, but I should like it to be understood that none of these highly controversial matters are going to be thrown in that will prevent our going along with you in your program.

Mr. BYRNS. May I ask the gentleman from New York this question: Suppose we should go into conference on these two bills, pass the appropriation bill, and then have to wait a number of hours before we could consider the conference report and also to give the Senate an opportunity to pass the appropriation bill, would there be any objection in the interim to taking up that resolution?

Mr. SNELL. I notice several small matters are on the desk. I suppose they will be taken up. So far as I can see there is no serious objection at this time to their consideration, but I know there will be some objection if we are going to take up the matter to which the gentleman refers.

Mr. BYRNS. If it is going to mean an objection to this program I have outlined I, too, shall be opposed to taking it up.

Mr. SNELL. I think it is only fair. Now, we will go along to the extent of the regular program, but we ought not to have to sit here all night taking up these extremely controversial matters.

Mr. MAPES. Will the gentleman from New York yield?

Mr. SNELL. I yield to the gentleman from Michigan.

Mr. MAPES. I should like to make this inquiry of the gentleman from Tennessee and also the gentleman from New York, the two leaders. As I understood the statement of the gentleman from Tennessee [Mr. BYRNS], it was to the effect that a committee of the House is still negotiating with the President in regard to veterans' legislation. If any agreement is reached further than what was contemplated by the report of the Committee on Rules yesterday, will it not take either a unanimous-consent agreement to bring it up or another meeting of the Committee on Rules and two thirds action on the part of the House to bring the matter before us today?

Mr. O'CONNOR. That is not necessarily true. We could amend the rule.

Mr. BYRNS. I hope the matter will be ironed out, but as the gentleman from New York [Mr. O'CONNOR] says, if this Committee should find that some objections which may have been raised from certain quarters—and I am not speaking now of the President—are well taken, the rule could be amended on the floor so as to permit an amendment to cure the trouble. I am not certain this will be done, and in any event, when this committee comes back we will know more about it.

Mr. MAPES. Of course the gentleman is correct in saying that the rule could be amended, and I presume he contemplates doing it in that way rather than asking for a new report from the Committee on Rules?

Mr. BYRNS. That would be, in my judgment, the proper method to adopt in order to get away, because you know that otherwise the Committee on Rules would have to meet, and some objection could force the rule to lie over.

Mr. MAPES. Is the gentleman from Tennessee at liberty to state or could he give the House some information as to what changes are contemplated in the veterans' legislation?

Mr. BYRNS. I do not want to be understood as saying changes are contemplated. I said there were some objections to certain language. I have been advised as to what it is, but until this committee reports I believe I would prefer not to make any further statement.

Mr. CELLER. Will the gentleman yield?

Mr. BYRNS. I yield to the gentleman from New York.

Mr. CELLER. I may say for the edification of the gentleman from New York that so far as I have been able to canvass the situation on this side of the House there seems to be no controversy whatever over the bill that the gentleman adverted to, namely, the bill whose consideration was deferred yesterday. If there is any controversy, it is on the other side of the House and not on this side, and I do not think we should be forestalled from the consideration of that bill for that reason. The consideration of the matter would not consume very much time. The rule provides for 1 hour, but I am sure we could arrange on this side to consider it in 10 minutes and then put it to a vote.

Mr. RAGON. Is it a House resolution the gentleman is talking about?

Mr. CELLER. Yes.

Mr. SNELL. I may say that we already have had several requests on this side for time from Democrats to speak against the resolution. So it is not unanimous on the gentleman's side.

Mr. CELLER. Those differences have already been resolved and changes have been made to meet the objections raised on this side of the House.

Mr. SNELL. I see no reason why we should do everything to cooperate in the carrying out of the real program if we are going to be forced to take up a highly controversial matter later in the day.

Mr. CELLER. I may say to the gentleman that it is not a very controversial matter.

Mr. VINSON of Georgia. If the gentleman from Tennessee will yield, I desire to inquire of the gentleman the status of the banking bill. That is a measure in which we are vitally interested, and I hope we are not going to adjourn without reaching a decision on that bill.

Mr. BYRNS. The conferees have not yet reached an agreement, and, frankly, if we are to adjourn tonight I do not think we will be able to pass it, even though they may agree.

Mr. WOODRUFF. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. WOODRUFF. May I say in that connection that I have it from one of the members of the committee, who, I think, is a conferee on the measure, that if the Congress remains in session until next Tuesday, in all probability the bank bill can be placed on the statute books. I believe there is no one better qualified to judge this matter than the gentleman I refer to. The differences between the conferees cannot be irreconcilable. Certainly the time of the Members of the House and the Senate is not their own to dispose of as their whims may dictate. That time and all of it should be consecrated to the welfare of the people who send us here. The cry comes from every section of this great country for a strengthening of our banking laws, for a guarantee to the people who deposit their money in banks that this money will be safe; that it, and all of it, will be available to them whenever they want or need it. By remaining in session a few days more we can pass this bill. If this is done, we will have accomplished more toward the rehabilitation of industry and the release of credit, and through these two results a greater reduction of unemployment, than will be accomplished through the enactment of all the other measures in the Presidential program of relief. To adjourn without passing this bill is unthinkable. There is not a man here who does not appreciate the importance of it, and if each of us will listen to the convictions within him, he will vote with me to stay here till this bill is enacted. To adjourn without having passed this legislation will prove a great misfortune and one which the people back home should not easily or soon forget. [Applause.]

Mr. McFADDEN. Will the gentleman yield?

Mr. BYRNS. I yield to the gentleman from Pennsylvania.

Mr. McFADDEN. In view of the statement the majority leader has made this morning relative to the program before adjournment, I want to ask him whether I am to understand that no action is to be taken by the Judiciary Committee on my impeachment of the Federal Reserve System?

Mr. BYRNS. I just do not know, I will say to the gentleman.

Mr. McFADDEN. There is no more important matter pending before this Congress than that resolution, and I should like to know what the majority party proposes to do in regard to it.

Mr. BYRNS. I am sorry to say that I have no information on the subject. My desire—and, I think, the people's desire—is that this Congress shall adjourn as quickly as possible, and I do not see how those matters can come up unless we decide to stay here 2 or 3 weeks longer.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. VINSON of Georgia. I think if the gentleman will ascertain the sentiment of the House he will find that it will be like that of the gentleman from Michigan. Everyone wants that measure, and we do not want to adjourn until we pass the banking law.

Mr. BYRNS. Now, I am going to refer to this because the newspapers have had something to say about it. I think the Members of the House on both sides of this main aisle will agree that this Congress should not continue in session if possible after today. [Applause.] There are reasons which I feel that the patriotism and the Americanism of every Member of the House should realize that we ought to get away, and you gentlemen know to what I refer. We cannot afford to be here in session while there is a delegation attending the economic conference on the other side of the ocean, and there is an opportunity to advise them through our speeches.

Mr. RANKIN. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. RANKIN. I did not understand the answer of the gentleman from Tennessee to the question of the gentleman from Georgia [Mr. VINSON] as to what the chances are of getting the bank-guaranty bill through.

Mr. BYRNS. I stated to the gentleman from Michigan that my information from the conferees was that they have not been able to agree, and that if we are to adjourn today I did not see any possibility of disposing of it.

Mr. RANKIN. Is not there some way that we can spur the conferees up and get the bill out? I agree with the gentleman from Michigan [Mr. WOODRUFF] and the gentleman from Georgia [Mr. VINSON] that we could do nothing more disastrous to the business of this country at this time, in my opinion, than to adjourn without the bank bill becoming a law. [Applause.]

Mr. BYRNS. I am as much in favor of some features of the bank bill as any gentleman on the floor. If the gentleman could get the conferees to bring out a report today, we could pass it, but unless the conferees do make a report I do not see any possibility of passing it unless we stay here next week.

Mr. RANKIN. Will the gentleman yield further?

Mr. BYRNS. Yes.

Mr. RANKIN. The appropriation bill to which the gentleman refers as coming in this afternoon carries an appropriation for Muscle Shoals.

Mr. BYRNS. Yes; and for other special legislation.

Mr. RANKIN. That is fine. Now, will the gentleman help us to spur up the conferees on the bank bill?

Mr. BYRNS. I will do the best I can.

Mr. BLANTON. Will the gentleman yield?

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

Mr. BLANTON. The way to adjourn today is to do our work and then adjourn. We have wasted 30 minutes al-

ready. Let us do the work that must be done and then adjourn. [Applause.]

Mr. BYRNS. I think the gentleman is right. But let me ask the gentleman from New York, before I yield the floor, one question. I have not seen a copy of the appropriation bill, but I have been advised that there are some matters in it subject to a point of order. Will it be the disposition of the gentleman from New York and those on his side of the Chamber to permit those points of order to be waived and discuss the matters on their merits and so relieve us of the necessity of bringing in a rule?

Mr. SNELL. I do not know; I will have to confer with the minority members of the committee.

Mr. TABER. I understand that one member of the committee wants to make a point of order on a matter relating to the Tennessee Valley.

Mr. BYRNS. And then, if we have the time, why could not we consider the Celler resolution on its merits in the House, and save us the necessity of a rule?

Mr. SNELL. Mr. Speaker, I think if the gentleman makes that concession to us we will let the other matter come in. We know that the gentleman can bring in a rule, though it may take some time. We want to cooperate and finish up as quickly as possible.

Mr. BYRNS. I do not think that we will have any trouble.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following communication:

HOUSE OF REPRESENTATIVES,
Washington, D.C.

SPEAKER OF THE HOUSE OF REPRESENTATIVES:

Please accept my resignation from the following committees of the House: Irrigation and Reclamation, Coinage, Weights and Measures, District of Columbia, Insular Affairs.

J. G. SCRUGHAM.

The SPEAKER. Without objection, the resignation will be agreed to.

There was no objection.

ELECTION TO A COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer the following privileged resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 187

Resolved, That JAMES G. SCRUGHAM, of Nevada, be, and he is hereby, elected a member of the Committee on Banking and Currency.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

H.R. 5981—EXTENSION OF REMARKS

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including House bill 5981, introduced by me in the House in aid of disabled veterans, and also an article appearing in the Plasterer in support of the purposes of the bill by Mr. William Cooper, of New York.

The SPEAKER. Is there objection?

There was no objection.

Mr. KENNEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following bill (H.R. 5981) introduced by me in the House in aid of disabled veterans, and also an article appearing in the Plasterer in support of the purposes of the bill by Mr. William Cooper, of New York:

H.R. 5981

A bill to allow the use of the mails in aid of sick, disabled, and indigent former soldiers and sailors, and for other purposes

Be it enacted, etc., That section 213 of the Criminal Code (U.S.C., title 18, sec. 336) is hereby amended by adding at the end thereof the following paragraph:

"Nothing in this section or in any other act of Congress shall be construed to prohibit the use of the mails in any manner for the purpose of conducting or participating in, as a patron or otherwise, any such lottery, enterprise, or prize offer which is conducted by the Veterans' Administration and all the profits of which are to be applied to the benefit of sick, disabled, or indigent former members of the military or naval forces of the United States or to the operation and maintenance of hospitals and homes for such former members. No mail matter shall be transported in the mails under this section unless it is plainly marked on the outside 'National Service Men's Benefit Fund.' All funds received by the Veterans' Administration under this paragraph shall be audited by the Comptroller General. Any person violating any provision of this paragraph shall be subject to the penalties prescribed in the first paragraph of this section."

[From the Plasterer]

REVENUE TO RELIEVE THE OPPRESSED TAXPAYER

Now that the Government is about to restore the legal respectability of the ancient industry of manufacturing beer and make it contribute to the financial needs of the country, may it not be an opportune time to also restore the legality of the lottery and make it also contribute to the support of the Government and lessen the tax on homes?

The newspaper reports of the large amounts of money paid by lotteries lawfully conducted in foreign countries to citizens of the United States holding winning tickets in them and of the contributions made by these lotteries of millions of dollars to erect and maintain hospitals, aid disabled veterans, and for other useful and humane purposes has focused suggestively the attention of the citizens of our country upon the world-wide interest in and approval of the lottery.

The interest of our people in lotteries is further evidenced by the startling fact that they send millions of dollars each month out of our country to buy tickets in lotteries conducted in other nations. To those outgoing millions of dollars, so eagerly and hopefully sent abroad, must be added the additional millions spent in the United States for tickets in bootleg lotteries and others conducted clandestinely, unlawfully, and often dishonestly in the United States.

The Government receives no revenue from this gigantic domestic and foreign business in lottery tickets.

It is a business that will persist. Despite laws against them, lotteries are born by the hour. They are on every hand by the hundreds throughout the land. No matter how much camouflaged by divertive names and ingenious methods, they are lotteries and nothing else.

The people will gamble. Gambling is a part of the mental, emotional, and spiritual nature of normal women and men. No act of government can eradicate this instinct. Moses was too wise to include prohibition of drinking and gambling in his famous Ten Commandments.

History establishes that the lottery is neither a shameful nor dishonorable institution. No other form of chance has a more honorable and distinguished background. Emperors, kings, queens, statesmen, artisans, writers, scholars, preachers, priests, and bishops have officially and individually approved, sponsored, and patronized the lottery. The lottery is, indeed, the aristocrat of chance.

At this fateful moment in our national life the lottery boldly challenges the thought of Government to accept it as an available and effective means of relief to the Nation from its financial and industrial prostration, and to bring sustaining hope to the people.

The lottery offers the Government an easy, attractive, and quick method by which it can raise additional revenue, increase its income to meet demands of the Budget, reduce taxes, care for the unemployed, pay the $2,300,000,000 soldiers' bonus payment maturing in 1945, and inaugurate a vast public-improvement program and thus create jobs and pay rolls. Without which all else is unavailing.

Not only would a national lottery lighten the financial burdens of our people but it would as well quicken the drooping spirits of the "forgotten man."

The repeal of the antilottery law would thrill the entire Nation; it would bring inspiration and contentment; it would open the doors of the land of hope as no other single act of government could do at this moment. The people long for a hope expressed in terms of opportunity. The experience of the ages proves this.

Practically every nation has at one time or another sanctioned and employed the lottery to advance and conserve its welfare and to bring contentment and hope to its citizens.

Governments have found the lottery a friend in time of need; relieving financial strain, providing money for public improvements, charity organizations, maintaining national credit, and for other constructive and protective purposes.

It would require considerable space to list the achievements of the lottery in the life and affairs of government.

The records show that as far back as the period between 1707 and 1824 England raised money by lotteries for governmental uses; that by an act of Parliament money was raised by lottery for the British Museum, also that England provided money in 1612 by means of the lottery for the benefit of our Virginia colonists.

Thomas Jefferson in 1776 heartily endorsed a national lottery created * * * by the American Congress.

John Adams and Benjamin Franklin at the close of the Revolutionary War obtained a "lottery loan" by the Government to meet Government bills.

John Hancock, in 1765, signed tickets for a lottery, authorized by the Province of Massachusetts Bay to rebuild Faneuil Hall—the "cradle of liberty."

Harvard College authorized a lottery, and among the many other colleges that have been financially benefited from lotteries may be mentioned William and Mary, Dartmouth, New Jersey, Union, Queen, Gaines Academy, and other colleges and institutions of learning.

In 1790 a lottery was operated in New York for the enlarging of the city hall. New York State has authorized lotteries for many different purposes. In 1867 Pennsylvania granted a charter for a lottery "to erect the Gettysburg Asylum for Invalid Soldiers."

It is interesting to note that at the time of the Paris Exposition of 1878 France authorized a lottery for the happy purpose of meeting "the expense of workingmen visitors." Well might our Government at this time authorize a lottery to meet the living—the bread and butter—expenses of her unemployed citizens.

Protestant and Catholic churches, hospitals, academies, prisons, public schools, highways, town halls, lighthouses, canals, the clergy, municipal expenses, and many other varied and worthy institutions and causes have been financed by the lottery in this and other countries.

While the Government now has before it the matter of repealing the eighteenth amendment and invalidating the Volstead law, it should investigate the historic facts relating to the lottery and its constructive accomplishments for peoples, institutions, and governments, and evolve a plan for a national lottery to be so controlled and supervised by Government as to assure the purchasers of tickets at home and abroad the absolute honesty and impartiality of its administration.

A lottery so conducted would provide the people an opportunity to speculate on a more definite and honest basis than is now or ever has been offered by stock exchanges.

The lottery calls for no additional cash; no margins to protect the money invested; nor are its winnings and losses subject to control by prearrangement by groups of market manipulators. The subject of this article is timely and important. It should receive the serious consideration of citizens throughout the country and by our representatives in Congress, looking to the repeal of the present anti-lottery laws.

ORDER OF BUSINESS

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUNDEEN. Mr. Speaker, I have no desire to delay the proceedings in any way, but I want to make a brief statement, inasmuch as it appears we are to have no real bank guaranty deposits law enacted, and that there will be no real solution of veterans' legislation. We have gentlemen in Europe representing us there in international affairs who seem to be controlled by the House of Morgan. I think it is our patriotic duty to stay here and see that America is protected. I think that we ought to see to it that American interests are protected in Europe, and they are not going to be protected when we have a lot of representatives of international bankers there speaking for America.

So long as we have no real bank-guarantee law enacted to protect the people's deposits in the banks, so long as there is no real solution of the veterans' legislation problem, and so long as there are many other vital measures pending which affect millions of Americans and billions of dollars in resources, I am opposed to adjournment. [Applause.]

I wish briefly to state that we have no business to adjourn this Congress and leave the Morgan-controlled Davis in Europe to represent America in our foreign affairs. I am for an America-first policy in world affairs, and I know that American affairs will be in safer hands if Mr. Davis is recalled by the administration and if some real Washington American represents us there. I fear that the administration is following in the footsteps of Wilson's administration in world affairs, a course which led to financial, political, and international disaster. I hope that the President will keep to these American shores, and that he will not, like his war-time predecessor, leave the United States and plunge himself into conferences and discussions with consummate, scheming diplomats who were brought up in the European school of diplomacy to believe that real diplomacy is the art of skillful twisting of the truth. His war-time predecessor became so involved and helpless when caught in the web of European diplomacy that he has been hurled downward in the course of history, and it is now recognized on all hands that he committed terrible blunders and fearful mistakes, which will cost America huge losses through more than a century.

Let me appeal to this House once more against adjournment while the administration proposes to make unjust and cruel cuts in veterans' pensions and compensations. And may I warn this House to adhere to the foreign policy of George Washington, the Father of our Country; of Thomas Jefferson, the author of our Declaration of Independence; of Abraham Lincoln, the first Republican President; and of all other worth-while American statesmen, to keep ourselves free from European entanglements, into which we are now being plunged deeper and deeper by international bankers, like the House of Morgan, and other international bankers. I repeat that which I have said before: The international banker has no flag, he has no country, and he knows no patriotism, and the only god his greedy heart worships is the god of gold, the god of profits. [Applause.] If the interests of our country are sacrificed, that is of secondary consideration to him so long as billions can be made and further loans extended to foreign kings and emperors. Further commitments made to foreign nations will only lead us still further into ways and byways from which we will some day regretfully return to the great highway of America-first progress and prosperity laid down by our forefathers.

We must not adjourn now. We must pass at once the Frazier refinancing bill for the farmer. Hundreds of thousands of veterans are depending upon us to remain here on the job until the inhuman "Economy League" bill is repealed. There are more than 13,000,000 Americans unemployed. We must stay on the job in Washington until we have solved these problems. We cannot permit these foreclosures to go on. We must save the homes of the American people.

The gentlemen of this House may adjourn, but I am willing to stay here through this summer and through this fall. I am willing to remain on the job to consider and pass unfinished and important legislation to safeguard America, both at home and abroad. [Applause.]

Mr. BYRNS. They will be protected; but it might destroy the efforts of the delegation consisting of Democrats and Republicans if Members, regardless of their duty to their country, should get up here next week and undertake to make speeches and present their personal views as to what should be done, when they cannot possibly know what the situation is at this time.

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

ORDER OF BUSINESS

Mr. BYRNS. Mr. Speaker, unfortunately the industrial-recovery bill has not yet been messaged over from the Senate. I have been informed that there are four or five bridge bills which have been favorably reported, and to which there will not be the slightest objection, and which will not take very much time. It seems to me, with the consent of the House, that we might consider those bridge bills while waiting for the industrial recovery bill. I ask unanimous consent that these bridge bills may be now considered.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that we proceed now to consider certain bridge bills on the Consent Calendar. Is there objection?

Mr. LUNDEEN. Mr. Speaker, I reserve the right to object. I do so in order to say, in answer to the concluding statement of the gentleman from Tennessee, that if you will return to the United States the House-of-Morgan-controlled Mr. Davis and send over there some real America-first American, I shall have no objection. [Applause.] The international bankers and their errand boys must be brought back home and put under American discipline. [Cries of "Regular order!"]

The SPEAKER. The regular order is demanded. Is there objection?

Mr. BYRNS. Mr. Speaker, first let me say in reply that Mr. Davis is not a part of this delegation and has nothing whatever to do with the Economic Conference to be held in London.

Mr. DIES. Mr. Speaker, I reserve the right to object. The Committee on Coinage, Weights, and Measures has a

bill that we want to get recognition on as soon as possible and pass it. It has already passed the Senate. I am wondering if the gentleman from Tennessee will not permit us to move to suspend the rules at this time?

Mr. FISH. Mr. Speaker, I reserve the right to object.

Mr. BYRNS. Mr. Speaker, I withdraw my request and ask unanimous consent that the House stand in recess subject to the call of the Speaker.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the House stand in recess subject to the call of the Chair. Is there objection?

Mr. McFADDEN. Mr. Speaker, I reserve the right to object. If representatives of the people are to be muzzled when they are looking out for the people's interest, I shall object. If the gentleman wants to get through his program, he must not resort to muzzling the representatives of the people in this House.

Mr. BYRNS. I am not seeking to muzzle anybody, but I do think that we should not stay here and discuss highly controversial matters with which we have nothing to do. Fod God's sake, let us pass this legislation and adjourn.

Mr. SNELL. There is no objection to these bridge bills.

Mr. FISH. I do not propose to object. I am not responsible for what the gentleman said. I only want to ask one question of the gentleman from Tennessee in reply to a statement he made. The gentleman made the statement that Republicans were over at the conference representing this country. I want to deny that Republicans are on that delegation.

Mr. BYRNS. Well, I think the country knows the personnel of the delegation. [Cries of "Regular order!" "Regular order!"]

BRIDGE BILLS

Mr. BYRNS. Mr. Speaker, I renew my unanimous-consent request that bridge bills on the Consent Calendar be considered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. BYRNS]?

Mr. PARKER of New York. Reserving the right to object, Mr. Speaker, these bills are all important bills that have passed the Senate, and there is no objection to them.

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

There was no objection.

The SPEAKER. The Clerk will call the first bill.

BRIDGE ACROSS LAKE SABINE AT OR NEAR PORT ARTHUR, TEX.

The Clerk called the bill (H.R. 4870) to extend the time for commencing and completing the construction of a bridge across Lake Sabine at or near Port Arthur, Tex.

Mr. MILLIGAN. Mr. Speaker, I ask unanimous consent that that bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. MILLIGAN]?

There was no objection.

TOLL BRIDGE ACROSS MISSISSIPPI RIVER BETWEEN STATES OF IOWA AND ILLINOIS

The Clerk called the next bill, H.R. 5659, authorizing Charles N. Dohs, R. R. Hunt, their heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Mississippi River between the States of Iowa and Illinois at or near the junction of the Iowa and Mississippi Rivers.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. THOMPSON of Illinois. Mr. Speaker, I object.

BRIDGE BILLS IN THE STATE OF OREGON

Mr. HOLMES. Mr. Speaker, I ask unanimous consent to take up next the following five bills: S. 1745, S. 1746, S. 1747, S. 1748, and S. 1749. These five bills were referred to the committee, and the committee in session this morning considered the bills. They all have to do with and are all connected with the State of Oregon. The reason we are anxious to get these bills passed today is that the State of Oregon has received money from the Reconstruction Finance Corporation, and there is a possibility that if these bills are passed, a great deal of work can be started on the various bridges in the very near future and furnish employment in that territory. So I ask unanimous consent for the present consideration of bills S. 1745 to S. 1749, both inclusive, reported by the committee.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the first bill.

BRIDGE ACROSS UMPQUA RIVER NEAR REEDSPORT, OREG.

The Clerk called the next bill, S. 1745, granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Umpqua River at or near Reedsport, Douglas County, Oreg.

The SPEAKER. Is there objection?

Mr. COCHRAN of Missouri. Reserving the right to object, are these toll bridges?

Mr. HOLMES. These are toll bridges to the State of Oregon.

Mr. COCHRAN of Missouri. The right does not go to the individual?

Mr. HOLMES. No. The rights go to the State of Oregon.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Oregon to construct, maintain, and operate a bridge and approaches thereto across the Umpqua River, at a point suitable to the interests of navigation, at or near Reedsport, Douglas County, Oreg., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 15 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS YAQUINA BAY AT OR NEAR NEWPORT, OREG.

The Clerk called the next bill, S. 1746, granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Yaquina Bay at or near Newport, Lincoln County, Oreg.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Oregon to construct, maintain, and operate a bridge and approaches thereto across Yaquina Bay, at a point suitable to the interests of navigation, at or near Newport, Lincoln County, Oreg., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 15 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the

expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS ALSEA BAY AT OR NEAR WALDPORT, OREG.

The Clerk called the next bill, S. 1747, granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Alsea Bay at or near Waldport, Lincoln County, Oreg.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Oregon to construct, maintain, and operate a bridge and approaches thereto across Alsea Bay, at a point suitable to the interests of navigation, at or near Waldport, Lincoln County, Oreg., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 15 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS COOS BAY AT OR NEAR NORTH BEND, OREG.

The Clerk called the next bill, S. 1748, granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Coos Bay at or near North Bend, Coos County, Oreg.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Oregon to construct, maintain, and operate a bridge and approaches thereto across Coos Bay, at a point suitable to the interests of navigation, at or near North Bend, Coos County, Oreg., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financial cost, as soon as possible under reasonable charges, but within a period of not to exceed 15 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS SIUSLAW RIVER AT OR NEAR FLORENCE, OREG.

The Clerk called the next bill, S. 1749, granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Siuslaw River at or near Florence, Lane County, Oreg.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Oregon to construct, maintain, and operate a bridge and approaches thereto across the Siuslaw River, at a point suitable to the interests of navigation, at or near Florence, Lane County, Oreg., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges but within a period or not to exceed 15 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE FROM LOWER MATECUMBE KEY TO NO NAME KEY, FLA.

Mr. WILCOX. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1783) granting the consent of Congress to the Overseas Road and Toll Bridge District, a political subdivision of the State of Florida, to construct, maintain, and operate bridges across the navigable waters in Monroe County, Fla., from Lower Matecumbe Key to No Name Key, which is similar to the bills which have just been passed.

The Clerk read the title of the bill.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, as I understand, this bill gives to the State of Florida, or an authority of the State of Florida, the right to construct a bridge for that State.

Mr. WILCOX. That is correct.

Mr. COCHRAN of Missouri. An authority created by the legislature of the State.

Mr. WILCOX. That is correct; a public authority.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Overseas Road and Toll Bridge District, a political subdivision of the State of Florida, to construct, maintain, and operate bridges and approaches thereto across the navigable waters in Monroe County in the State of Florida, at points suitable to the interests of navigation, between Lower Matecumbe Key and No Name Key (including such toll highways, bridges, viaducts, causeways, fills, embankments, roads, trestles, and other appurtenant structures as may be necessary to connect certain of the present termini of State road no. 4–A in such manner as to complete a system of highways and bridges extending from Miami to Key West, via Key Largo), in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridges, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridges and their approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridges and their approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 40 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridges shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridges and their approaches under economical management. An accurate record of the costs of the bridges and their approaches, the expenditures for maintaining, repairing, and op-

erating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. WILCOX, a motion to reconsider the vote by which the bill was passed was laid on the table.

COINAGE OF TEXAS ANNIVERSARY HALF DOLLARS

Mr. DIES. Mr. Speaker, I ask unanimous consent to call up for present consideration the bill (H.R. 5821) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary in 1936 of the independence of Texas, and of the noble and heroic sacrifices of her pioneers, whose revered memory has been an inspiration to her sons and daughters during the past century.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman inform the House what committee this came from?

Mr. DIES. From the Committee on Coinage, Weights, and Measures. The bill has already passed the Senate. It merely provides for the coinage of not more than a million and a half 50-cent pieces in commemoration of the one hundredth anniversary of the independence of Texas. The American Legion of Texas agrees to pay all the expenses incident to the coinage, and the Government will not incur any expense whatsoever.

Mr. SNELL. How can they pay the expenses of the coinage?

Mr. DIES. They are going to pay the expenses before the Government coins these pieces. There is no objection to the bill, so far as I know.

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

Mr. DIES. I yield.

Mr. McCLINTIC. Does the gentleman have in mind asking for an appropriation in the future?

Mr. DIES. We shall ask for no appropriation whatsoever.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. DIES. Mr. Speaker, I ask that a similar Senate bill (S. 1808) be considered in lieu of the House bill.

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

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That in commemoration of the one hundredth anniversary in 1936 of the independence of Texas and of the noble and heroic sacrifices of her pioneers, whose memory has been an inspiration to her sons and daughters during the past century, there shall be coined at the mints of the United States silver 50-cent pieces to the number of not more than one and one-half million, such 50-cent pieces to be of the standard troy weight, composition, diameter, device, and design as shall be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, which said 50-cent pieces shall be legal tender in any payment to the amount of their face value.

SEC. 2. That the coins herein authorized shall be issued only upon the request of the American Legion Texas Centennial Committee, of Austin, Tex., upon payment by such American Legion Texas Centennial Committee of the par value of such coins, and it shall be permissible for the said American Legion Texas Centennial Committee to obtain said coins upon said payment, all at one time or at separate times, and in separate amounts, as it may determine.

SEC. 3. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating the guarding and process of coinage providing for the purchase of material and for the transportation, disposition, and redemption of coins, for the prevention of debasement or counterfeiting, for security of the coins, or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized: *Provided*, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. DIES, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDMENT OF THE PROBATION LAW

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5208) with a Senate amendment, and concur in the Senate amendment.

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

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 1, line 3, after "paragraph", insert "of section 2."

Mr. SNELL. Mr. Speaker, will the gentleman tell the House what this bill is?

Mr. McKEOWN. It is a bill that passed the House permitting the arrest of persons who violate their parole. This amendment corrects the language of the bill.

Mr. SNELL. Does the gentleman from Pennsylvania say it is all right?

Mr. KURTZ. It is all right.

The Senate amendment was agreed to.

CATHERINE JANE M'KEE

Mr. COCHRAN of Missouri. Mr. Speaker, I present a privileged report from the Committee on Accounts for present consideration.

The Clerk read the House resolution, as follows:

House Resolution 182

Resolved, That there shall be paid out of the contingent fund of the House to Catherine Jane McKee, daughter of J. M. McKee, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not exceeding $250, to defray funeral expenses of the said J. M. McKee.

THE DALLES BRIDGE CO.

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 804) to authorize the Secretary of War to grant a right of way to The Dalles Bridge Co. for present consideration.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered to grant to The Dalles Bridge Co., a corporation organized and existing under the laws of the State of Washington, its successors and assigns, a permanent right of way, in such location and under such terms and conditions as may be approved by the Secretary of War, over and across the Celilo Canal and other Government lands along the Columbia River near The Dalles, Oreg., for bridge and highway purposes, with full power to locate, construct, and operate a bridge, approaches and approach highways, and adjuncts: *Provided*, That the land shall not be used for other purposes and when the property shall cease to be so used it shall revert to the United States: *Provided further*, That the right to compel the removal of said bridge, approaches and approach highways, and adjuncts is hereby reserved in the Secretary of War, whenever he may determine the interests of the Government so require, and which said removal is to be without expense to the Government as a condition of this grant.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. HILL of Alabama, a motion to reconsider the vote by which the bill was passed was laid on the table.

GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

Pursuant to the provisions of the act approved May 23, 1928 (45 Stat. 723), as amended by the act approved February 28, 1931 (46 Stat. 1459), the Chair appointed the gentleman from Illinois [Mr. KELLER] to fill the vacancy on the George Rogers Clark Sesquicentennial Commission.

WATER CHARGES ON DAMAGED LAND

Mr. MARTIN of Oregon. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1536) giving credit for water charges paid on damaged land.

Mr. SNELL. Reserving the right to object, will the gentleman tell us what this bill provides?

Mr. MARTIN of Oregon. This bill has passed the Senate. The Government sold land to a party in Oregon in the Lake Klamath region, and after selling the land it was ruined by

drainage ditches that the Government put in. They now want to exchange this land for land that has not yet been ditched.

Mr. SNELL. It is just an exchange of some land? How much land is involved?

Mr. MARTIN of Oregon. About 3,000 acres. The measure has the approval of the Secretary of the Interior and has been passed by the Senate.

Mr. SNELL. If the gentleman says it is all right, I do not know that there is anybody else who knows anything about it.

Mr. MARTIN of Oregon. There is no doubt about that.

Mr. PIERCE. If the gentleman will yield, I represent the district involved, and this measure has the unanimous approval of everyone concerned. It is an old bill, having been introduced originally by my predecessor, former Congressman Butler.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That all construction charges heretofore paid by owners on lands to be conveyed to the United States of America pursuant to the act of Congress approved March 23, 1933 (S. 156, 73d Cong.), shall be transferred as a credit to the lands to be so patented by the United States, and all payments of operation and maintenance charges with penalty and interest heretofore made on such of the lands to be conveyed as were not, in the determination of the Secretary of the Interior, during the period for which payment was made, susceptible of successful cultivation by reason of seepage, alkalinity, or other causes not within the control of the owners of such land, shall be allowed as credits on future construction, operation, and maintenance charges on the lands retained or those to be patented by the United States pursuant to the act of Congress approved March 23, 1933 (S. 156, 73d Cong.). Like credit shall also be given the irrigation district for all the charges heretofore paid by it on such lands and for which the owners of said lands have not in turn reimbursed the irrigation district.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. MARTIN of Oregon, a motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

RECESS

Mr. BYRNS. Mr. Speaker, I understand that the delay incident to the messaging over of the national recovery bill is due to the fact that there has been some delay in the Printing Office, which in turn is due to the fact that the bill arrived there very late. It will be here very shortly, and I therefore ask unanimous consent that the House stand in recess subject to the call of the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and the Chair will state that 5 minutes' notice will be given by the ringing of the bells.

Thereupon (at 11 o'clock and 5 minutes a.m.) the House stood in recess, to meet at the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 11:32 o'clock a.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, the bill (H.R. 5755) to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes; that the Senate insists upon its amendments to said bill, requests a conference with the House thereon, and appoints Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. REED, and Mr. KEYES to be the conferees on the part of the Senate.

NATIONAL RECOVERY BILL

Mr. BYRNS. Mr. Speaker, the gentleman from North Carolina [Mr. DOUGHTON], the Chairman of the Committee on Ways and Means, and those who will constitute the conference committee are now in an informal conference with the Members of the Senate with a view to expediting matters, if possible. At the request of the gentleman from North Carolina [Mr. DOUGHTON] I ask unanimous consent to take from the Speaker's table the bill H.R. 5755, the national recovery bill, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

Mr. SNELL. Mr. Speaker, reserving the right to object, I understand there has been an amendment put on this bill in the other body again providing for publicity of income-tax returns. This is a proposition that has already been tried out and has proven disappointing and disadvantageous to both the Government and the individual citizen, and the House and Senate repealed the former act. If this is true, and if this provision is now in the bill, I think we should have some statement that it will at least be brought back here for a vote.

Mr. BYRNS. The gentleman can readily appreciate that I am unable to make any promise of that kind because I am simply acting at the request of the Chairman of the Ways and Means Committee, and I am frank to say I am not familiar with any of the amendments.

Mr. SNELL. The statement I have made, the gentleman knows, is correct.

Mr. BYRNS. I hope the gentleman will let the bill go to conference.

Mr. SNELL. I am going to let it go to conference, but I wanted that matter called to the attention of the country at this time.

Mr. McCLINTIC. Mr. Speaker, reserving the right to object, I made a statement here a few days ago that showed that certain big institutions were pensioning for life some of their men at the rate of $100,000 a year. I also put in the RECORD a statement which showed that they are paying salaries and compensations that amount to $400,000 or $500,000 a year. I am firmly of the opinion we will never break up this practice that has been used to dry up the resources of this country unless we do something to give publicity to such transactions, and I hope this can be done. [Applause.]

Mr. SNELL. We tried that once and then repealed the act.

Mr. McCLINTIC. We have a different situation now.

Mr. SNELL. What difference is there?

Mr. McCLINTIC. A great difference.

Mr. BYRNS. In the interest of expedition, let me make the suggestion that the gentleman from New York [Mr. SNELL] and the gentleman from Oklahoma [Mr. McCLINTIC] appear before the conferees on this measure and present their respective views.

Mr. SNELL. I think that is probably fair.

Mr. CONNERY. Mr. Speaker, reserving the right to object, I understand there is a provision in the bill taxing tax-exempt securities, and I hope there is, and I further hope we will be given an opportunity to concur in that Senate amendment.

Mr. BYRNS. As I just stated to the gentleman from New York, I am not in a position, as the gentleman can well appreciate, to make any promise.

Mr. PARKS. Regular order, Mr. Speaker.

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

Mr. CARPENTER of Nebraska. I object, Mr. Speaker.

DEFICIENCY APPROPRIATION BILL

Mr. BUCHANAN, Chairman of the Committee on Appropriations, submitted a favorable report on the bill (H.R. 6034) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes, which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union.

Mr. TABER reserved all points of order.

NATIONAL RECOVERY BILL

Mr. BYRNS. Mr. Speaker, I want to renew the request I made a few moments ago, and I hope the gentleman from Nebraska [Mr. CARPENTER] will let this particular bill go to conference, because it has nothing to do with the matter which he has in mind, and I am sure, whenever it can do so, the House will give the gentleman 5 minutes on that bill.

Mr. CARPENTER of Nebraska. In reply to the gentleman, the only object I have is to keep this Congress in session as long as it is physically possible in order to get a report on the bank bill. Personally, I am willing to stay here all summer to accomplish that purpose.

I withdraw the objection in this particular instance, but if there are any further requests, I am going to object until I find out it is possible to bring before the House the bill I refer to.

Mr. COLLINS of Mississippi. Mr. Speaker, I have a motion at the desk.

The Clerk read as follows:

Mr. COLLINS moves that the House recede and concur in the Senate amendment known as the "Borah amendment", which is as follows:

"*Provided*, That such code or codes shall not permit combinations in restraint of trade, price-fixing, or other monopolistic practices."

Mr. BYRNS. Let me say to my friend from Mississippi that we have a request from one of his own Senators, Senator HARRISON, saying it was most important that all of these amendments go into conference, and I hope the gentleman will not insist on his motion. It will only delay the matter.

Mr. COLLINS of Mississippi. It will not delay, it will expedite. The Senator from Idaho [Mr. BORAH] offered the amendment in the Senate and it was adopted unanimously by the Senate.

Mr. BYRNS. Mr. Speaker, I make the point of order against the amendment, that it is not in order at this time pending the request I made that the matter go to conference, and which was agreed to before the gentleman from Mississippi got the attention of the Chair.

Mr. COLLINS of Mississippi. The only time the motion would be in order is at this time—the period intervening between the announcement by the Speaker that there is no objection and the appointment of conferees.

The SPEAKER. The gentleman was in ample time, but the Chair thinks it is not in order to make the motion to recede and concur. The gentleman can move to instruct the conferees.

Mr. COLLINS of Mississippi. Mr. Speaker, I amend the motion by moving that the House instruct the conferees to concur in the amendment, which I have read, known as the "Borah amendment."

The SPEAKER. The gentleman from Mississippi moves that the House instruct the conferees to concur in the Senate amendment.

Mr. BYRNS. Mr. Speaker, who has the floor for debate?

The SPEAKER. The gentleman from Mississippi moves to instruct the conferees to concur in the Borah amendment.

Mr. COLLINS of Mississippi. Mr. Speaker, in the CONGRESSIONAL RECORD, page 5247, on June 8, we find the following colloquy:

Mr. HARRISON. I may say that the amendment suggested by the Senator from Idaho [Mr. BORAH] with reference to restraint of trade, monopolistic purposes, and so forth, is carrying out the purposes of the bill as we construe it. I ask unanimous consent that it may now be offered so we can eliminate that matter in the hope that we may conserve some time and expedite the passage of the bill.

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

Mr. LONG. I yield for that purpose.

The PRESIDING OFFICER. There being no objection, the amendment of the Senator from Idaho will be stated.

The CHIEF CLERK. The Senator from Idaho [Mr. BORAH] proposes, on page 4, line 13, after the word "title", to insert the following:

"*Provided*, That such code or codes shall not permit combinations in restraint of trade, price-fixing, or other monopolistic purposes."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the amendment? The Chair hears none. The question is on agreeing to the amendment.

The amendment was agreed to.

It appears that the Borah amendment was unanimously agreed to. Ladies and gentlemen of the House, the Democratic Party in its last platform used this language in discussing antitrust and antimonopoly legislation:

We advocate strengthening and impartial enforcement of the antitrust laws to prevent monopoly and unfair trade practices—

And so forth. "Strengthening" the antitrust laws does not mean tearing them down, nor suspending them 2 years or indefinitely.

Without the amendment which I ask the House to agree to, the antimonopoly laws will be stricken down, and those of us charged with carrying out platform promises are the ones who will be guilty of this act.

The amendment was passed unanimously by the Senate. The House should not place itself in the position of protector of the monopolies of the country. Independent producers will be destroyed and the public will be mulcted by excessive prices when the independents are gone. This is exactly what will happen if this bill finally passes without the Borah amendment.

Ladies and gentlemen of the House, in order to give you some idea of the extent of the fears of independent producers, unless this amendment be adopted, I shall read to you two telegrams sent to Senator BORAH.

NEWARK, OHIO.

Hon. W. E. BORAH,
Senate Office Building:

We want to express our appreciation to you for interest you have taken in trying to defeat industrial control bill. We have example of the giant tire companies already showing their attitude in formation of code by employing corporation lawyer who is chief counsel for one of the giant tire companies to write code and then become policeman to enforce same. The giants are using mail-order houses as medium to cut prices and will continue. We beg you to use all your influence to defeat the bill in its entirety; otherwise it will be the end of independent manufacturers.

CARL PHARIS,
Of the Pharis Tire & Rubber Co.

LINCOLN, NEBR., *June 10, 1933.*

Senator BORAH,
Senator from Idaho:

Thank God again for Senator BORAH. We mean this in all sincerity from the bottom of our hearts. You have saved the independent oil industry by your amendment to the antitrust section of the industrial bill. We operate 350 drive-in stations over 7 Middle West States. We hope you will continue to watch this to see that they don't put it over yet without the amendment. We doubt if you could possibly have realized the ulterior motives in the background of powerful oil quarters in this industrial bill. We are generally in position to know in advance the inside activities in these above-mentioned quarters, and if we can ever in the slightest respect be of service to you don't fail to call us. Also feel free to telephone us collect at any time if you should want any information regarding oil activities. Again we say in all sincerity you positively have saved the independent industry in which hundreds of millions are invested by hard-working independent oil men all over Nation. Again and again we thank you sincerely.

L. L. CORYELL & SON AND ASSOCIATED COMPANIES,
By L. L. CORYELL, *Senior President.*

Mr. Speaker, I call your attention also as to the character of codes already proposed to be adopted. In the hearings last night on the fourth deficiency bill Mr. Bane, of the Federal Trade Commission, testified as follows:

Mr. BANE. Let me show you how such rules operate * * *.

The Commission has held a set of these conferences leading to the establishment of these codes, and some of the rules have been put over.

One industry offered a rule, which the Commission adopted, which said that all commissions, if any, shall be paid by the seller.

That is what the rule provided on its face, and it was a very innocent-appearing rule.

Without an investigation to determine the conditions under which that rule was to be applied, that rule meant the elimination of all competition in the purchase of raw materials in that industry, which was a farming product. Without an investigation you cannot determine that kind of thing.

This shows what the country may expect if we fail to adopt this amendment. I hope the Democratic Party will

not align itself with monopoly. It has always advocated equality of opportunity to all. Let us continue to steer in that direction.

Mr. KELLY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. COLLINS of Mississippi. Yes.

Mr. KELLY of Pennsylvania. I call the gentleman's attention to the statement made on page 5243 by the author of the amendment in which he stated——

Mr. COLLINS of Mississippi. I do not yield for a speech from the gentleman, Mr. Speaker. I move the previous question.

Mr. BYRNS. Oh, Mr. Speaker, I think I should have an opportunity to be heard.

Mr. COLLINS of Mississippi. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I cannot imagine that there will be any Member of this body, whether he be Democrat or Republican, who would rise in opposition to the motion of the gentleman from Mississippi [Mr. COLLINS]. You are obliged to understand that the opposition, if there is such, to the motion, comes from those who have for many years complained of the restraints of the antitrust laws. There is a certain class of manufacturers in this country who for many years have been undertaking to establish monopolies and to set up other conditions to enable them to indulge in general price fixing. You all know what price fixing means. This amendment is simply an effort to curb the activities of those who enjoy monopoly as a result of the ownership of trade marks, and so forth. I remind you of one concern that enjoys a monopoly in its business and has a valuation of physical property amounting to a million dollars, with a $20,000,000 valuation placed upon its trade mark. As a result of the defeat of this Borah amendment it would be able to fix prices on its output which gives an earning not only on physical property valuation, but upon the $20,000,000 valuation put upon the trade mark. I call attention to the tobacco manufacturers of this country, those who make the popular-brand cigarettes. They have valuations upon trade marks running all the way from $40,000,000 to $65,000,000. It is the tobacco people, the patent-medicine owners, the jewelry manufacturers, who want this industrial recovery bill as it is written, and who are fighting the motion of the gentleman from Mississippi. In the interest of the rights of the great unorganized masses this House ought to approve the Borah amendment to this bill. [Applause.]

Mr. COLLINS of Mississippi. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS. Mr. Speaker, I hope this motion will not prevail. There is a request pending to refer all of these amendments to the conference committee. I stated a moment ago that I had word direct from Senator HARRISON to the effect that it was most important that all of these amendments should go to conference. I am sure we have confidence in the conferees who will be appointed from the House as well as those who will be appointed from the Senate. I appeal to all Members. Here is a bill which is one of the most important bills which has been proposed by the President. We are now on the eve of adjournment. I am reliably informed that the President himself—although I am not quoting him, because he has not stated it to me—and Senator WAGNER have said that if this amendment stays in, it will kill the bill.

Mr. KELLY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. BYRNS. Yes.

Mr. KELLY of Pennsylvania. I think that statement as to the effect of this amendment is true, according to the statements made yesterday during debate in another body. The author of this amendment himself said that in almost as many words when he said:

> Mr. President, you cannot fix the price of labor unless you fix the price of the commodity which you are selling.

He opposed the bill in its entirety, and his amendment practically emasculates the value of the coordination and cooperation sought to be obtained.

Mr. BYRNS. Precisely. Gentlemen have not read the amendment, nor have I. We have not had the opportunity or the time. We do not know what these amendments are. We are referring them under special circumstances and to meet the exigencies of the situation in which we find ourselves. Why should you and I, without opportunity to read the amendment referred to, undertake to instruct the conferees to agree to it. It may be that the conferees may agree to it, or they may be willing to agree to it with different language, or they may be opposed to it altogether. Certainly we should trust our conferees and permit this matter to go to conference, and let them report back here with such recommendations as they wish to make, and then we will have an opportunity to pass on this matter with some knowledge and understanding of the situation. [Applause.]

Mr. McCORMACK. And might I also suggest that this bill operates for 2 years only, and that its very success is in vesting in the President particular administrative and discretionary powers to make any changes that may develop during the next 2 years.

Mr. BYRNS. I thank the gentleman for that suggestion. This bill, as the gentleman suggests, lasts for only 2 years. It does seem to me under these circumstances that we should place this power in the President. We certainly should do it for the period of 2 years, and no rights will be surrendered when we do it. I hope the House will vote down the motion.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. COLLINS. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. BUSBY].

DO NOT REPEAL THE ANTITRUST LAWS

Mr. BUSBY. Mr. Speaker, I want to remind this House that our rules of procedure are such that if we relinquish this opportunity to preserve the antitrust laws we will have no other opportunity to vote directly on the proposition. We are so constituted and so hedged about by rules that this particular time is the only time we can assert ourselves.

The antitrust laws grew out of a condition. There was a time when trusts were formed without any restraint whatever, and back in another Roosevelt's day we had the saying that he was a "trust buster" for the welfare and benefit of the common people. The laws we are now about to repeal were wholesome laws and for the protection of the common people against oppressive combinations. We do not want to tear down those laws that were enacted as the result of a condition that existed then for the protection of the masses of the people. Let us adopt this motion and retain those laws.

PRICE FIXING TO THE CONSUMER

The gentleman from Pennsylvania [Mr. KELLY] has always been for fixing the price which a retailer must pay for an article. The gentleman has been for letting the manufacturer place upon the consumer the absolute say as to what he shall pay for an article that he consumed. I am not surprised that the gentleman takes the attitude he does here today. Let us vote for this motion offered by the gentleman from Mississippi [Mr. COLLINS] and end the controversy between the House and the Senate, because the Senate has given us, through the Senator from Idaho [Mr. BORAH], what we want and what the country must have for its protection from those trusts. This is the only time you will ever have in which to do it.

The SPEAKER. The time of the gentleman from Mississippi [Mr. BUSBY] has expired.

Mr. COLLINS of Mississippi. Mr. Speaker, I move the previous question.

Mr. KELLY of Pennsylvania. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KELLY of Pennsylvania. Is is not possible that some time can be granted now for a little explanation?

The SPEAKER. Not unless the previous question is voted down.

The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

Mr. MEAD. Mr. Speaker, may we have the motion read again? This motion cuts the heart out of the bill, and we ought to hear it read again.

The SPEAKER. Without objection, the motion will again be reported for information.

There being no objection, the Clerk again reported the motion offered by Mr. COLLINS of Mississippi.

The SPEAKER. The question is on the motion of the gentleman from Mississippi [Mr. COLLINS].

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. COLLINS of Mississippi. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

So the motion was rejected.

The Chair appointed the following conferees: Messrs. DOUGHTON, RAGON, SAMUEL B. HILL, TREADWAY, and BACHARACH.

FOURTH DEFICIENCY 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. 6034) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years; to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes; and pending that motion I ask unanimous consent that there be 1 hour of general debate, one half the time to be controlled by the gentleman from New York [Mr. TABER] and one half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BUCHANAN]?

Mr. GOSS. Mr. Speaker, reserving the right to object, does the request confine the general debate to the bill?

Mr. BUCHANAN. I did not make that request.

Mr. GOSS. Well, reserving the right to object, Mr. Speaker, is the debate confined to the bill?

Mr. BUCHANAN. No, sir; I did not make that request.

Mr. BYRNS. Why not confine it to the bill?

Mr. TABER. When there is only 1 hour of debate, practically all of it will be taken up on the bill, of course.

Mr. O'CONNOR. Reserving the right to object, what speech outside the bill has the gentleman in mind that might be delivered?

Mr. SNELL. Well, we do not want to be too fussy about that.

Mr. O'CONNOR. Well, I will be so fussy that I will object to the unanimous-consent request if it is not confined to the bill.

Mr. SNELL. Now, there may be some other unanimous-consent requests that you will want to put today. We have been very liberal on this side.

Mr. O'CONNOR. Is there going to be any talk about the London Conference or Mr. Norman H. Davis?

Mr. SNELL. I will say I do not know anything about it.

Mr. CELLER. Mr. Speaker, I object.

The SPEAKER. Is there objection to the request of the gentleman from Texas that general debate be confined to 1 hour, one half to be controlled by the gentleman from New York [Mr. TABER] and the other half by the gentleman from Texas [Mr. BUCHANAN]?

Mr. CELLER. Mr. Speaker, I object, unless it is confined to the bill.

Mr. BUCHANAN. Mr. Speaker, I move that general debate be confined to 1 hour, 30 minutes to be controlled by the gentleman from New York [Mr. TABER] and 30 minutes by myself.

The motion was agreed to.

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. BUCHANAN] 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. 6034.

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. 6034, the fourth deficiency appropriation bill, with Mr. SIROVICH 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 be dispensed with.

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

There was no objection.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill calls for an appropriation of $3,459,480,000, certainly the largest peace-time appropriation ever made by the Congress of the United States, and I believe by any other legislative body. It is an item so large as to stagger the imagination, but the thing that worries me the most about it is this: The bill itself in the main is for $3,300,000,000. That is the main thing. The item which is contained in the so-called "industrial recovery bill", which I believe is misnamed, and other items amounting to approximately $150,000,000.

Now, the Federal Budget with the bills now before the House is unbalanced almost beyond the dreams of war time.

Savings have been made by the Roosevelt administration in all departments to date amounting to the following, according to my figures on the basis of what this veteran situation will be if House Resolution 185 is adopted:

Veterans' Administration, $300,000,000.

Salary cuts beyond those that were made before, $100,000,000.

Army, $20,000,000.

Navy, $10,000,000.

This makes a total of $430,000,000.

As against these items we have expenditures in sight based on appropriations alone for expenditures and not including funds raised for loans by the Reconstruction Finance Corporation or otherwise as follows:

Cost of labor, including transportation in Pullmans of those who are to work for $1 a day in the camps, $250,000,000.

The so-called "Wagner-Costigan bill", $500,000,000.

This fourth deficiency bill, not including those items which relate to loans or advances which might be paid back, $3,349,000,000, a total of increased expenditures of $3,699,000,000.

Take out the savings, and you have an increase of expenditures of $3,269,000,000 for the year.

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

Mr. TABER. I yield.

Mr. SNELL. I notice by the papers that the President said if this increased amount of $170,000,000 is paid to the soldiers we would have to have new or excess taxes. What provision is made to take care of all these increased expenditures the gentleman has just been talking about?

Mr. TABER. Oh, we will just issue bonds. That is easier than increasing the taxes.

Mr. SNELL. Does this provide the balanced Budget we have been talking about?

Mr. TABER. Oh, no; only in somebody's imagination, but not in the Treasury of the United States.

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

Mr. TABER. Yes.

Mr. HARLAN. Does not the gentleman make a distinction between those expenditures that are for 1 year, for which bonds may be issued, and those recurring expenditures such as veterans' relief, which are going on from year to year?

Mr. TABER. Why, these bond expenditures have been going on, and they are not going to stop if we go along this

time. These bond expenditures are all for foolish expenditures which we do not need to make and which make conditions worse and retard recovery. They do not help the situation a bit, but they absolutely prevent recovery.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield for a question?

Mr. TABER. Not now.

Mr. McFARLANE. Has not the gentleman been voting for all these bills?

Mr. TABER. Mr. Chairman, I decline to yield.

We have made an increase in the expenditures of the Government of the United States of $3,269,000,000 in 3 months and 6 days. Our increase runs at the rate of only $1,000,000,000 a month for this administration. This is a record to which any administration can point with pride as an evidence of ability to get money out of Congress, but not with pride as an evidence of interest in the taxpayers of the United States.

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

Mr. TABER. In a moment.

These expenditures will place upon the people an intolerable tax bill and bond issues which will be unpaid after years and years.

As I said, we are considering the largest peace-time bill ever brought into Congress. Never will the Budget be balanced by such operations. Never will American prosperity be restored until we have an end to such foolish, wasteful, and ridiculous expenditures.

None of these bond issues can be paid in the lifetime of any of us.

Mr. Chairman, I now yield to the gentleman from Mississippi [Mr. BUSBY].

$500,000,000 WAGNER-LEWIS BILL WILL NOT UNBALANCE THE BUDGET; $170,000,000 RELIEF FOR WOUNDED SOLDIERS WILL UNBALANCE THE BUDGET

Mr. BUSBY. Referring to the question asked by the gentleman from Ohio, may I state I am a member of the Banking and Currency Committee which reported out the Lewis-Wagner bill to spend by giving outright to the States $500,000,000. That was handled through the Reconstruction Finance Corporation to keep it from unbalancing the Budget. It is, none the less, a burden on the taxpayers. As the gentleman has pointed out, it was $500,000,000 given away through the Reconstruction Finance Corporation, not loaned, the purpose for which the Reconstruction Finance Corporation was organized. Bonds are freely sold to raise this money and the tax-exempt bonds and annual interest must be paid by taxing the people.

Now, however, they are working this $170,000,000 soldiers' expenditures as a current item, claiming it will "unbalance the Budget", to prejudice the cause of the soldiers and for no other reason in the world.

They are carrying the $500,000,000 gift made by the Treasury to certain States and by them to certain cities through the sale of bonds to make it hard for the general public to understand about this heavy burden they must meet by taxes. It is a "painless burden." That is all there is to it.

Mr. TABER. I may say to the gentleman from Mississippi that the soldiers' item is a mere bagatelle compared with the raping of the Treasury we have been pulling off here.

$10,000,000,000 INCREASE IN NATIONAL DEBT—$400,000,000 INCREASE IN ANNUAL INTEREST

Mr. BUSBY. If the gentleman will permit a further statement, from the low point in our national debt in 1930 we will have increased the national debt $10,000,000,000 before we end this program, and it will mean $400,000,000 added interest a year for the people to pay, almost $1,500,000 a day tax-exempt interest to the bond buyers. That is how we are going along for economy. [Applause.]

Mr. TABER. I am going to vote against this bill.

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

Mr. TABER. No one knows the amount of money that is in the minds of those who have the authority to spend this, or who will have the authority to spend it. They have no idea as to how they are going to spend it. They just imagine they can spend this money and that we are turning it over to them carte blanche to cut loose and do almost anything with it they can dream of.

Mr. Chairman, I hope there will be a substantial protest vote against this bill, so that there can be something with which the American people can apply the brakes and such stuff as this stopped.

Mr. BUCHANAN. Mr. Chairman, as the House knows, this bill carries appropriations to give effect to the President's program to relieve the depression. My colleague, the gentleman from New York [Mr. TABER] states that it is the largest peace-time appropriation in the history of our country. It is a large appropriation, but is it a peace-time appropriation? [Applause.] This country is as much in an economic war with as great potentiality of danger as ever occurred upon any sanguinary field of strife, and we are trying to combine our public activities with private activities to relieve the great amount of unemployment in the country, and we believe this measure will do it.

The hearings before the committee showed that the public expenditure of this money, combined with the agreements they are having with private enterprise, will employ not less than 4,000,000 of the unemployed in this country, and yet the gentleman complains about this being a large appropriation.

I do not know whether I should go into the details of this measure or not. The principal appropriation is one of $3,300,000,000 to relieve unemployment, for public roads, in which Muscle Shoals is also included, and for the encouragement of the matching of State appropriations for local enterprises in such States.

This is an emergency appropriation. If it is to do any good at all, it must be expended now or during the coming year, while the great amount of unemployment exists, and it must be spent while private enterprise has indicated a willingness to join hands with the Government to relieve the unemployment in our country, because when we bring back the purchasing ability of the people, the depression will disappear.

There is $40,000,000 for the Farm Credit Administration, to help our farmers get credit.

There is $50,000,000 to enable the farmers who borrowed money from the Federal land banks to have the past-due interest on their mortgages continued for another year so that they may not be foreclosed and their earnings of a lifetime wiped out.

There is $1,500,000 for the establishment of employment organizations in every State of the Union to coordinate employment organizations and to relieve unemployment so that the man without a job can be brought to a job and the job can be brought to the man.

There is $125,000 as a guaranty fund for the economic conference that is now in session. We appropriated $150,000. This will last for 3 months at very reasonable rates on everything. If the conference should last longer than 3 months, we would have no money to sustain our conferees over there, and it would be a burning shame if the money should give out before the conference had concluded its deliberations and our conferees would have to leave on account of the lack of $125,000. This would be an international shame upon our country.

There is $265,000 additional for an investigation by the Federal Trade Commission of securities under the Security Act which we passed, and the Fair Trade Act, by which agreements and codes of procedures are to be adopted by the different lines of business. These codes of procedure must be investigated before adopted and approved by the Government in order for it to be determined whether such codes are fair to all the interests involved.

Mr. KELLER. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. KELLER. The gentleman from New York [Mr. TABER] refused to yield for a question which I should like now to ask the chairman of the committee. Did the gentleman from New York or any of the other opponents of this

appropriation propose a method for bringing back prosperity without expending money?

Mr. BUCHANAN. They not only did not propose a method to bring back prosperity without expending money, but they never have proposed any method at all, either now or heretofore.

Mr. KELLER. That is what I wanted to know. I thank the gentleman.

Mr. BUCHANAN. We propose to try to do something, and you cannot do anything unless you have some money to do it with.

Mr. LUNDEEN. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. LUNDEEN. I should like to ask why the gentleman objects to spending $170,000,000 for the soldiers.

Mr. BUCHANAN. Has the gentleman heard any objection from me?

Mr. LUNDEEN. I do not mean the gentleman, but the gentleman's party.

Mr. BLANTON. Will my colleague yield?

Mr. BUCHANAN. I yield.

Mr. BLANTON. My colleague does not mean to say that the Republicans did not spend money, but merely that they accomplished nothing, because for the past 4 years the Republicans under President Hoover spent $1,000,000,000 a year more than we took in from all sources.

Mr. BUCHANAN. I am not going to discuss the soldiers, because that will come up later for discussion on the floor. I may simply say that I want to see a compensation and pension system adopted that is fair alike to the soldiers and to the people of the United States, and I want to see every soldier with a service-connected disability properly compensated for his disability. This is the highest duty the Government owes to any class of people.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. SHALLENBERGER. I think the gentleman should call the attention of the House to the fact that while this bill carries $3,300,000,000 to carry out the purposes of the Industrial Recovery Act, that act itself carries a tax to amortize the bonds and pay the interest. So it does not put an additional drain upon the general expenses of the Government, because the act itself provides for such payment.

Mr. BUCHANAN. Certainly. That measure carries a tax to provide a sinking fund and to provide for the payment of the interest on the money borrowed. Not only that, but a great deal of this money is merely lent and will come back to the Treasury.

Mr. WADSWORTH. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. WADSWORTH. May I ask the gentleman to give us some information as to this language on lines 9, 10, and 11, page 4: "and investigations of the Tennessee Valley Authority, including reimbursement for any expenses prior to the enactment of this appropriation incurred at the direction of the President." Has any accounting been rendered indicating how much has been expended without authority?

Mr. BUCHANAN. The committee had no accounting on that.

Mr. WADSWORTH. And the committee does not know how much it amounts to?

Mr. BUCHANAN. The committee does not know how much money has been spent, but every cent no doubt has been spent with the approval of the President and for a good and laudable purpose to procure relief for the unemployed.

Mr. WADSWORTH. But without authority of law, and you do not know how much it amounts to?

Mr. BUCHANAN. No; and I do not care how much it amounts to as long as the unemployment is relieved and prosperity is restored.

Mr. WADSWORTH. But this has to do with the Tennessee Valley Authority. The gentleman does not know how much has been spent on that?

Mr. BUCHANAN. No; I cannot tell the gentleman.

Now, I do not care to have anything more to say, but I hope that this bill will pass today so that the House will be ready for adjournment when the Senate is ready, and it cannot be said that the House has been laggard in transacting business throughout this session. [Applause.]

Mr. THURSTON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. McFADDEN. Mr. Chairman, this is a very important deficiency bill. Never during my 20 years of service has there been a more important deficiency bill. I know that my vote against it will have very little effect, but I propose to register my vote against the bill, and in doing so I believe that I am voicing the best interests of the people of my district and the country as a whole. [Applause.]

We have very little information relative to this expenditure that is proposed of $3,300,000,000. Doubtless the smaller appropriations in this bill proposed may be fully justified, but there are two items I want to call your special attention to—the $3,300,000,000, on which we have no information as to how the money is to be expended; and the $125,000 being appropriated for expenses of the London Economic Conference which starts next Monday—this in addition to the appropriations which have already been made.

I have repeatedly said, during the various stages of authorization of this economic conference, that the debt question—the debts owed by the allied nations to the United States—was the principal purpose. It started out as a silver proposition. Then it came in as a tariff proposition, and then as an international exchange situation.

We now know that the economic conference is going to discuss the question of cancelation of debts owed this country by the foreign countries.

I want to remind this administration that no one has a right to cancel these debts except Congress. [Applause.] And if I had the power, what I would do now would be to serve notice on foreign nations that they must pay up and shut up—and that is what I hope the administration will do. [Applause.]

What I fear, however—and it is very evident here by the statement just made by the leadership of this House—is that they do not propose to have the Congress in session at all while this London conference is in session, and apparently the principal reason why we are to quit and adjourn this session of Congress is so that the Representatives of the people cannot keep in close touch with what is taking place in London and register their protest against it. This Congress should remain in session while this conference remains in session. I enter a further protest against—I understand it is in the offing—the President of the United States himself going to London to sit in on this international conference. My God! Have we not had enough experience with Presidents of the United States going abroad and intermingling in international affairs? We are not yet out of the results of the last trip of this kind. Is not this country having enough trouble here at home without going to London to seek more trouble?

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

Mr. McFADDEN. I am sorry, but I have only 5 minutes.

Mr. BLANTON. Will the gentleman yield for one question?

Mr. McFADDEN. I yield for a question.

Mr. BLANTON. I agree with the gentleman, that no power except the Congress of the United States has the right to cancel debts foreign countries owe us. That is agreed, is it not?

Mr. McFADDEN. It certainly is.

Mr. BLANTON. Then, if the Congress is the only power that has authority to cancel debts, why be afraid?

Mr. McFADDEN. Because of what is taking place.

Mr. BLANTON. They cannot cancel the debts over there. It is only the Congress of the United States that can do that. And we are not going to permit anybody else to cancel our foreign debts. And more than that, they are not going to be canceled.

Mr. McFADDEN. I am very glad the gentleman agrees with me, that no one except Congress can cancel these war

debts. They are debts of honor. But so many maneuvers are taking place and they are so cleverly managed by these international gentlemen, the cleverest ever assembled in any international conference, that I am fearful that the United States is going to be inveigled into a situation that will not be for the best interest of the people of the United States. The chief adviser on debts, you must remember, is James P. Warburg, of the banking family of Kuhn, Loeb & Co., of New York, and of the firm of M. M. Warburg & Sons, of Hamburg, Germany. He is one of the inside group of international bankers who have had control of our financial system—which control has ruined this country.

I think it is unfortunate that during this conference the Congress of the United States cannot remain in session, and I enter my protest against the acceptance of any $10,000,000 payment on the part of Great Britain as now being proposed, or any of these countries in partial payment of what is due this country on June 15 next. I insist that the United States should serve notice on these foreign nations that they should pay and shut up. Therefore I can see no reason why we should appropriate another $125,000 to pay the expenses of continuing in this conference.

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

Mr. McFADDEN. Yes.

Mr. BRITTEN. Does not the gentleman really feel that the $275,000 appropriated in this bill and the previous bill for the expenses of this conference is just like throwing that much money into the wastebasket?

Mr. McFADDEN. I do, because nothing is going to be accomplished that is for the benefit of the American people at this conference. Its sole purpose is to cancel the obligations which these foreign countries owe to the United States. Inasmuch as I shall probably not have an opportunity to discuss the control of industries bill, except under the limited time that might be available when the conference report is requested, I am taking advantage of the opportunity granted me to refer to that bill at this point.

May I invite your attention to remarks made by Mr. Bernard M. Baruch in hearings before the War Policies Commission pursuant to Public Resolution No. 98, Seventy-first Congress? These hearings were held about March, April, and May 1931. Mr. Baruch stated in part:

* * * Our industry must, at last analysis, mobilize itself. What is required is leadership of a type that will persuade cooperation in every branch. This leadership must be backed by sanctions of far greater force than can or ought to be used in peace. It is a spontaneous sort of function utterly inappropriate to any imaginable form of bureaucratic organization. * * *

As I have said, I do not favor an involved statute attempting to anticipate the requirements of another war.

I think plans should be made and revised yearly. I think some steps should be taken to keep selected industrial leaders informed of these plans so that when the principal actors in the 1918 mobilization pass from the scene there will be a nucleus of personnel to take their places. I do not believe that we can go farther.

But, for a very special reason, I do believe that there should be one statute on the books the very existence of which would be a constant warning to everybody that never again in America will any man make as much profit in war as he can make in peace. There need be nothing complex nor involved about it. Purely for purposes of discussion, I have prepared a rough draft, eliminating enacting clauses and formalities. It follows:

"That whenever Congress shall declare war or the existence of an emergency due to the imminence of war, then, from and after a date prior to such declaration, which date the President is hereby authorized and directed to determine and announce, it shall be unlawful for any person to buy, sell, or otherwise contract for any service, right, or thing at a higher rate, rent, price, wage, commission, or reward than was in effect at the date so determined.

"Whenever, in the sole discretion of the President, he shall determine that any maximum price, wage, rent, rate, commission, or reward should be adjusted either upward or downward, he is hereby authorized to make and proclaim such adjustment; and such adjustment shall have the full force and effect under this statute of such price, wage, rent, rate, commission, or reward before such adjustment.

"During the period of any war or emergency declared by Congress thereunder the President is authorized to determine, and by proclamation announce, what classes of public service, or of dealers or manufactures of any article or commodity shall be required to operate under licenses, to fix a condition of such licenses, and to grant licenses under such conditions. After such determination by the President it shall be unlawful for any public service, dealer, or manufacturer in such determined classes to engage in business without such license.

"During the period of any war or emergency declared by Congress hereunder, the President is authorized to determine the order of priority in which any manufacturer, dealer, or public service in the United States shall fill customers' or other orders and after such determination it shall be unlawful for any such manufacturer, dealer, or public service to fill such order in any other order of priority."

So much for the bill he proposed, but bear in mind he was emphatic that it should be used only in the event of war or an emergency caused by the imminence of war. He further stated:

Nobody with any familiarity with industry could seriously urge a wholesale assumption by any Federal bureau of the responsibility for management of any or all of the vast conjuries of manufacturing establishments upon which we must rely for extraordinary effort in event of war. Even if such bureau management could prove adequate to the task (which it could never do), the mere process of change would destroy efficiency at the outset.

The industrial pattern of the United States is a delicate mesh of interrelated strands. It has been evolved in response to the needs of the Nation and under natural economic law but dimly understood. It is a sensitive living organism, and the injection of arbitrary and artificial interference could be attempted only at the risk of starting a sequence of upheavals, the ends of which no man can see. * * *

Baruch also presented to the War Policies Commission a draft of a proposed act regarding price fixing, and stated:

General Johnson, who was instrumental in drawing up the selective-service legislation, as it was submitted to Congress during the war and who wrote the selective-service regulations, assisted in preparing this draft. * * *

Johnson, as well as Herbert Bayard Swope, was present with Baruch during these hearings, and they appeared to be his lieutenants, Johnson especially acting in the capacity of an assistant. Johnson is now proposed to head the new industrial reorganization group.

Baruch also stated: "For 13 years I have been coming down and working with my associates in the War Department * * *," referring to this particular proposed legislation.

Along with Johnson being proposed to head the new control Baruch is mentioned as topping the list. Also mentioned, Alfred P. Sloan, of General Motors; Roy D. Chapin, former Secretary of Commerce, and of the Hudson Motor Car Co.; Walter C. Teagle, of Standard Oil Co.; Gerard Swope or Owen D. Young, of General Electric; Donald Richberg, counsel for railroad labor unions, is mentioned as counsel for the new set-up. Johnson has already been at work establishing the new set-up with the aid of Government employees furnished by the Department of Commerce.

Mr. Baruch's name has been more or less subdued and infrequently used during these early days of the present administration, but facts and conditions indicate the country will hear more of him.

I wanted to take this opportunity to, just for a moment, focus the spotlight on this considerable power behind the throne. It may prove a valuable ready reference for the future.

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

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, we see gentlemen on the other side of the aisle rising here this morning to speak for the RECORD. They say nothing about the utter depths to which they brought this country due to their administration and the control of the policies of this Government. Never before in the history of our country did we have the millions of men and women walking up and down the highways and byways of this country without employment, and in many cases even without food. When we raised the issue on this floor 3 years ago and brought to the attention of the people of the country that there were 5,000,000 unemployed in this country gentlemen on the other side of the aisle denied that such unemployment existed. The President denied it. The Secretary of Labor denied it. When

Senator WAGNER made the statement that this large number was out of work it was emphatically denied, not only by the Republican administration but by the Republican leadership in this House. Now when we come in here and want to do something constructive to help our people they say, "Oh, you are spending the people's money." Yes, we are spending the people's money, in order that something may be accomplished for their benefit rather than to continue to lie in the rut you left us in during the past 4 years. It is generally recognized that one of the very first things in legislative practice is, if you have objections to offer to a measure, is to propose an alternative, but the gentleman from New York [Mr. TABER] proposes no alternative. No; he is up here to speak for the RECORD. We are spending the people's money in order to help them, in order to bring the country back out of the rut into which it has been put by the Republican administration, and we are glad to spend this money.

Then we have the celebrated apostle of impeachment rising on this floor, a gentleman who has never offered a constructive suggestion since I have been here, or any important suggestion other than to impeach the President and protest against some mythical bogey international bankers—a man who would stir racial hatred, who would separate and divide our people, and who will not be fair enough to permit false and forged statements to be taken out of the official record of this House. Then we are told that we are spending needlessly the funds of the people. We admit that we are spending them, and why? We want to give them food, we want to give them clothing, we want to give them employment. We care nothing about international bankers or the impeachment of Presidents while our people are unemployed and hungry. What we want to do is feed the people, put clothes on their backs, and give them jobs, so that they can become self-respecting, and not be carried away by mythical things that amount to nothing. Come to us with hands that possess something constructive as an alternative to the proposition that we offer. You come with empty hands. Anybody can criticize. You do not offer a single constructive suggestion. You object because we try to keep the home for the little fellow who is going to be foreclosed; you object because we want to keep the distressed farmer on his farm. Are those constructive measures? Are these measures that will help our people? We say "yes", and we defy your criticism, because you have nothing better to substitute. You want to tear down, we want to build up.

Mr. BRITTEN. Will the gentleman yield?

Mr. BOYLAN. Yes, I yield.

Mr. BRITTEN. I am glad to hear of my friend's confidence in the Economic Conference that is to take place in London, and I am wondering if he bases his conclusions upon the theory that a Democratic administration provided the billions of loans to Europe and now another Democratic administration should relieve them of those loans. The gentleman is talking about political administrations. Does the gentleman think that European nations may be relieved by this Democratic administration of their just debts?

Mr. BOYLAN. In answer to the gentleman, I want to say what the London Conference will do, you do not know and I do not know, but I am willing to take a chance that they will do something helpful for world recovery. As to the matter of the debts——

Mr. BRITTEN. You mean they will do something to us?

Mr. BOYLAN. Pardon me. Let me answer you. As to the matter of the debts, that subject is not included in the provisions of this bill.

Mr. BRITTEN. Then the conference will go up in smoke. That is the only reason for the conference.

Mr. BOYLAN. That is the gentleman's opinion.

Mr. FORD. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. FORD. The gentleman adverted to the loans that were given by the Democratic administration, but he did not say a word about the $17,000,000,000 that the Republicans allowed the American people to be bilked out of by the last administration.

Mr. BOYLAN. No. He did not say a word about that; he carefully kept that under cover. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. BOYLAN] has expired.

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, this is an industrial war, and this is a war measure to get out of it. This is a bill to appropriate the necessary money to put into effect the public-works program recently approved by this House. I repeat what I have said many times on this floor, that the only remedy for the terrible condition under which we are suffering is putting men to work, giving men jobs. I have stood here for 2 years pleading for jobs for men and the God-given right to a job of every man and woman who wants to work. In times of chaos like this the Government must assume leadership and provide jobs. And we cannot have jobs unless we appropriate the money that will create these jobs.

What brought about these conditions we are now compelled to meet? What was done by the gentleman from New York, who refused to let me ask him a question, to prevent this debacle? What has the gentleman done since to take us out of that condition? What has the gentleman or his colleagues proposed to bring back prosperity, which he and they threw away during their administration? I stand here and say to you that here is a condition the like of which no party has ever before inherited. It is begging the question for any of you to suggest that this terrific condition is at all comparable to that of the World War. More money has been lost through the misgovernment of the past 12 years, and especially the last 4 years, than the entire cost of the World War to all of the nations engaged in it. The economic loss to the people of the United States alone in this panic and its resulting depression is greater, I repeat, than the entire cost of the World War to all the nations engaged in that war. We overlook that and talk petty politics. I am astounded that the gentleman would resort to politics in a time like this. I have never made a party speech from this floor, and I have no desire to do so, but if that is what the gentleman wants I shall welcome the encounter. So I say to the gentleman—and I ask him again—what have you proposed and what do you propose? What are your colleagues going to propose?

Mr. TABER. Will the gentleman yield?

Mr. KELLER. Yes; in just a minute. Do you propose to stand still as you have been doing? What did you do after the debacle came? What measures did you take? Why did you stand and let 13,000,000 men lose their jobs in this country without taking a solitary step to prevent it? What did you do to retain them in their jobs while they still had them? What are you doing to give back their jobs? Those are the questions which the gentleman refuses and fails to answer.

Mr. TABER. Will the gentleman yield?

Mr. KELLER. I yield.

Mr. TABER. I have answered those questions many times on this floor. If we had not gone on with these foolish expenditures during the years, we would not have had this trouble.

Mr. KELLER. What foolish expenditures does the gentleman refer to? Does the gentleman hold that it is foolish to spend money on needed permanent public improvements? Do you still think we can scrimp and pinch our way out of a disaster like this? Do you think all we need to do is to continue to starve through this terrible national cataclysm? How many more years of poverty must be added to these three and a half of misery and distress? My dear sir, let me suggest to you that nobody knows your answer except perhaps yourself, because it was never given effect here, and you have been one of the leaders of this body. You stood by and permitted, nay, more, you assisted in reducing the income tax time after time which took away the ability to pay all the war debts as they could have been and should have been paid out of the war-made billions.

Mr. McFARLANE. Will the gentleman yield?

Mr. KELLER. I yield.

Mr. McFARLANE. Is it not true that the Republican Party has been in power at least 12 years and incurred all these enormous expenses?

Mr. KELLER. Absolutely true.

Mr. BLANTON. Will the gentleman yield?

Mr. KELLER. Yes. I am glad to yield to my friend from Texas.

Mr. BLANTON. My colleague from Illinois should be easy on these Republican holdovers across the aisle.

Mr. KELLER. I am.

Mr. BLANTON. They have not done anything constructive or worth mentioning for these past 12 years and we Democrats are passing emergency legislation to effect speedy recovery so fast that they cannot keep up with us.

Mr. KELLER. Right. That is a good suggestion.

Mr. BRITTEN. Will the gentleman yield?

Mr. KELLER. I yield to the gentleman from Illinois.

Mr. BRITTEN. Is it not a fact that during the Republican administration following the Wilson administration the bonded indebtedness of the country was constantly decreased, and during the present administration it has been constantly increased?

Mr. KELLER. During the administration the gentleman refers to it was decreased very slightly when it ought to have been wiped out completely. That is the fact.

Mr. BRITTEN. It was decreased $10,000,000,000.

Mr. KELLER. It was not. It was decreased $6,000,000,000 under the Democratic rule after the war. It was decreased about $8,000,000,000 under the first 8 years of Republican rule, when it ought to have been, and could have been, completely and entirely wiped out. If the Democratic tax rates had prevailed it would have been absolutely wiped out. And the last 4 years of the Republican administration the debts were increased by five billions, in a period of absolute peace. In addition, the country was left prostrate financially, as everybody knows.

Mr. CELLER. The gentleman might say to the gentleman from Illinois that he increased the deficit greatly by insisting that the American fleet journey uselessly to Montauk Point, Long Island.

Mr. BRITTEN. Will you take that as an answer?

Mr. OLIVER of New York. If the gentleman will permit, it might be said that the "brain trust" has succeeded the "brainless trust."

Mr. KELLER. Yes. The gentleman from Illinois [Mr. BRITTEN] asks me whether I shall accept an answer. It is not a question whether I shall accept an answer, but whether he will accept an answer—the answer to the plea of the destitute unemployed, the most pitiful of all pleas, a plea only for the right to live by their own labor.

Will the gentleman from Illinois and the members of his party answer this cry of the multitude for work as they have in the past with shouts of "No!" Or will he and his colleagues come forward and answer the cries of the unemployed for work by voting for this bill, a bill which is more than a measure to provide work? It is by far the greatest document in the interest of mankind of any since the Declaration of Independence. That document only enunciated the principles of the rights of men to life, liberty, and the pursuit of happiness. This bill is the first step in putting those principles into force and effect. It is an acknowledgment by Government that men shall be protected in the right guaranteed them 157 years ago.

It is fitting and proper to point out at this time for those who will write our history that Thomas Jefferson, the first Democrat, wrote those memorable words:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, among which are the right to life, liberty, and the pursuit of happiness.

One hundred and fifty-seven years have elapsed, and another Democrat, Franklin D. Roosevelt, who can be compared only to Jefferson in his feeling for the rights of men, shall put into effect those principles through the instrumentality of this bill. Upon the passage of this act we shall have departed upon a new era in economics and in government, an era in which the rights of men are to be paramount, when the pursuit of happiness shall be possible, and not a meaningless phrase, when liberty shall take on a new meaning, the liberty to earn one's way by his own labor.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Chairman, I sought and obtained 4 minutes to address the House at this time on the necessity of the passage of the bank bill, which is now in conference.

I have just learned that the chairman of the Committee on Banking and Currency, the gentleman from Alabama [Mr. STEAGALL], who is very much interested in the passage of this bill, is ready to make a statement to this House; and I, therefore, want to yield back my time that it may be yielded to the gentleman from Alabama so that he may advise us the status thereof; but may I say in doing so that I hope this House will not adjourn until this bank legislation is passed. For one, I am against adjourning until it is passed. [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield 4 minutes to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman, I believe it to be my duty as chairman of the Banking and Currency Committee and as a member of the conference committee of the House on the bank reform bill to report to the House the progress that has been made in connection with that legislation.

I will say to the House that the conferees have met frequently for two weeks, and that at every meeting we have made some progress toward a final agreement on the bill.

I believe I am justified in saying that an agreement would have been reached on yesterday but for the fact it had been announced Congress would adjourn tonight and the further announcement that a filibuster would be resorted to in order to defeat the adoption of a conference report in the Senate.

Your conferees have labored industriously, hour by hour, to agree upon a report, and that we have yielded as far as we felt we could if we were to preserve the expressed will of the House as embodied in the bill which passed this body.

We are not willing to agree to any bill that will deny a fair opportunity to any solvent State nonmember bank to participate in the benefits of the insurance fund. [Applause.] And we are not willing to agree to any plan contrary to the judgment of this House to commit this country to the policy of branch banking. [Applause.]

The big bankers are fighting this legislation. They are approaching the question from every angle, and they are throwing every obstacle in the way that the human brain can devise to defeat this legislation. But the people of the United States demand that it be passed for the protection of the public. [Applause.] Without it, it is folly to expect the people to trust the banks with their deposits, and so long as this situation continues we cannot expect satisfactory recovery of business in this country. [Applause.]

We shall have to employ bank credit before we get out of this depression, and we cannot employ bank credit so long as every banker is shivering in his shoes for fear of a mob at his door demanding cash for deposits. [Applause.]

This legislation is an indispensable step in any program for restoring normal business and the return of prosperity in the United States. [Applause.] If you agree with me, let me tell you that you should stay here and continue to represent your districts by insisting upon the passage of this legislation. [Applause.]

The House is overwhelmingly for this great reform, and so is the Senate. Both bodies have shown this by their votes. If we cannot get a conference agreement to a fair bill, representing the judgment of this House and the wishes of the American people, we should stay here and, if necessary, pass a separate bill and send it to the Senate, and the Senate will pass it if given an opportunity. [Applause.]

The Senate favors this bill. The House is overwhelmingly for it. If we will only stand firm, we shall see that it is passed before we can complete plans to go home. The people of the Nation demand and expect bank reform. If we fail to enact such a measure, it will bring disappointment that will

be felt by all classes of citizenship and accentuate the loss of confidence which has caused so much demoralization and distress. We should not adjourn without passing this legislation. [Applause.]

Mr. THURSTON. Mr. Chairman, I yield 9 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, it is infamous that Norman H. Davis, now acting as United States Ambassador at Geneva and London, and engaged in the most vital negotiations in derogation of American rights as an independent Nation and American interest in international financial and economic affairs, should be the representative of the United States in any capacity, particularly in the important capacity of his present mission.

Mr. Davis has been the paid agent or representative or participant in the profits of J. Pierpont Morgan & Co., American fiscal agents of the British Government, who are vitally interested in our foreign policy and in the international financial and economic policy of the United States, contrary to the best interests of the American people. This relationship is in addition to his having for several years a partially unliquidated loan with J. Pierpont Morgan & Co., and being upon the so-called "favored subscribers", "insiders", "beneficiary", or "preferred" list of that firm for investment purposes, as developed recently by a Senate committee.

Mr. PARSONS. Mr. Chairman, a parliamentary inquiry.

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

Mr. PARSONS. May I ask what the parliamentary situation is, whether the debate is confined to the bill?

Mr. TINKHAM. Mr. Chairman, I decline to yield.

The CHAIRMAN. The gentleman from Massachusetts declines to yield. The Chair may say to the gentleman from Illinois that debate is not confined to the bill.

Mr. TINKHAM. According to Leland Hamilton Jenks, now professor of social institutions at Wellesley College, in his book, Our Cuban Colony, published in 1928, page 327, there appears on page 18 of the April 1915 Times of Cuba the following statement:

> Cuba has recently arranged a loan with J. P. Morgan & Co., through Norman H. Davis, acting as representative of that firm.

Let Norman H. Davis and the Department of State deny this statement, and let J. Pierpont Morgan & Co. deny that they or their agents or servants have ever paid Norman H. Davis any money directly or indirectly.

I am assured by responsible individuals, and I have been promised the official record at an early date, that in or about 1913 Norman H. Davis was indicted by a criminal court in Cuba for criminal action in connection with his organization of and association with the Ports Co., of Cuba, and that he became a fugitive from justice.

Let Norman H. Davis deny that he was indicted in a Cuban criminal court and became a fugitive from justice.

The Ports Co., of Cuba, which obtained a dredging concession, known as the "Dragado concession", from the Cuban Government, was alleged to be guilty of widespread bribery of Cuban officials and of others in the Republic. Referring to this concession in his book Our Cuban Colony, Professor Jenks, on page 119, terms it "the most grandiose attempt at plunder in the history of Cuba." He continues:

> The dredging concession of the Ports Co., of Cuba, was granted by Gomez, revoked by Menocal and Torriente, and settled for at a subsequent date, while the State Department played a curiously ineffectual role, apparently quite out of its depth.
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> There can be no doubt that the harbors of Cuba needed to be dredged, particularly Habana, where there were and still are some 270 abandoned wrecks, the accumulation of centuries of Spanish rule. It seemed especially important for Cuba in 1910 and 1911. The Panama Canal was just being completed, and thoughtful Cubans assured themselves that the growth of commerce through the canal would mean the rise of Habana as a great port of call and transshipment, the metropolis of the Caribbean, not to speak of all Latin America.
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> A firm of American enterprisers proposed to do it, under authority of a concession for the entire project. The firm, the T. L. Huston Contracting Co., had been constituted in Habana September 29, 1904. Its principal members were Capt. Tillinghast L'Hommedieu, Huston, late of the United States Engineers, and Norman H. Davis, a young man of winning personality and energy, who had attended Vanderbilt University and Stanford without graduating from either. Huston and Davis, who had already engaged in the building business, turned in materials and contracts valued at $19,900, thus paying up the bulk of the capital of $20,000. The firm prospered and developed affiliated organizations, the Huston Concrete Co. and the Huston-Trumbo Dredging Co. It acquired Camoa quarry near Habana with an inexhaustible supply of the best stone. At Concha, it was said in 1913 to have the largest concrete pipe plant in the world. Davis, who, after some misfortunes, retained a flair for banking, organized the Trust Co. of Cuba in 1905, with a distinguished Cuban, Dr. Gonzalez Lanuza, at the head. The bank buttressed the contracting business financially. Of the Huston firm, a British work stated in 1912: "No other foreign concern, outside the great railway corporations, has had as great a share in the building up of modern Cuba."
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> Measures for port improvement in Habana were under consideration by the Cuban Senate, when an organization calling itself the "Cuban Ports Co." presented a proposal, January 25, 1911. The company would dredge and improve a stated list of harbors and maintain them in good condition for a period of 30 years. In payment it asked that port dues be levied and assigned to it for that period, amounting to $1 per ton upon merchandise, 25 cents a ton upon coal. A month later without much debate a law was passed and approved granting the company the concession. By special arrangement the fees were cut down to 68 cents a ton (70 cents on merchandise from the United States) and 10 cents, respectively.
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> The historian is permitted to cut through the melange of legal facts surrounding the origins of this enterprise and to say that the company had no paid-up capital. Its shares to the nominal value of $10,000,000 were issued, $9,000,000 to Captain Huston and the balance to some Spanish and French capitalists of Habana who were leading backers of the dominant Liberal Party. In addition, $825,000 first-mortgage bonds were issued to Huston "for services rendered the company."
>
> Briefly stated, the company proposed to perform works which would cost $10,000,000. It expected to receive fees in payment which were estimated for the first year at more than $1,000,000 and were expected to increase annually for the next 30. The company's mortgage deed of $1,000,000 to the Trust Co. of Cuba, March 11, 1911, appraised the concession at $25,000,000. The prospectus of the loan advertisement in London states that it was expected that the works would be entirely paid for, including interest upon bonds, by the receipts of the port dues in the first 15 years, leaving the entire receipts for the succeeding 15 to the shareholders, subject only to the duty of maintaining the work. The latter were to get $60,000,000 in the course of time for nothing. Norman H. Davis journeyed to London with $6,000,000 in bonds and sold them to Sperling & Co., bankers, who offered them publicly in May 1911.
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> Meanwhile, the contract for the entire work had been let to the T. L. Huston Contracting Co. Subcontracts were awarded to Michael J. Dady, Snare & Triest, Macarthur, Perks & Co., and Bowers Southern Dredging Co.
>
> No one supposed that the Cuban Congress and Government had parted with so valuable a levy of tribute for nothing. The Ports Co. "probably paid a large amount of money to get the concession", states a friendly journalist, "scores of Cuban officials and lawmakers, from the President of the Republic down to common policemen, receiving their share of the spoils." A law partner of the Speaker of the Cuban House was made director of the company. The Speaker himself, Orestes Ferrara, was head of the legal department, which included also Carlos Miguel de Cespedes, Cuban Minister of Public Works in 1926. There was a great deal of legal business to be done.
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> Criticism arose from various sources almost immediately. The United States, however, appears to have taken no notice of the matter until June 23, 1911. On that date it delivered a note to the Cuban minister in Washington in protest. By this time, it will be recalled, contracts had been let, bonds had been sold and widely distributed. The note declared that the project "reflects a highly improvident and dangerous fiscal policy which threatens to lead Cuba to a condition of national bankruptcy and the consequent inability to maintain an adequate government." The United States asked that the project "be thoroughly reformed."
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> Instructions do not appear to have been so imperative, however, as in less important cases. A year later the United States was addressing Cuba again through Minister Beaupre, June 13, 1912, in the midst of the Negro rebellion. By this time we had formed the opinion that the concession did not conform to the provisions of article II of the permanent treaty. The State Department had taken the matter up directly with the Ports Co. And the company had indicated that it was willing to change the concession to meet the views of Secretary Knox. What seemed to trouble the latter was that the Cuban Government could not terminate the concession "at a just and equitable valuation." So this was arranged for.
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> Eight days before Gomez left office, May 12, 1913, he published a decree, with the approval of the Ports Co. and the American Legation, modifying the original concession. The Cuban Government could now take over the concession by purchasing the outstanding stock of the company at a valuation to be made by 3 appraisers, 1 nominated by Cuba, 1 by the company, and the third by the United States. This change was enough to make the concession constitutional under the Platt amendment. The

United States also insisted that no more shares be issued and that the capital stock of the company be represented at $10,000,000 in shares of $100 each.

For its part, the company was relieved of performing part of the work which had been assigned to it by law; it was granted title to the lands reclaimed from the sea in the process of dredging; and the government expressly recognized the mortgages which had been issued in guaranty of the company's bonds, and the other contracts which the latter had entered into.

With these amendments the United States approved the concession to the Ports Co. of Cuba.

Its only achievement had been to increase the apparent legal solidity of the undertaking without imperiling in the slightest its prospective profits.

It remained for the Menocal administration, which took office May 20, 1913, to find the vulnerable point in the company's constitution. The last Gomez decree was declared void June 18, 1913, and August 4 the Government took charge of the Ports Co. works on the technical ground that the company in charge was not the concessionaire contemplated by the law. The pretext was flimsy, but it proved sufficient for the Government to carry its point against the company through the courts, and over the somewhat uncertain remonstrances of Secretary Bryan on behalf of the bondholders and subcontractors. The company had done work valued at $5,000,000 up to this time, and had collected port dues to cover nearly all of it.

There was a depression. The Cuban Government continued to collect the port dues, but the work of harbor improvement was left largely incomplete.

Then the bondholders appeared, demanding that the Cuban Government, having in effect taken over the operation of the company, reimburse the security holders "at a just and equitable valuation." And while Cuba successfully resisted suit to this effect in the courts, it was impressed upon her by the United States that something ought to be done for the bondholders. President Menocal informed a committee of legislators March 18, 1915, that the country's credit required indemnification of the bondholders. He endorsed indemnification in a special message January 21, 1916, which failed to produce congressional action.

The entry of Cuba into the World War gave the United States an opportunity to renew bondholders' appeals. And when the Cuban Congress adjourned in June 1917 Menocal summoned it back in special session to authorize him to arrange a settlement. It was stated that Cuba's credit with her allies required the adjustment. Cuba was commencing negotiations with the United States for a loan of $15,000,000 offered by the latter for war purposes. Mr. Norman H. Davis had turned dollar-a-year man and had become financial adviser of the Treasury Department at Washington in charge of loans to the Allies. The Trust Co. of Cuba, of which Mr. Davis remained the head, appeared as representatives of the Cuban Ports Co. bondholders before the commission chosen to help Menocal adjust the claims. An agreement was reached satisfactory to all interests; and April 3, 1918, a decree of Menocal authorized the exchange of $7,000,000 in 5 percent Cuban Treasury bonds for the same amount of bonds of the company. The assets of the company, valued by it at nearly $18,000,000, were returned to it. These included nearly 831,044 square meters of waterfront property in Habana. In a word, the Cuban Government returned the company its assets and assumed its debts. Thus the United States, not to say talented Americans, helped to save Cuba from dangerous improvidence in her resources.

In April 1918 Cuba received her war loan of $15,000,000 from the United States in three installments.

Due to the annulment of the "Dragado concession", according to Professor Jenks, the $6,000,000 worth of bonds which Mr. Davis is said to have floated in London through the British banking house of Sperling & Co. were defaulted. These bonds were not validated and paid until after Norman H. Davis had become financial adviser of the Treasury Department of the United States in charge of loans to the Allies in 1917 and not until United States financial pressure was brought to bear upon the Cuban Government.

Let Norman H. Davis deny the essential allegations in these statements. Let the Department of State deny them.

That Norman H. Davis, a man with such a record and a man who has been denounced by the Court of Appeals of the District of Columbia and the Supreme Court of the United States as a perpetrator of vicious and atrocious fraud, in decisions which I recently read to this House, should represent the United States in any capacity is scandalous. That he should be in Europe as the representative of the President of the United States, proclaiming to the world the surrender of American independence, American neutrality, American freedom of the seas, and the subjection of American defense to European supervision is not only a disgrace to the people of the United States but is high treason against the United States.

I have been informed and have reason to believe that the Department of State was in possession of the facts which I have related before Norman H. Davis was appointed to represent the United States at Geneva and London.

I wish to notify the House that I shall send a statement of these facts to the Department of State. If no action is taken by the Department of State in removing Norman H. Davis as representative of the United States, I propose, at the next session of Congress, to introduce a resolution providing for his removal by action of Congress. [Applause.]

Mr. THURSTON. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, several prime ministers and other distinguished foreign statesmen visited Washington last month at the request of the administration to discuss economic, monetary, trade, and disarmament issues. Paraphrasing Julius Caesar, they came, they saw, and they went home. Apparently a good time was had by all, but nobody knows what it was all about, least of all the foreign statesmen who were much feted and presented with extensive formulas—Y unequaled tariff reductions, Z equaled inflation, and X represented the unknown quantity or reduction in war debts.

The visiting statesmen, on their return home, have had much difficulty in explaining these formulas satisfactorily to their governments and fitting the pieces into the right places in the picture puzzle. Why not, as no Democrat has yet been able to inform the American public whither we were going on the war debts, embargoes, or League of Nations? Of course, no Republican can even venture a solution of the recent conference puzzles at Washington. None of them were invited to attend the conferences or to make suggestions. For the first time in American history, since we became a world power, partisanship was injected into international issues, in spite of our traditional practice and policy to the contrary. The so-called "new deal", as applied to foreign affairs by the "brain trust", was to ignore the sound American policy of permitting partisanship to cease at the water's edge.

The visiting foreign statesmen were guests of the Nation, not of the Democratic Party. Nevertheless, Republicans who represent the opposition party were not to be trusted to even meet these foreign statesmen or they might be contaminated. Prime Minister MacDonald was regaled at a big state dinner at the White House without the benefit of any Republicans from the House of Representatives and but one from the Senate.

The Democratic program of a new deal on international issues apparently is the old Wilson deal, or internationalism rampant; entrance to the League by the front door, the back door, or the trap door; embargoes to enforce article XVI of the League of Nations Covenant to punish aggressor nations; consultative pacts; bargaining tariffs at the expense of American labor; and as to reduction or cancelation of war debts only time will tell, as the Democrats have ignored the issue and apparently up to date have no definite policy except that we will confer with you later. In the meanwhile the war debts have been reduced another 25 percent by going off the gold standard, in spite of the Democratic-platform pledge to preserve a sound currency at all hazards.

Europe has been informed by Messrs. Hull and Norman Davis that America will surrender her protective tariff, both of whom propose to tear down our tariffs and thus open wide the floodgates of cheap European and Asiatic goods to create further unemployment in the United States.

The Republican Party, although not invited to participate in the Washington conferences, stands on international issues where it has always stood—against international alliances and entanglements, and places the safety and interests of the United States first, last, and all the time. The Republican Party is opposed to entrance into the League of Nations or to giving the President power to place embargoes against an aggressor nation, which would destroy the time-honored neutrality policy of our country proclaimed by

George Washington in 1793 and adhered to since then by every President. The Republicans in the House of Representatives regard the proposed embargo-on-arms power to the President to be dangerous and revolutionary, tending to lead us into war instead of preserving peace.

The Republican national platform of 1932 is explicit in its opposition to cancelation of war debts, and for the preservation of the American standard of living and wages of the American wage earner through an adequate protective-tariff policy.

The Republican Party will continue to stand for complete independence of action by the United States on all international issues and against involving our country in European affairs by entering the League of Nations or limiting or abolishing our traditional policy of neutrality. In opposition to the Democratic program as recently developed, we stand without compromise on international issues, for American independence, American sovereignty, American neutrality, and American interests and safety.

The Democratic Party has, on the advice of the "brain trust", deliberately injected partisanship into the conduct of our foreign policy, and the Republican Party accepts without fear or favor this issue which has been flung in its face.

Since 1920, under Republican administrations, such well-known and distinguished Democrats as Oscar Underwood, Owen Young, Bainbridge Colby, Joseph T. Robinson, Democratic leader of the Senate, and Claude A. Swanson, now Secretary of the Navy, have been appointed and served as delegates at important international conferences.

With the exception of Senator James Couzens, who has pursued a nonpartisan course in Congress and refused to support the Republican Party candidates in the recent Presidential election, no Republican has been appointed as a delegate to the London Economic Conference. I admit that if it were not for the blatant partisanship for the first time being deliberately thrust into foreign affairs that I would be reluctant to criticize the Democratic Members; perhaps even now the less said, out of kindness, the better. None of the delegates have had any experience in international conferences or European affairs. None have any knowledge of foreign languages or have traveled extensively abroad or understand conditions there. In brief, the American delegation represents the "new deal" at the international conference, or innocence abroad, and naturally the London Conference is doomed to failure.

Secretary Hull, a student of the tariff from a free-trade point of view, in his many years of distinguished service in the House and Senate, never was on the Foreign Affairs Committee of either House, or showed any interest in international issues except as an advocate of the League of Nations. Senator KEY PITTMAN, of Nevada, the smallest State in population in the Union, has had considerable experience on the Senate Committee on Foreign Relations, and may be an important factor in stabilizing currencies and fixing an equitable price for silver by international agreement. The only thing that can be said of the other members is that they are all adherents of the League of Nations and inclined to free trade. Two of the six members come from the State of Tennessee—Secretary Hull and Representative McReynolds—and in addition there is Mr. Norman H. Davis, our ambassador at large, who hails likewise from Tennessee. The great States of New York, Pennsylvania, and Illinois are unrepresented, as is also New England.

Of course the work of our delegates at the London Economic Conference has been considerably lessened as Mr. Norman H. Davis and Ambassador Robert Bingham have already committed us to scrap our traditional neutrality policy and to join the League of Nations in selecting the aggressor nations. I prefer to leave Mr. Davis to the tender mercies of my colleague, Representative TINKHAM, but cannot refrain from saying a few words about the recent address of Ambassador Bingham before the Pilgrim's Society at which he declared the Roosevelt message recently delivered in Geneva regarding neutrality "marked a definite departure from certain principles maintained by the United States since the Nation was founded." "It does not contain a reservation retained by Great Britain in the Locarno Treaty. But from my standpoint, I do not believe there is a 10-year-old child of average intelligence anywhere in the world who could fail in the event of war to select instantly the aggressor." Mr. Bingham apparently does not realize that historians are still disputing as to which nation started the World War, or that no nation has been agreed upon as the aggressor nation for over a hundred years. It is this remark about the aggressor nation and the 10-year-old child that impelled Mr. Hearst, one of the leading Democratic campaigners in the recent election, to state publicly that he now understood the reason for the word "ass" in ambassador. Both Norman Davis and Ambassador Bingham have misrepresented the United States and should be recalled.

How can the American people expect anything from an international conference at which we have committed ourselves in advance to destroy our traditional policy of neutrality to enter a consultative pact, to apply embargoes against the aggressor, and to join in enforcing the most iniquitous provisions of the Versailles Treaty and the League of Nations? The conference will open at London on June 12 with many social festivities, but it will not get down to serious work before June 15, when the war-debt payments to the United States are due. France has refused to pay her war debt to us, which only amounts to the sum which we loaned her after the armistice. Great Britain is threatening to default, and so is Italy, although we settled on a basis of 25 cents on the dollar, or much less than we loaned her after the war was actually ended.

President Roosevelt has refused to permit the American delegates to the economic conference to discuss the war debts, which is the only big issue in the mind of every delegate attending the economic conference from European nations.

The House of Representatives, in which war-debt settlements must be initiated, has shown no inclination to cancel or even reduce war debts until European nations agree to reduce their huge budgets for military and naval armaments. The overwhelming sentiment of both parties in the House is against any form of cancelation, which will unload the financial burdens of the World War on the backs of the American taxpayers, who were in no way responsible for the origin of that war.

William C. Bullitt, now an assistant to Secretary of State Hull, but a few months ago acting as an unofficial ambassador, informed Eurpean nations that they would not have to pay more than 10 percent of the war debts to the United States, which means that the American people, already burdened with taxes, can pay the balance.

Secretary of State Hull has, since he arrived in London, made the most amazing public statement, emanating from the Roosevelt administration, that we would loan more money to foreign nations, curiously overlooking the fact that these nations are the very ones which are repudiating their war debts to us. What is the magic of London and the Thames that bewitches the intellects of our American statesmen? Are its waters those of Lethe, that they should benumb the senses and befuddle the brain of our Secretary of State? Is the loan of $50,000,000 made to China, through the Reconstruction Finance Corporation, a part of the Hull foreign program? What is it that comes over an American statesman as soon as he gets abroad? Are the American taxpayers always to be shorn like lambs and pay for European armaments? Why should we loan a penny to any foreign nation until we can balance our Budget, put our own house in order, and pay our just debts to our own war veterans with service-connected disabilities? Germany just a few days ago declared a moratorium on all international debts both public and private.

In addition to our 5 Democratic delegates and Senator COUZENS, there are 45 advisors, economists, statisticians, secretaries, and stenographers, and 15 relatives of members of

the party. Numerically we ought to be able to present an entire football team, with Mr. Rexford Guy Tugwell, of the "brain trust", as quarterback.

Some weeks ago the President declared that he looked upon government as a football team which, if it failed to make gains by certain plays, ought to try some others. As this was spoken, the American collegiate Cabinet team was in a huddle, trying to devise some new shifts which might advance the ball of its political prestige further into opposition territory.

The backfield has now fallen back to receive the kick-off from Europe. Our plays are to be international, financial, and economic. The game has started and the ball is in the air; but I know of one famous game in the Rose Bowl in California a couple of years ago where one of the best players caught the ball and ran in the wrong direction, only to make a touchdown against his own team. I fear this is what will happen to President Roosevelt's new team of delegates to the Economic Conference at London; I fear that Norman Davis, Ambassador Bingham, or even Secretary Hull or his substitute, Mr. Moley, may at any moment make a touchdown in Europe's favor. This has invariably happened in these international football games when our team gets its signals mixed with foreign entanglements or forgets to play the game according to sound American principles and traditions.

The American team, composed almost entirely of free-traders and advocates of the League of Nations, are apt to lose their shirts, or, in football language, their jerseys, on the kick-off. There is not a member of our team under 60, and I am afraid that they cannot last the first quarter. At any rate, the American team individually and collectively will be lucky to emerge from the London Conference gridiron with any more clothes than Mr. Gandhi. We can then have the satisfaction of saying, with true American collegiate spirit, as is often done after the opposition team has triumphed by a score of 50 to 0, "Didn't our boys put up a plucky and courageous fight?"

There is not a single foreign policy on which I see eye to eye with President Roosevelt which will be discussed at the London Conference. I am out of sympathy with the attempt of the President to involve the United States in foreign entanglements, consultative pacts, embargoes, or having the United States act as an enforcement agent for the League of Nations and the Versailles Treaty. Every time we stick our fingers in the European pie, instead of pulling out a plum we are more apt to lose our fingers or pull out some high explosives. We should cease passing moral judgments on other nations and stop meddling in their affairs. There never was a time in our history when it was more important for the safety and welfare of our own people to mind our own business and put our own house in order. Let us cooperate with European nations and all other nations for the preservation of world peace, but let us be sure that we do not become entangled in every foreign dispute and committed to participate in future European or Asiatic wars. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, the few remarks I shall make will relate to the bill, except a brief reference to the great personality responsible for the bill.

If the people of America were permitted tonight at 12 o'clock to meet and again register their vote for President of the United States, few will doubt that Mr. Roosevelt would receive the almost unanimous vote of the people. [Applause.] If there be one fact which all must accept as true, it is this: That the American people have unbounded confidence in the President, and a large majority of this House have expressed very strong approval of the measures which he has proposed and which he feels are necessary to be passed at this session in order that he may correct our economic troubles.

Every appropriation carried in this bill is for the purpose of aiding the President to make effective the legislation that this House has given approval to and our Committee on Appropriations, acting on your instructions, have brought before you this bill to provide funds to make effective the legislation the House has approved, and I ask you to speedily pass this bill in order that you may lend encouragement to the people out of employment, that they may know we are hastening the day when the hands of the President will be strengthened so as to bring help and assistance to them. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes, namely.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I desire to call attention to the discussion which was had on the so-called "Borah amendment" of the National Industrial Recovery Act, for which we are appropriating moneys by this bill.

To my mind the Borah amendment was not offered in good faith. It was offered in the other Chamber to emasculate and destroy this bill, and I fervently hope that the conferees on the part of the House will not accept this amendment. It seeks to prevent what is known as "price fixing." If prices cannot be fixed in order not to monopolize but to prevent cutthroat competition, the bill is valueless. In the way the amendment has been offered we will certainly, if we adopt it, have placed ourselves in the rather anomalous position of utterly destroying the purposes that the administration had in mind when it offered the National Industrial Recovery Act. It was offered to stabilize industry, to increase employment, to limit production, to maintain maximum hours of employment and minimum wage scales. All will fail if arrangements cannot be made as to prices.

It would be utterly incomprehensible if, on the one hand, we seek to regiment the price of labor, as it were, and, on the other hand, refuse to the manufacturers or the producers the right to come to some agreement with their colleagues in the same trade or industry as to a uniform price for uniform articles. You cannot put manufacturers in that kind of a strait-jacket and hope to give them relief from this bill. They will not submit to it. Everyone who has the ingenuity to find out knows that there are all manners and kinds of so-called "bootleg" agreements under the present restraints of the antitrust laws as they are now operating, as they now obtain, in pursuance of the court interpretations of the Sherman Act. Men in the same kind of business form their trade organizations and by indirection do that which we now preclude them from doing by direction. The National Industrial Recovery Act, in its entirety, would prevent monopolistic practices and unjust restraints. But it would not preclude reasonable and fair arrangements that would prevent price cutting. Our whole difficulty today is the fact that our commodity prices are so low as to bring ruin to anyone who seeks to manufacture anything, and we must lift up these commodity prices. We cannot do this unless the recalcitrant men in the industry, those who sulk like Achilles in his tent and refuse to join with their fellows, will come to some sort of agreement as to prices. If they do not come in and join with their fellows, provided the agreement is fair, whether it be of price of commodity or wages of employees, they should suffer penalties. Their goods ought to be deprived of their intercommerce character and in other ways dire penalities shall be vested upon them.

This bill would rightfully put the imprimatur of approval upon a reasonable arrangement as to prices. Only if the manufacturer of shoes, for example, knows he can get a fair value for his product will he be willing to manufacture. The banks would be unwilling to lend unless the banks know that this shoe manufacturer, by arrangement with his colleagues and those similarly situated in the trade, can arrange for fair prices in order to get a fair profit. If the banks will not lend and the man cannot manufacture, how are you going to reemploy labor. How are you going to in-

crease consumption demands and, in turn, if the man who manufactures the leather and the farmer who raises the cattle from which come the hides, cannot obtain a fair price, and they can only do it by prearrangement as to prices, you will be without that spiral, as it were, that will bring back sound economic conditions.

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

Mr. CELLER. Yes.

[Here the gavel fell.]

Mr. CLARKE of New York. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CLARKE of New York. I have 17,000 shoe workers in my district, and does not the gentleman know that in that industry, in the case of a great firm like the Endicott-Johnson Co., one reason it cannot compete with some of the others is because of the unfair laws of the States themselves that make certain exceptions, and no general law we may write here can get rid of those fellows who are cutting prices and paying smaller wages than the Endicott-Johnson Co., which came across only recently with a 5 percent increase for its 17,000 workers. Does not the gentleman know that the States themselves are at fault?

Mr. CELLER. I agree with the gentleman.

Mr. CLARKE of New York. Then come along and say so.

Mr. CELLER. And I would be happy to join with my colleagues from our great State and arrange to have the Donnelly Act of New York State amended to bring about the condition the gentleman speaks of.

Mr. CLARKE of New York. And I shall join with you Democrats on that proposition.

Mr. CELLER. I thank the gentleman.

The CHAIRMAN. The pro forma amendment is withdrawn.

Mr. GOLDSBOROUGH. Mr. Chairman, the House of Representatives some weeks ago passed a bank-deposit guaranty bill. When the bill reached the Senate it struck out all after the enacting clause and proceeded to the consideration of the bill which had been introduced in the Senate without any reference to the House bill.

Your conferees have been meeting constantly with the Senate conferees for the last 2 weeks, and have yielded almost entirely to the principle involved in the Senate bill. We have gone as far as we can go with any hope whatever that the House will sanction what we have done.

The Senate bill contains a provision for branch banking in any State which has passed branch-banking legislation, or which will pass it in the future. The Senate conferees have argued very consistently that national banks should have whatever privileges State banks have in States which permit branch banking.

The House conferees have answered that branch banking is either good or bad; if it is good, we should put it into the law, and if it is not, we should not. If one man commits a sin, it is no reason why everybody should be permitted to do the same thing. After a good deal of consideration the House conferees offered an amendment—or I offered an amendment.

Mr. COCHRAN of Missouri. Mr. Chairman, I am not going to object now nor make a point of order, but hereafter I am going to object to any discussion that is not confined to the bill. We have a good deal of work to do today, so let us confine ourselves to the subject before the House.

Mr. GOLDSBOROUGH. The House conferees offered an amendment—or I offered the amendment—in which we agreed that in any State which now had branch banking the national banks should also be allowed to open branches.

The Senate would not agree to that.

What the Senate really wanted was to start a drive on every legislature in the United States, now that many banks are closed, so that the small banks will be absorbed by the large ones. We have refused to accede to any such proposition. [Applause.]

That is the situation, my colleagues. But the country is demanding a bank deposit guaranty bill. [Applause.] If this House would refuse to adjourn today until we get a bank deposit guaranty bill, we will have this, or another bill which establishes bank-deposit guaranty and nothing else. [Applause.] The House Banking and Currency Committee asks you to support the committee in demanding that the bank bill be passed before there is any adjournment. [Applause.]

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last two words. Mr. Chairman, in view of the fact that the gentleman from Missouri may make a point of order on anything that is said not appropriate to the bill under discussion, I would direct your attention to that provision of the bill which provides for $150,000 for the Federal Home Loan Bank Board for the encouragement of saving and home financing, and then in connection with that provision of the bill I am going to ask you why there should be any encouragement in saving when the bank situation in the country is what it is at the present time.

I believe, in view of that, I can direct the attention of this body to the fact that today at the Mayflower Hotel there is a convention of approximately 600 men from Vermont, Massachusetts, New Jersey, and other States consisting of bank depositors who are seeking relief. They are there for the purpose of developing a constructive program, to lift the exacting restrictions from banks at the present time, and to address themselves to the larger problem of the decentralization of wealth in the country, and reduce the losses of banks now closed in which depositors' money is impounded. They have developed a 12-point program. Item no. 12 is an endorsement of the Steagall bank deposit bill, and for the purpose of the RECORD and the information of this body I am going to read a portion of paragraph 12:

> We urge the prompt enactment of the Steagall banking reform bill. This legislation is required in the interest of depositors of every bank in the country, and would have been passed long ago except for the violent and apparently effective opposition of the large banking interests in New York, who plan to destroy the independence of the country banker.

I will say this to the House: I am one Republican, not speaking for my party or the rest of my colleagues, who is willing to undergo the discomforts of unseasonable weather and stay here as long as is necessary to write the Steagall bill into the statutes of the country. [Applause.]

Mr. BECK rose.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania rise?

Mr. BECK. Mr. Chairman, I move to strike out the last five words.

Mr. BUCHANAN. Mr. Chairman, will the gentleman permit me to make a statement before he proceeds?

Mr. BECK. Yes.

Mr. BUCHANAN. Mr. Chairman, there has been one speaker on each side of the banking question, one on the Republican side and one on the Democratic side. We are in a great rush to get this bill through. We have the conference report upon the independent offices appropriation bill coming up immediately after this, with a view to settling possibly the policy in respect to the veterans' administration. We are in a rush to get through. Therefore I shall insist hereafter that all speeches be confined to the bill.

Mr. OLIVER of Alabama. Mr. Chairman, I think the gentleman's request in itself will elicit the cooperation of the Members of the House.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

NATIONAL INDUSTRIAL RECOVERY AND TENNESSEE VALLEY AUTHORITY

For the purpose of carrying into effect the provisions of the act entitled "An act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June —, 1933, and also for the purpose of carrying into effect the provisions of the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933, and for each and every object

thereof, to be expended in the discretion and under the direction of the President, to be immediately available, and except as hereinafter provided to remain available until June 30, 1935, $3,300,000,000; of which not to exceed $50,000,000 shall be available to the board of directors of the Tennessee Valley Authority, and to remain available until expended, for the purpose of carrying out the provisions of the act of Congress entitled "The Tennessee Valley Authority Act of 1933", approved May 18, 1933, including the acquisition of necessary land, the clearing of such land, relocation of highways, and the construction and/or purchase of transmission lines and other facilities, the construction of the Cove Creek Dam and power house and all other necessary works authorized by said act, and for printing and binding, law books, books of reference, newspapers, periodicals, purchase, maintenance, and operation of passenger-carrying vehicles, rents in the District of Columbia and elsewhere, and all necessary salaries and expenses connected with the organization, operation, and investigations of the Tennessee Valley Authority, including reimbursements for any expenses prior to the enactment of this appropriation incurred at the direction of the President.

Mr. WADSWORTH. Mr. Chairman, I make the point of order against the language commencing at the end of line 9, on page 4, reading as follows:

Including reimbursements for any expenses prior to the enactment of this appropriation incurred at the direction of the President.

The point of order is that that is not authorized by law and under the rules of the House is not permissible.

The CHAIRMAN. Does the gentleman from Texas desire to be heard?

Mr. BUCHANAN. Mr. Chairman, it is not in order for the gentleman to make a point of order against those concluding lines, because the whole paragraph is out of order. The other portion being out of order, the gentleman cannot cut the paragraph in half and take away a portion of it and let the other stay. In other words, the whole paragraph is out of order. I had an understanding that these points of order would not be urged, because we are trying to adjourn. This bill will have to be passed by the Senate. I had an understanding that there would be no points of order urged against it. However, the gentleman cannot cut the paragraph in half, when all of the paragraph is out of order, and accept that which he wants to stay in.

Mr. WADSWORTH. Mr. Chairman, in reply to the gentleman from Texas, in charge of the bill, I am well aware, as all of us are, that all that portion of this paragraph having to do with the appropriation of $3,800,000,000 is out of order, because there is no act as yet authorizing any such expenditure.

Mr. BUCHANAN. That is correct.

Mr. WADSWORTH. I do not intend and I do not think anybody else intends to raise a point of order against that provision of this paragraph. We all understand the difficulties of our situation here, and we want to get this legislation out of the way, although I disagree with the purposes of the $3,300,000,000; but the concluding lines against which I have made my point of order I may say introduce into appropriation legislation in the House of Representatives a feature and practice which I have never seen in all my experience with appropriation bills.

Mr. BUCHANAN. Well, I have.

Mr. WADSWORTH. I call the attention of the gentleman from Texas [Mr. BLANTON] to this: The House of Representatives is asked by the Committee on Appropriations to authorize reimbursement of expenditures made without authority of law, and not an atom of information given to the committee or to the House as to how much is to be reimbursed, how much was spent, for what purpose it was spent, or by whom it was spent.

I insist upon the point of order, Mr. Chairman.

Mr. BLANTON. Will the gentleman yield?

Mr. HILL of Alabama. Will the gentleman yield?

Mr. BLANTON. Mr. Chairman, I ask recognition on the point of order.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman, our distinguished colleague from New York [Mr. WADSWORTH] served his State in the United States Senate and is so used to their practice and performance there, when so often without any information possessed by the Members of that body about the proposals, they stick the most stupendous pieces of legislation on any kind of an appropriation bill in the dying hours of Congress, sometimes containing a score of pages, and send it back here to the House for us to swallow. He should not complain.

Mr. GOSS. Mr. Chairman, I make the point of order that the gentleman is not speaking on the point of order.

Mr. BLANTON. He ought not be so insistent about these little things.

Mr. GOSS. Mr. Chairman, a point of order.

Mr. BLANTON. That is all I wanted to say.

The CHAIRMAN (Mr. SIROVICH). The Chair is ready to rule. The Chair sustains the point of order made by the gentleman from New York [Mr. WADSWORTH] on the ground that this is legislation on an appropriation bill.

Mr. GOSS. Mr. Chairman, I move to strike out pages 3 and 4, down to and including the word "Authority", in line 9.

The Clerk read as follows:

Amendment by Mr. Goss: Beginning in line 1, on page 3, strike out all of page 3, and on page 4, down to and including the word "Authority", in line 9.

Mr. GOSS. Mr. Chairman, I had intended to make a point of order against this entire paragraph but did not do so on account of the agreement between the majority leader and the minority leader. However, I want to call to the attention of the House, with reference to striking out this particular language, that when the Tennessee Authority bill passed the House it contained provisions authorizing all the bond issues necessary to put this project into existence and to carry out all the purposes of the act.

The Appropriations Committee now comes along, despite the fact that we have authority to issue bonds, and appropriates $50,000,000 out of the Federal Treasury for the same purpose as was designed by the bonds. I submit that section 15 of Public Act No. 17, which is the Tennessee Valley Authority, has this language:

In the construction of any future dam, steam plant, or other facility to be used in whole or in part for the generation or transmission of electric power, the Board is hereby authorized and empowered to issue on the credit of the United States, and to sell serial bonds not exceeding $50,000,000 in amount—

And so on.

Now that authority exists in the new Tennessee Authority today. I think the Chairman of the Committee on Appropriations will agree to that.

Mr. BUCHANAN. Yes; I agree to that.

Mr. HILL of Alabama. Well, I do not agree with the gentleman.

Mr. GOSS. Why not?

Mr. HILL of Alabama. Because the provision authorizing the issuance of bonds limits the issuance of those bonds to very specific purposes, to wit, for the construction of any future dam, steam plant, or other power-generating plant or facility. Now, the appropriation that is being made will go for fertilizer and other purposes, for which bonds cannot be issued.

Mr. GOSS. Oh, the gentleman has been a member of that committee too long not to know there is not going to be any fertilizer made at that plant.

Mr. HILL of Alabama. If the gentleman had attended the hearing of the Appropriations Committee last night and heard Dr. Morgan——

Mr. GOSS. Yes; and I heard about his schools that he is going to start down there.

Mr. HILL of Alabama. And he is going to make some fertilizer down there, too.

Mr. GOSS. But, Mr. Chairman, I believe they have ample authority under the other act, with the issuance of the bonds, to carry out all the intents and purposes of the act, and I will say further that this $50,000,000 authorized by the board of directors to remain available until expended is also to be used for a transmission line and other facilities, the construction of Cove Creek Dam and power house, and

all other necessary works. The word "works" certainly cannot mean schools and things of that sort.

Mr. RANKIN. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. RANKIN. As a matter of fact, if those bonds are sold, does the gentleman not know that Congress would still have to make the appropriation?

Mr. GOSS. Oh, certainly not; not at all.

Mr. Chairman, I yield to the gentleman from Michigan [Mr. JAMES].

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. Goss] has expired.

Mr. GOSS. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes in order to yield to the gentleman from Michigan.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut [Mr. Goss]?

There was no objection.

Mr. JAMES. Those bonds are not a direct obligation on the United States.

Mr. GOSS. I do not understand they are.

Mr. JAMES. And there is nothing in the law by which to retire them.

Mr. GOSS. No; except out of the net revenue of the power.

Mr. JAMES. No. They cannot even do that.

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

Mr. JAMES. Mr. Chairman, I rise in opposition to the amendment.

Under the bill as it passed the House, these bonds were a direct obligation of the United States and therefore could be sold. Under the amendment put in by Senator NORRIS the net proceeds of the sale of power could be used to retire those bonds, but the House conferees, all except myself, used the bad part of the amendment of the gentleman from South Carolina [Mr. MCSWAIN] and the bad part of the proposition of Senator NORRIS.

They struck out that part of the Norris proposition by which the net proceeds from the sale of power could be used to retire the bonds. They struck out that part of the McSwain amendment by which the bonds were made direct obligations of the United States. So we have $50,000,000 worth of bonds which were not the direct obligation of the United States and with no way provided by which they could be retired. That was one of the reasons I voted against the conference report.

I believe this money should be taken out of the Treasury of the United States, for the bonds are not obligations of the United States and the man buying them is not assured of any method by which he can get his money out of the bonds.

Therefore, I hope the amendment of my colleague from Connecticut will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was rejected.

The Clerk read as follows:

GENERAL LAND OFFICE

To pay to Marion F. Blackwell the fair and reasonable value of all improvements placed by him upon the southeast quarter southwest quarter section 27, township 2 south, range 6 west, St. Stephens meridian, Miss., as determined by the Secretary of the Interior, in accordance with the act of February 15, 1933, fiscal year 1933, $1,000.

Mr. BUCHANAN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN: On page 6, after line 20, insert the following:

"BUREAU OF INDIAN AFFAIRS

"Sequoyah Orphan Training School, Tahlequah, Okla.: The unexpended balances of appropriations available during the fiscal year 1933 for the construction of physical improvements at the Sequoyah Indian Orphan Training School, near Tahlequah, Okla., are hereby continued available for use during the fiscal year 1934."

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

Mr. BUCHANAN. I yield.

Mr. TABER. Is this what is known as the Hastings amendment?

Mr. BUCHANAN. It is.

Mr. HASTINGS. Mr. Chairman, in explanation of the above amendment, I insert the following memorandum submitted by the Interior Department:

The Interior Department Appropriation Act, fiscal year 1933, appropriated for a central heating plant at the Sequoyah Indian School, near Tahlequah, Okla., "$66,000 together with any funds available for heating equipment in construction item for this institution for the fiscal years 1931 and 1932." This made available approximately $70,000 for the project. Several projects authorized were delayed because of difficulty in working out details and perfecting plans and it became necessary to have the heating plant appropriation continued available for use during the present year. The plans were completed, specifications drawn, bids solicited and the job awarded. However, the contract was not approved prior to the stop order placed on construction projects. Because of the urgent need of completing this work in time for the opening of school in September, the appropriation was released for expenditure on June 5, 1933. Insofar as the actual construction is concerned there is no question of the availability of funds. However, unless the appropriation, or unobligated balance thereof, is continued available, the Indian Service will not be in a position to employ a competent supervisor. Furthermore, as the job progresses extras may become involved that cannot be taken care of if the fund is permitted to lapse on June 30.

Two other projects are under way at this same institution. The 1933 appropriation act carried an item of $40,000 for the construction of a water main so that the school could have a safe and adequate water supply. This job was held in suspense for some time, release having been obtained on April 27. A supervisor has been employed but not under contract, and therefore his salary cannot be paid from this appropriation after June 30. No other funds are available for the purpose.

The other project is a boys' dormitory provided to replace an insanitary and unsafe structure. Eighty thousand dollars was appropriated, but 10 percent of that amount has been deducted as required by section 320 of the 1933 Economy Act. The appropriation provides for construction and equipment. Release was obtained for this project on June 5 so that the amount required for construction purposes is now protected by contract. There will be no money available after June 30 for supervisory expenses, or for the purchase of equipment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

DEPARTMENT OF STATE

INTERNATIONAL MONETARY AND ECONOMIC CONFERENCE

For an additional amount for the expenses of participation by the United States in an international monetary and economic conference to be held in London, including the same objects specified under this head in the Second Deficiency Act, fiscal year 1933, $125,000, to remain available during the fiscal year 1934.

Mr. FISH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment which the Clerk will report.

Mr. FISH. Mr. Chairman, I make the point of order that the whole paragraph is out of order, being legislation upon an appropriation bill.

The paragraph begins in line 18 and goes down to and including line 23.

Mr. BUCHANAN. Mr. Chairman, I make the point of order that the gentleman's point of order comes too late.

Mr. FISH. The paragraph has just been read.

Mr. BUCHANAN. But the gentleman has offered an amendment to the paragraph.

Mr. FISH. No; I did not offer an amendment; I made a point of order.

Mr. SNELL. Mr. Chairman, I wish my colleague, the gentleman from New York, would not make this point of order. There was a gentleman's agreement that we would make no points of order against matters in this bill which might be subject to points of order, because the majority leader knew if we did he would have to bring in a rule.

Mr. FISH. I may say to the gentleman from New York that a Member of the House who has left the Chamber did so on my promise that I would make this point of order. Therefore, I am not at liberty to withdraw it.

Mr. Chairman, I must make the point of order.

Mr. SNELL. Of course, if the gentleman does, then the gentleman from Tennessee is relieved from any obligation

he is under not to bring in any controversial matters. I relieve him from the responsibility.

Mr. FISH. Mr. Chairman, I insist on the point of order.

Mr. BLANTON. Mr. Chairman, the point of order was made after an amendment had been offered. The gentleman from New York offered the amendment himself and then made the point of order.

Mr. FISH. Mr. Chairman, I withdrew the amendment.

Mr. BLANTON. A point of order must be made before an amendment is offered. The gentleman did not follow this rule.

Mr. FISH. I made the point of order alone, Mr. Chairman.

Mr. WOODRUM. Mr. Chairman, the gentleman from New York at the concluding of the reading of the paragraph addressed the Chair and offered an amendment. The Chair stated, "The gentleman from New York offers an amendment which the Clerk will report." Then the gentleman from New York undertook to get the attention of the Chair again and made the point of order, and it comes too late.

Mr. BLANTON. The offering of the amendment having intervened, the point of order comes too late.

The CHAIRMAN. The point of order of the gentleman from Virginia is well taken. The Chair rules that the point of order came too late.

The Clerk will report the amendment offered by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 8, strike out all of the paragraph from line 18 to and including line 23.

Mr. FISH. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

TREASURY DEPARTMENT

OFFICE OF THE SECRETARY

Subscriptions to paid-in surplus of Federal land banks: To enable the Secretary of the Treasury to pay for subscriptions to the paid-in surplus of Federal land banks in accordance with the provisions of section 23 of an act entitled "Emergency Farm Mortgage Act of 1933", approved May 12, 1933, $50,000,000, to be available immediately and to remain available until expended.

Payments to Federal land banks on account of reductions in interest rate on mortgages: To enable the Secretary of the Treasury to pay each Federal land bank such amount as the Farm Loan Commissioner certifies to the Secretary of the Treasury is equal to the amount by which interest payments on mortgages held by such bank have been reduced, in accordance with the provisions of section 24 of an act entitled "Emergency Farm Mortgage Act of 1933", approved May 12, 1933, fiscal year 1934, $15,000,000.

Mr. SABATH. Mr. Chairman, the Clerk has not read that provision of the bill, starting on page 8, which relates to the Mixed Claims Commission. I followed the reading closely. The Clerk jumped that provision. I desire to offer an amendment to that paragraph and make a short observation.

Mr. WOODRUM. Mr. Chairman, I make the point of order that the Clerk did read it. I was following the reading of the bill.

Mr. SABATH. Mr. Chairman, I ask unanimous consent to return to the paragraph ending in line 12 on page 10.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. WOODRUM. Mr. Chairman, reserving the right to object—and, of course, I shall not object to the request of the gentleman from Illinois—we are trying to get through this bill, and every Member of this House is interested to get to the independent offices bill.

Mr. BLANTON. Mr. Chairman, I shall not object to a unanimous-consent request that the gentleman proceed for 5 minutes, but I do object to returning to a paragraph.

Mr. TABER. Mr. Chairman, I object.

The Clerk read as follows:

In all, $5,125.28.

Mr. SABATH. Mr. Chairman, I move to strike out line 4, on page 13, and do so for the purpose of ascertaining from the chairman of the committee whether the amount provided for under the mixed-claims provision, $35,700, will suffice to bring final adjustment and final report on all the claims we have against Germany.

Mr. BUCHANAN. That is supposed to be sufficient to bring to final determination and decision all claims, and that no further appropriations will be necessary. This will bring about the conclusion of the whole business.

Mr. SABATH. Negotiations have been going on ever since 1921, and I cannot quite understand why the Mixed Claims Commission has not made its final report. I think the country is entitled to a final report.

If it has taken over 10 years to adjust the claims of American citizens against Germany, I wonder how long it will take to obtain fair and human treatment for the Jewish people in Germany from the present German Government. Unbiased reports from abroad show that there has been very little diminution in the inhuman, unjustifiable, and unwarranted treatment of the Jews by the Hitler government, and this notwithstanding the pledges and assurances given to the world during the peace and treaty negotiations that fair treatment and equal rights would be accorded to all minorities, which treatment and rights Germany has always demanded for her people in other lands.

I have today received in my mail a pamphlet from one T. St. John Gaffney, a former American consul general in Germany, who, if memory serves me correctly, was removed from office during the administration of President Wilson. In this pamphlet the gentleman endeavors to minimize and apologize for the Hitler atrocities; but it is clearly evident, at least to me, that he has been engaged by the Hitler government to defend its actions. A perusal of his pamphlet will convince any fair-minded citizen that, because of misstatement, undisguised intolerance, and exaggeration, it is not worthy of any consideration.

I regret very much, and it is to be deplored, that men can be so narrow-minded and bigoted as to utilize, at the slightest provocation, any opportunity to express their hatred for their fellow men, such as that shown in this pamphlet and in the remarks made a few days ago on the floor of the House by the gentleman from Pennsylvania [Mr. MCFADDEN], in the course of which he quoted statements from the Dearborn Independent which have been proven and known to be false and untrue.

What a contrast between these men and those real Americans, who, indignant at the organized attempts to disseminate information fostering racial prejudice, published the following statement:

THE PERIL OF RACIAL PREJUDICE—A STATEMENT TO THE PUBLIC

The undersigned citizens of gentile birth and Christian faith, view with profound regret and disapproval the appearance in this country of what is apparently an organized campaign of anti-Semitism, conducted in close conformity to and cooperation with similar campaigns in Europe. We regret exceedingly the publication of a number of books, pamphlets and newspaper articles designed to foster distrust and suspicion of our fellow citizens of Jewish ancestry and faith—distrust and suspicion of their loyalty and their patriotism.

These publications, to which wide circulation is being given, are thus introducing into our national political life a new and dangerous spirit, one that is wholly at variance with our traditions and ideals and subversive of our system of government. American citizenship and American democracy are thus challenged and menaced. We protest against this organized campaign of prejudice and hatred, not only because of its manifest injustice to those against whom it is directed, but also, and especially, because we are convinced that it is wholly incompatible with loyal and intelligent American citizenship. The logical outcome of the success of such a campaign must necessarily be the division of our citizens along racial and religious lines, and, ultimately, the introduction of religious tests and qualifications to determine citizenship.

The loyalty and patriotism of our fellow citizens of the Jewish faith is equal to that of any part of our people, and requires no defense at our hands. From the foundation of this Republic down to the recent World War, men and women of Jewish ancestry and faith have taken an honorable part in building up this great Nation and maintaining its prestige and honor among the nations of the world. There is not the slightest justification, therefore, for a campaign of anti-Semitism in this country.

Anti-Semitism is almost invariably associated with lawlessness and with brutality and injustice. It is also invariably found closely intertwined with other sinister forces, particularly those which are corrupt, reactionary, and oppressive.

We believe it should not be left to men and women of Jewish faith to fight this evil, but that it is in a very special sense the duty of citizens who are not Jews by ancestry or faith. We therefore make earnest protest against this vicious propaganda, and call upon our fellow citizens of Gentile birth and Christian faith to unite their efforts to ours to the end that it may be crushed. In particular we call upon all those who are molders of public opinion—the clergy and ministers of all Christian churches, publicists, teachers, editors, and statesmen—to strike at this un-American and un-Christian agitation.

Woodrow Wilson; William Howard Taft; William Cardinal O'Connell; Lyman Abbott, editor of the Outlook; Jane Addams, social worker; John G. Agar, lawyer; Newton D. Baker, Secretary of War; Charles A. Beard, author and educator; Ray Stannard Baker, author; James M. Beck, lawyer; Bernard I. Bell, president St. Stephens' College; Arthur E. Bestor, president Chautauqua Institution; Albert J. Beveridge, former United States Senator; W. E. B. Dubois, editor The Crisis; Mabel T. Boardman, Commissioner, District of Columbia; Evangeline Booth, commander Salvation Army; Benjamin Brewster, Bishop of Maine; Chauncey B. Brewster, Bishop of Connecticut; Jeffrey R. Brackett, social worker; Horace J. Bridges, ethical teacher; William Jennings Bryan, ex-United States Secretary of State; Henry Bruere, financial expert; Nicholas Murray Butler, president Columbia University; Bainbridge Colby, Secretary of State; George W. Coleman, president National Council of Forums; Alice B. Coleman (Mrs. Geo. W.), club worker; Paul D. Cravath, lawyer; George Creel, former chairman United States Committee on Public Information; Samuel McChord Crothers, clergyman; R. Fulton Cutting, financier; Olive Tilford Dargan, poet; Clarence Darrow, lawyer; James R. Day, university chancellor; Henry S. Denison, manufacturer; James Duncan, first vice president American Federation of Labor; Robert Erskine Ely, director civic forum; Charles P. Fagnal, theologian; W. H. P. Faunce, president Brown University; Dorothy Canfield Fisher, novelist; Irving Fisher, economist; John Ford, jurist; Raymond B. Fosdick, lawyer; Robert Frost, poet; James R. Garfield, lawyer; H. A. Garfield, president Williams College; Lindley M. Garrison, former United States Secretary of War; John Palmer Gavit, editor New York Evening Post; Herbert Adams Gibbons, historian; Charles Dana Gibson, artist; Franklin H. Giddings, university professor; Martin H. Glynn, ex-Governor New York; George Gray, jurist; Edward Everett Hale, university professor; James Hartness, Governor of Vermont; Patrick J. Hayes, Archbishop of New York; John Grier Hibben, president Princeton University; John Haynes Holmes, clergyman; Jesse H. Holmes, president National Federation of Religious Liberals; Hamilton Holt, editor The Independent; Ernest Martin Hopkins, president Dartmouth College; Frederic C. Howe, publicist; Henry C. Ide, diplomatist; Inez Haynes Irwin, author; Will Irwin, author; George R. James, capitalist; David Starr Jordan, scientist; William W. Keen, professor of surgery; Paul U. Kellogg, editor The Survey; William Sergeant Kendall, artist; George Kennan, journalist; Henry Churchill King, president Oberlin College; Darwin P. Kingsley, president New York Life Insurance Co.; W. P. Ladd, dean Berkeley Divinity School; Ira Landrith, prohibition advocate; Franklin K. Lane, former United States Secretary of the Interior; Robert Lansing, former United States Secretary of State; Julia C. Lathrop, Chief Children's Bureau, United States Department of Labor; Ben B. Lindsey, juvenile court judge; Charles H. Levermore, peace advocate; Frederick Lynch, clergyman; Edwin Markham, poet; Mrs. Edwin Markham, writer; Daniel Gregory Mason, musical composer; Joseph Ernest McAfee, religious publicist; J. F. McElwain, manufacturer; Raymond McFarland, principal Vermont Academy; Alexander R. Merriam, theologian; E. T. Meredith, Secretary United States Department of Agriculture; James F. Minturn, judge; John Moody, financial expert; William Fellowes Morgan, financier; Charles Clayton Morrison, editor The Christian Century; Philip Stafford Moxom, clergyman; Joseph Fort Newton, clergyman; D. J. O'Connell, Bishop of Richmond; Mary Boyle O'Reilly, publicist; George Wharton Pepper, lawyer; Louis F. Post, Assistant Secretary of Labor, United States; Theodore Roosevelt, member of New York Legislature; Charles Edward Russell, publicist; Jacob Gould Schurman, educator; Vida D. Scudder, university professor; Samuel Seabury, jurist; Thomas J. Shahan, rector of the Catholic University of America; Charles M. Sheldon, editor The Christian Herald; Edwin E. Slosson, associate editor The Independent; Preston Slosson, journalist; John Spargo, author; Robert E. Speer, president Federal Council of Churches; Charles Stelzle, religious publicist; Paul Moore Strayer, clergyman; Marion Talbot, university dean; Ida M. Tarbell, author; Harry F. Ward, theological professor; Everett P. Wheeler, lawyer; Gaylord S. White, social worker; George W. Wickersham, ex-Attorney General of United States; Charles David Williams, Bishop of Michigan; and Charles Zueblin, writer and lecturer.

The pro forma amendment was withdrawn.

The Clerk concluded the reading of the bill.

Mr. BUCHANAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SIROVICH, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H.R. 6034, the fourth deficiency bill, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the bill and the amendment to final passage.

The previous question was ordered.

The amendment was agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 288, nays 85, not voting 57, as follows:

[Roll No. 62]

YEAS—288

Adair	Crowe	Hart	Marland
Adams	Crowther	Harter	Martin, Colo.
Allgood	Crump	Hastings	Martin, Oreg.
Arens	Culkin	Healey	May
Arnold	Cullen	Henney	Meeks
Auf der Heide	Cummings	Hildebrandt	Miller
Ayers, Mont.	Darden	Hill, Ala.	Milligan
Ayres, Kans.	Dear	Hill, Knute	Monaghan
Bankhead	Deen	Hill, Samuel B.	Montet
Beam	Delaney	Hoidale	Moran
Beiter	DeRouen	Howard	Morehead
Berlin	Dickinson	Huddleston	Mott
Biermann	Dickstein	Hughes	Murdock
Black	Dies	Imhoff	Musselwhite
Blanchard	Dingell	Jacobsen	Nesbit
Bland	Dirksen	James	Norton
Blanton	Disney	Jeffers	O'Brien
Bloom	Dobbins	Jenckes	O'Connell
Boehne	Dockweiler	Johnson, Minn.	Oliver, Ala.
Boileau	Dondero	Johnson, Okla.	Owen
Boland	Doughton	Johnson, Tex.	Palmisano
Boylan	Doxey	Johnson, W.Va.	Parks
Brennan	Drewry	Kee	Parsons
Brown, Mich.	Driver	Keller	Patman
Browning	Duffey	Kelly, Pa.	Pettengill
Brunner	Duncan, Mo.	Kemp	Peyser
Buchanan	Dunn	Kennedy, Md.	Pierce
Buck	Durgan, Ind.	Kenney	Polk
Bulwinkle	Eagle	Kerr	Pou
Burch	Eicher	Kloeb	Ragon
Burke, Nebr.	Englebright	Kniffin	Ramsay
Burnham	Faddis	Kocialkowski	Ramspeck
Byrns	Farley	Kopplemann	Rankin
Cady	Fiesinger	Kramer	Rayburn
Cannon, Mo.	Fitzgibbons	Kvale	Reece
Carden	Fitzpatrick	Lambeth	Reilly
Carley	Fletcher	Lamneck	Richardson
Carpenter, Nebr.	Focht	Lanham	Robertson
Carter, Calif.	Ford	Lanzetta	Robinson
Carter, Wyo.	Foulkes	Larrabee	Rogers, N.H.
Cartwright	Frear	Lea, Calif.	Rogers, Okla.
Cary	Fuller	Lee, Mo.	Romjue
Celler	Fulmer	Lehr	Rudd
Chavez	Gambrill	Lemke	Ruffin
Church	Gasque	Lesinski	Sabath
Claiborne	Gillespie	Lewis, Colo.	Sadowski
Clark, N.C.	Gillette	Lindsay	Sanders
Cochran, Mo.	Glover	Lozier	Sandlin
Coffin	Goldsborough	Lundeen	Schaefer
Colden	Granfield	McCarthy	Schuetz
Cole	Gray	McClintic	Scrugham
Collins, Calif.	Green	McCormack	Sears
Colmer	Greenwood	McDuffie	Secrest
Condon	Gregory	McFarlane	Shallenberger
Connery	Griffin	McGrath	Shannon
Cooper, Ohio	Griswold	McKeown	Shoemaker
Cooper, Tenn.	Haines	McSwain	Sirovich
Cravens	Hamilton	Major	Sisson
Crosby	Hancock, N.C.	Maloney, Conn.	Smith, Va.
Cross	Harlan	Maloney, La.	Smith, Wash.

Smith, W.Va.	Tarver	Vinson, Ga.	Whittington
Snyder	Taylor, Colo.	Vinson, Ky.	Wilcox
Somers, N.Y.	Taylor, S.C.	Wallgren	Williford
Spence	Taylor, Tenn.	Walter	Williams
Steagall	Thom	Warren	Wilson
Strong, Tex.	Thomason, Tex.	Wearin	Withrow
Stubbs	Thompson, Ill.	Weaver	Wolverton
Studley	Truax	Weideman	Wood, Ga.
Sullivan	Turner	Welch	Wood, Mo.
Sumners, Tex.	Turpin	Werner	Woodrum
Sutphin	Umstead	West, Ohio	Young
Swank	Underwood	White	Zioncheck

NAYS—85

Andrew, Mass.	Dowell	Lehlbach	Snell
Bacharach	Eaton	Luce	Stalker
Bailey	Edmonds	Ludlow	Stokes
Bakewell	Eltse, Calif.	McFadden	Strong, Pa.
Beck	Fish	McGugin	Swick
Beedy	Foss	McLean	Taber
Bolton	Gibson	McLeod	Terrell
Britten	Gilchrist	Mapes	Thurston
Busby	Goodwin	Marshall	Tinkham
Carpenter, Kans.	Hancock, N.Y.	Martin, Mass.	Tobey
Castellow	Hess	Merritt	Traeger
Cavicchia	Higgins	Millard	Treadway
Chase	Hollister	Muldowney	Wadsworth
Christianson	Holmes	Parker, Ga.	Waldron
Clarke, N.Y.	Hooper	Parker, N.Y.	Watson
Cochran, Pa.	Hope	Perkins	Whitley
Connolly	Jenkins	Powers	Wigglesworth
Cox	Jones	Ransley	Wolcott
Darrow	Kinzer	Rogers, Mass.	Woodruff
De Priest	Knutson	Seger	
Ditter	Kurtz	Simpson	
Doutrich	Lambertson	Sinclair	

NOT VOTING—57

Abernethy	Crosser	Kennedy, N.Y.	Peterson
Allen	Douglass	Kleberg	Prall
Almon	Ellzey, Miss.	Lewis, Md.	Randolph
Andrews, N.Y.	Evans	Lloyd	Reed, N.Y.
Bacon	Fernandez	McMillan	Reid, Ill.
Brooks	Flannagan	McReynolds	Rich
Brown, Ky.	Gavagan	Mansfield	Richards
Brumm	Gifford	Mead	Schulte
Buckbee	Goss	Mitchell	Sweeney
Burke, Calif.	Guyer	Montague	Utterback
Caldwell	Hartley	Moynihan	West, Tex.
Cannon, Wis.	Hoeppel	O'Connor	Wolfenden
Chapman	Hornor	O'Malley	
Collins, Miss.	Kahn	Oliver, N.Y.	
Corning	Kelly, Ill.	Peavey	

So the bill was passed.

The clerk announced the following pairs:

On this vote:

Mr. Corning (for) with Mr. Brumm (against).
Mr. Oliver of New York (for) with Mr. Wolfenden (against).
Mr. O'Connor (for) with Mr. Goss (against).
Mr. Brooks (for) with Mr. Allen (against).
Mr. Mead (for) with Mr. Bacon (against).
Mr. Chapman (for) with Mr. Moynihan (against).
Mr. Prall (for) with Mr. Hartley (against).

Until further notice:

Mr. McReynolds with Mr. Evans.
Mr. Kennedy of New York with Mr. Andrews of New York.
Mr. Douglass with Mr. Guyer.
Mr. Crosser with Mr. Reid of Illinois.
Mr. Lewis of Maryland with Mr. Gifford.
Mr. McMillan with Mr. Buckbee.
Mr. Gavagan with Mr. Reed of New York.
Mr. Collins of Mississippi with Mrs. Kahn.
Mr. Abernethy with Mr. Peavey.
Mr. Montague with Mr. Brown of Kentucky.
Mr. Fernandez with Mr. O'Malley.
Mr. Kleberg with Mr. Richards.
Mr. Mansfield with Mr. Caldwell.
Mr. Peterson with Mr. Randolph.
Mr. Mitchell with Mr. Kelly of Illinois.
Mr. Sweeney with Mr. Lloyd.
Mr. Burke of California with Mr. Utterback.
Mr. Ellzey of Mississippi with Mr. Flanagan.
Mr. Almon with Mr. Horner.

Mr. BEAM. Mr. Speaker, my colleague, the gentleman from Illinois, Mr. KELLY, is unavoidably absent on business. If present he would vote "aye."

Mr. LEWIS of Maryland. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. LEWIS of Maryland. I was not, Mr. Speaker.

The SPEAKER. The gentleman does not qualify.

Mr. O'CONNOR. Mr. Speaker, I have a general pair with the gentleman from Connecticut, Mr. Goss, one of the few good ball players on the Republican side of the House——

Mr. SNELL. I object to that. There are several good players on this side.

Mr. O'CONNOR. If the gentleman from Connecticut were present he would vote "no" and I would vote "aye."

The result of the vote was announced as above recorded.

On motion of Mr. BUCHANAN, a motion to reconsider the vote by which the bill was passed was laid on the table.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4589. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes;

H.R. 5012. An act to amend existing law in order to obviate the payment of 1 year's sea pay to surplus graduates of the Naval Academy;

H.R. 5040. An act to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes;

H.R. 5208. An act to amend the probation law; and

H.R. 5240. An act to provide emergency relief with respect to home-mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes occupied by them and who are unable to amortize their debt elsewhere, to amend the Federal Home Loan Bank Act, to increase the market for obligations of the United States, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1129. An act to amend sections 4399, 4418, 4428, 4429, 4430, 4431, 4432, 4433, and 4434 of the Revised Statutes, as amended, relating to the construction and inspection of boilers, unfired pressure vessels, and the appurtenances thereof;

S. 1514. An act authorizing the Administrator of Veterans' Affairs to convey certain lands to Harrison County, Miss.;

S. 1561. An act providing for the payment of $50 to each enrolled Chippewa Indian of the Red Lake Band of Minnesota from the timber funds standing to their credit in the Treasury of the United States; and

S. 1580. An act to relieve the existing national emergency in relation to interstate railroad transportation, and to amend sections 5, 15a, and 19a of the Interstate Commerce Act, as amended.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4220. An act for the protection of Government records;

H.R. 4589. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes;

H.R. 4812. An act to promote the foreign trade of the United States in apples and/or pears, to protect the reputation of American-grown apples and pears in foreign markets; to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce; to provide for the commercial inspection of such products entering such commerce; and for other purposes;

H.R. 5012. An act to amend existing law in order to obviate the payment of 1 year's sea pay to surplus graduates of the Naval Academy;

H.R. 5040. An act to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes;

H.R. 5208. An act to amend the probation law;

H.R. 5240. An act to provide emergency relief with respect to home-mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes occupied by

them and who are unable to amortize their debt elsewhere, to amend the Federal Home Loan Bank Act, to increase the market for obligations of the United States, and for other purposes; and

H.R. 5793. An act to revive and reenact the act entitled "An act authorizing Jed P. Ladd, his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across Lake Champlain from East Alburg, Vt., to West Swanton, Vt.", approved March 2, 1929.

ALLEGED ATTACK UPON UNITED STATES SERVICE MEN IN HAWAII

Mr. McCANDLESS. Mr. Speaker, I ask unanimous consent to extend my remarks by putting in the RECORD certain telegrams refuting a statement made recently in the papers.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. McCANDLESS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following newspaper item and telegrams:

[From the Washington Post, June 7, 1933]

UNITED STATES SERVICE MEN BEATEN IN HAWAII

HONOLULU, TERRITORY OF HAWAII, June 6.—An alleged outbreak of attacks on Army and Navy men here by civilian gangs has caused concern in high military and naval circles, it was reported tonight.

It was understood General Wells and Admiral Yates Stirling had sent reports to Washington.

Lts. Leroy Hudson and Walter Lee, Army aviators, were being treated in a hospital tonight after allegedly being beaten by civilians. Arthur Carter, Melvin Paoa, Brede Karratti, and John Kamana were arrested as suspects.

The officers, driving with women companions, were halted by another machine and allegedly beaten. Unconscious, they were left on the banks of the Alawai Canal, near the place where Thalia Fortescue Massie was attacked last year.

JUNE 8, 1933.

GOVERNOR, *Honolulu:*

Papers here carry story of alleged attacks on Army and Navy men by civilians in Honolulu. Wire me details of case and who to blame. Incident used against us in Congress yesterday.

McCANDLESS.

JUNE 9, 1933.

Delegate McCANDLESS,

House Office Building, Washington, D.C.:

In reply your inquiry by radio of June 8, chairman of Honolulu Police Commission informs me "that investigation made by chief of Honolulu police in presence of military police officers with one member of Honolulu Police Commission present during part of time indicates conclusively to police chief and commissioners that there was nothing which could be classed as a gang fight. Episode in question involved two Army officers who, witnesses claim, were intoxicated and three local civilian young men. Fight started in dispute over place of parking an automobile. Local civilians claim officers began fight, and latter claim contrary. Civilians arrested on warrants sworn out by Army officers and case set for trial in Honolulu District Court Friday morning, 9th. Chief of police is of opinion, after hearing complainants, defendants, and other witnesses, that there was no gang fight of any nature, and episode was mere brawl by whomever started, which should be left to court to determine." Will wire you again after court hearing completed, probably tomorrow.

JUDD.

HONOLULU, *June 10, 1933.*

Delegate McCANDLESS,

House Office Building, Washington, D.C.:

Trial of civilians accused of assault and battery on two Army officers completed this afternoon. Neither officer was able to identify any one of the defendants in court as having struck him. Neither officer was in uniform or wore any marks or insignia to show he was member of military service, and neither at any time by his own testimony stated to the civilians that he was such. There could have been no knowledge on the part of any defendants that either of the officers was connected with the military service. Judge Brooks, hearing this case, twice stated from the bench during the progress of the case that there is no evidence whatever to indicate any assault on Army personnel as such, and that the whole controversy was a spontaneous dispute over right of the civilians to park an automobile where they did, and resulted from that dispute. Boys had parked in driveway while one of them went to visit friend in house in rear. Fight occurred when officers returned and challenged right to be parked there. Any report that one of officers thrown into canal is unfounded and malicious.

Altercation not near canal, but near small filled-in stream bed. Both officers testified under oath that they had been drinking within several hours of the fight, one admitting might have had 4 and the other as much as 6 drinks of hard liquor plus beer afterward with sandwiches. Evidence insufficient to identify 5 of 6 defendants as assailants. Companions of officers identified one only, who was found guilty assault and battery; fined $25. Case dismissed as to other defendants.

JUDD, *Governor.*

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. POU. Mr. Speaker, I call up House Resolution 185. The Clerk read as follows:

House Resolution 185

Resolved, That immediately upon the adoption of this resolution the bill H.R. 5389 with Senate amendments thereto be, and the same hereby is, taken from the Speaker's table; that Senate amendments nos. 1 to 46, inclusive, and Senate amendment no. 48 be, and the same are hereby, disagreed to; that the House shall immediately proceed to the consideration of Senate amendment no. 47, and that in the consideration of said Senate amendment no. 47 the following motion to concur with an amendment shall be in order, and no other intervening motion shall be in order until said motion is fully disposed of:

In lieu of the matter inserted by said Senate amendment no. 47 insert the following:

"The President is hereby authorized under the provisions of Public Law No. 2, Seventy-third Congress, to establish such number of special boards (the majority of the members of which were not in the employ of the Veterans' Administration at the date of enactment of this act), as he may deem necessary to review all claims (where the veteran entered service prior to November 11, 1918, and whose disability is not the result of his own misconduct), in which presumptive service connection has heretofore been granted under the World War Veterans' Act, 1924, as amended, wherein payments were being made on March 20, 1933, and which are held not service connected under the regulations issued pursuant to Public Law No. 2, Seventy-third Congress. Members of such boards may be appointed without regard to the Civil Service laws and regulations, and their compensation fixed without regard to the Classification Act of 1923, as amended. Such special boards shall determine, on all available evidence, the question whether service connection shall be granted under the provisions of the regulations issued pursuant to Public Law No. 2, Seventy-third Congress, and shall in their decisions resolve all reasonable doubts in favor of the veteran. For the purposes of this section the granting of service connection shall not be confined to the periods authorized by regulation no. 1, part I, subparagraph (c), or instruction no. 2, regulation no. 1, issued under Public Law No. 1, Seventy-third Congress, it being the intent of this section to preserve service connections as granted by section 200, World War Veterans' Act of 1924, as amended (other than disability resulting from the claimant's own misconduct), unless affirmative evidence clearly discloses that the disease or disability had its inception before or after the period of military or naval service, and not aggravated thereby.

"Notwithstanding the provisions of Public Law No. 2, Seventy-third Congress, the decisions of such special boards shall be final in such cases, subject to such appellate procedure as the President may prescribe, and, except for fraud, mistake, or misrepresentation, 75 percent of the payments being made on March 20, 1933, therein shall continue to October 31, 1933, or the date of special board decision, whichever is the earlier date: *Provided,* That where any case is pending before any one of the special boards on October 31, 1933, the President may provide for extending the time of payment until decision can be rendered. The President shall prescribe such rules governing reviews and hearings as may be deemed advisable. Payment of salaries and expenses of such boards and personnel assigned thereto shall be paid out of and in accordance with appropriations for the Veterans' Administration.

"Notwithstanding any of the provisions of Public Law No. 2, Seventy-third Congress, in no event shall the rates of compensation payable for directly service-connected disabilities to those veterans who entered the active military or naval service prior to November 11, 1918, and whose disabilities are not the result of their own misconduct, where they were except by fraud, mistake, or misrepresentation, in receipt of compensation on March 20, 1933, be reduced more than 25 percent; and in no event shall death compensation, except by fraud, mistake, or misrepresentations, being paid to widows, children, and dependent parents of deceased World War veterans under the World War Veterans' Act of 1924, as amended, on March 20, 1933, be reduced or discontinued, whether the death of the veteran on whose account compensation is being paid was directly or presumptively connected with service."

Mr. SNELL. Mr. Speaker, will the gentleman yield to me to ask a question of the gentleman from Tennessee?

Mr. POU. I yield.

Mr. SNELL. The gentleman from Tennessee and I earlier in the afternoon had a tentative gentleman's agreement about when the vote would come on this resolution. I now understand it is the purpose to have the debate now and the vote will come later, perhaps 5:30 or 6 o'clock.

Mr. BYRNS. I think the gentleman and I, as well as other gentlemen, agreed that we would proceed with the consideration of the rule up to the time we would have a vote, if we are to have a record vote, and we would then take a recess until 5:30 or perhaps 6 o'clock. In the meantime, those who know they are going to be members of the conference committee can proceed informally to meet with the Members of the Senate who are to be on the conference committee and consider the amendments, so that there will be no time lost.

Mr. SNELL. There will be no time lost, because the conference committee would be utilizing the time just the same.

Mr. BYRNS. Yes.

Mr. SNELL. And there will probably be a recess; although, of course, we cannot tell how long the debate on the rule is going to take.

Mr. POU. I hope it will not take very long.

Mr. LEHLBACH. If the gentleman will yield, is it the intention to stop when the time comes to take the vote on the rule, or does the gentleman intend to continue with the motion to recede and concur with an amendment and wait until the time comes for a vote on that motion? The rule itself is a practically formal matter compared with the motion to recede and concur with an amendment which comes thereafter.

Mr. BYRNS. I think the agreement refers to any record vote that may be had with reference to veterans' legislation, regardless of whether it comes on one proposition or another.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. O'CONNOR. Of course, on the resolution from the Rules Committee there is 1 hour of debate, and this might call for a record vote. If the vote can be postponed until the motion comes to recede and concur with an amendment, that would be at the expiration of 2 hours, if all the time were used. I might suggest to the leader that if the opponents of this measure are willing to simply have a vote on the motion to recede and concur, then all the time could be used in the debate now.

Mr. SNELL. There are a good many over here who insist on having a vote on the rule.

Mr. O'CONNOR. Then that would come within 1 hour, and if that vote has to be postponed until 5:30 or 6 o'clock, we could not take up the debate on the motion to recede and concur with an amendment until that had been finished.

Mr. SNELL. That is true, but if we come back here at 6 o'clock, we will have time.

Mr. BYRNS. I am frank to say that if we have an hour of debate on the rule, that ought to be sufficient. Everybody knows how he is going to vote, and it would be my judgment, if I had charge of the motion to recede and concur with an amendment, to move the previous question at the earliest opportunity and not utilize the entire hour, because I do not see any use in sitting here and having 2 hours' debate upon a proposition that, I dare say, every man knows now how he is going to vote upon.

Mr. SNELL. Then why not make an agreement that we will have everything up to the vote on the rule and then take a recess until 6 o'clock?

Mr. SABATH. I think we ought to take the hour now and have no vote until 6 o'clock.

Mr. BYRNS. I wonder if we cannot have an extension of the time on the rule, say, one hour and a half, to be equally divided under the usual method, with the understanding that at the conclusion of the debate, if we have a vote on the rule and if gentlemen insist on a record vote, we can have that later.

Mr. SNELL. I should think, as far as the debate is concerned, that would be all right.

Mr. POU. I will say that the amendments are not material insofar as the veterans are concerned. They are even more liberal than they were this morning. I was going to ask unanimous consent that the amended rule be considered and discussed in lieu of the rule read at the desk.

Mr. WOOD of Missouri. Will the gentleman yield?

Mr. POU. Yes.

Mr. WOOD of Missouri. How about the Spanish War veterans?

Mr. POU. I will say to my friend that I tried to have them included in the resolution.

Mr. WOOD of Missouri. But they are not included; they are out.

Mr. POU. Yes; we have a letter from the President, and that is all we have except the assurance from the Director of the Budget that the minimum amount allotted to any Spanish War veteran is to be $10.

Mr. WOOD of Missouri. That is from Lewis Douglas.

Mr. POU. Yes.

Mr. CONNERY. The gentleman knows that yesterday I stated to the steering committee that I would go along on the provision that we had yesterday. I understand that the new provision as to aggravation after service is out, and if that is true I am going to try to have this rule voted down and get a decent bill for the service men. [Applause.]

Mr. JAMES. Will the gentleman yield?

Mr. POU. Yes.

Mr. JAMES. I understand that a man wounded in Cuba would get $15 a month, while an able-bodied man who fell out of a tree in one of these reforestation camps would get $45 a month.

Mr. POU. I will say that I hope very much that all these questions will be addressed to the gentleman in charge of the bill.

Mr. JAMES. Is not that correct?

Mr. POU. I will not undertake to say. Mr. Speaker, I ask unanimous consent that the amended rule be considered in lieu of the rule that was read from the Clerk's desk.

Mr. SNELL. Let the amended rule be read.

Mr. BANKHEAD. Mr. Speaker, in order to make certain the parliamentary situation as I understand it, the gentleman from North Carolina asks unanimous consent to offer an amendment to the rule, and the Clerk is about to read the amendment to the pending rule which has been read.

Mr. SNELL. That is as I understand it.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to ask a question or two as to the proposition of limiting all debate to the rule. Suppose the rule is voted down and those of us who favor the Connally amendment want to offer amendments and debate them. If the agreement is entered into would that preclude us from debating the amendments that were offered?

Mr. POU. No.

Mr. RANKIN. And we could make a motion to recede and concur in the Senate amendments.

Mr. BUCHANAN. No; you could not do it. It would be before the House.

Mr. RANKIN. Then let us make it before the House.

Mr. POU. Mr. Speaker, I ask unanimous consent that the amended rule be considered in lieu of the rule itself.

The SPEAKER. Is there objection?

Mr. LEHLBACH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LEHLBACH. Is it the intention that this amendment should by unanimous consent be agreed to instead of the rule?

The SPEAKER. No; to be considered.

Mr. LEHLBACH. When will the amendment be offered as an amendment to the rule?

Mr. POU. I offer it now.

The SPEAKER. The Clerk will report the amendment.

Mr. BYRNS. Mr. Speaker, before that is done I wonder if we cannot come to an agreement, if it is satisfactory to the gentleman from North Carolina [Mr. POU], to limit this debate here to an hour and a half on both the rule and the motion to concur, so that we can settle the whole proposition at once and after the debate vote on the rule. Of course they may discuss any subject they please. I ask unanimous consent that debate upon the rule and the mo-

tion to concur be limited to an hour and a half and that that debate take place before the vote upon the rule.

The SPEAKER. Is there objection?

Mr. JAMES. Mr. Speaker, I object.

Mr. BYRNS. Then, if I could have my way, there would not be much debate upon the motion to concur, because I think we ought to have the previous question upon it. This is giving an hour and a half the gentleman may not get.

Mr. BUSBY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BUSBY. If objection is made to the substitution of the new proposal for the old rule, would it not have to carry over to another legislative day?

The SPEAKER. No.

Mr. O'CONNOR. The gentleman from North Carolina has offered an amendment.

Mr. SNELL. The gentleman can offer an amendment whenever he wants to.

Mr. BUSBY. The rule reported yesterday related to a proposal different from the proposition that is now before the House, and in response to that would not an objection to consideration of the rule lie at this point, there being no substantial proposition to which the rule related when the rule was drawn and reported. A former Speaker so held on an objection made to that point. This proposal before the House was not in existence when the rule was drawn and adopted. Therefore the rule fell, or did not apply to the proposal now being brought before the House. The rule, therefore, is not in order.

The SPEAKER. The proposal before the House is the report of yesterday, and the gentleman asks permission to amend it.

Mr. BUSBY. The proposal to which the rule related being before the House yesterday, the rule reported yesterday is not in order on the proposal before the House now.

The SPEAKER. The gentleman from North Carolina has the right to correct that situation.

Mr. BUSBY. I make the point of order that it is not in order to consider a rule adopted yesterday in relation to a subject matter that comes before the House for the first time today.

The SPEAKER. The Chair overrules the point of order. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. POU: Page 2, strike out the language beginning on line 3 and ending on page 4, line 18, and insert in lieu thereof the following:

"SEC. 20. The President is hereby authorized, under the provisions of Public Law No. 2, Seventy-third Congress, to establish such number of special boards (the majority of the members of which were not in the employ of the Veterans' Administration at the date of enactment of this act) as he may deem necessary to review all claims (where the veteran entered service prior to November 11, 1918, and whose disability is not the result of his own misconduct) in which presumptive service connection has heretofore been granted under the World War Veterans' Act, 1924, as amended, wherein payments were being made on March 20, 1933, and which are held not service connected under the regulations issued pursuant to Public Law No. 2, Seventy-third Congress. Members of such boards may be appointed without regard to the Civil Service laws and regulations and their compensation fixed without regard to the Classification Act of 1923, as amended. Such special boards shall determine, on all available evidence, the question whether service connection shall be granted under the provisions of the regulations issued pursuant to Public Law No. 2, Seventy-third Congress (notwithstanding the evidence may not clearly demonstrate the existence of the disease or any specific clinical findings within the terms of or period prescribed by regulations 1, part 1, subparagraph (c), or instruction no. 2, regulation no. 1, issued under Public Law No. 2, 73d Cong.), and shall in their decisions resolve all reasonable doubts in favor of the veteran, the burden of proof in such cases being on the Government.

Notwithstanding the provisions of section 17, title I, Public, No. 2, Seventy-third Congress, any claim for yearly renewable term insurance on which premiums were paid to the date of death of the insured and any claim for pension, compensation, allowance, or emergency officers' retirement pay under the provisions of laws repealed by said section 17, wherein claim was duly filed prior to March 20, 1933, may be adjudicated by the Veterans' Administration on the proofs and evidence received by the Veterans' Administration prior to March 20, 1933, and any person found entitled to the benefits claimed shall be paid such benefits in accordance with and in the amounts provided by such prior laws, provided that the payments hereby authorized to be made shall continue only to include June 30, 1933, and only one original adjudicatory action and one appeal may be had in such cases. Where a veteran died prior to March 20, 1933, under conditions which warrant the payment of, or reimbursement for, burial expenses, such payments or reimbursement may be made in accordance with the laws in effect prior to March 20, 1933, provided that claim for such payment or reimbursement must be filed within 3 months from the date of passage of this act.

"Notwithstanding the provisions of Public Law No. 2, Seventy-third Congress, the decisions of such special boards shall be final in such cases, subject to such appellate procedure as the President may prescribe, and, except for fraud, mistake, or misrepresentations, 75 percent of the payments being made on March 20, 1933, therein shall continue to October 31, 1933, or the date of special board decision, whichever is the earlier date: *Provided*, That where any case is pending before any one of the special boards on October 31, 1933, the President may provide for extending the time of payment until decision can be rendered. The President shall prescribe such rules governing reviews and hearings as may be deemed advisable. Payment of salaries and expenses of such boards and personnel assigned thereto shall be paid out of and in accordance with appropriations for the Veterans' Administration.

"Notwithstanding any of the provisions of Public Law No. 2, Seventy-third Congress, in no event shall the rates of compensation payable for directly service-connected disabilities to those veterans who entered the active military or naval service prior to November 11, 1918, and whose disabilities are not the result of their own misconduct, where they were, except by fraud, mistake, or misrepresentation, in receipt of compensation on March 20, 1933, be reduced more than 25 percent, except in accordance with the regulations issued under Public Law No. 2, Seventy-third Congress, pertaining to Federal employees, hospitalized cases, and cases of beneficiaries residing outside of the continental limits of the United States; and in no event shall death compensation, except by fraud, mistake, or misrepresentation, being paid to widows, children, and dependent parents of deceased World War veterans under the World War Veterans' Act of 1924, as amended on March 20, 1933, be reduced or discontinued, whether the death of the veteran on whose account compensation is being paid was directly or presumptively connected with service."

Mr. LEHLBACH. Mr. Speaker, I offer an amendment to the amendment offered by the gentleman from North Carolina.

The SPEAKER. The gentleman from North Carolina [Mr. POU] is recognized.

Mr. POU. How much time have I, Mr. Speaker?

The SPEAKER. The gentleman has 1 hour.

Mr. POU. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RANSLEY] one half of that time, but I give notice now that I shall not yield to anyone for the purpose of offering an amendment.

Mr. LEHLBACH. Mr. Speaker, the situation is not as if the gentleman had control of the time on the rule. The gentleman offered an amendment, which is in order under the general rules of the House, not contemplated by the original rule, and that amendment, under the rules of the House, is subject to further amendment, and I offer my amendment under the rules of the House.

The SPEAKER. The gentleman from North Carolina [Mr. POU] controls the time on his amendment. The gentleman does not yield for that purpose.

Mr. POU. Mr. Speaker, I have said I would yield to the gentleman from Pennsylvania [Mr. RANSLEY] one half of the hour, but if there is to be an attempt made to amend the rule as amended, I will say, in perfect frankness, I will move the previous question and cut off debate, if I can.

Mr. MAPES. Will the gentleman yield for an explanation?

Mr. POU. I yield.

Mr. MAPES. In order to get the entire picture before the House, I understand the gentleman intends to offer a letter which he has, relative to the Spanish-American War veterans.

Mr. POU. That is right.

Mr. MAPES. Would the gentleman have that letter read now so that we can have the entire picture before the House?

Mr. POU. Mr. Speaker, I will ask unanimous consent that this letter may be read, but that, of course, does not yield the floor, and I ask that the time for debate not begin until after the letter is read.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the Clerk may read a letter without it being taken out of his time. Is there objection?

There was no objection.

The Clerk read as follows:

THE WHITE HOUSE,
Washington.

Hon. ROBERT CROSSER,
Chairman Special Democratic Caucus Veterans' Committee, House of Representatives, Washington, D.C.

MY DEAR MR. CHAIRMAN: I am enclosing herewith the language which I suggest be substituted for the language of the so-called "Connally amendment."

It is not necessary that there be included in this amendment language dealing with the Spanish-American War veterans who are 55 years of age or more. I have the authority under the provisions of the "Act to maintain the credit of the United States Government" to issue regulations for their benefit.

I give you the assurance that if the Congress sees fit to substitute the language attached hereto in lieu of the Connally amendment I will issue a regulation which will give some assistance to those Spanish-American War veterans who are 55 years of age or more who are substantially disabled and who are in need.

Because of the peculiar conditions surrounding the Spanish-American War and Spanish-American War veterans I want to emphasize that the assurances given in this letter and the action which I shall take pursuant thereto must not be considered as a precedent for veterans of other wars.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

P.S.—It will be necessary to add to the language herewith enclosed provisions exempting the members of the board from the provisions of the Civil Service and Classification Acts.

Mr. POU. Mr. Speaker, I yield myself 5 minutes. [Applause.]

Mr. Speaker, no man has the interest of all ex-service men more at heart than myself. When the original regulations were announced I felt that a very, very great mistake had been made, and the more I reflected over those regulations the more profound was my conviction that all should be done that could be done to liberalize those regulations.

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

Mr. POU. I ask not to be interrupted for just a little while. I would prefer to make my statement, please.

The developments of the last few days are fresh in our minds. We took up this matter with the President. He was at all times patient and considerate. When the proposal to liberalize regulations affecting ex-service men was first presented there were 700,000 persons already separated from the pay roll whose pension or allowance benefits were to cease on July 1.

The situation today is quite different. We have secured liberalization of the rules, which keeps those ex-service men on the pay roll, which provides for an agency set-up which will consider their right to receive benefits from the Government, and it will be written into the law of the land that the burden of proof is on the Government [applause], and that all doubt shall be resolved, where there is doubt, in behalf of the veteran.

Now something has been said with reference to Spanish-American War veterans. God knows, and I speak from the bottom of my heart, I would do much more for them if I had it in my power. But gentlemen, we have brought back to you here a complete agreement.

We have brought back to you something that goes further than I myself thought was possible at the beginning of our conferences with the President. It is either take that or else perhaps take nothing at all. In such event I feel a great mistake would be made. We have discussed every angle of this unfortunate situation and I want to say that every fair-minded man and certainly every veteran is under a debt of gratitude to WRIGHT PATMAN, to GORDON BROWNING, and to ALAN GOLDSBOROUGH for the attention they have given to this matter and for the light they have thrown upon it and for the guiding hands they have kept upon this whole proposal of getting these rules liberalized. [Applause.] I am proud to make that acknowledgment here. I can go back and look my people in the face with a little better feeling since I had some part in correcting a great mistake. Certain it is we have not got all I thought we were entitled to. God knows we have not. All I can say is there is going to be another day.

This is not the end of this thing [applause]; but we have brought back to you all that we could bring back in behalf of the maimed and disabled men who wore the uniform. We would have brought back more if we could, but we were confronted with our own work here, and we were discussing the situation with the President of the United States, who has the last say, who felt he could not concede more without violating a principle. I want to say that as far as the veterans are concerned, the President has given us his assurance that they will have a square deal before these new agencies.

The SPEAKER. The time of the gentleman from North Carolina [Mr. POU], has expired.

Mr. POU. I yield myself 1 additional minute, Mr. Speaker.

I know that heart of the President is right, and in taking the position I am taking here today, I believe I am doing what is for the best interests of the living veteran, and if you will permit me to say so, I believe I am speaking the sentiment of the dead. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. BACHARACH].

Mr. BACHARACH. Mr. Speaker, on March 10 the President of the United States sent to the Congress a message labeled "Economies in Government Service." Following the reading of that message the gentleman from Tennessee [Mr. BYRNS] presented for consideration House Resolution No. 28, for the appointment of a select committee of five members to be known as the "Economy Committee" for the purpose of considering and reporting upon the subject matter contained in the message of the President.

On the following day, March 11, following the adoption of a special rule, the gentleman from Alabama [Mr. MCDUFFIE] called up the privileged bill H.R. 2820, entitled "To maintain the credit of the United States Government."

Title 1 of that bill reads "Veterans", and title 2, "Officers and employees", meaning officers and employees of the United States Government. You will not find another single thing in that bill designed to maintain the credit of the United States excepting that which reduces pensions and salaries.

Of course everyone knows that the saving to the Government in the additional reduction in salaries was infinitesimal as compared to the savings contemplated by the reduction in pensions.

I want to quote a few lines from the remarks of the distinguished gentleman from Alabama [Mr. MCDUFFIE], the Chairman of this special Economy Committee, when he addressed the House on March 11 in support of the bill. He said:

> This bill, if enacted, will not be an act on your part to take a dime from a single worthy ex-service man. You are simply placing the responsibility on a great man—

Not, my friends, upon the Director of the Budget or the Director of the Veterans' Administration; the gentleman from Alabama had in mind the President of the United States—

> You are simply placing the responsibility on a great man who is willing to assume it. Your vote for this bill simply shows your willingness and your desire to cooperate with him, believing, as I know you believe, that he meant what he said in his message when he said:
>
> "If the Congress chooses to vest me with this responsibility, it will be exercised in a spirit of justice to all, sympathy to those who are in need, and of maintaining inviolate the basic welfare of the United States."

Mr. Speaker, upon that assurance I supported the President and voted for the so-called "economy bill." I do not now apologize for that vote, and, as the distinguished gentleman from New York [Mr. FISH] said a day or two ago, I do not think any Republican who voted for the bill needs to apologize for his vote. [Applause.]

But we were betrayed in the assurances we had that the provisions of the bill would be administered in a "spirit of justice to all and with sympathy to those who are in need."

There are approximately 352,000 service-connected World War veterans drawing compensation; 150,000 of that number are service-connected under the presumptive provision of the World War Act; of that number about 56,000 are tubercular and mental cases requiring hospital treatment,

who will be deprived of compensation and hospitalization unless they can prove service connection under the regulations issued by the President.

Where is the spirit of "justice and sympathy for those who are in need" in such cases as these which the gentleman from Alabama assured us the President of the United States meant when he said that he would exercise his responsibility with justice to all?

Again, we were assured, so far as Spanish War veterans were concerned, that the burden of proving service connection for their disabilities would be upon the Government and not upon the veteran.

In Executive Order Regulation No. 12, covering Spanish War veterans, the President states, "It is realized that veterans of the Spanish-American War, who have heretofore received a pension * * * will be at a decided disadvantage in endeavoring to secure evidence showing their injury or disease was incurred in line of duty in the active military or naval service."

Have any of you heard of any Spanish War veteran who has been given the benefit of the doubt on service connection or upon whom the responsibility of proving service connection has not been placed?

Only this morning I heard from a Spanish War veteran of my district, who has been hopelessly crippled with arthritis for many years past. He never applied for a pension until about 1916, although he had been in poor health for some years prior to that. He was under the care of a number of physicians and hoped that there might be some cure for his disease.

He was rated totally and permanently disabled and was pensioned at the rate of $72 per month. He has received word that under the regulations governing the Economy Act, his pension had been reduced to $20 per month. I hold here in my hand several photographs of this veteran showing his crippled condition. This veteran lives with his parents who are too old to give him any assistance, so that it is necessary for him to hire an attendant to take care of him. He has to pay that man $2 per day; he is constantly under the care of a doctor, and his expenses for the doctor's service and medicines average about $30 a month. How is he going to do that on a pension of $20 per month? Where is the spirit of "sympathy and justice" there? And there are thousands of cases like his among Spanish War veterans.

Not one single Member of this House who voted for the economy bill had any idea that the compensation of service-connected veterans would be cut under the bill. You will search through the RECORD and fail to find even an indication of such action on the part of those who were supposedly speaking for the administration, and yet under the President's regulations service-connected veterans have been cut as much as 68 percent in some instances.

I am in favor of the Connally amendment. Its adoption will at least have more of the milk of "human kindness" in it than even the proposed corrections suggested by the administration. As a matter of fact, the cut should be no greater than that which we cut our own salaries, 15 percent. [Applause.] We are told that if the Connally amendment is adopted it will unbalance the Budget. Well, so far as I am concerned, you have "got to show me" that the Budget has been balanced, the broadcast of the White House secretariat to the contrary notwithstanding.

Since the passage of the Economy Act, which resulted in a further reduction in Government salaries and the wholesale reduction in veterans' pensions, we have heard little or nothing about economy.

On the contrary, we have been on a wild orgy of spending. We have appropriated $250,000,000 to send several hundred thousand boys into forest camps at $1 per day, and perhaps before we are through with this experiment we will have an equal number of young women spending the summer in the woods at the expense of the Government.

We have appropriated $500,000,000 for relief to the States, much of which will have to be used to take care of the veterans who have been deprived of their pensions under the Economy Act. We have authorized the expenditure of $3,300,000,000 for a public-works program, and so forth, all of which has been done without worrying very much about balancing the Budget. We do not get concerned about that until an effort is made to correct an injustice to many of our veterans.

So far as I am concerned, I am willing to have the Budget remain unbalanced to the amount that it will take to administer the Economy Act as it relates to our war veterans in a "spirit of justice to all and with sympathy to those who are in need." That was the motive which actuated my vote on the economy bill, and that is why I am now ready to vote to correct the injustices of the regulations putting the economy bill into effect. [Applause.]

Mr. POU. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. BROWNING].

Mr. BROWNING. Mr. Speaker, of course my position on veterans' legislation has been well known this session. I advocated as best I could, and voted for, a limitation of 25 percent on cuts for all classes of benefits that had been granted. I stand by that position. I have no apology to make for it.

I think, though, in justice to the President's recent action, it should be said that these cuts that were made on direct service connections have been improved by later regulations issued under which only 18 percent will be cut from those who have direct service-connected disability.

I propose to support this resolution [applause] because I believe it is all we can get. I am not satisfied with it, of course I am not, but at the end of a long fight we have brought back the very best we could procure.

Insistence has been made that the presumptive cases must be reviewed. If this be the case, I think we have the best terms under which that review can be made. Boards are set up for this special purpose. Under this provision every reasonable doubt is to be resolved in favor of the man. The burden of proof is on the Government. He is left upon the rolls with a 25 percent cut until his case is determined, or until October 31 next. We took these considerations out from under the rigid regulations that have been put in force under the recent Economy Act. In other words, boards that are to consider these presumptive cases to determine whether the disabilities are service connected are not bound by the rigid rules that apply to service connection under the recent Economy Act. But these boards are to have a free hand to determine according to sound judgment and discretion on all the evidence available, not merely on medical opinion, as to whether the case can be considered as service connected.

If a man at this hearing can make a showing and justify his rating, then he is left on the roll as a service-connected case. If the presumptions are to be removed, I think we have every safeguard that can possibly be given.

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

Mr. BROWNING. I yield.

Mr. RANKIN. Under the original Economy Act, as I remember it, the veteran was denied the right of appeal.

Mr. BROWNING. Yes.

Mr. RANKIN. Is he now given the right of appeal or the right to have his case reviewed?

Mr. BROWNING. Under the regulations promulgated by the President he will not be denied his appeal. The details, of course, are not in the resolution, but the authority is given the President to set up this appeal group here in Washington.

Mr. RANKIN. Mr. Speaker, will the gentleman yield further?

Mr. BROWNING. I yield.

Mr. RANKIN. Of course, as the gentleman knows, the presumptive cases are the ones I am most interested in, and especially the tubercular cases. Does the gentleman from Tennessee agree in this statement: Under the provisions of this resolution, if a man comes in and shows that he has tuberculosis developed prior to 1925, under the law we passed in 1924, if he were in a court of law and the burden of proof were on the State or on the opposition, that is as far as he would have to go. Is that as far as he will have to go in making his proof under this situation?

Mr. BROWNING. No. I will be frank on that. I do not think it is. If the Government should show an intervening period after discharge of some length with no activity, I think he would have to show some kind of evidence within 2 years of his discharge to indicate that he had some tubercular activity at that time; but it does not have to be clinical evidence, it does not have to be sound medical opinion. If he makes this showing of prior activity of the disease within 2 years, or proof indicating its existence, then he remains on the rolls.

Mr. RANKIN. But that puts the burden of proof on him.

Mr. BROWNING. It puts the burden of proof on him to show that he had a condition of disease back there. If I had my way, I would do as the gentleman from Mississippi—leave these presumptive cases on the rolls.

Mr. RANKIN. That is what ought to be done.

Mr. BROWNING. But we cannot get it. We are taking the very best we can get out of the situation.

Now, there are some other classes I should like to discuss if I have the time.

[Here the gavel fell.]

Mr. POU. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. BROWNING. The Spanish War men have been granted a more liberal treatment than was indicated by the gentleman who just preceded me.

In other words, these total disabilities have been raised from $20 to $30 a month in the last week. If a man is over 62 years of age, he gets not less than $15 a month. If he is between 55 and 60 years, and needs it, and is substantially disabled, which they are going to construe as a 50-percent disability—and any man over that age would almost be sure to be held to be a 50-percent disability—he will get not less than $10, according to the assurance we have. Of course, this is a small amount.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BROWNING. I yield.

Mrs. ROGERS of Massachusetts. What will happen to the Spanish War widows who have been cut from $30 to $15?

Mr. BROWNING. They will remain there, unless they can show service connection.

Mrs. ROGERS of Massachusetts. How can the widow show this when the husband is dead and cannot help secure the necessary evidence to establish direct service connection?

Mr. BROWNING. I cannot help that.

Mr. RANKIN. Will the gentleman yield?

Mr. BROWNING. I yield.

Mr. RANKIN. The gentleman from North Carolina [Mr. POU], in his opening statement, said something about Spanish War veterans over 75 years of age. I was wondering if it were not possible to get some provision to at least declare these men, who are more than 70 years of age, totally and permanently disabled.

Mr. BROWNING. I do not know that it is, and I want to assure the gentlewoman from Massachusetts that I am just as sympathetic with the entire Spanish War pension list as she is, and for one I am ashamed that we cannot offer any more for them than is being offered at this time; but it is all we could get and we brought the utmost concession we could procure to you. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker, neither in the original proposal nor in the amendment that has just been offered is there a word about the Spanish-American War veteran. In lieu of the kind of legislation which is carried in this bill in behalf of the World War veteran, we have a letter from the President wherein he says:

> It is not necessary that there be included in this amendment language dealing with the Spanish-American War veterans who are 55 years of age or more. I have the authority under the provisions of the act to maintain the credit of the United States to issue regulations for their benefit.

If this is the case, then there is no need for legislation at all, because the President has exactly the same power to regulate, under the authority of the Economy Act, the things that are carried in the proposed law. So this reason for leaving out the Spanish-American War veterans falls to the ground.

Then he gives assurance that he will do this:

> I will issue a regulation which will give some assistance to the Spanish-American War veterans who are 55 years of age or more, who are substantially disabled, and who are in need.

There are two indefinite propositions here. He will give "some assistance." He does not say how much. "Who are substantially disabled", and he does not say to what degree; but the gentleman from Tennessee [Mr. BROWNING] has assured us it will be construed to be 50 percent.

Now, why, in behalf of the Spanish War veteran, is not that expressed in precise language, exactly as it is for the World War veterans?

It was for this reason I was going to offer this amendment:

> The pensions received on March 30, 1933, by Spanish-American War veterans who are 55 years of age or more, who are disabled to the degree of 50 percent or more, and who are in need—

Following the President's own language—

> shall not be reduced by more than 25 percent.

If it were parliamentarily possible, I would introduce this amendment and we would see who are the friends of the Spanish-American War veterans in this House. [Applause.]

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

Mr. POU. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, the so-called "economy bill" caused the elimination from the pension roll of more than 706,000 veterans and their dependents. It caused an average of 1,700 people in each congressional district to be eliminated from the pension roll. It caused a loss of about $1,000,000 in purchasing power that would have gone into each congressional district during the coming year. We need buying power among the masses at this time.

I was very sorry that the bill passed. I did not vote for it; I voted against it, although it contained a few provisions I would have voted for on a separate vote. Since it did pass, it is the law, and we are now attempting to do the very best thing we can for the veterans, considering the situation we are in. In other words, we are trying to recover at least a part of what the veterans were deprived of by reason of the passage of the Economy Act.

The Democrats of the House had a caucus May 25, 1933, to discuss the drastic and inhuman reductions in veterans' benefits that had been made by authority of Public, No. 2—the Economy Act. The steering committee selected the following committee to confer with the President for the purpose of getting the benefits to veterans and their dependents liberalized: Mr. CROSSER, of Ohio, who is chairman of the steering committee, was made chairman; Mr. POU, Chairman of the Rules Committee; Mr. GOLDSBOROUGH, of Maryland; Mr. HASTINGS, of Oklahoma; Mr. LOZIER, of Missouri; Mr. LEA, of California, who is chairman of the Democratic caucus; and myself. The committee sought and received the assistance of the Honorable GORDON BROWNING, of Tennessee, and the Honorable LAMAR JEFFERS, of Alabama, who are knowns to be experts on veterans' legislation.

This committee has been working the past week with the President of the United States, the Director of the Budget, and General Hines, Administrator of Veterans' Affairs. We have spent practically all the week at the Executive Offices at the White House, and I want to assure the Members of this House that every effort has been made to restore every benefit that could possibly be restored to every veteran and every dependent of every war. When we went down there as members of this committee we were insisting that every presumptive case remain upon the pension roll, but willing for the roll to be purged of every fraudulent and unmeritorious case. We were insisting that the Spanish-American War veterans should remain upon the pension roll at 75 percent of what they have been receiving. We were insisting that the 36,325 widows and dependents of World War vet-

erans who have been stricken from the roll effective July 1, 1933, be restored to the pension roll.

SUBSTANTIAL BENEFITS RECEIVED

We have not been successful in accomplishing everything we desired to accomplish. However, we have made it possible for the following veterans and their dependents to remain on the roll after July 1, 1933 (present regulations would cause them to be stricken off July 1, 1933):

World War (service connection by presumption and otherwise)	154,848
Dependents of World War veterans	36,325
Spanish-American War veterans	105,660
	296,833

In addition, we have succeeded in getting the regulations relating to other service-connected disabilities liberalized; also succeeded in getting total and permanent disability cases, nonservice connected, World War and Spanish-American War, increased from $20 a month to $30 a month, and other substantial benefits.

BETTER THAN CONNALLY AMENDMENT

We have done much better than the present law and regulations would do, and I suggest to you, my friends, that the amendment brought in here in the nature of a compromise is more favorable than the Connally amendment except for the Spanish-American War veterans, and the President will have authority to restore all benefits to them. However, it is not written into the law, and I am of the opinion that the President will not allow very high rates.

DEADLOCK ON SPANISH-AMERICAN WAR VETERANS

During the last 2 days we had a deadlock on the Spanish-American War veterans. We were insisting that all of them and their dependents remain on the pension roll at not less than 75 percent of what they had been receiving. After being tied up on this question for 2 days, we were unsuccessful in getting all we wanted. The best we could get for them was the statement of the President in writing, which is being placed in the CONGRESSIONAL RECORD, to the effect that all Spanish-American War veterans who have reached the age of 55—and I venture to say there are very few under that age—and are substantially disabled and in need shall receive a pension. That word "assistance" in the letter means pensions. We have that information from the President of the United States.

THE CONNALLY AMENDMENT NOT SUFFICIENTLY BROAD

The Connally amendment did not include 154,000 presumptive cases, nor the 36,335 dependents of the World War veterans who have been notified that they will receive no further benefits after July 1, 1933. Our compromise keeps all of them on the pension roll. On the other hand, it did include the misconduct cases—would cause them to be put back on the pension roll and permit them to receive the same rate and amount of compensation as veterans who received their injuries in battle. These cases include diseases contracted by reason of the veteran's own willful misconduct. There are many pitiful cases in this group, and some of these men were the best soldiers on the field of battle, but the President does not believe that they should receive compensation as battle casualties. Our compromise accedes to the President's request. However, they will be allowed hospitalization.

The World War was over November 11, 1918. Many young men enlisted in the Army, Navy, and Marine Corps after that time and before July 2, 1921. All of them in this class that have disabilities or injuries traceable to their military service have, under orders issued by the President, been transferred to the peace-time soldier roll and are to receive after July 1, 1933, the same compensation that a peace-time soldier would receive instead of the amount paid battle casualties during war.

The peace-time soldier rate is much lower than the war-time rate. The Connally amendment restores by law all these cases to war-time rates, and gives them all the benefits and privileges that are granted to veterans injured upon the field of battle, when they were not in the military service during the war. The President refused to agree to this change. He insisted that they served in time of peace and should only receive the benefits of a peace-time soldier. Our compromise accedes to the President's request.

This compromise, including the benefits granted by the President, under regulations issued last Tuesday, in an effort to satisfy the committee, will increase the cost of veterans' benefits around $150,000,000 annually. The Connally amendment would have increased the cost of such benefits approximately $100,000,000 annually.

Mr. RANKIN. Will the gentleman yield?

Mr. PATMAN. I will yield to the gentleman.

Mr. RANKIN. Last year we passed a bill through the House by 316 to 16 for the widows and orphans that had been left out. I want to know if anything was done about those unfortunate cases?

[Here the gavel fell.]

Mr. POU. I yield 1 minute more to the gentleman.

Mr. PATMAN. I am sorry I do not have the time to discuss all the things that I want to discuss I will say to the distinguished Chairman of the Veterans' Committee.

Mr. RANKIN. Will the gentleman answer my question?

Mr. PATMAN. I am sorry. The gentleman realizes my time is very limited. I will say, however, that all widows and orphans that have been stricken from the pension roll by reason of the regulations issued under the Economy Act are being restored under this compromise. They will get the full amount they have been receiving, without any reduction at all.

BELIEVE BEST SETTLEMENT WE CAN GET

I believe this is the best settlement we can get. It is a compromise; I am not advocating it, I am merely submitting to it and, under the circumstances, willing to accept it. We have worked hard for this compromise and we have got the best we could. I do not believe that we can get anything more at this session of Congress. I am unwilling to take the responsibility for depriving the 300,000 people, veterans and their dependents, of the benefits they will receive under this compromise by insisting upon more than we know that we can get this session of Congress. Under the circumstances I am willing to take the half loaf. As suggested by that great man from North Carolina, the veterans' friend, the father of one who gave his life for his country during the World War, the Chairman of the Rules Committee and one of the most effective and diligent workers for the veterans on this special committee, "there is going to be another Congress."

DIFFERENT PLANS DISCUSSED

My time having expired and permission having been granted, the following is inserted:

The so-called "Economy Act", or the act to maintain the credit of the United States Government, was the second law passed by Congress at this session. It is known as "Public, No. 2." I spoke and voted against the bill. I stated then that I did not believe that veterans drawing compensation for service-connected disabilities, or their widows, should have their compensation reduced one penny. I still stand on that statement. The law passed and regulations have been issued by the President putting it into effect. I shall attempt to show how the veterans and their dependents of different wars are affected under Public, No. 2, which includes regulations issued thereunder, the Connally amendment which was adopted by the Senate on the 2d day of June 1933, and the compromise that was effected by the committee representing the Democrats of the House and the President of the United States on last Saturday.

WORLD WAR

Service-connected cases

Under Public, No. 2, these cases would have lost $156,826,010 annually. The number of cases would have been reduced from 380,648 to 225,800, and the amount received by them annually reduced from $221,728,010 to $64,902,000. In this class of cases there are 154,000 presumptive cases, which would have been eliminated from the pension roll. The Connally amendment would not have restored any of these cases and would not have increased the amount payable to this class of veterans one penny. The President revised his

regulations June 6, 1933, at the urgent request and insistence of the special committee, which resulted in increasing the amount that will be drawn by this class of cases by $60,000,000 or $70,000,000 annually. In addition the compromise plan will keep the 154,000 presumptives on the pension roll until the Government proves beyond a reasonable doubt that they are not service-connected. The compromise plan, as embodied in the amendment, places the burden of proof on the Government to show that these cases are not service-connected. They remain on the roll until October 31, 1933, or until the Government proves that they are not service-connected.

Emergency officers' retirement

Under the old law 6,314 emergency officers would have received the next year $10,029,827. Under Public, No. 2, the number is reduced to 2,000 retired officers and the amount reduced to $3,300,000. This group was not helped by the Connally amendment. Neither will it be helped by the compromise plan, except as the compromise plan may apply to the presumptive cases.

DEATH COMPENSATION

World War, including widows, orphans, and dependent parents, all service-connected

Under the old law 107,325 in this class would receive $39,389,837. Under Public, No. 2, the number of beneficiaries in this class were reduced to 71,000 and the cost to $23,700,000. The compromise plan restores the 36,325, that were eliminated under Public, No. 2, back to the pension roll, and they will receive what they would have been receiving in the past without any reduction at all.

Disability allowance—World War (presumed to be for disabilities not connected with the service)

Under the old law 501,724 of these veterans would have received $101,652,326 this year. Public, No. 2, elimniated all except 48,500, who are totally and permanently disabled and who would have received $9,884,000 this year, or $20 a month each. Our compromise increased the amount that the totally and permanently disabled veterans will draw from $20 to $30 a month. Our compromise does not help the 453,000 partially disabled, neither did the Connally amendment help them.

In 63 percent of the disability-allowance cases, under the old or present law, the veterans receive $12 a month; in 24 percent of the cases they receive $18 a month; in 6 percent they receive $24 a month; and in 7 percent they receive a maximum of $40 a month. If all the disability-allowance cases were restored to the roll and the amount they were receiving reduced 50 percent, it would only cost the Government $23,000,000 more annually and would reinstate on the pension roll 305,000 veterans.

Although these cases are presumed not to be service-connected a large number of the recipients of these small monthly pension checks have disabilities connected with their service; they have been unable to make the proper showing on account of lost records, death of doctors and comrades, and for other reasons beyond their control; they had jobs for many years after the war and were willing to carry on without being put in a position of calling on their Government. The depression put many of them out of work for the first time; then when they attempted to service-connect their cases the delay operated against them.

In order for a veteran to qualify under the disability allowance law of July 3, 1930, he must have served 90 days during the World War, honorably discharged, and suffering from a permanent disability of more than 25 percent. If he were suffering from a disability of not less than 25 percent and not more than 49 percent, he would receive $12 a month; for disability from 50 percent to 74 percent he would receive $18 a month; from 75 percent to 99 percent he would receive $24 a month; and for total and permanent disability he would receive $40 a month.

If all the disability-allowance cases are not restored as indictated they may be at an extra cost of $23,000,000, $21,600,000 additional appropriation will restore the 150,000 who are receiving from $18 to $24 a month by paying them an average of $12 a month hereafter; they are suffering from disabilities more than 50 percent. This is invited to your attention for consideration.

SPANISH-AMERICAN WAR, INCLUDING BOXER REBELLION, PHILIPPINE INSURRECTION

Service connected

Under Public, No. 2, the number of cases in this group was increased from 600 under the old law to 19,400 under the new act. The amount has been increased from $291,600 to $11,508,400. The widows in this group have been increased from 1,175, at a cost of $330,175, to 2,300, at a cost of $700,000.

Non-service-connected cases

Under the old law, 197,260 in this class would have received $107,026,277 this year. Under Public, No. 2, our special committee was informed by Mr. O'Connor Roberts, Solicitor of the Veterans' Administration, that this class will be reduced to 82,600 and the amount reduced to $21,459,644. The Connally amendment would have prohibited any of these veterans' being reduced more than 25 percent. Under the compromise plan, the ones in this class that are totally and permanently disabled will have their pension increased from $20 to $30 a month, and all of these veterans who are 55 years of age, substantially disabled, and in need will receive a pension, the amount to be fixed by the President. Practically all of them are more than 55 years of age and practically all of them are rated more than 50 percent disabled, which the President has construed means substantially disabled. The compromise plan will have the effect of restoring practically all the ones partially disabled that are eliminated under Public, No. 2, and will increase the amount received by the totally and permanently disabled, but will not assist this class of veterans as much as the Connally amendment would have assisted them, unless the President restores their rates by regulations which he has a right to do. World War veterans having non-service-connected disabilities will not receive anything for partial disability.

Spanish-American War veterans receive monthly, prior to July 1, 1933, $20, $25, $35, $50, and $60. Those who are helpless or blind as to necessitate the aid and attendance of another person receive $72 monthly.

The number of dependents of Spanish-American War veterans, including widows of non-service-connected veterans, under the old law was 42,161, who would have received $17,124,658 this year. None of these dependents are eliminated. Some will be transferred to the service-connected roll. Under Public, No. 2, these dependents remaining on the roll in this class—41,036—will receive $7,700,000. A widow in this class will have her pension reduced from $30 a month to $15 a month. Under the Connally amendment these dependents would have been helped by the Connally amendment, as their pensions could not have been reduced more than 25 percent under that amendment. The compromise plan does not permit them to receive any more than under Public, No. 2. It should be understood, however, that World War widows in this classification do not draw any sum at all from the United States Government as a pension or compensation, and the President has a right to restore their pensions to $30 a month.

CIVIL WAR

Service connected and nonservice connected

Under the old law 22,525 veterans would have drawn $24,000,000.

Under the new act 22,525 veterans will receive $21,460,700, or a loss of 10 percent.

No change would have been made under Connally amendment or compromise plan.

Widows

Widows will lose 10 percent for 1 year only, the same as the veterans will lose 10 percent for 1 year only.

Under the old law 122,492 would have received $58,534,100 the coming year.

Under the new act they will receive $52,680,690, or a loss of $5,853,410.

No change would have been made under Connally amendment or compromise plan.

OTHER WARS

Indian—Mexican—1812

The veterans will lose $559,747.

Under the old law 4,676 would receive $2,808,188; they will receive $2,248,441, under the new act instead.

The widows, 5,135, would have received $2,025,028. They also take a 10-percent reduction and will receive $1,822,525.

No change would have been made under Connally amendment or compromise plan.

PEACE TIME

Service connected

The number, under the old law, would have been 21,082 and the amount $6,400,000.

Under the new act the number of veterans will be 30,389 and the amount $5,672,000, or a loss to the veterans of $728,000.

The widows will be increased from 5,736, under the old law, to 10,736, under the new act, and the amount increased from $1,389,974 to $2,400,000.

No change would have been made under Connally amendment or compromise plan.

Under the new act there will also be an estimated saving of $34,000,000 in administration, medical, hospital, and domiciliary services from $110,538,514, under the old law, to $76,538,414, under the new act.

No change would have been made under Connally amendment or compromise plan.

MILITARY AND NAVAL INSURANCE

There will be a reduction of from $134,000,000, under the old law, to $123,000,000, under the new act. No change would have been made under Connally amendment or compromise plan.

The total savings estimated under Public, No. 2, was $460,000,000 for the coming year. This includes $50,000,000, which the Government can save, because the veterans are not able to pay interest on their adjusted-service certificates. Under the Connally amendment this saving would have been reduced about $100,000,000 more. Under the compromise plan it will be reduced about $150,000,000 more.

THE SO-CALLED "BONUS BILL"

H.R. 1, which was introduced by me on the first day of this Congress, provides for controlled expansion of the currency and the payment in cash now of the full face value of the adjusted-service certificates. It is pending in the Committee on Ways and Means. A hearing was requested. We were informed that the committee was not going to consider any proposal during this special session that was not recommended by the administration. We have endeavored to get the administration's support. The bill provides that the certificates shall be paid in new money, the same kind of money—United States notes—that the administration has recommended be issued to the amount of $3,000,000,000. We believe that the payment of the certificates is the best plan that has been proposed to use as a vehicle to get money out among the grass roots—out among all the people in every nook and corner of the Nation.

DISABLED AND DEPENDENTS COME FIRST

At the beginning of this session of Congess the disabled veterans of the World War and their dependents received the greatest setback that they have ever received from Congress. Although we have made every effort to get the adjusted-service certificates paid, we have not allowed the question to overshadow the campaign to recover benefits for the disabled and the dependents of veterans who gave their lives to the cause of their country in time of war. Benefits for these classes must have precedence over benefits for the able-bodied. H.R. 1 will be pending when Congress meets again. During this session we did not want to just make a gesture; we wanted the bill passed; we worked in the interest of its final passage, but were unsuccessful. We believe that the passage of this bill will help the country more than any legislation that has been proposed, and, besides, would save the Government $112,000,000 a year and abolish a useless commission. The House passed this bill June 15, 1932, by a vote of 211 for to 176 against; the Senate defeated it by a vote of 62 to 18 on June 17, 1932; the Senate, again, at this session defeated the bill. We were handicapped for this session both by reason of the opposition of the administration and the reaffirmance of the Senate's opposition to the measure. The outlook for the passage of this bill at the next session, commencing in January 1934, appears more favorable. Every effort will be made to get it passed at that time, in order that the country, as well as the veterans, may be helped.

THE NATIONAL ECONOMY LEAGUE

The four great means of communication are the press, the radio, the screen, and the stage. The National Economy League, with substantial support from these means of communication with the people, backed by millions of dollars, propagandized the country with false and misleading information which has deceived good people. It is said "every dog has his day." The National Economy League, which received support from war profiteers, who made money by reason of this country's misery and misfortune during the war; and from high-ranking officers and ex officers, who are now drawing from $5,000 to $18,000 a year pension from the Government; from tax evaders, cheaters, defrauders; from high priests of international finance, who have scattered lavish loans and security issues at cut-rate prices among Government officials and molders of public opinion; has had its day. The veterans will have their day. They will never ask for more than justice; no one should ask that they accept less. As they sacrificed in time of war, they are willing to sacrifice during a great emergency in time of peace. I hope they will not be called upon to make a greater sacrifice than any other class. When the people are in a position to consider more soberly veteran legislation without the interference of the Economy League, I am sure they will be convinced that most of the benefits that have been taken away from veterans and their dependents should be restored; that economies in Government can be effected in other ways that will be less harmful to the general welfare.

MORGANS, MELLONS, MITCHELLS, AND AL CAPONE

The Budget has been unbalanced. Why? Because the House of Morgan has become a den of thieves and has been defrauding the Government. Because the Mellons are protecting their fortunes through tax-exempt securities and cheating the Government out of income taxes. Since 1789 the United States Government has paid to holders of Government bonds $15,000,000,000 for interest on these bonds; since that time the Government has paid out to all veterans of all wars and all dependents of all veterans of all wars the sum of $15,000,000,000. The $15,000,000,000 paid to bondholders was a pure bonus and should not have been paid. We are paying this Morgan and Mellon crowd $725,000,000 for interest this year on Government tax-exempt bonds. Not a dime of it should be paid. It is an outright bonus. If a dollar bond issued by the Government is good, a dollar bill issued by the Government is good; the only difference is the bond draws interest and the bill does not. We should save this $725,000,000 by paying the bonds with new money; this can safely be done, not quickly but gradually, and at the same time furnish the banks sufficient money to do business with.

If the Morgans, Mellons, and Mitchells are brought to the bar of justice, tax returns made subject to public inspection, the loopholes in the income-tax laws plugged, and the tax-exempt bonds are paid with new money, and no more such bonds are issued, the Budget will balance itself in a very short time and remain balanced; it will then be unnecessary to take from sick and disabled veterans and dependents of men who gave their lives on the field of battle for the cause of their country in order to make up for the failure of this gang of international banking racketeers to pay their fair share of income taxes. The human budget is entitled to some consideration. If the tax laws are not going to be enforced against the Mellons, Morgans, and Mitchells, the Federal penitentiary doors at Atlanta, Ga., should be opened and Al Capone should be released.

I am not defending Al Capone, but as between the four of them possibly his activities have been the least harmful to the general welfare. Justice should be meted out to all alike.

PROGRAM FOR THE FUTURE

I should like to see all benefits restored to dependents of veterans who gave their lives for the cause of their country in time of war and to all veterans who suffered an injury or contracted a disease, or had such a condition aggravated, by reason of military service in time of war, without any reduction at all. I should also like to see the following proposals given careful consideration at the next session of Congress:

First. Complete justice to all veterans of World War and Spanish-American War and their dependents.

Second. Prevent further concentration of wealth and power and levy a very high rate of tax on large incomes and inheritances.

Third. Old-age pensions, widows and orphans' pensions, regardless of military service.

Fourth. Take Government out of private business and get the few powerful bankers out of the Government's business. The power to issue money on Government credit should not be farmed out to a few bankers.

Fifth. Abolish secrecy in Government. Make income-tax returns subject to public inspection. All expenditures of the Government should be made subject to public inspection. Secrecy is a badge of fraud.

Sixth. The Federal Reserve Banking System should be owned by the Government. Every Federal Reserve note that is issued by this institution represents a mortgage on all the homes and all the property of all the people and upon the incomes of all the people. Such privilege should only be exercised for the benefit of all the people and all the banks and not limited to a few people and a few banks. The Government can acquire this system for $160,000,000; and if it will require the speculators, gamblers, and international bankers to pay a reasonable sum for their credit, the purchase price can be repaid in 3 months and a large sum accumulated each year toward the running expenses of the Government which will permit the repeal of all nuisance taxes.

The veterans and all other citizens can render a great service to their country if they will resolve from this day on to take an interest in local, county, State, and National political affairs; they should first qualify themselves to vote; they should study the science of money; this is the greatest of all economic questions.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 8 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I have the utmost sympathy for those on the Democratic side who have spoken here today, because every Member knows that they have tried to do their best to secure from the White House the best possible legislation for the disabled veterans to be considered here in the House. Everyone knows the record of these three Democrats who have spoken here today; they have always been for the veterans suffering from service-connected injuries, and they are to be commended for changing the President's mind, getting the President to reverse himself from those cruel and brutal regulations and Executive orders which he issued last April.

What we on this side of the House do not understand is if you are not satisfied with this proposed legislation why do you stand for legislation you do not believe in, why do you not let us offer perfecting amendments and vote it up or vote it down? [Applause.]

It is not in criticism I speak, but in commendation of these very gentlemen, because this House is thoroughly misunderstood and has been abused and maligned throughout the country because of the misinformation and misrepresentation about this veterans' legislation, which has been carried in the public press emanating from the White House and friends of the administration. Why, even Col. Louis Howe, the Secretary to the President, made a radio appeal to the American people to support the President against the Congress on the grounds of economy a few days after he had arranged for a friend of a friend of a deserving Democrat to obtain without bidding a contract for 200,000 toilet kits which, according to the War Department, would cost the taxpayers $100,000 more than if let through the usual methods employed by the War Department.

When we passed the economy bill, as the distinguished gentleman from New Jersey [Mr. BACHARACH] just stated, the Director of the Budget said that the administration would not touch the service-connected disability cases. But no sooner had we passed it than Executive orders and regulations were issued cutting drastically service-connected cases. Veterans without an arm, without a leg, without a foot, without a hand, or without an eye, or shot full of holes in battle were cut an average of 50 percent—from 30 percent to 70 percent. The American people have no idea of these facts, because of all this propaganda that has been going out over the radio to the people back home, making Congress look as it we were in the wrong, when the truth is that the President has been in the wrong ever since he issued his Executive orders and cruel and unwarranted regulations.

Everyone in the House knows it, but no one outside of the House knows it. No one back home knows the facts, and no one back home knows that under the Economy Act—and no Member of the House is complaining—425,000 non-service-connected veterans were cut off the list right off the bat. The people back home do not know that because of all the misinformation and misrepresentation that has obscured the facts.

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

Mr. FISH. Yes.

Mr. BECK. Is not this a demonstration of the fact referred to a few days ago that there is no such thing as a benign dictator?

Mr. FISH. The gentleman is quite right. But this is part of the new deal for the disabled veterans. There is no question about that. I do not know about the South, but I can say to you that up North where I come from over 80 percent of the World War veterans and Spanish War veterans voted for Franklin D. Roosevelt for President, and they want to know if this is part of the new deal, if this is part of the promises made in the Democratic platform.

Nothing was said about cutting $400,000,000 off the war veterans to balance the Budget in the Democratic platform, but as soon as Congress opened the whole question was, Let us balance the Budget at the expense of the disabled veterans and the Spanish War veterans, and from that moment on every newspaper and every statement of the administration, every radio speech that went out, was misrepresentation of the facts, so that the people back home honestly believe that the 425,000 non-service-connected men are still on the pension lists, which were removed months ago. They do not know that those Executive orders and regulations issued 2 months ago provided for a 50-percent cut against the direct-service-connected disabled veterans which no business group, not even the Economy League, had asked for.

In the limited time I want to raise an entirely different aspect, one that has not been spoken of here before. I for one do not believe that there should be any cut in the service-connected cases, not even 15 percent. [Applause.]

I am willing to vote for a 15 percent cut during this emergency on the disabled veterans' compensation, because we have taken a 15 percent cut ourselves, but we should not cause disabled veterans to take a larger reduction. The reason I do not think there should be any cut at all in the service-connected cases is simply this. We have spent the last 3 months trying to bring about inflation in America, at least you gentlemen on the Democratic side have, and the dollar is already deflated down to 80 cents. I know how dangerous it is to predict anything. The most dangerous thing for a politician is to make a prediction as to what is going to happen in the future or to promise a job. Yet, remembering the old adage that fools rush in where angels fear to tread, I am willing to predict that this American

dollar of ours will not be worth 50 cents when we get back here next January, and that is the dollar that we are to pay out to the disabled veterans of America.

Mr. HOEPPEL. Mr. Speaker, will the gentleman yield for a question?

Mr. FISH. For a brief one.

Mr. HOEPPEL. I assume that the dollar will be worth 50 cents when the conferees return from London. [Laughter.]

Mr. FISH. That is another matter that I could speak on at length, but I am not going to. I believe it is a fair statement that I have made, because I have heard prominent Democrats say the dollar may go down to 20 cents. So I think it is a pretty fair statement to say that this rubber dollar of ours may be worth 50 cents when we get back here next January. And that is the kind of dollar we pay out to the disabled veterans. The wage earner, of course, if we have this inflation in America, will have his wages increased gradually; but how about the disabled veteran?

How about the veteran that cannot work, how about the veteran for whom there is no armistice, who could not work if he was offered a job? We are paying those veterans in this deflated dollar, and that is why I say to you if we were given an opportunity to discuss this whole problem and offer proper amendments, I believe this House would vote down any cut in the service-connected veterans at this time. [Applause.] It is not fair nor just to discriminate against the Spanish War veteran 35 years after that war, and, if given an opportunity, we would amend the bill to provide adequate benefits to those veterans in spite of the attitude of the President and the Democratic administration. There is no question that the people back home have been deceived. Whether deliberately and purposely or not does not make any difference. We are still getting letters from the Economy League as if the House were entirely in the wrong. In conclusion I congratulate and commend those veterans and friends of the veterans in the House who have gotten the President of the United States to partially reverse himself on this legislation. The fact is that the disabled war veteran is being crucified on a cross of deflation and economy. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. POU. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. GRAY].

Mr. GRAY. Mr. Speaker, I made a promise and pledge to my soldiers that I would vote to equalize pensions on merits regardless of technicalities and give all an equal opportunity on the merits of evidence before the law, and that I would not vote to reduce pensions and disability allowances as a means to effect public economy more than the pay of other men, and I would rather vindicate my pledge and word to the soldiers of my district than win the praise and plaudit of kings, presidents, or potentates. I would rather vindicate my word and pledge to the soldier boys than to be crowned a fawning puppet by the so-called "Economy League" or to win the favors of the men who want to cut pensions to leave more of the appropriations subject to their own manipulation.

It is not what men say before they are in office, nor what they claim they stand for after they have retired, but what they do while clothed with power to act. I am here ready to vote to vindicate my pledge to the soldiers. There is no time like the present time. The future is not ours. I would rather stay here through all this long torrid summer and until winter returns again than to vote to adjourn this House before I vindicate my pledge to the soldiers. [Applause.]

If I made a mistake in my pledge to the soldiers in specific language, I am too late in realizing the error. I should have made the discovery before the election and broadcast the change to the voters. I have no moral right to make such discovery now.

The soldiers of the country are as loyal and patriotic in peace and normal civil life as they are in war and under call of duty. And they are ready to take the same reduction in their pensions as other men in salaries and wages. But there is no reason or justice in demanding a greater reduction of pensions and disability allowances than reductions for other classes of men.

It is true, and long has been true, that there are many flagrant abuses. There are many glaring inequalities which have grown up under the administration of the pension system, partly resulting from technicalities of the pension laws and rules under which men with little or no disabilities are drawing excessive pension allowances, while other soldier claimants, shot, cut, torn, and mangled and demoralized by wasting disease and suffering almost total disability are paid only trivial or negligible pensions. But these abuses and inequalities more and very largely result from political exigencies and pressure brought to bear and in force in the administration of the pension laws for preferment and favoritism to meet partisan ends and emergencies and the political exigencies of the hour.

And it is true that there must be a revision of the administration of pension affairs. There must be a readjustment of pensions and disability allowances and a practical review on merits, ignoring technical laws and rules, and to remedy the favoritism in the administration of the law. Some highly paid pensioners with large salaries should release their claim, at least for the time, or be dropped from the rolls. Others should be reduced to a lower level and many lower pensions should be raised to remedy flagrant discriminations and to effect substantial justice.

But I do not want these amputations made, nor the surgical operations performed in obsessed Comanche Indian style, wielding a butcher knife or a meat ax, blindfolded, and slashing promiscuously in the dark. I do not want these operations made under a general blanket order to be followed and carried out without observing rules to safeguard fair and humane consideration. I do not want these operations entered upon in the secret chambers of war profiteers and the rendezvous of millionaire tax dodgers, nor subject to the counsel and advice of the Morgan preferred investors. I want these operations conducted by the friends of the soldiers and not by men looking to their demise to get their pay. I want them made in the open and in the glare of the noon-day sun, on a full hearing of the evidence, with presumption in the soldiers' favor, with high humane considerations prevailing over technical laws and rules.

On learning that, in my zeal to support the President and maintain solidarity for the administration power under the law as administered, I had transcended my platform pledges, I promptly filed a bill to conform with my election promise and providing for a 15-percent reduction in pensions, the same as provided for salaries, wages, and governmental payments to other men, as follows:

Be it enacted, etc., That title I of the act of March 20, 1933, entitled "An act to maintain the credit of the United States Government" (Public, No. 2, 73d Cong.), is hereby repealed.

SEC. 2. All laws which were repealed by said title of said act of March 20, 1933 (Public, No. 2, 73d Cong.), are hereby revived and reenacted.

SEC. 3. All pensions, disability allowances, and monetary gratuities payable under such revived laws are hereby restored as fully and completely as if said act hereby repealed had never been enacted.

SEC. 4. All pensions, disability allowances, and monetary gratuities under said revived laws shall be reduced by 15 percent, and which said reduction shall terminate at the expiration of 1 year from date of this act, unless prior thereto extended by further enactment.

SEC. 5. This act shall take effect from and on the 1st day of the month following date of enactment.

SEC. 6. All acts and parts of acts in conflict or inconsistent with the provisions of this act are hereby modified, amended, or repealed accordingly and so far and to the extent the same may be necessary to make effective the provisions of this act.

Further consistent action on my part in obedience to platform obligations requires that I vote against the rule cutting off amendments, and which I will be constrained to do. If this rule is not adopted, then I will be afforded the opportunity to offer the bill as an amendment to the conference report.

While the so-called "Economy Act" is in the form of reduction of pensions, small salaries and wages, it is in fact

and in effect an income-tax law, assessing a 25-percent income tax on pensions and 15 percent on small salaries and wages. And as in other income-tax laws provided, the tax is withheld and paid from the source. Other men pay a normal income tax of from 1 to 2 percent, with liberal exemptions to householders and to those supporting dependents, but this bill assesses a tax of 25 percent on soldiers and allows no exemptions for dependents. This 25-percent income tax is levied, assessed, and collected while Morgan, Mellon, Mills, and a thousand other millionaires ignore the income-tax laws and pay no taxes. The effect is to shift the burden of taxes from wealth, capital, and the idle rich and place the same upon the backs of soldiers, wage earners, and small-salaried men.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. POU. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, I regret very much that my friend the gentleman from New York [Mr. FISH] should drag a political discussion into a question affecting the disabled service men of America. I could tell him that this is a "new deal", because I could remind him if I did so, that when we had a bonus army come to Washington this year, we did not have corpses lying out in Anacostia and up on Pennsylvania Avenue. [Applause.] I could tell him that it was a new deal——

Mr. HOEPPEL. Will the gentleman yield?

Mr. BULWINKLE. No. Sit down. Mr. Speaker, when the gentleman from New York just now said "we on this side of the House", he was applauded by a great number of my friends on the Republican side and the gentleman from California [Mr. HOEPPEL]; so I am not yielding to a Republican sitting on the Democratic side. [Laughter and applause.]

But I want to say that the question now before us is, What is best for the service men? They speak of the Connally amendment. Now, in the Connally amendment 36,000 widows and orphans are left out entirely. The presumptive cases, that is, where the disability of the deceased soldier was presumed to have been incurred in the service—those are left off entirely. All presumptive cases in which the soldier is alive are left off.

Mrs. ROGERS of Massachusetts. Will the gentleman yield to a Republican who always helped the Democrats secure needed hospitals for war veterans?

Mr. BULWINKLE. I yield to the lady at any time.

Mrs. ROGERS of Massachusetts. I am told repeatedly by the Veterans' Administration that the Connally amendment did give presumption to the TB's and the NP's.

Mr. BULWINKLE. Very well. The lady will also remember the construction placed upon acts in the committee on which she and I have served so long and how it was changed by regulation of the Bureau later on.

Mr. HOEPPEL. Will the gentleman yield?

Mr. BULWINKLE. I will not, I said. [Laughter.]

It is this question: What are you going to do for these 300,000 men? We all know that the Connally amendment, even if it should be passed in this House, would be vetoed. Are you willing to go back to the disabled men, to those widows and orphans, those Spanish-American War veterans who are turned off completely, and say to them that we did not try to get something for them? [Applause.]

The SPEAKER. The time of the gentleman from North Carolina [Mr. BULWINKLE] has expired.

Mr. RANSLEY. Mr. Speaker, I yield 4 minutes to the lady from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert as a part of my remarks certain paragraphs from letters and also two articles from the Army and Navy Journal.

The SPEAKER. Is there objection to the request of the lady from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, first I want to pay my tribute to those veterans who are taking their cuts with the courage with which they took their wounds and their illnesses during the war. I have never seen such courage and such patience. It must make us ashamed if we allow this gag rule to carry. I am going to read to you just a paragraph of a letter written by a man employed in one of your southern Veterans' Administration offices. He says:

> I am unable to compromise with my conscience any longer without calling your attention to the way the rigid procedure under the "new deal" is being carried forward. The present system of rating these cases, to put it mildly, is a farce.

We all know that case after case of direct service connection has been cut to nothing. There have been suicides as a result.

The President promised that no deserving veteran would be cut. He promised that we would have sound currency. He repudiated sound currency. He has repudiated our debts to the veterans. I have the greatest sympathy for the men on the other side of the aisle whose hearts are torn by this proposed injustice to the veterans. But why do they not show the courage of their convictions? What have we in President Roosevelt's letter, which was read a few minutes ago, to assure us that even those provisions will be carried out? We have had promises before. What have those promises amounted to? We were fooled before. Why be fooled again? It makes my blood boil. Oh, it makes me fighting mad! [Applause.] We have repudiated our debts to the living. That is bad enough.

Mr. HOEPPEL. Will the lady yield?

Mrs. ROGERS of Massachusetts. I will just for a short statement.

Mr. HOEPPEL. Your blood boils because you are not a rubber stamp. [Applause.]

Mrs. ROGERS of Massachusetts. How can this House repudiate its debt to the dead?

How would you like it if you went through months of disability thinking that at your death your widow would be paid $30 a month, if you could after your death, know when you would not be here to establish the service-connected nature of your disability that your widow was cut to $15 a month? That is the case with some of the Spanish-American War widows. Do you realize that certain widows of the officers of the peace-time Army whose husbands when they went into the service were promised their widows would receive not less than $30 a month have been cut to $22 and lower? The reforestation widows will be paid more and also the dependent widowers of the women who are employed in the reforestation camps——

A MEMBER. Forty-five dollars?

Mrs. ROGERS of Massachusetts. No; not $45. A widow with two children would receive $45. A widow without dependents will be paid $30, which is $8 more than $22, and her children will be paid 75 cents a month more than will the children of peace-time widows.

Is it fair to treat the Spanish War nurses as they have been treated under the President's regulations? Is it fair not to give certain World War nurses justice who have been drastically cut under these same regulations? Perhaps some men here might not be alive today if it had not been for the fine care of these women.

Is this your idea of justice?

Is your idea of justice and fairness the trusting to mere scraps of paper, mere promises?

I say vote for the Connally amendment. If you did not have the gag rule, you would.

Why are you afraid? Your own President cannot keep his promises. [Applause.]

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. The following is a letter from a Spanish War nurse:

> Mrs. EDITH NOURSE ROGERS,
> *House of Representatives, Washington, D.C.*
>
> DEAR MRS. ROGERS: I have not written you for some time, but reading some of the comments you have made on the veterans' cuts, I want to tell you of some of the things I know about here in Los Angeles.
>
> One Spanish War nurse having 5 years' service in the Philippines and a widow of a veteran, has been cut from $60 per month

to $6; she has bad health, could not work a day if work were to be had, is now 67 years of age, but owning a small cottage, which she and her husband worked hard to get, they think she can exist on this small amount (that an extremely experienced Budget Director (?) says a veteran of 62 can live on. If he would only give us some idea of how it can be done, we might feel better about it).

Another nurse, having years of service to her credit, is also cut to $6 per month. That is but 2, and among the 541 on the pension roll there must be many more.

It is working an extreme hardship on these nurses, many needing domiciliary care just now, and many almost 70 years of age. To be cut down to the pittance they say we may have to live on will cause many to have to ask aid from the welfare organizations, as many of these nurses have been helping their families during the out-of-work season. A mother cannot allow her children to go hungry is why some of these courageous women are so badly off. They could not save many pennies on $60 per month, and many of them are getting much less than that.

A widow living in the same apartment, her husband died over 10 years ago, and she has been getting her widow's pension, has been cut off entirely; and so the injustice goes on.

Reading of those kits being furnished by Secretary Howe to the reforestation men for $1.40 per kit, and the fact that men like J. P. Morgan can get out of paying income taxes, makes us feel that the Government we tried to help many years ago has surely forgotten. Instead of "forgotten men" it is "forgotten nurses", old and feeble, and now having to ask charity, is something we cannot comprehend. We are so nervous and deeply resentful that it is hard to be fair to those in authority at this time. We tried to be fair to the President, but if he allows this injustice to go through, we cannot ever feel the same again. I must tell you that some of these nurses have said that nothing but suicide stares them in the face.

So any work you may accomplish for us will be highly appreciated.

If Secretary Howe cannot say anything but the utter nonsense he got off yesterday evening over the radio, he had better stop right now. It is an insult to the intelligence of the American people to listen to such rot coming from a man supposed to be in the confidence of the President of the United States. We are worked up to a high tension and this letter may seem somewhat erratic, but our feelings are so hurt and we are so disappointed that in our last few years we may be charges of the city or county, you cannot wonder at some of the things I have written. Thank you for reading this, and we sincerely hope that you may say even more plain facts than you have.

The following are parts of letters and articles sent to me and point to injustices to the veterans:

I am unable to compromise with my conscience any longer without calling your attention to the way the rigid procedure under the "new deal" is being carried forward. I know that you are a sincere friend of the ex-service men and I hope you will be able to do something about it.

The present system of rating these cases, to put it mildly, is a farce. Speed is the only watchword that we have; no accuracy, no fairness, no scientific procedure. We are not allowed to ask for any new examinations on any kind of a case, in spite of the fact that many of the cases of gunshot wounds and nervous injuries have not been examined since 1923, 1924, or 1925. We are not allowed to ask for a new examination on active cases of tuberculosis, in spite of the fact that under the new regulations if a man is "active" and has not been examined for over 1 year his service connection is severed. We are not allowed to use "presumption" in any way whatever. We are not allowed to call a man in arrested tuberculosis unless he has had a continuous 6 months' hospitalization in a hospital, and who may be "active" and in an almost dying condition at the present time. This man is definitely out under the new regulations.

You can readily see, Mrs. ROGERS, what hardship this works on lots of ex-service men, who dwell in rural communities and who prefer to be treated at home, and to be nursed at home, by their own relatives, rather than to stay at a Government hospital. Should they be penalized for that? But certainly this 6 months continuous hospitalization clause does penalize them.

Amoebic dysentery is not included in the list of chronic diseases, although it was a very prevalent disease among our soldiers, especially in tropical soldiers, and has rendered many men chronic invalids for life.

It is impossible for me to go into details at this time, as I am very anxious to get this letter to you in order that you may make a strenuous effort to have these regulations modified, if possible, insofar as not allowing new examinations are concerned, and insofar as this frantic speed is concerned.

I am sure that you will concede that I have some knowledge of ratings, and I can assure you that in my opinion it is impossible to give these men fair ratings, without being able to obtain new examinations, when necessary, or to obtain new Adjutant General's Office reports. It is quite possible, as you know, that where there has not been obtained a new Adjutant General's Office report since 1919 or 1920 a new report might show definite service connection for some disability that some poor devil has suffered from, for which he is now denied service connection.

I believe that it should be our duty not to make a frantic effort to get all these cases done by July 1, 1933, but, on the other hand, to carefully rate every case, from every angle, due to the fact that under the new regulation there can be no appeal from the ratings now given.

It is my hope that you will be able to write a letter to the President and call his personal attention to this matter, because it is impossible for me to believe that any man reputed to be as broad-minded and sympathetic to the woes of the world as is our present President that he would be a party to such rank injustice and cruel treatment to men whose only fault is that they were disabled, or claim to have been disabled, in the service of their country.

Extracts of a letter from a veteran:

The silver star and oak leaf cluster and those citations I cherish, they are on the wall before my desk but they cannot help me now. I am not selfish, I expected to be asked to assist with 10 or 15 percent off, but I wonder if you folks really intended that that should be our lot; it doesn't seem so to me.

Won't you try and show me the way through this condition, although some of the 1917–18 spirit is still with me the youth is not so strong. It's a problem to me of life and death for the worry is the worst; my salary now at 45 percent, this compensation was still taking care of me and my worries, and its loss, I am afraid, will mean my health, my job, my house, and all.

I hope this lengthy letter has not wearied you for I've tried to give a true picture of one veteran who was told his condition and from then on was fair both to his country and himself and now is penalized for this conscientiousness.

My thanks for your expected consideration and I hope that you will interest yourself not only in my case but all of us boys who have service-connected conditions which we are always trying to keep in check, and that I shall receive a reply from you.

Extracts of a letter from a veteran's wife:

DEAR MRS. ROGERS: Permanent and total disability, a physical wreck and almost a mental one, an invalid for over 14 years.

You have been a personal friend of my husband and myself for many years, and we are forced to appeal to you to aid us in our fight to obtain justice. He is a veteran of the Spanish-American War; seizure and occupation of Vera Cruz, 1914; Mexican border expedition, 1916; World War, 1917 to 1919, wounded, gassed and taken prisoner at Marne River July 15 and remained prisoner of war until December 10, 1918. Honorably discharged March 1, 1919, completing about 27 years' service. November 23, 1929, awarded permanent and total disability compensation, due to service-connected disabilities of: Arrested TB of both lungs, aortic insufficiency, heart trouble with hypertrophy and dilation, chronic bronchitis, physoconeurosis, neurasthenia, competent (recently declared semicompetent), bad case of bronchial asthma, has to have the constant care and attention of an attendant, and I am a semi-invalid as the result of taking care of him for over 14 years.

Now, according to the enclosed letter, a rating board recently decided that he had no service-connected disabilities. This means that this poor physical and almost mental wreck will, after July 1, be an inmate of the almshouse, as he is unable to earn a penny; we will lose the home and furniture we have been paying on for over 14 years; we will lose all our insurance, because our income would not be enough for us to keep it up; I, a semi-invalid as a result of caring for this man, would have no other choice but to try and get work, such as I could do, and, when physically unable to do this, beg from door to door for food enough to keep body and soul together or join my husband in the county poorhouse, and when I died be laid away like him in a pauper's coffin and in the potters' field alongside of my husband, veteran of four campaigns and a life devoted to the service of his country. I am in hopes that you will come to our aid in this matter and do what you can to have this injustice righted. Is this not a grand reward and a fine administration that will treat its heroes in this manner?

[From Army and Navy Journal June 3, 1933]

SERVICE PENSIONS

The new veterans' pension regulations, if rigidly applied, will do a great injustice to many Regular Service widows, a considerable number of whom are over 70 years of age. Many of these women are the widows of Regular officers and soldiers who suffered the vicissitudes of foreign service and other hardships in following their husbands throughout their Army careers. There was little chance for such families to save money, and in many cases where savings were made and carefully invested, all has been lost during the past 3 or 4 years.

For some years past such widows were entitled to pensions of $30 per month on account of their husbands' services during the Spanish War, Philippine insurrection, or Boxer rebellion, and in most cases service was had in at least two of the aforementioned emergencies. Where the husband bought life insurance or made investments which have stood the depression, these widows are to receive no pension if their private incomes are over $1,000 per year, and if their incomes are under $1,000 per year, the pension is to be cut to $15 per month. One thousand dollars per year is not sufficient income for an elderly woman to support herself adequately in any city, and besides, it may be questioned why the Federal Government should penalize those people who by careful living have been able to build up some estate.

It has been difficult to get an exact general statement which would show the effect of the new pension laws and regulations which are to become effective July 1, 1933. Several brief state-

ments that have appeared in the press had errors which have caused unnecessary anxiety or left pensioners with an erroneous sense of security. The office of the Army Mutual Aid Association has given information as a result of the studies made in that office, but even there it is reported that new facts are developing from time to time on account of changing constructions which are being given to the recently enacted provisions.

In general it may be stated that the widows of veterans of the Civil War and Indian wars are not to be disturbed in their present pension allowances.

In the cases of those who are widows of veterans who served 90 days or more in the Spanish-American War or World War, or who participated in active operations during the Philippine insurrection or Boxer rebellion, and died as a result of causes incident to such service, pensions are to continue as heretofore at the rate of $30 per month. Where widows are drawing pension on account of service by their husbands during the Spanish War, Philippine insurrection, or Boxer rebellion but where the veteran's death was not due to causes which originated in or were aggravated by service during those wars, the widows' pensions are to be reduced to $15 per month, providing they have income of less than $1,000 a year. If the widow has private income of more than $1,000 a year, she will not be entitled to such pension. The children of deceased veterans of the Spanish War, Philippine insurrection, or Boxer rebellion will be paid through their widowed mothers $5 per month for one child, with $3 monthly for each additional child. If there are children and no widow, 1 child may receive $12 per month, 2 children $15 per month, 3 children $20 per month, with additional allowances for additional children.

To widows of deceased officers or soldiers of the Regular Establishment in cases where the officer or soldier died from causes incident to the service, the rate of pension is to be $22 per month, with $8 additional if there is one child and $4 additional for each additional child. Where there is no widow, 1 child may receive $15, no widow but 2 children $22, 3 children $30, and additional amounts for additional children. The dependent mother or father of an officer or soldier who dies as a result of service in the Regular Establishment may be paid $15 for one parent or, where there are two parents, $11 each.

Widows who are employed by the Federal Government cannot draw pension unless the pension is paid on account of service by the veteran prior to 1898.

[From Army and Navy Journal, June 10, 1933]

To all who have a sense of pity for the helpless there must come profound indignation at the further suffering imposed upon the widows of the Regular services by the regulations issued by the President under the authority of the Economy Act. These women played their part in promoting the security of their country. It was their task to keep their men mentally and physically fit to discharge their duties as soldiers and sailors, to send them to war with smiles which hid aching hearts, to keep the home safe, and to encourage others in patriotism, no matter how great the anxiety oppressing them. It was their task to share the duty of their husbands in upholding the dignity of the United States not only in their own country but abroad, and some of them today are suffering from the consequences of tropical diseases. Honor they had, comfort they had when their men were alive, but when death wielded its scythe honor became memory and comforts gave place to bare existence upon a pension of $30 per month. How many of these women have lived and offered their brave front to the world, God and they alone know. But hard as was their difficulty in keeping body and soul together upon the miserable pittance granted by the richest government in the world, how can they exist with it cut in half? How can they exist even if a 25-percent or even a 1-percent reduction be imposed? The President, in response to congressional rebellion, has modified a few of the regulations. It is unfortunate that included in the modification was no reference to the widows of the men, all of whom served their country with distinction and ability, and many of whom were recognized by Congressional Medals of Honor and meritorious decorations. We appeal to the President and to Congress to correct this inhuman injustice. We know our country, we know its regard for those who have served it well, and it is with confidence that we expect action which will wipe from the flag the shame which this melancholy order has spattered upon it.

Mr. POU. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Speaker, the measure which we are considering, and which is offered as a substitute for the Connally amendment, is said to represent a "compromise" agreed upon by the President and the unofficial committee which waited upon him. I agree that this substitute secures for a certain class of World War veterans benefits somewhat comparable to the Connally amendment. But, as far as Spanish War veterans and their dependents are concerned, they have been tossed overboard; there is nothing for them.

Today 35 years ago my division was marching and drilling at Camp Coppinger, some miles out from Mobile. Within a few days we were transferred to Miami, then a mere village alongside a swamp. There, bitten by swarms of insects and under unspeakable sanitary conditions, we remained throughout the tropical summer. Our food was scanty and unwholesome. Our hospital was little more than a name, medicines and supplies almost wholly lacking, and medical attention largely a pretense. There were no nurses and no suitable food for the sick. I lay for 30 hours, after admission to the hospital, upon a bare board, with my blouse folded under my head for a pillow, without seeing a doctor or receiving the slightest attention.

Our sick list mounted at terrific pace, until scarcely 50 percent were fit for duty. Racked by malaria, typhoid, and other diseases of the semitropics, within 60 days there was scarcely a sound man in the pestilential camp, and deaths had risen to an appalling figure. Then the armistice was signed, and these men came away to be discharged without a medical examination, and without any adequate record having been made of their disabilities.

I saw these soldiers as they went into camp—gay and patriotic boys, eager to serve their country. Then I saw them as they were discharged to their homes—gaunt and fever-stricken, and bearing the seeds of disease to plague them throughout their lives.

Never have veterans of any of our wars received so little attention and such small evidence of appreciation of their service as have those who served in the War with Spain. For more than 20 years no special provision whatever was made for those who were disabled. They received neither bounty nor bonus, and yet there was not a conscript among them.

Now, 35 years have gone. Half of these veterans have passed into the great beyond, many of them hastened to their graves by their sufferings in service. The others, now in their old age and their gray hairs, enfeebled by disease incurred in the service of their country, or broken by the casualties of industry, now find themselves, in their declining years, the "forgotten men"—discriminated against, dishonored, and disowned by the Government for which they offered their lives. [Applause.]

What have they done that they should be denied the pittance by which they might eat honest bread? Did you not call them to the service of your country? Did they not follow your flag? Did they not suffer in your stead? Why do you disown them now? [Applause.]

I marched with these men in '98. They have been my friends and intimates through all the intervening years. I know how poor they are—how little they have to show for a life of service. I know that a large majority of them will be destitute if robbed of their pensions. I know that many are merely being transferred from the pension list to the mercies of charity or to the generosity of sympathetic friends.

Oh, the ingratitude of republics! You are tossing them overboard, these veterans of '98. I marched with them then, and I can do no better now than to share their fate. You toss them overboard and, if need be, I am willing to go overboard with them. [Applause.]

Mr. POU. Mr. Speaker, would the gentleman from Pennsylvania agree to a 6-minute extension of time, to be equally divided and controlled between himself and myself?

Mr. RANSLEY. I will agree to that.

Mr. POU. Mr. Speaker, I ask unanimous consent that the time be extended 6 minutes, to be equally divided between and controlled between the gentleman from Pennsylvania and myself.

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

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

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

There was no objection.

Mr. RANKIN. Mr. Speaker, I cannot support this rule, which would not only preclude us from accepting the Connally amendment but it would tie the hands of our conferees, put them in a strait-jacket so that they could not accept the liberal provisions of the Connally amendment,

which would take care of the old Spanish War veterans and also of the presumptively service-connected disabled World War veterans and their widows and orphans.

The gentleman from Alabama [Mr. JEFFERS] and I have worked out an amendment to the Connally amendment which would make the Connally amendment read as follows:

Notwithstanding any of the provisions of the act approved March 20, 1933, entitled "An act to maintain the credit of the United States Government", in no event shall World War service-connected disability compensation of any veteran, whether such disability was directly service connected or service connected by presumption of law, or the death or dependency compensation which has, under provisions of law in existence March 4, 1933, been heretofore paid to any widow and/or dependent of such World War veterans, or the pension of any veteran of a war prior to the World War, or the pension of any widow and/or dependents of such veterans, be reduced more than 25 percent of the rate being received prior to March 15, 1933.

This would not only take care of the Spanish War veterans but would also make it certain to take care of the thousands of tubercular World War veterans and other presumptively service-connected cases that are now suffering as a result of the economy bill and the present drastic regulations under it, and at the same time it would provide compensation for their widows and orphans when they pass away.

Mr. JEFFERS. Mr. Speaker, I make the same request.

Mr. CONNERY. Mr. Speaker, I make the same request.

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have the right to extend their remarks in the RECORD upon this subject.

Mr. JEFFERS. At this point?

Mr. KVALE. Mr. Speaker, reserving the right to object, I shall object simply because the gentleman from Mississippi [Mr. RANKIN] asked to extend his remarks at this point in the RECORD.

Mr. RANKIN. That has already been granted. The reason the requests were made was because we could not get time to talk on the bill. The gentleman from Alabama [Mr. JEFFERS] and the gentleman from Massachusetts [Mr. CONNERY] and I are all members of the Veterans' Committee.

Mr. KVALE. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. BYRNS]?

There was no objection.

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, there is no eloquence like the eloquence of experience. A good saying is, "From the heart the mouth speaketh." The eloquence of the distinguished gentleman from Alabama was as convincing as it was entrancing. He spoke from his experience. His eloquence was exceeded only by that of the gentlewoman from Massachusetts, who made, I think, the most eloquent speech that has been made in Congress during the years that I have been here. She, too, spoke out of her experience. I agree with both of them.

I am sorry that I find myself in disagreement with some noble defenders of the soldier boys on the Democratic side. Down deep in their hearts they know that what they are doing today does not have the full approval of their conscience. How unlike themselves is it for them to say, as if in chorus, "This is the best we could get."

Mr. Speaker, has it come to pass that the Membership of this House has to go to some other place to get legislation? Can we not make legislation? Has it become a lost art? Has representative government failed? Do we have to go anywhere else to get legislative inspiration? Where should we go? Did not the electors in the constituencies of each of us elect us to represent them in the Halls of Congress?

I shall vote against this rule and shall also vote against the resolution. I do this not that I am opposed to a concession on the part of the President in favor of the veterans, for I am in favor of such concessions if there are any. I favor the passage of the Connally amendment. It is difficult to see where the proposition now proposed by the President is of any material benefit to any class of veterans. The President dealt unjustly with the veterans. The President and his chief spokesmen in the House gave us to understand when the economy bill was passed that the President would deal with the veterans in "a spirit of justice to all"; we believed them and trusted them. When they make such promises now I for one feel that—

The truth itself is not believed,
From one who sometimes has deceived.

The Senate passed what is known as the Connally amendment which is as follows:

Notwithstanding any of the provisions of the act approved March 20, 1933, entitled "An act to maintain the credit of the United States Government", in no event shall World War service-connected disability compensation of any veteran, or the pension of any veteran of a war prior to the World War, or the pension of any widow and/or dependents of such veterans, be reduced more than 25 percent of the rate being received prior to March 15, 1933.

The real friends of the veteran in the Senate were opposed to the Connally amendment, for they were in favor of a 15-percent cut in preference to a 25-percent cut, but they were induced to accept this amendment upon a representation that the same would be acceptable to the President and would not meet a veto from him. When the matter came up for consideration in the House the Presidential influence began to be felt again. The Democrats with a majority of two hundred in the House could have passed the Connally amendment the next day after it passed the Senate. They failed to do so. If they fail to pass the Connally amendment here, the responsibility is theirs. There is no question but the Membership of the House is at heart overwhelmingly in favor of the Connally amendment. It is unfortunate that a body elected by the people are not free to register themselves in line with their conscience. I maintain that the refusal of the President to accept the Connally amendment springs from his determination not to permit any invasion of the czaristic powers which are his and which with reference to veterans' matters he exercises most arbitrarily.

One reason that he assigns for this is that it would throw the Budget out of balance. My friends, what would a few million dollars distributed among several hundred thousand veterans and dependents amount to as compared with:

Two thousand million dollars for farm relief;

Two thousand million dollars for home owners' relief;

Five hundred million dollars to the States for relief;

Thirty-three hundred million for relief of business and public works.

Ladies and gentlemen, the matter of balancing the Budget should be accomplished, but many legislative sins are committed behind the shadows of the much-used excuse "balance the Budget." The Budget is not balanced and it will not be balanced after this plan of the President is adopted. It is an excuse and not a reason. All these large expenditures were asked for by the President after his economy bill was passed.

When the President first issued his code of regulations the national leaders of the Spanish-American War veterans insisted that his regulations were not fair and not in line with the intention of Congress. Under pressure the President modified the same and issued regulation no. 12. The language of this regulation if interpreted reasonably would have given this group of veterans a fair chance to prove their cases, but interpretation and methods employed by the Pension Department and Veterans' Bureau were unreasonable and unfair.

This proposal that the President makes as a substitute for the Connally amendment is little short of an insult to the Spanish-American War veterans. I am authorized to say on behalf of the national leaders of the Spanish-American War veterans that they would prefer to have nothing as a substitute for the Connally amendment than to have this shallow, meaningless substitute which hardly amounts to a shadow of a substitute. Time does not permit to dwell extensively on this subject, but I wish to read the following letter from President Roosevelt to Mr. CROSSER:

Hon. ROBERT CROSSER,
Chairman of the Special Democratic House Committee.

MY DEAR MR. CHAIRMAN: I am enclosing herewith the language which I suggest be substituted for the language of the so-called "Connally amendment."

It is not necessary that there be included in this amendment language dealing with the Spanish-American War veterans who are 55 years of age or more. I have the authority, under the provisions of the "act to maintain the credit of the United States Government", to issue regulations for their benefit.

I give you the assurance that if the Congress sees fit to substitute the language attached hereto in lieu of the Connally amendment I will issue a regulation which will give some assistance to the Spanish-American War veterans who are 55 years of age or more.

Because of the peculiar conditions surrounding the Spanish-American War and Spanish-American War veterans, I want to emphasize that the assurance given in this letter and the action which I shall take pursuant thereto must not be considered as a precedent of other wars.

P.S.—It will be necessary to add to the language herewith enclosed provisions exempting the members of the board from the provisions of the Civil Service and Classification Acts.

Especially would I call your attention to that sentence where he promises some assistance to Spanish-American War veterans who are substantially disabled and who are in need. Mr. Speaker, how unconscionable to take from a veteran his pension which for years he has felt that he proudly earned and to tell him "we will give you the magnificent sum of $10 per month, if you are in need." Valiantly have the old Civil War veterans and the Spanish-American War veterans fought against any pauper-clause pension legislation. Now to attempt to pauperize them is worse than an insult.

They say that the Connally amendment will keep thousands of presumptive cases and widows and orphans from the rolls. When I made inquiry of the Veterans' Administration on this point I was assured that all would be included. The World War veterans are given a modicum of relief under this substitute, but the Spanish-American War veterans are doomed. I am sorry that we are not permitted to vote directly on the Connally amendment, for I know it would pass. I shall vote against the rule and the amendment in the hope that, if they are defeated, we can have a chance to vote for the Connally amendment. [Applause.]

Mr. POU. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. JEFFERS].

Mr. JEFFERS. Mr. Speaker and ladies and gentlemen of the House, at the time when the Connally amendment was passed in the Senate it contained in part the following language, "World War service-connected disability compensation of any veteran", and it also contained the stipulation that this service-connected disability compensation was as of the date of March 15, 1933, or prior thereto. When that amendment was adopted in the Senate containing that language every opinion which was voiced at that time—at least every opinion that I heard anything about, and these opinions were from Members of the House and Senate who are good lawyers and also, I may say, from the legal adviser of the Administrator of Veterans' Affairs—was to the effect that the language in the Connally amendment, since it referred to the date of March 15, 1933, or prior thereto, undoubtedly covered and included those service-connected cases of World War veterans which had been declared service connected by presumption of law.

Now, then, I am surprised to hear some Members contending today that the Connally amendment as it is now written would not include those cases which were declared service connected under the presumptive clause in the 1924 veterans' act. Now if anyone seriously believes that the Connally amendment does not include that class of service-connected cases, principally tubercular and mental and nervous diseases, such a defect, if it is a defect as the amendment was written, was, I am sure, unintentional on the part of the Senators who favored the Connally amendment, and, of course, could be corrected very easily by a very few words, which could be inserted simply as a clarifying amendment to the Connally amendment.

One has but to read the record of the proceedings in the Senate at the time when the Connally amendment was passed in that body to be convinced that it was the intent and purpose of the Senate to include that class of cases which had been declared service connected by presumption of law.

The same proposition applies to the widows and orphans of those World War veterans who have died of service-connected diseases or disabilities, whether directly service connected or service connected by presumption of law. If such clarifying language is needed in the Connally amendment to take care of those widows and orphans, it can certainly very readily be inserted if we are able to secure a chance to vote on the Connally amendment here in the House today.

It has also been suggested by some who favor the Connally amendment that the word "rate", as used in the last line of the Connally amendment be changed, for the sake of clarity of language, to the word "amount."

These amendments would simply be clarifying amendments and it might be well, if we can secure the opportunity to vote on the Connally amendment, to put them in, in order to be sure that the Connally amendment, if adopted, would mean what was evidently the purpose and intent of the Senate in passing that amendment. I should favor the Connally amendment if clarified in these details, because I believe it would constitute the best and safest basis for all classes of war veterans and their dependents, and certainly all will agree that the Connally amendment does provide material aid for Spanish-American War veterans and their dependents, whereas this proposed amendment to the Connally amendment, which we have before us here today, and which would really be a substitute for the Connally amendment, does not mention the veterans of the Spanish-American War, and so, of course, does not hold out to them, as a great class of war veterans who are now arriving at advanced age, any definite promise of material assistance.

I feel very strongly convinced that as a matter of justice the veterans of the Spanish-American War and their dependents should not be treated in this manner, and that is one of the principal reasons why I hope we can secure an opportunity to vote here today on the Connally amendment, clarified by the changes in language that I have mentioned. I am prepared to offer these clarifying amendments to the Connally amendment if we can secure the opportunity for that to be done.

Of course, no Member can even attempt to discuss all the angles of this complicated proposition in the brief time which is granted to us here today, but let me call your attention to one phase of this compromise proposition which has been brought in here today, and which has just been read from the Clerk's desk. You know this compromise proposition provides a hearing before a board, which will be set up under the new machinery for every case which has heretofore been declared service connected under the presumptive clause in the law. In the printed resolution we find language which provides that the burden of proof should be on the Government to prove that the individual case is not service connected. That is as it should be, of course, because it would be extremely difficult, if not impossible, for the veteran at this late date to go back and dig up the necessary medical evidence to actually prove by medical evidence that from the medical point of view his case is service connected.

So if the Government now challenges the fact of the service connection of his case, the burden of proof should be upon the Government to prove that contention, instead of the burden of proof being on the veteran. Now, that very important provision of the resolution, as it appears before us in the printed copy, has been changed overnight, at least it certainly seems to me that it has been materially changed from what I have been able to gather from the reading of the typewritten substitute which has just been read to us from the Clerk's desk, and I feel, from my understanding of this new substitute which has just been flashed on the House, that the provision that the burden of proof shall be on the Government in these cases instead of on the veteran has surely been materially changed overnight, if not, indeed, wiped out. I honestly feel that if that important provision has been materially changed or wiped out, it is certainly an

injustice to those veterans whose cases have heretofore been declared by law to be service connected, and who must now, 9 years after that law became effective, go before these boards in the hope of retaining service connection in their cases. Bear in mind that these veterans constitute that vast group of World War veterans who were taken care of by the presumptive clause in the law, and they are mainly victims of the dread white plague—tuberculosis—and also the nervous diseases and mental disorders.

Under the conviction that this compromise proposition which has just been handed to us here today is not what it should be, and not even what it pretends to be, I will state that that is one of the main reasons why I do not feel that I can vote for the pending rule which includes this compromise proposition. I feel that a great many cases of deep and undue disappointment will result from its administration as it now seems to be written.

Furthermore, I have already explained that the Connally amendment does give consideration to our Spanish-American War veterans and their dependents, while this compromise proposition does not make any specific mention of that great class at all. Then, too, let us consider that this hard and fast rule gives us no opportunity to offer any amendments to this compromise proposition, and it goes further than that; it instructs and binds the House conferees and sends them to conference with the Senate conferees without giving them any right or opportunity to try to get anything, while they are in conference, out of the Connally amendment for the Spanish-American War veterans who are not included in this compromise proposition upon which we are called upon to vote here today.

For these reasons and other reasons that I have not the time to dwell upon now, I feel that we should vote against this hard and fast rule which includes this compromise proposition, and if it should be voted down, the House would then have the opportunity to express itself upon the Connally amendment with any remedial amendments that the House might see fit to adopt. I believe that the Connally amendment, thus amended, would be for the best interests of all concerned, giving due consideration, under the circumstances, to every class.

The Connally amendment provides for a slash of not more than 25 percent of the benefits which have heretofore been granted by law to our war veterans, of all classes, and their dependents. Thus the Connally amendment would bring the cut in veterans' benefits within the promise of the platform of the Democratic Party. Surely that is the maximum sacrifice that should be asked of them. If 25 percent will be cut from the overhead expenses of all other Government departments and if proper reduction is made in the overhead expense of the Veterans' Administration itself, I feel that such drastic reductions and discontinuances as have been made in these benefits would not be necessary.

I thank the gentleman from North Carolina for granting me the time to make this brief statement. [Applause.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent in the extension of my remarks to include the amendment that the gentleman from Alabama [Mr. JEFFERS] and I have worked out amending the Connally amendment.

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

There was no objection.

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I believe this resolution is about as unfair as anything that could possibly be brought before the House, so far as the Spanish-American War veterans are concerned. It takes from them pensions that they have been receiving for years and says that the President may issue regulations that will give to these Spanish-American War veterans some small compensation, provided they are over 55 years of age, substantially disabled, and in need.

I want to call your attention to the fact that the original economy bill carried a Senate amendment that said that no Spanish War veteran over 62 years of age should be taken off the rolls, and Members voting for the economy bill assumed that they were going to be treated fairly, and the first regulation that came out provided that Spanish-American War veterans over 62 years of age should get the magnificent sum of $6 a month. This is hardly enough to provide medicine for these men who are now suffering, and many of them suffering from service-connected disabilities, but who cannot prove that their disability is connected with their service. This resolution, if adopted, will perpetuate the theories of the economy bill, and will compel many Spanish War veterans to look to charity for the necessities of life.

The gentleman from Texas, a man for whom I have the highest regard, said this amendment is fairer to the World War veterans than the Connally amendment. I want to call your attention to the fact that the legislative representative of the Veterans of Foreign Wars, Mr. L. M. Ray, together with Mr. Thomas Kirby, the legislative chairman for the Disabled American Veterans of the World War, told me this afternoon that this amendment is far less advantageous, so far as the World War veterans are concerned, than the Connally amendment, and they strongly urge the defeat of this resolution and the enactment of the Connally amendment. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. SEGER].

Mr. SEGER. Mr. Speaker, when I voted for the economy bill I did so in the belief the President would use his heart in the regulation of veterans' cuts. I have been disappointed. I believe most of you have been disappointed. Cuts in World War service-connected cases running up to almost 70 percent were never anticipated. The President has admitted injustices and there have been several revisions. Every Congressman knows that injustices and inequities still exist and the time for correction is now.

There appears to be little thought of the Spanish War veterans in the new set-up before us. It is grossly unfair to impose on them the burden of going back 35 years to gather up new evidence of service connection for their disabilities. I have in mind a veteran of that war from my district who suffered severely from exposure to heavy rains for 30 days. He was discharged for disability and a form of poisoning set in which brought on man's greatest affliction—total blindness. Because the War Department records were incomplete, because they did not properly set forth the symptoms of his ailment, service connection and all benefits were denied him. I had to get him relief through special act of Congress. Now his wife is denied relief and I must again appeal to Congress for recognition for all this brave woman has undergone and must go through. Even though the Pension Office could accept and act favorably on her application under existing regulations, she would draw but $15 per month while the widow of a forest worker in the Civilian Conservation Corps would draw $45 per month. We must not sanction such inequalities.

I agree with the sentiments expressed by the Director of the Budget, Mr. Douglas, when he advised Spanish War veterans in Arizona last fall that he was not supporting any movement to force such veterans to go back to '98 for records to establish service connection. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SWICK].

Mr. SWICK. Mr. Speaker, ladies, and gentlemen, I am one who voted for the economy measure. I did it with the promise that the veterans would be dealt with in justice, fairness and humanely. The regulations thus far have not proved that, and therefore to further sustain my position that this Congress should not adjourn before positive assurance is given by the administration that service-connected disabled veterans shall not be subjected to the unjust treatment received from the Veterans' Administration since the enactment of the Economy Act and subsequent issuance of presidential regulations administering that act, I desire to call attention of the Members of the House to

the following facts secured from the manager of the Veterans' Administration at Pittsburgh, Pa.:

Prior to March 15, 1933, there were on the rolls of that regional office, which covers a considerable portion of the State of Pennsylvania, including my district, 9,433 veterans receiving compensation for service-connected disabilities; the average monthly payment per veteran was $42.27. It is estimated by the regional manager that after July 1 there will remain on the rolls of that office approximately 7,204 veterans receiving pensions under the Economy Act; this includes war-time service connected, peace-time service connected, and nonservice connected. These remaining veterans will receive average payments of $24.18, or a reduction of 43¾ percent.

It will also be noted that more than 23 percent of the service-connected cases existing before July 1, 1933, will have their compensation discontinued entirely after that date.

There are 392 beds in the Aspinwall Hospital. On June 9, 1933, 142, or 43⅓ percent of these beds, were empty despite the hundreds of veterans in need of hospital treatment.

I understand that the majority leaders have accepted a compromise veteran program from the President, which I will admit affords some improvement in the policy heretofore adopted, but which leaves much to be desired if justice is to be done. It will no doubt be accepted by the House, despite the personal feelings of individual Members. I sincerely hope that the President will follow the promptings of his own heart and conscience in the application of the power this Congress has granted him in veterans' affairs and will not relegate that power, as in the past 10 or 12 weeks, to men who apparently have forgotten the deeds of the American soldier, sailor, and marine.

I submit herewith a letter from the regional manager of the Veterans' Administration, Pittsburgh, Pa., giving information from which the facts I have stated were gleaned, also letters from two veterans, or rather from one veteran and the wife of another, who is unable to write, both of whom have been placed in the ranks of forgotten men—they speak for themselves—and a telegram from the national commander of the United Spanish War Veterans.

VETERANS' ADMINISTRATION,
Pittsburgh, Pa., June 9, 1933.

Hon. J. HOWARD SWICK,
House of Representatives, Washington, D.C.

MY DEAR MR. SWICK: In compliance with your request of June 6, 1933, I am sending you the following information:

1. Total number veterans (service connected) receiving compensation prior to March 15, 1933, 9,433.

Approximate amount of payments to these veterans, $399,250.04 per month. The latter figure is based upon an average of $42.28 for each veteran.

2. Total number of veterans receiving disability allowance prior to March 15, 1933, 15,459.

Total payments, $247,398 per month.

3. Total number of veterans receiving allowance for dependents prior to March 15, 1933: We do not have accumulative statistical data available on this item but do have same on individual cards of claimants. To secure this information from the latter would delay the submission of this report to such an extent that the other data desired might not be given you in time for your immediate use.

4. Total number of compensation claims, whose allowance will be discontinued under the Economy Act and subsequent regulations, 1,859, amounting to approximately $78,598.52.

These figures are made as of May 31, 1933, the point to which our review of such cases has progressed. The amount of compensation involved herein is based upon the average payment of $42.28 for each veteran.

The total number of disability allowance claims that will be discontinued under the Economy Act and subsequent regulations will approximate 14,559, amounting to $211,998. In addition, approximately 900 disability allowance cases rated permanently and totally disabled will be retained on the rolls at $30 per month. This latter group formerly was paid $40 per month.

It is estimated that after July 1 there will remain on the pension rolls of this office approximately 7,204 claims, with an aggregate estimated monthly payment of $174,232.51. This latter group includes war-time service-connected, peace-time service-connected, and non-service-connected cases.

In response to your inquiry regarding the number of beds available in administration hospitals in this area, you are advised that this information could be obtained in writing from the manager, Veterans' Administration Hospital, Aspinwall, Pa. However, with regard to this matter, I give you the following information secured from that institution by telephone as of June 9, 1933:

Bed capacity	392
Number beds occupied	250
Number beds available	142

With regard to the last-mentioned figure, you are advised that 82 of these beds represent closed wards at this hospital.

The above data concerns only veterans of the World War. With regard to your request for data on Spanish War cases, you are advised that we do not maintain statistics on these claims as all matters pertaining to Spanish War pensions are handled in our central office.

Very truly yours,

E. R. BENKE,
Manager, Pittsburgh, Pa.

LOCK BOX 53,
Hyndman, Pa., June 9, 1933.

Hon. J. HOWARD SWICK,
Member of Congress, Washington, D.C.

DEAR COMRADE SWICK: In re: Arthur B. Jenkins, claim 354,306, Corporal Company B, One hundred and tenth Infantry, United States Army (New Brighton company); veteran of Spanish-American War, 1898; seizure and occupation of Vera Cruz, Mexico, 1914; Mexican border expedition, 1916; and World War, 1917–19. Entered United States service February 20, 1893; honorably discharged March 1, 1919. Gassed and wounded at Marne River July 14 and 15, 1918. Taken prisoner of war July 15, and remained such until December 10, 1918. From German prison, Rastatt, Germany, taken to Base Hospital No. 19, Vichy, France, suffering from arthritis, sciatica, bronchitis (should have been recorded as tuberculosis of both lungs), and mitral regurgitation, as shown by records of Adjutant General's Office, War Department, Washington, D.C. An invalid for over 14 years and requiring the constant attention of an attendant in the person of his wife. A mental and physical wreck. Was awarded a compensation rating of permanent and total disability November 23, 1929, to run without examination until November 1934. Recently, as shown in copy of letter from Pittsburgh, Pa., office, all disabilities claimed to be on nonservice connection.

Files of Senators Wesley L. Jones, D. A. Reed, J. J. Davis, R. S. Copeland, and Congressmen Clyde Kelly, J. Banks Kurtz, B. K. Focht, Roy G. Fitzgerald, and F. N. Zihlman; Veterans of Foreign Wars of the United States and Disabled American Veterans, World War (Washington office); and Mount Alto Diagnostic Center, Washington, D.C., show the history of this man.

Since November 1930, in order that my husband could have proper hospitalization, medical care, drugs, etc., in Pennsylvania, Maryland, and Florida, we had to mortgage our little home and furnishings that we have worked and slaved to secure. Had this cruel blow not been delivered we would have, in time, been able to come out from under this heavy load; but now we are doomed, and when I pay our June bills out of the last check we are to receive I do not know where our next bite of food is coming from, and all our insurance will be lost. Through taking care of my husband for over 14 years I am broken down and unable to go out and earn a living for both of us, and I am forced to appeal to the overseers of the poor of Bedford County, asking them to accept my husband as a pauper and to give me such work as my condition will allow me to do in return for my food and shelter in order that I can be with and take care of my husband. Arthur, at the time of entering the World War, was a resident of your community and went out to the border and World War in the outfit from your community. We have been friends for years, and you are an honorary member of the Ex-Prisoners of War Association, World War, of which Arthur has been commander in chief for several years; you are also a member of the staff of the commander in chief; and I am not asking you as the Congressman of your district to help see justice done, but as a comrade and aide to your commander in chief, the same as several other personal friends in both Houses of Congress who are honorary members of that organization. This blow and loss of income has driven Arthur completely out of his mind and we have to watch him closely. He left Saint-Nazaire, France, January 31, 1919, as a member of Hoboken Casual Company, 495. Would he have been sent home as a casual if he were not? With love to you and yours, the best of wishes, and God bless and keep all of you and shower His choicest blessings upon you for many long and happy years, each year brighter and happier than the preceding year, and trusting you will help us, as your medical knowledge will be an immense factor in securing justice for us, I am, as ever,

Affectionately,

Mrs. ARTHUR B. JENKINS.

Irrespective of their congressional and senatorial districts, I have the promises in writing of our other personal friends and members of the Ex-Prisoners of War Association that they will be in this fight for justice, and I hope you will stick by a former noncommissioned officer of the company that left your own district, Company B, Old Fighting Tenth, in whose camp at Brady's Run, Pa., and Camp Hancock, sewing and mending for the boys for almost a year, I contributed my bit to their comfort and happiness, was a mother to them. Corporal Jenkins is now 58, an old-time service man.

LOCK BOX 53,
Hyndman, Pa., June 9, 1933.

[Copy of communication from Pittsburgh regional office]

"VETERANS' ADMINISTRATION,
"*Pittsburgh, Pa., June 6, 1933.*

"Jenkins, Arthur B., C-354,306

"In reply refer to 11.40.

"Mrs. ARTHUR B. JENKINS,
"*Lock Box 53, Hyndman, Pa.*

"DEAR MADAM: I wish to acknowledge receipt of your communication of May 30, and am sorry to learn that Mr. Jenkins had such a bad winter. I hope since the nice warm weather has again arrived he will soon be feeling much better.

"We have received information from the Veterans' Administration, St. Petersburg, Fla., that Mr. Jenkins' claim has been rated under Public, No. 2, Seventy-third Congress, and that he has no World War service incurred disability. In view of this fact, I am most sorry to say that this office will be unable to authorize the furnishing of any further medicine.

"By direction:

"H. S. MONROE,
"*Chief Medical Officer, Pittsburgh, Pa.*"

BUTLER, PA.

Mr. J. HOWARD SWICK,
Washington, D.C.

DEAR SIR: I have in my possession a letter from the Veterans' Bureau at Pittsburgh dated April 21, 1933, stating that my 100 percent disability allowance will be cut off July 1, 1933. They now claim that my disability existed prior to my enlistment, which is not true. And the reason it is not true is this: Just after I entered camp I contracted a very severe cold on my bronchi and lungs, a little later I was accidently gassed while drilling in a gas-filled room. The congested condition of my lungs from the cold, aided by the gas, made it impossible for me to ever regain my health again, and I know of no one thing that I can gather more facts of, and I profess to do so. I was a perfect specimen of manhood and in very good health when I entered the service. The doctors are still living that examined me prior to enlistment for jobs and athletics, the doctors are living that examined me when I entered the service. They all pronounced me to be a splendid specimen of man. I was firing on the Bessemer Railroad at the time of my enlistment, and was about to realize my ambition of becoming an engineer; but after I was discharged I found that I no longer could pass the railroad examination. The gas had left my bronchi and lungs in too bad a condition.

In despair I began to doctor for the first time in my life. After doctoring a few months I again tried to enter the service, but was turned down. I have proof of this fact from Washington. I then realized that my once perfect health was gone. It was my most treasured possession, and all the money in the world can never bring back my health. Now, up to the time I enlisted I had never failed on any physical examination, and I had passed some very rigid tests for athletics and on railroads of which I can present—the Pennsylvania, New York Central, and Bessemer Railroads. Every time I was found to be in perfect health; and, for my stature of 5 feet 9½ inches, they pronounced me a perfect man. I had always been proud to boast of never having taken a dose of medicine. If the records of these doctors can show a possible defect in my health prior to my enlistment, then I will not think of making any claim. The United States Veterans' Bureau has not got the records of any of these doctors, and I know that they have not. Then how can they give a man justice according to his claim? Just suppose I had an asthmatic and congested condition of the chest at enlistment, then why was I passed for military service? If I did, would the gas not aggravate it? But I had no physical defects before I entered the service, and have just as many doctors to testify to my statements, prior to enlistment, as there is in the Pittsburgh bureau. I contracted the cold and gas at Camp Sherman. It is a fact I came in contact with no gas—that is mustard gas—in Butler County.

How I contracted my first cold of this nature was the following way: We trained excessively at times, and very often we would be in a sweaty condition and compelled to stand at attention while the captain or some of the lieutenants gave a long talk, or severely criticized someone for his mistakes. One often became very chilly, and under these conditions is how I contracted the cold. And, being a man who had been in the pink of condition, I just naturally could not think of making any complaint. For a man of my physical looks it looked foolish. And when I asked for something for a cold I think the medical attachés regarded it very lightly. The cold run my condition down, and the gas put an end to all recovery. Even after my lungs were burned by the gas I made no formal complaint, but when the doctors came around to make a final examination they found the asthmatic and congested condition of my respiratory organs. I tried to think the doctors were wrong in their diagnosis, but as I continued along with my daily routine of duty I soon became convinced that their findings were a reality, for at times I found my breath coming in short quick laborious gasps. The bottom of my lungs seemed to be full of water; it seemed as though I was getting my breath through some thick, heavy substance. And with the lightness that the doctors seemed to regard sickness at camp, I doubt very much if there was any record made of the facts, that is, in detail, for they seemed to think that everyone was putting it on, for some reason, but with me, I did not want it made known that I was suffering in any way, and a number of the doctors were not far enough advanced in medical science to detect an injury, or consider the facts, much less make a detailed report of the facts; they thought the gas was not strong enough to hurt anyone; but they did not reckon with one who might have their lungs and bronchi irritated by a very severe cold, the next thing to pleurisy, and possibly was pleurisy, for all that is known. I had very sharp pains in my chest, but most severe in my back, under my shoulder blades. Dr. Brown was the doctor that examined me for the railroad when I came back from camp, and he would not pass me, saying that I had the first stages of tuberculosis. I then went to Dr. Hockenbury, of West Sunbury, Pa. He was an appointed doctor of the State clinic. He also said I was in the first stages of tuberculosis, and attributed the cause to the gas and cold. Dr. Hockenbury, and Sinclair examined me when I entered the service, and marveled at my wonderful physique, and went so far as to go over me the second time, trying to find some defect, but found none. When I returned a few short months later, they could hardly believe I was the same person, and as well as I can remember, I think it was about 6 months after my discharge, that I began to doctor with Hockenbury for tuberculosis, accompanied with asthma. He wanted me to go to Mount Cresson, but I rejected that, and through his treatment, and life in the open, my case was finally arrested.

The way I received the gas was in a room suitable for releasing gas in for the purpose of us to drill in, in order that we might familiarize ourselves with it, and the drill always ended by removing our masks and inhaling some of the fumes. It was too strong for my sore lungs and bronchi. I often tried to save myself by not removing my mask, but I was always observed by some of the officers in charge, and compelled to unmask, while they remained with theirs on and severely criticised me for disobeying the command, while the gas burned my lungs; each time it hurt me worse, and to say anything was out of the question for a man of my physical makeup. It made me feel like a baby to think of saying anything, much less being hurt, from its effects, and among the medical attachés of the camp, they seemed to regard the accident as just a slight affair, and in my outward appearance I was satisfied to have it appear that way, but when learned doctors got on the job I found there was no fooling them into thinking that I was all right; they soon found the condition the gas and cold had left my lungs. They asked me if I had such a condition of the lungs before I entered the service, and I told them no. They asked me about my wheezing, how it affected me. I replied that it was like inhaling sulphur fumes; the gas had a tight, burning sensation, which caused a sharp burning gasp for breath. I do not remember whether there was any mention of the gas at the time or not, and doubt very much if there was any record made of it; yet it was and is a known fact that we drilled in gas. The doctors that made the final test rejected me on account of the condition my lungs were in, and this condition was caused by the cold and gas I received at camp. Now, you will find the following names of doctors that have doctored me since my discharge: Dr. Brown, of Greenville, Pa., examined me; Dr. Young and Dr. Hockenbury doctored me, 1918 to 1920, about a year of this, 1918–20 period I doctored with Hockenbury for my lungs, TB. Since 1920 I have been under the following doctors' care, namely: Dr. Steel, Dr. Gibson, Dr. McDonald, Dr. Farley, all of Logan, Logan County, W.Va.

In Butler here I have Dr. Robb, Dr. Atwell, Dr. Duncal, Dr. McCall. Now if these doctors' testimony does not prove my claim, then there is little regard for truth in this world; in addition to the $100 a month I was getting for my disability I was, and am still, spending $15 to $20 a month of that for medical aid. I sometimes go for weeks at a time that I am unable to walk across the room. The long strain of labored breathing has seriously affected my heart.

I did not apply for any compensation until I became totally disabled. After being arrested of tubercular trouble in 1920 my condition has always been too weak to stand up with any job very long at a time, and it does not take long for one to get around all the jobs in a community, and once one is found too inefficient in health you are done there. They don't want you and no longer can one get employment of any kind. Although I have practically been totally disabled since 1919 yet I filed no claim until 1926. I done the best that I could, and as a last resort I ask the Government for help. The Government injured my health and now does not want to compensate me for it; it will cut me off without a cent after it has taken its toll in my health. What kind of a Government do we have? If I injure someone, or injure their health, I must pay according to law in money or prison. Then how can our Government, our Congressmen, the very men we vote for to give us justice, will turn against us? They have taken of our lives, our health, our vote to protect your interest, the President's interest, cut us off without a cent, without the health to make a living, leaving wives and children to poverty. Without an army there can be no war, without war there can be no disabled soldiers, without justice there can be no sound government. The Government took my health and now I am left with four small children and a wife in very poor health, and my earning capacity gone, the Government took my health and now refuses to consider my health worthy of help. Since I was arrested of tubercular troubles it has left me with bronchial asthma, very severe with cardiac complications, tachycardia, cardiac hypertrophy dilatation. Now if there is any possible chance of a man firing a locomotive or entering athletics or passing any physical test or enter the service in such a condition, it is beyond

reason and common sense. I never made any mention of the tubercular trouble, I only filed claim on the asthmatic conditions it had left. Most all of the doctors that examined me prior to enlistment and at enlistment are still living. Mr. Clarence Masters, of Beaver County, and Mr. Grover Stoughten, of Butler County, helped me out the gas chamber the last time I entered it, and I can truthfully prove these facts and am willing to do so any time. Some doctors seem to think that the tubercular trouble is again starting to reappear. If I had been left with any earning capacity at all, I would not ask for anything. I could not be much worse off with both arms and legs gone.

Please give this your very kind attention and do whatever you can for me.

My claim number is C-1378986.

I remain, yours very truly,

LEE H. MCCALL,
Butler, Pa., General Delivery.

WASHINGTON, D.C., *June 9, 1933.*

Hon. J. HOWARD SWICK:

We appeal to you for justice and mercy for Spanish War veterans. The provisions of the Connally amendment are necessary for Spanish War veterans, their widows and dependents, to be able to purchase the necessities of life. Won't you please make it your personal responsibility to have the Connally amendment to the independent offices appropriation bill accepted by the House of Representatives?

WILLIAM J. OTJEN,
Commander in Chief United Spanish War Veterans.

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. JAMES].

Mr. JAMES. Mr. Speaker and Members, in the Spanish-American War I was a private in the rear ranks. When I left for Cuba I weighed 160 pounds, and when I came back I weighed 90 pounds. That was the case with most of the members of my regiment. We had no hospitals, no nurses, and were without much medical treatment at all except quinine. We had to do our own cooking, generally in an empty tomato can.

When we came back we were told that if we wanted to be discharged we would have to say that we were in perfect condition or go to a hospital. Everyone said that he was in perfect condition when called up before the officers for discharge. They did not apply for a pension until after they got so they could not work.

Now, what do we find? They are told that if you are a pauper—"in need"—if you are 50 percent disabled, you can get, not under the law, but through a letter written by the President, ten or fifteen dollars a month.

Gentlemen on your side—the Democratic side—we have passed legislation for the benefit of the World War veterans under the Republican Presidents only because we passed it over the veto of the President. Now, because the President is a Democrat, are you going to refuse to give the soldiers what they in justice deserve? Vote down this unfair proposition, and then we will come to the Connally amendment, and you can take care of the people that deserve to be taken care of. Let us vote down this proposition, even if you have to meet a veto of the President.

Mr. RANSLEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HOEPPEL].

Mr. HOEPPEL. Mr. Speaker, I am speaking now for the American Legion and the Veterans of Foreign Wars and the United Spanish War Veterans. I am a past commander of these three organizations. The veterans of America are opposed to this inhuman bill. This bill is saturated with the blood of heroes, and you men, especially from the South, ought to be in favor of the Spanish War veterans. I learned to love the southerners in 1898. I appeal to you to help the Spanish War veterans and vote down this rule. I heard some gentlemen say that they wanted to vote today and settle the question—because of the heat. The Spanish veteran faced bullets in the intense heat of Cuba. He did not care to come home until he finished. We should do likewise here and not adjourn until we bring proper relief to the veteran.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Speaker, I know that in this closing hour of turmoil there is little that can be done. The strange paradox of 435 Members of Congress, afraid to go home, tumbling all over themselves to get out of town because the administration openly states it does not want them here to embarrass it on certain points of international economics is astounding. But today you must not be in so much of a hurry that after once having been deceived—and certainly it is true that those who voted for the economy bill on the basis of the statements made in debate were deceived—you would voluntarily come forward, again shackle yourselves, give away your rights, and vote for a gag rule which instructs the conferees and does not even permit them to try to win advantages from the Senate in the way of legislative amendment.

I hope that when the final test comes there will be enough men, sensible of their responsibility under their oath of office, to vote down the previous question and amend this rule, so that we can at least open the rule to permit votes upon some of the features to which attention has been called in this debate, and so that we may leave the conferees free to work out a reasonable proposition.

Take a look at those regulations and the amendments that are proposed. Why should you give these rights of appeal and review to political boards, a majority of whom it is stipulated shall be made up of inexperienced men, men who have not served under the Veterans' Administration. Take a look over it and see how you restrict the benefits far beyond what we know to be right and proper—and time does not permit me to enumerate them, much less to discuss them.

Oh, I was moved by the address of the gracious lady from Massachusetts [Mrs. ROGERS], and I, too, cry to a God in heaven to forgive us the injustices that we are wreaking upon deserving men and women and children through this appalling ignorance of ours. [Applause.]

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

Mr. RANSLEY. Mr. Speaker, I yield the remaining time to the gentleman from Massachusetts [Mr. CONNERY.]

Mr. CONNERY. Mr. Speaker, a Boston newspaper states that 12 Massachusetts veterans have committed suicide as a result of their compensation being cut. The facts of these suicides were placed before the special board visiting Boston from the central office of the Veterans' Bureau, which is investigating conditions among the veterans since the so-called "economy bill" went into effect.

Mr. Speaker, this is a point where I am compelled to make one of the most difficult decisions that I have had to make since I have been a Member of this House. My friend from Tennessee [Mr. BROWNING] and my friend from Texas [Mr. PATMAN] have labored for a week, night and day, as members of a special committee trying to get some concessions for the veterans. After considering all aspects of the situation, parliamentary and otherwise, and striving to reach some compromise which would get some real advantages for the veterans, I decided in the interest of harmony—because of the hard work of my veteran comrades, Mr. PATMAN and Mr. BROWNING, and fearful of the legal construction as to presumptives that might be placed on the Connally amendment barring the presumptives from relief—I decided yesterday that I would go along on the recommendations which they wrote out yesterday.

Today those recommendations have been changed. The chairman of the rehabilitation service of the American Legion, Mr. Watson Miller, who probably knows more about the technical meaning of veterans' laws and regulations than any other person in the country, tells me that those changes in the language take the burden of proof off of the Government and put the burden of proof again upon the veteran; and also I note that the language which provided consideration for aggravation of injury has been taken out. I say it is a hard decision for me to make, but I cannot vote for this proposal as changed. To my mind, I would be voting against the best interests of the veterans. Suicides like these 12 suicides in Massachusetts have become all too common since the passage of the so-called "Economy Act."

I am going to vote against this rule. I shall vote against the previous question, with the hope that I and other veterans may have the opportunity to offer motions to recede and concur with amendments which will be in the real interest of the veterans. [Applause.]

Mr. POU. Mr. Speaker, I yield the remaining time to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Speaker, I hope this rule will be adopted. I hope the amendment to the rule will be adopted. I feel, as does the gentleman from North Carolina, that not only every veteran but I think the House and the people of the United States owe a debt of gratitude to this special committee of the House that after several days of conference with the administration has been able to bring back very material and very potent benefits for the veterans in addition to those provided in the original regulations.

After the first regulations issued by the President, when we began to get the reaction and see the practical effect of them, there was a unanimity of opinion that their effects certainly as regards service-connected cases were very much more drastic than anybody had intended or desired. That fact was readily and promptly admitted by the President and he set about to remedy it. Those injustices have been remedied. Regulations have been sent in which very greatly increase the benefits of the service-connected cases.

I want to say a word about the Spanish-American War veteran. I join with my colleagues in expressing regret that under the circumstances more cannot be done for the Spanish-American War veteran. But I do not agree with my colleague from Alabama [Mr. HUDDLESTON] or my colleague from Michigan [Mr. JAMES] that we have thrown them overboard or that they are discriminated against, because one thing above all others that the new method of dealing with veterans does, whether we like it or not, is to put them all on an even plane and there is no discrimination between veterans.

But, now, let us see about the Spanish-American War veterans. Let us see what we do. There is no need for any veteran to commit suicide, because no honorably discharged veteran of any war need go hungry for a single meal or sleep a single night out of doors in this country if he wants to take advantage of the benefits we have offered him. If he is totally and permanently disabled, he may have $30 a month. If he is destitute, if he has no place to sleep, he will be taken to a good place to sleep, regardless of any disability of any kind.

Spanish-American veterans between 55 and 62 years of age will be given consideration according to their condition and needs, as set out in the President's letter heretofore read. Those over 62 years get a flat pension of $15, and of course those who can show service-connection get the same rate of pay as World War veterans.

Mr. Speaker, this will be a happy solution to this matter, for we will be treating the veterans with sympathetic consideration and yet maintaining the principle embodied in the Economy Act; that is, that compensation will be paid only when the condition is due to war service.

As experience shows the effects of the regulations, the President will have the power to make further changes if he is so advised.

The SPEAKER. The time of the gentleman from Virginia [Mr. WOODRUM] has expired.

All time has expired.

Mr. POU. Mr. Speaker, I move the previous question on the amendment and the resolution.

Mr. LEHLBACH. Mr. Speaker, a parliamentary inquiry.

Mr. KVALE. Mr. Speaker, I ask for the yeas and nays.

CRUCIFYING THE VETERANS ON THE TAPROOTS OF MORGAN

Mr. HOEPPEL. Mr. Speaker and Members of the House, as the Democratic gag rules prevented me from addressing the House on H.R. 5389, which continues the inhuman provisions of the veterans' economy act, I must take this means of presenting my views to the public.

A bill must be inherently wrong if its sponsors will deny to a member of their own party opposed to the bill an opportunity to discuss it upon the floor, but freely yield time to those who are in favor of the bill, not because of its merits but because of the fact that they belong to the "yes-men group."

I am opposed to the elimination of the Connally amendment and the substitution of the language of the amendment as printed in House Resolution 185.

I can assure the Congress that the veterans generally oppose the so-called "administration amendment." Not only do the veterans oppose the continuance of these injustices to the veterans but the nonveteran population as well is opposed to legislation which is so inhuman as the veterans' economy law, even including the proposed amendment. The least that the veterans are willing to accept is the Connally amendment, which safeguards them all and which reduces their compensation or pension not to exceed 25 percent.

It is noted that in the proposed legislation the Spanish veteran, who fought in Cuba and in the Philippines, is absolutely ignored. Private pensions, which are obtained generally through political influence, are not affected. These beneficiaries, who could not prove their right to a pension under the pension laws, will continue on the pension rolls, while the men who have fought our wars on foreign shores in so many thousands of cases are peremptorily removed.

If we pass this legislation, we are writing a premature epitaph for the thousands of indigent and disabled veterans who will be affected. In the very blood of these heroes we are writing our own political epitaph as we disregard the common tenets of humanity and the precedents already established in governmental aid to our disabled and indigent veterans.

The Spanish veterans who are being peremptorily removed from the pension lists are fortified in their statements that they are unable to prove service connection. The report of the Surgeon General, dated June 30, 1899, states:

> It was difficult to obtain, even from the Regular regiments when in the field, the monthly reports of sick and wounded required by the regulations.

With this condition existing in Regular regiments, can you visualize the lack of medical records in Volunteer regiments? Yet, because of this dereliction of the Government these unfortunate men are now to be removed from the pension rolls or have their pensions reduced to a mere pittance!

Dictator Hitler, in Germany, destroyed all Jewish literature except the Bible, which he also probably would destroy if he felt equal to the task—a task which is beyond the comprehension of man. If we adopt this bill, American history, carrying the stories of the exploits of Dewey, Roosevelt, Schley, Merritt, and Lawton, should be destroyed as their exploits were predicated upon the heroism of the men whom this bill so ruthlessly attacks, banishes, and sends to early graves. We may well drape our flag with a crepe for degenerated patriotism which is measured by the yardstick of the dollar under the direction and stimulus of the National Economy League, whose principal sponsors are the corrupt bankers of Wall Street who have evaded income tax and who have pilfered from the American citizens $3,000,000,000 in our failed banks!

The suffering of our troops during the hot campaigns in Cuba and their further suffering and death at Montauk Point, N.Y., and in the Philippines is all for naught, and the patriotic lessons which our youth have imbibed, based upon these exploits, are nullified in an act as inhuman as this now before us!

The volunteers who served upon the call of duty in the Philippines, patriotically upholding our colors at the inception of the Philippine insurrection, and who were entitled to come home, have been denied a just travel pay for the past 34 years. By every right and authority, which is officially recognized, the Government owes these men their long-delayed travel pay; but as yet no effort has been made giving them this long-overdue pay. Instead we are taking from them the last pittance which would maintain them in even a limited amount of comfort during their last days. We freely extended $50,000,000 credit to China just recently. Are our own citizens of less consequence than the Chinese?

Our foreign debtors, to whom we granted a moratorium and who are now again in default, appear to be more-favored children than are our own battle heroes! A conference is soon to take place in London wherein we are to negotiate with these "arch repudiators." To me this is analogous to an honest man negotiating with confidence men.

What value can we place upon their plighted word or any agreement which may be reached as long as they continue to default the just obligations they assumed, which we so freely gave in order to maintain their national and personal existence during the period of stress in the World War? Without our financial and physical aid they would have been obliterated and the thanks we receive for succoring them from the enemy is repudiation of their honestly acquired obligations—all assumed after the period of hostilities had ceased.

The Spanish War nurses are also ignored in this bill, as well as the thousands of cases of worthy emergency officers, one of whom, personally known to me, served in seven major combats and was wounded. He was removed from the emergency officers' retired list because of the fact that his disability is held as not incurred in line of duty under the causative-factor clause.

It is beyond my comprehension that our own Government, which has been so profligate with the Reconstruction Finance Corporation and others, will stoop to the ignominy exemplified in this bill which takes from our worthy and deserving veterans the pittance of a pension they now receive.

CUTTING VETERANS' COMPENSATION UNDER THE ECONOMY ACT—EXTENSION OF REMARKS

Mr. EVANS. Mr. Speaker and Members of the House, the all-absorbing subject of legislative interest during the past few weeks has been that affecting the cause of the veterans. The regulations announced by the President through his administrative officers under the provisions of the so-called "Economy Act" took the country off its feet, so to speak.

These regulations made potential reductions in the amount paid veterans of all wars to the extent of approximately $460,000,000. This is about half the amount of the entire budget for veterans' compensation, including hospitalization, domiciliary care, and so forth. As a rule, the non-veteran citizenry of the country welcomed this announcement and praised the President and all those who supported the economy bill, because they felt that at last real drastic steps had been taken toward economizing in governmental administration.

President Hoover had for 4 years demanded of Congress the right to reduce governmental expenses, and had succeeded in a measure. Notwithstanding many economies thus effected, however, the Government was still running at a daily loss of from $7,000,000 to $9,000,000. The natural impulse of every American citizen was and is that this is a condition that cannot be tolerated.

I voted for all economy measures recommended and called for by President Hoover and his administration. I fully realized that governmental expenses must be curtailed and that this Government must eventually and as soon as possible arrive at the state of a balanced Budget, and must adhere to this policy or else prepare itself to meet financial and economic disaster.

I likewise voted for the Roosevelt economy bill passed in the early stages of this Congress. Before the election last November I stated to the people of the district which I represent that if reelected I would continue to vote for economies in government and for reductions wherever they could be properly made. As much as I regretted to have to do so, I voted to reduce the salaries of all governmental employees because I felt that it was necessary in order to meet the exigencies of the situation.

As much as I favor reductions in governmental expenses and as much as I appreciate the absolute necessity of accomplishing this purpose, I am not in favor, nor ever have been in favor, of placing the major part of this burden on the disabled veterans of the various wars.

When I voted for the economy bill passed during the first days of this special session of Congress I did so with the knowledge that there would be reductions in veterans' benefits, but with the further assurance of administration leaders uttered on the floor of the House and in private conversation and otherwise that the President and his administrative officers would in all events be absolutely fair to veterans of all wars, and especially would the service-connected disabled veteran be left substantially undisturbed and unharmed.

It was my purpose when I voted for the economy bill, and I believe that I am speaking the feeling of a great majority of the Members of the House of Representatives when I say that I expected those World War cases which had no service-connected disability and whose present ailments were in no wise attributable to their service would be the ones left off the pension rolls, nor did I expect any regulations which would strike from the roll the Spanish-American War veteran who, by reason of lost or unkept records of his service is now unable to submit proof of service connection, and who has absolutely no chance to supply this proof by reason of the long period of years that have elapsed since that war.

These men, by the action of the Government in not requiring the submission of proof of service connection have never dreamed that such evidence would ever be required, and have therefore lost all opportunity of ever being able to submit such evidence. If proof of service-connected disability is required of a Spanish War veteran his case is already lost, because it is now absolutely impossible for him to supply such proof.

Illustrative of what I mean with reference to the hardships and gross injustices which the regulations have inflicted upon thousands of World War veterans I will submit just two or three examples of cases which have come to my knowledge.

A World War veteran was discharged from the service January 30, 1919, with disability. On April 14, 1919, he suffered a severe gastric hemorrhage, was taken to the Mayo Brothers Clinic in Rochester, Minn., for treatment, and operated on for duodenal ulcers. This veteran was known to have had ulcers before entering the service, but at the time of his enlistment he passed a perfect physical examination and was, according to the record and according to the facts so far as known, in perfect health.

On November 17, 1919, he received a letter from the Treasury Department awarding him compensation in the following language:

> On account of disability resulting from injuries incurred in the line of duty while employed in the active service.

He has been carried on the compensation rolls ever since November 17, 1919. In the meantime his condition has grown gradually worse, having hemorrhages from time to time, until he is substantially disabled from following his profession, that of a lawyer. Pursuant to the regulations under the Economy Act, and on May 16, 1933, this veteran received a letter from the Director of the Veterans' Administration stating that his benefits would be discontinued on June 30, 1933, for the reason that his disabilities were not incurred in service in the World War.

Now, the thing that seems so unfair and unjust is that this Government, having determined that he had a service-connected disability within a few months after he was discharged from the service, would reverse its attitude 14 years later and come to the conclusion that no service connection had been established in the first instance. It would appear to any reasonable mind that the doctors who examined the veteran and passed on his case just a short while after he was discharged from the service for disability, were better qualified to determine whether or not he had disability and whether or not it was service connected. At that time they were in position to inquire into the nature of his service, the condition of his health, and to make a real judicial decision in the matter. After being led to believe for a period of 14

years that his claim for compensation was thoroughly established and made of record, it is not only unfair but unjust and unreasonable to expect this veteran to go back over the ground and accumulate evidence to prove a fact which he and the Government doctors had satisfactorily proven and established at the time his case was properly before the tribunal.

The witnesses which he then produced, or of whose testimony the examining doctors undoubtedly availed themselves, have scattered to the four ends of the earth and many of them have died. What right had he to anticipate that the Government would turn on him after 14 years and make the charge that his disability had no connection with his service? The Government had already determined this question for itself and had abided by its own decision for a period of 14 years. I have personal knowledge of the facts surrounding this case.

Another case which has come to my attention during the last few days is of striking interest.

Two men, one a sergeant, were sent out on a reconnoitering expedition. They came to a shell hole and decided to investigate. The shell hole was mined and an explosion resulted, killing the sergeant and so badly injuring the other man that both legs had to be amputated. The survivor has been receiving compensation until the present time, but has now been cut off entirely, on the ground that his disability was due to his own misconduct; that is, it was held that he was guilty of negligence in entering the shell hole.

These two cases to which I have referred are typical of thousands and thousands of cases of similar purport. They are not particularly outstanding because there are literally thousands of other cases in which equally gross injustices have been invoked. I have mentioned these cases merely to show how unjustly and cruelly the regulations promulgated by the administration of the Economy Act apply.

I do not believe that a dozen Members of the House of Representatives would have voted for this bill had they known that such drastic steps would be taken. The country is undoubtedly in favor of economy and the country believes and is undoubtedly justified in believing that many gross abuses have been made in administering the veterans' laws, and that literally thousands of men who served in the war are on the compensation rolls who should never have been there. Many of them were in uniform only a few days and suffered no sort of disability from their enlistments.

For the taxpayers to have to bear the burden of supporting the veteran of this type or his dependents is naturally repulsive to any sense of justice or decency, but as much as the people favor economy in government and as much as they disfavor the granting of bounties to those who incurred no detriment from their enlistments in the service, the people of the country are equally anxious and equally zealous in their purpose of adequately, so far as possible, compensating the disabled veterans whose disabilities can either directly or indirectly be traced to their service.

I believed the President and his administrative officers would be fair and just when I voted for his economy bill. I do not now believe that he was either fair or just in the regulations which he promulgated, and for that reason I shall vote against his compromise amendment by voting against the rule under which the compromise is offered on the floor. I want Congress now to say for itself what reductions shall be made. I have been ready and willing at all times to carry my own responsibility regarding veteran legislation, and not "pass the buck" to the President or anyone else.

FAIR TREATMENT FOR VETERANS—EXTENSION OF REMARKS

Mr. PETTENGILL. Mr. Speaker, I regret that I cannot vote for this bill—the independent offices appropriation bill—for two reasons:

First. I do not think the battle casualties and actual bona-fide service-connected disabled veterans of the World War should be asked to take a greater cut than the civil employees of the Government, and second, this bill violates my own sense of justice as well as a campaign pledge to the Spanish-American War men who I think are entitled to special consideration on account of exceptional circumstances surrounding their service. These men are willing to take a reasonable cut, up to 25 percent, but are not willing to take a 75-percent or 100-percent cut, as thousands of them will be required to do. I do not think the public wants these men in the evening of their lives to be put in the dole lines back home.

In saying this I intend no criticism of anyone else. Letters I have addressed to our good President have been sympathetically received and answered by him, and I have confidence they have had something to do in the amelioration already made of the regulations first worked out by the Director of the Budget and General Hines. Those letters are as follows:

MARCH 26, 1933.

The PRESIDENT,
The White Houe, Washington, D.C.

DEAR MR. PRESIDENT: As one who supported you on the economy bill, I beg to present my views with reference to the Spanish-American War veterans.

It seems to me obvious that these veterans are in a different category from those who have seen service in more recent years. It is hoped, of course, that a revival of confidence and the beginning of prosperity will for millions of ex-service men do more for their reemployment than they will lose through scaling down the remittances they have been receiving from the Government.

This, however, cannot be true of the Spanish-American soldier. His average age is already 60, and increasing employment through the return of confidence will not reemploy him.

In addition, there are other factors in his favor that I think are entitled to faithful consideration. One is that their number is relatively small; second, that they all volunteered without draft; third, that they served at a time when Army records as to disabilities incurred in service were very poorly kept, if at all. In many instances, through loss of records and the passage of time, many men disabled in service are no longer capable of furnishing proof thereof.

I lay these considerations before you with the utmost confidence that you will approach this problem with every bit of sympathy consistent with the emergency that confronts the entire Nation.

Very respectfully yours,

SAMUEL B. PETTENGILL, M.C.

MAY 26, 1933.

The PRESIDENT,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: I am profoundly disturbed, as I know you are, by the reports coming in from all parts of the country as to the injustice and cruelty of the regulations under the Economy Act. War disabled veterans with battle scars and amputations are being discharged from hospitals. Others are so reduced that they will be thrown out on the streets as beggars with "nowhere to lay their heads."

As you yourself said on May 11, these regulations went far beyond your own intentions, and certainly beyond the intention of your loyal supporters in Congress who, like myself, voted for the Economy Act. I can say very plainly that I did not believe service-connected cases would be asked to make the bitter sacrifices which the present regulations, if not modified, will require.

I am sending a copy of this to Director Douglas and General Hines.

Very faithfully yours,

SAMUEL B. PETTENGILL, M.C.

WHY I FAVORED THE CONNALLY AMENDMENT—EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker and Members of the House, I favor the Connally amendment, which will insure a greater measure of justice to the disabled veterans of the World War and the Spanish-American War, and for that reason I voted against the rule to preclude its consideration. I voted and spoke against the Economy Act when it was passed, because I feared the perpetration of the very wrongs and injustices which have subsequently flowed from it as the inevitable consequence of its administration. My worst fears were more than realized, for the regulations which were issued were cruel, ruthless, inhuman, and a disgrace to the United States of America we love.

In the past few weeks I have been notified by almost every community in my congressional district of a large number of families of veterans who will be compelled to apply to the county relief agencies—with their already depleted treasuries—for the bitter bread of charity. I hold in my hand a sheaf of telegrams from boards of county commissioners, mayors of cities, civic organizations, and

prominent Democrats urging my support of the Connally amendment.

The present effort to humanize the law to some degree is commendable, but injustices will still remain for future correction.

My colleagues, the Economy Act was undoubtedly forced upon the country by the big banking interests who raised the interest rate from one tenth of 1 percent to 4½ percent on the $694,000,000 of United States Government debts which fell due March 15, 4 days after the Economy Act was passed, and who insisted on the Budget being balanced by taking away the compensation and pensions from the veterans of our wars, their wives, and children, even if it broke the heart of America and placed a foul, hideous stain on her fair name. In truth, most of the money taken from the veterans is for interest to be paid to the holders of the $21,000,000,000 of tax-exempt bonds drawing $725,000,000 interest annually—a bonus and a dole to the big money lenders who must be paid in full without any reduction of any kind and to whom the American people are in bondage.

Mr. Speaker, President Roosevelt is not to blame. No political party is to blame. Indeed, the Republican leaders in this chamber were more outspoken in favor of the economy bill when it was passed than the Democrats, for it was in truth and in fact the legislation Herbert Hoover and Andrew Mellon had advocated and which was sponsored by the Economy League in the Seventy-second Congress and which we inherited with a $5,000,000,000 deficit. The American people and their Representatives in Congress are alone to blame for permitting the continuation of a money and banking system which enables a small group of selfish, money-mad men, who are without a country and without a God, to constitute the "invisible government" which rules America and will continue to rule America until America is restored to the American people.

HOUSE RESOLUTION 185—EXTENSION OF REMARKS

Mr. MARSHALL. Mr. Speaker, I wish to express my opposition to the rule under which so important a matter as the Connally amendment to the independent offices appropriation bill is being considered, and further to express my opposition to the acceptance, in lieu of the Connally amendment, of the so-called "compromise" or "substitute" advocated by the President of the United States and which is about to be forced through Congress by the Democratic administration by means of the "gag" rule in these closing hours of this special session.

At an hour when all the banks of our Nation were closed and the newly elected President appealed to the Congress to pass the Economy Act to prevent a complete break-down of our financial structure, the Congress responded to his appeal.

We were assured by the Democratic leaders that we could trust the President to enforce this law with fairness and justice to all, and that no veteran would be permitted to suffer at the hands of the President. I am sorry to say that our confidence in their promises has been misplaced. Time does not permit me to mention any of the thousands of cases coming to our attention daily that would move a heart of stone to pity.

Since the passage of the Economy Act much legislation has been passed in which the urge for economy is entirely absent. Under the terms of the reforestation law the widow of a volunteer who is killed in line of his work receives $45 per month, while a Spanish War veteran must prove 100-percent disability to receive the insignificant sum of $20 per month.

This is an insult to the veterans of this Nation and to the sense of fairness of the American people.

There are many ways that savings could be effected to the end that the adoption of the Connally amendment would add nothing to the burden of the taxpayers of the country, whereas failure to adopt same will place on the roll of charity hundreds of veterans, to their humiliation, and at increased cost to the taxpayers of their community.

VETERANS' COMPENSATION—EXTENSION OF REMARKS

Mr. McFADDEN. Mr. Speaker, under the general leave to extend my remarks on the bill H.R. 5389, I make the following statement:

I voted against the economy bill knowing full well what this administration would do to the soldiers and their dependants. The worst that I expected has happened. They have been unfairly dealt with, and the Congress has been whipped into obedience once more, but this time at the expense of the defenders of our Nation and their dependents.

This bill, H.R. 5389, with the Senate amendments, is being made the order by House Resolution 185, a gag rule, reported by the Chairman of the Rules Committee [Mr. Pou]. Any Member of the House, be he Republican or Democrat, who votes for this rule votes to deprive himself of the right to offer amendments to this bill, which amendments should be offered and passed in order to remedy the injustice which is in immediate contemplation by the compromise agreement which members of the majority party have entered into with the President of the United States. To force this agreement the President of the United States is using his power and influence to secure an adjournment of Congress tonight in order that there may be no discussion in the House by Members of the House on the incidents of the opening of the Economic Conference, which is to start in London on next Monday, the 12th of June.

I am unalterably opposed to the repudiation of the Government's obligations to the soldiers and their dependents. I shall vote against this gag rule, and I shall vote against the passage of this bill.

THE ECONOMY BILL—THE CONNALLY AMENDMENT—EXTENSION OF REMARKS

Mr. MILLER. Mr. Speaker, at the convening of this session of the Congress the economic conditions of our Nation were such as to demand the taking of drastic steps to save our governmental institutions and to "promote the general welfare, and secure the blessings of liberty to ourselves and our posterity." One of the most important problems was the necessity of reducing the cost of government.

Our Government was then and had been for the last 3 years spending daily more money than it was receiving from all sources, and the necessity of cutting down these expenses was not only apparent but it was real. There are only two ways in which the operating budget of a government may be balanced. One is by increasing the revenue by levying more taxes and the other is by reducing the expenses of the government. It did not seem wise to attempt to increase the tax burdens of our people, and the only alternative this Congress had was to materially reduce the expenses. Accordingly the administration proposed that the so-called "economy bill" be enacted. This bill is unprecedented in the peace-time legislative history of our Nation, and its enactment was only justified by the unparalleled economic conditions then existing. Under the terms of the bill the expenses of every department of our Government were to be reduced, including the salaries of Members of the Congress and every employee of the Government. The bill further provided that the President should have the right to reduce pensions and compensation that was then being paid to the veterans of the United States and to their widows and dependents.

The leaders of the Congress and the spokesmen of the President in presenting this bill assured the Congress that the bill would be sympathetically and justly administered. In his message to the Congress the President said:

> If the Congress chooses to vest me with this responsibility, it will be exercised in a spirit of justice to all, sympathy to those who are in need, and of maintaining inviolate the basic welfare of the United States.

With complete confidence and faith in the President, the Congress enacted the proposed bill. In the administration of the act the President and his advisors have seen proper to promulgate regulations, the injustices of which have become apparent, insofar as the absolute needs of the disabled veterans of our Government are concerned. To permit the

regulations as promulgated by the President and his advisors to remain as they are will be to promote injustice to the disabled veterans of our Nation, and it is apparent to every fair-minded person that it is necessary if this injustice is to be prevented that the power of the President should be limited. The Congress retained its full power to legislate, and since it is now known to all of us that the act is not being administered "in a spirit of justice to all and sympathy to those who are in need", it is imperative that the Congress reassert its authority and enact legislation that will prevent the doing of these apparent injustices and at the same time effect the necessary economy.

The veterans of our Nation are willing to make their contribution in these times of depression in order that the finances of our Government may be rehabilitated, but it is not right nor just that the disabled veterans should be required to make more than a fair contribution for this purpose; and, while I still have faith in our great President, I am not willing to sit idly by and see the act administered by agents who have clearly demonstrated they have little concern about the welfare of our disabled veterans and less concern about the welfare of the Democratic Party and its future.

The President has seen proper to surround himself with a coterie of advisors which have caused me to seriously doubt the advisibility of extending to him unlimited authority and power or to further surrender the prerogatives and constitutional rights and powers of the Congress to prescribe the policies to be followed by the Government.

When the independent offices appropriation bill was under consideration in the Senate that body adopted an amendment offered by Senator CONNALLY, of Texas, by which it limited the authority of the President to reduce pensions and compensation to an extent of not more than 25 percent. This limitation applied to all service-connected veterans as wall as to the veterans of the Spanish-American War. It is a just limitation and is in accord with the pledge contained in the Democratic platform. In that platform the Democratic Party pledged itself to reduce Government expenses to the extent of 25 percent.

When the appropriation bill carrying the Connally amendment came to the House from the Senate certain leaders of the House attempted to reach an agreement with the President relative to the limitation to be placed on the cuts which he had ordered in the case of service-connected veterans and Spanish-American War veterans. The House, through a committee, worked diligently in trying to reach a just and fair agreement with the President and the committee have reported to the House today the terms of this agreement.

I have carefully considered the agreement, but it is not sufficient to prevent a continuation of the glaring injustices that are about to be done to the deserving service-connected disabled veterans. No provision for fair treatment of the veterans of the Spanish-American War is made by the agreement, and this great class of patriotic citizens who volunteered their service in a time of crisis are to be left to the whims of the advisors of the President who have heretofore by their actions demonstrated their unsympathetic attitude toward this class of veterans as well as the disabled veterans of the World War. Therefore I cannot support the proposed agreement or amendment which the committee is offering to this House in lieu of the Connally amendment. It is time for us as Members of Congress to assert our own rights and to use our own judgment in meeting this situation, and as long as our actions are prompted by a desire to do justice to all, then we should proceed without fear. The principle of the Connally amendment is just. It is fair to the taxpayers and to the disabled veterans, and having reached that conclusion I expect to cast my vote against any proposal that is contrary to the principles of the Connally amendment, and I for one favor action by this Congress to reclaim for itself its right to determine the policies of this Government. I feel sure the President wants to see justice done, but he must of necessity delegate many of his duties. This he has done in this instance, and this delegation of authority has been made to those who have demonstrated they are unwilling to care for the disabled veterans of our wars. My action in this instance is in accord with the heretofore expressed desires of the President. I accepted his promise and have supported him in every movement, but I shall insist that those promises be fully performed and the surest way to obtain this is to support the Connally amendment, which is in accord with House Resolution 5851, introduced by me on May 31, 1933.

VETERANS' COMPENSATION AND THE CONNALLY AMENDMENT—EXTENSION OF REMARKS

Mr. WALLGREN. Mr. Speaker, we have, during this special session, been seeking legislation which aims at social good rather than at economic advantage for any class or group. Surely under the heading of social good comes veterans' legislation. The welfare of any man hurt or maimed in the service of this country certainly has a definite bearing on the social development of our Nation.

As a veteran who believes he understands fully the veterans' problems, I desire to present my views on the Connally amendment and on the rule which would substitute a different view for this amendment and which is considered a compromise.

FOOTBALL OF POLITICS

The veteran has been made the football of politics. He has been exploited by politicians desiring to retain their seats at all costs and by lawyers whose desires for fees were greater than their desires for public good.

The veteran deserves a fair answer to his problems. This Congress should be able to give that answer. Yet today in the hodge-podge of hurried legislation we are asked to vote upon a rule that offers little in clarification of the problem brought to a head by the administration of the so-called "Economy Act."

No matter how this vote goes today, the veteran loses. True enough it allows a liberalization of the Economy Act. As one who dared to vote against this act when a trusting Nation was clamoring for the support of the administration, it is a certan satisfaction to report that original criticism of this vote has turned to commendation.

That faith in the President which called for the Economy Act in the hysteria of desperate times has not, in my opinion, been misplaced. It is the faith of the President in the actual administration of the act which has gone astray. In his multiplicity of duties, the President could not have been expected to closely supervise the administration of this act. Those who have carried into effect the drastic cuts seem to have forgotten many of the broader concepts of human sympathy.

Today, we who voted against the Economy Act are receiving hundreds of telegrams, not alone from veterans but from local governmental officials, pleading for liberalization of rulings in order that already overburdened indigent relief costs be not enlarged.

QUESTION OF ADMINISTRATION

Mr. Speaker, these telegrams are not directed against the President. He holds the respect of the entire Nation. His leadership inspires many men who a few short months ago were about "to give up the ship."

Such leadership must and will be given support, but this support lies in constructive criticism, and not in adulation. In voting against the Economy Act, it was my contention that the President should not be placed in a position in which he now finds himself. I mean that situation in which he finds underlings administering veterans' affairs in such a manner that the veteran is done an injustice.

To aid in preventing this injustice, I believe the Connally amendment is a closer approximation to justice. A reduction of 25 percent for the veteran who is actually suffering from service-origin disabilities is still too great. On the other hand, to ask that aged men, dependent on pensions, prove their service connection is a greater injustice.

Is it not unfair to ask the veteran to again establish his disabilities as service connected? True, the burden of proof on this point is supposed to lie with the Government, and not the individual, but in practice the reverse seems to be the fact.

The rule which some would substitute for the Connally amendment will require Spanish-American War veterans to show evidence of service origin of their disabilities. The extreme difficulty of producing such evidence is apparent. This, to me, seems the wrong attitude for a great Nation.

President Roosevelt has shown his fairness in recognizing that the original regulations were too drastic. Does this not prove that we who opposed the Economy Act were right? If we were right then, Mr. Speaker, is it not fair to assume that we are again close to the truth? The Connally amendment provides equal cuts for veterans of recent wars. The rule under consideration discriminates against the Spanish War veterans. This is unjust, and I must vote against this rule in the hope that the Connally amendment will be given consideration by this House.

WEED OUT UNDESERVING

To protect the rights of the veterans, power to purge the rolls of undeserving cases must be given. But this power must not be distorted to allow persecution of all veterans. Such a move undoubtedly would effect a satisfactory reduction and at the same time administer justice to all. In protecting veterans' rights I believe we are preserving the social rights of a great section of our people.

Many of the other measures passed during the present session lie somewhat under the same category. All depend very much on intelligent and sympathetic administration. This administration must be so calculated to bring justice to all. Every measure adopted is intended as a step toward better conditions and toward national growth along permanent lines.

I hope and believe that steps taken will bring about a better regulated economic condition and bring with it a better chance for a decent living for the laborer, the farmer, and the business man. In helping each of these groups is it wise that at the same time we should curtail the income of the veteran who, because of disability, cannot hope to compete on the same footing with his neighbor.

COORDINATE MANY FIELDS

Coordination and regulation is an apparent need in all fields of endeavor. The veterans' field should not be considered as alien to other work. Like other endeavors the veterans' bureau has been allowed to "just grow." Little thought was given to ultimate results. Today it is necessary that this field and many others be revamped and rebuilt. But in rebuilding let us not forget that the heart is needed as well as the hand. Lasting good cannot come from an act which caused dire fear to enter the lives of thousands of people who in this day of distress have come to depend on pitiful pensions for the meager necessities of life.

All measures alike should be insured administration from the humanitarian as well as the social and economic viewpoint. In the President's words we are entering into a partnership with private endeavor. Let us make sure that in this partnership all will have an equal chance.

VETERANS' PENSIONS—EXTENSION OF REMARKS

Mr. CHRISTIANSON. Mr. Speaker, it is my view that concurrence by this House in the Connally amendment offers the best present solution of the question of veterans' pensions. If it is adopted we shall have substantially what we were told we were going to get when we passed the Economy Act. The net result will be a saving of $300,000,000 to the taxpayers, considerably more than what was sought by the previous administration, without curtailing the veterans' compensation more than the cost of living has been reduced.

The suggestion that presumptive cases be carried on the compensation pay roll for a number of months, during which time veterans might furnish evidence to prove service connection, would be fair if the Veterans' Administration were disposed to be reasonable in the interpretation of the proofs presented. But there is nothing in the administration of the Economy Act to justify further faith in promises of leniency. The President's heart is responsive to suffering, and if it were possible for him personally to weigh every case, there would be no need to hedge the law about with restrictions. But, unfortunately, the President will not pass upon a single case. The task of weighing and sifting evidence and passing judgment will fall upon several thousand individuals more imbued with the bureaucrat's zeal for petty literalism than motivated by a passion for justice. The inevitable result of leaving to these underlings wide discretion to handle presumptive cases will be that a few months hence those heretofore rejected will again be thrown upon the doorsteps of their respective municipalities to become charges upon the States and cities; and Congress will, upon reconvening in January, face the same problem which confronts it now.

To me it would seem that the wiser course is to adopt the Connally amendment, allowing those who now receive compensation to continue to get 75 percent of what they have received heretofore, and then instruct the Veterans' Administration to prepare and present to the Congress at its next session a list of those classes which in its opinion should either be further reduced or eliminated altogether, together with a statement of the savings that could thus be accomplished.

I have no sympathy with those who, having adequate means of support, take money which should go to their less fortunate comrades. I would eliminate from the compensation rolls all who receive generous salaries from the Government. I would reject the chiselers and the grafters. But I am even more anxious to make decent provision for those who bear the scars and wounds of battle, and for their widows and orphans.

I would not attempt to justify the original law, which provided that if certain disabilities developed within 5 years after discharge they were presumed to have occurred in service; but Congress, having seen fit to establish the 5-year presumption, should not, with the economic situation being what it is, deprive those who have enjoyed this presumption of their compensation without opportunity to adjust themselves to self-support under more favorable conditions. It should be remembered that a large number of those whose disabilities are service-connected by presumption are suffering from tuberculosis or mental and nervous disorders and will be unable to shift for themselves even after the period of wide-spread unemployment ends.

The emergency officers' retirement pay should, I believe, be discontinued where the beneficiary draws a substantial salary in either a Government or private position; and it should be provided by law that an officer, although entitled to compensation, may of his own free will forego the benefits without prejudice to his rating should his future economic situation become such as to make it necessary for him to draw retirement pay.

It has been said that if we adopt the Connally amendment, provision must be made for increased revenue. With the proposition that the Government must match outgo with income, I have no quarrel. I believe in the balanced Budget as an essential part of good governmental practice. But I would call attention to the inconsistency of requiring additional taxation to carry the burden of the Connally plan without also asking for more funds to carry out the alternative plan, which involves an almost equal increase in expenditures.

Personally I believe in the principle that there should be broad grants of executive responsibility. The details of the application of principles are not proper subjects of legislation. Generally speaking, the function of the Congress is to formulate general policies, that of the executive department to apply the policies so formulated to individual cases. It was in conformity with this, to me a basic principle of government, that I voted for the Economy Act. I do not apologize for that vote. It was a necessary piece of legislation. But while I hold the views I do, I also realize that political formulas must not be rigidly followed when they result in injustice. Doctrine must yield when the welfare of human beings is at stake.

The Connally amendment is not a solution of the problem we are considering, but it is a means whereby we can do substantial justice to both the taxpayer and the disabled

service men while the search for the correct solution continues.

Mr. ALLEN. Mr. Speaker and Members of the House of Representatives, at an hour when all the banks of our Nation were closed and the newly elected President appealed to the Congress to pass the Economy Act to prevent a complete break-down of our financial structure, the Congress responded to his appeal. We were assured by the Democratic leaders that we could trust the President to enforce this act with fairness and justice, and that no veteran would be permitted to suffer at the hands of the President. Since the passage of the act much legislation has been passed in which the essence of economy is entirely absent.

During my campaign last year I promised the voters of my district, that if elected I would vote for economies in Government and for reductions in personnel and salaries where they could be properly made. As much as I regretted to have to do so, I voted to reduce the salaries of all governmental employees because I felt that it was necessary in order to meet the exigencies of the situation.

As much as I favor reductions in governmental expenses, and as much as I appreciate the absolute necessity of accomplishing this purpose, I am not in favor, nor have ever been in favor, of placing the major part of this burden on the Spanish-American War veteran, or the service-connected veteran of the World War.

When I voted for the economy bill, which provided for a $3,000 reduction in my own salary for the term, which reduced all Federal employees 15 percent in salary and which in addition gave the President absolute power to deal with the veterans, I did so with the understanding that there would be a reduction in veterans benefits, but with the assurance of the administration leaders, uttered on the the floor of the House and in private conversation, that there would not be any drastic cuts from a single Spanish-American War veteran or a single service-connected World War veteran.

It was my understanding, and the understanding of the large majority of the Members of Congress, that the reduction was to be made from those World War cases which had no service-connected disability and whose present ailments were in no way attributable to their service. Nor did I expect any regulation which would strike from the roll the Spanish-American War veteran who, by reason of lost or unkept records of his service, is now unable to submit proof of service connection by reason of the long period of years since the war. These men, by action of the regulations, are lost, because it is impossible for them to secure service-connected proof at this late date.

In my opinion very few Members of Congress would have voted for the economy bill had they known that the President would not be fair to the Spanish-American War veteran and the service-connected World War veteran. The country is undoubtedly in favor of economy, and the country believes and is justified in believing that many gross abuses have been made in the administering of veteran laws. For the taxpayers to have to bear the burden of many abuses is repulsive to any sense of justice or decency, but as much as the people of our great Nation favor economy and as much as they disfavor the granting of bounties to thousands of administrative clerks and hundreds of surplus doctors at hospitals, the people of this country are equally anxious and equally zealous in their purpose of adequately compensating the disabled veteran whose disabilities can be either directly or indirectly traced to their service.

VETERANS AND ECONOMY—EXTENSION OF REMARKS

Mr. EICHER. Mr. Speaker, throughout this entire extraordinary session of the Congress every decision I have made and vote that I have cast has been with an eye single to accomplishing the earliest possible enactment of the President's inspired program for national recovery. Under his vitalizing leadership, forceful, aggressive, and confidence-restoring action has been substituted for the almost fatal policy of nonaction and witless drifting which had brought us so close to the perilous vortex that would have engulfed our national order. The act to maintain the credit of the United States was the second of the various constructive measures to which I gave my hearty and hopeful support in recognition of the fundamental need for drastic retrenchment in nonessential governmental expenditures.

No one has ever had the temerity to contend, however, that fair compensation to needy defenders of our country who are suffering disabilities resulting from their service is a nonessential public outlay. At the same time it cannot be denied by any disinterested and impartial observer that many abuses have crept into the administration of our pension laws, the correction of which in common justice to the vast taxpaying body of our citizenship and from considerations of sheer national solvency is imperative. Every community in the land has its one or more examples of excessively paid and possibly undeserving recipients of public benefactions, in many cases completely outside the spirit and intent of the law, and constituting in the aggregate an increasingly unbearable burden upon productive enterprise. To accomplish the necessary pruning, executive power and responsibility only can be effective.

But the regulations originally formulated by the Budget Director and the Veterans' Bureau cut deeper into the existing compensation of veterans sustaining service-connected disabilities and of Spanish-American War veterans than by any standard can be held consistent with fair or sympathetic treatment. And the language of the proposed substitute does not, in my judgment, sufficiently protect the deserving veteran against technically adverse interpretation by the Bureau. Furthermore, the rank and file of the soldiers of 1898—our last great volunteer Army—with practically no service records made or preserved—certainly no patriotic taxpayer will at this late date demand that they assume the oftentimes impossible burden of proving that their existing disabilities are directly traceable to the exposure and the hardships endured in the fever-infected swamps that were the scene of their service.

I shall vote, therefore, in favor of a modification of the unfairly rigorous regulations, with the conviction, in fact with the knowledge, that the additional outlay will not break or even weaken any link in the chain drawing us to economic recovery that has been so courageously forged by the President. However, if any serious danger should exist on that score, I shall gladly vote for additional taxes to the extent necessary to avoid pauperization of the men, women, and children in the classes I have mentioned. And to raise any necessary revenues for such purpose we do not need to increase the burden on incomes, or on gasoline consumers, or on consumers of commodities generally, for a very slight assessment on the money value of sales of corporate stocks on the exchanges of the country would be painless in its incidence and would at the same time serve the public welfare by curbing the purely speculative operations that otherwise will surely again become dangerously excessive as we proceed further into the era of now-assured rising price levels and more and more prosperous times.

VETERANS AND ECONOMY—EXTENSION OF REMARKS

Mr. GRAY. Mr. Speaker, I promised my soldiers that I would not reduce pensions more than the pay of other men drawing wages and salaries from the Government.

And I would rather go back to a log cabin with a dirt floor and sleep on a bed of straw, and eat from a board as a table and live on bread and water, and wear sackcloth for clothing and maintain good faith and my word and pledge to the soldiers than to be welcomed at the door of a mansion or a gilded palace, to bask in the flattery of wealth and high social position, to win the praise and plaudits of kings, presidents or potentates, or be crowned a servient puppet to be used as a tool and cat's-paw of millionaire corporations to raise the hue and cry and to carry the flag of economy and a balanced Budget to divert attention from unpaid income taxes.

The indiscriminate and wholesale reduction of pensions and disability allowances without evidence heard or medical or surgical examination to ascertain the present status of disability or impairment, was unwarranted, unjustified, and unnecessary to accomplish the economy to be obtained.

While we are concerning ourselves with the amounts required for the payment of wages, salaries, and disability allowances and providing for their reduction and elimination as may be necessary and required to relieve the strain upon the Public Treasury, let us realize and keep in mind that these amounts of pensions, wages, and salaries are small and inconsequential as compared with the myriad millions we are allowing withheld from the Treasury by the nonpayment of income taxes due and owing to the Government from international financiers and bankers under the system of holding corporations organized to cover and conceal their earnings, income, and surplus profits. If the income taxes due the Government from the earnings of these evading corporations were collected and placed in the Treasury, the amount paid out for pensions, wages, and low salaries would no more be missed from the amount than a handful of wheat would escape observation from a Kansas elevator bin or a shovelful of sand from the seashore.

For years Andrew Mellon, and continuously while he remained Secretary of the Treasury, has been paying trivial amounts of income taxes and has been rebated, or given back, a very large part of the amount paid. W. L. Mellon, a nephew of Andrew Mellon, is now owing $2,000,000 of back taxes and is resisting the payment of the same on technicalities of the income tax laws. The following Mellon corporations and members of the Mellon family are now under investigation by the McKellar Senate investigation committee, charged with the evasion of income taxes since 1917 down to and including 1933:

Andrew W. Mellon, the Gulf Refining Co., the Gulf Oil Corporation, the Gulf Production Co., the Gulf Pipeline Co., the Gulf Refining Co. of Louisiana, the Gypsy Oil Co., the Gulf Pipeline Co. of Oklahoma, the Mexican Gulf Oil Co., the South American Gulf Oil Co., the Panama Gulf Oil Co., the Gulf Cooperage Co., the Gulf Commissary Co., the Standare Steel Car Co., the Middleton Car Co., the Baltimore Car & Foundry Co., the Verona Steel Casting Co., the Forged Steel Wheel Co., the Steel Car Forge Co., the Butler Bolt & Rivet Co., the Butler Car Wheel Co., the Lundora Land & Improvement Co., the Mellon National Bank, the Union Trust Co., the Union Savings Bank, Aluminum Co. of America, Aluminum Cooking Utensils Co., Aluminum Die Casting Corporation, the Aluminum Ore Co., the Aluminum Seal Co., the Electric Carbon Co., the Knoxville Power Co., the St. Lawrence River Power Co., the St. Lawrence Securities Co., the Tallahassee Power Co., McClintic-Marshall Co., Union Shipbuilding Co., Carborundum Co., the Pittsburgh Plate Glass Co., the Koppers Corporation; also Ogden L. Mills, and Ogden L. Mills, executor of the estate of Ogden L. Mills, Sr.

J. P. Morgan and his banker associates are now under investigation and charged with the evasion of income taxes amounting to myriad millions year after year and continuously since 1917. The following is a list of 89 corporations controlled by the Morgan syndicate of bankers, whose incomes have been juggled, mystified, covered, and concealed under the fictitious transfer of stock to holding and intermediate companies and which are being investigated and charged with the evasion of the payment of income taxes:

Banks and trust companies: Bankers' Trust Co., Bank for Savings of the City of New York, Discount Corporation of New York, Guaranty Trust Co. of New York, New York Trust Co., City Bank Farmers' Trust Co., Girard Trust Co., Fidelity Philadelphia Trust Co., Pennsylvania Co. for Insurance on Lives and Granting Annuities, Main Line Trust Co., Germantown Trust Co., Philadelphia Savings Fund Society, Integrity Trust Co., Western Savings Fund Society, Northern Trust Co.

Miscellaneous holding companies: American Foreign Securities Co., American Securities Investing Corporation, First Security Co. of the City of New York, Foreign Finance Corporation, Richmond-Washington Co., Willow Corporation, and United States Guarantee Co.

Railroad companies: Atchison, Topeka & Santa Fe Railway, Chicago & Erie Railroad Co., Lehigh & Hudson River Railway Co., National Railway of Mexico, New Jersey & New York Railroad Co., New York & Middle Coal Field Railroad & Coal Co. (controlled by Lehigh Valley Railroad Co.), New York, Susquehanna & Western Railroad Co., Northern Pacific Railroad Co., Reading Co., and Western Pacific Railroad Co.

Public utility companies—holding companies: International Telephone & Telegraph Co., United Gas Improvement Co., United Corporation, Columbia Gas & Electric Co., and Niagara Hudson Power.

Operating companies: Bell Telephone of Pennsylvania, Frankford & Southwark Philadelphia City Passenger Railway Co., Philadelphia Electric Co., Public Service Corporation of New Jersey, Second & Third Street Passenger Railway Co., Diamond States Telephone Co., Consolidated Gas Co. of New York, and Wyoming Valley Water Supply Co.

Industrial companies: Johns-Mansville Corporation, American Radiator & Standard Sanitary Corporation, General Electric Co., Kennecott Copper Corporation, Standard Brands, Inc., Montgomery Ward & Co., Beaver Coal Corporation, American Pulley Co., Sharp & Dohme, Inc., Stonega Coal & Coke Co., J. I. Case Threshing Machine Co., Associated Dry Goods Co., Lehigh Valley Coal Corporation, Philadelphia Steel & Wire Corporation, Keystone Watch Case Corporation, Texas Gulf Sulphur Co., Phelps-Dodge Corporation, Continental Oil Co., United States Steel Corporation, Crowell Publishing Co., International Agriculture Corporation, International Harvester Co., Lamont, Corliss & Co., Southwestern Construction Co., Charles E. Hires, Markless Corporation, General Asphalt Co., General Motors Corporation, Philadelphia & Reading Coal & Iron Corporation, Baldwin Locomotive Works, General Steel Castings, Cerro de Pasco Copper Corporation, Highland Coal Co., National Storage Co., Bellevue Stratford Hotel Co., De Bardeben Coal Corporation, Pullman Co., 150 William Street Corporation.

Insurance companies: Aetna Insurance Co.; Fire Association of Philadelphia and subsidiaries; Pennsylvania Fire Insurance Co.; North British & Mercantile Insurance Co., Ltd.; Royal Exchange Assurance Co. (American branch); Transportation Mutual Insurance Co.

Senate investigations now in progress have disclosed the transfer of shares of stock to great holding and security corporations set up by the Van Sweringens to evade the payment of income taxes. The new Senate investigation has brought in and involved the General Securities Corporation, and the Geneva Securities Corporation, the Chesapeake & Ohio Railroad Corporation, the Nickel Plate Railway Co., the New York Central Railway Co., the New York, St. Louis & Chicago Railroad Co., and other railway and holding companies. And under these fictitious transfers multiplied dividends and surplus profits have been sequestered and concealed and the taxes thereon to the Government have been evaded and withheld from payment and are now due with penalties in all amounting to many millions of dollars.

Until we can make the Morgans and Mellons, the Van Sweringens and associates pay their just share of the taxes, the common masses of the people, low-salaried men and wage earners, the soldiers and pensioners must submit and give up a part of their salaries, wages, and pensions, enough to pay the public expense. But when wealth and corporations can be made to pay their taxes then these reductions can be dispensed with and pensions, wages, and low salaries can be paid from a balanced Budget.

United States bonds are now coming due or subject to call, in all amounting to $10,000,000,000, a great part of which could be paid or funded in United States non-interest-bearing currency notes and the four hundred million interest could be saved to the Treasury, more than enough to pay the contested pensions and the reduction of wages and low salaries. The currency notes would be obligations of the Government the same as the bonds would be obligations. Both would be backed by the credit of the Nation, a charge upon all the wealth of the Nation, upon all the earnings and income of the Nation, upon all the production of the Nation, and made good by the great taxing power, supported by the Army and Navy to enforce collection for their payment.

Before the gold clause was eliminated and while gold redemption was required both the bonds and noninterest-bearing notes were alike supported by gold. And since such elimination of the gold clause and the suspension of the gold reserve the bonds and noninterest notes are alike supported, sustained and guaranteed without preference or difference one over the other. The only difference in the obligations are that the bonds draw 4 percent interest and the currency notes are interest free. Yet the bonds are pronounced good because they provide for the payment of interest and the currency notes are declared bad because the obligation does not provide for an annual interest charge. Yet with the strain upon the Treasury creating fear, apprehension, and distrust, which the reduction of pensions and wages was to relieve, we are paying out $400,000,000 in interest and prate long about balancing the Budget, and the imperative necessity of reducing pensions, wages, and low salaries summarily without showing cause to rescue the credit of the Nation.

It has come to be the judgment and conclusion of a great body of men today that the panic was originally caused and its continuance has been prolonged by the failure or the want of the buying and consuming power of the many and great masses of the people. And it is further generally agreed today that a restoration of the buying and consuming power is the first, necessary, and imperative requirement to bring a return of normal prosperity, without which the panic will continue a menace unabated, threatening chaos and disorder. While high salaries and dividends are largely hoarded as surplus wealth and only meager parts are used in buying and consuming the necessaries and comforts which make up the greater part of what industry produces, every dollar of pensions, wages, and low salaries is immediately used to buy and consume the staple necessaries of life, and without which consumption by the masses production would stagnate in surplus congestion. Yet while declaring for the restoration of purchasing power we are destroying the buying and consuming power and counteracting other parts of our prosperity program to the amount of the reduction of such wages, pensions, and low salaries.

We are at work primarily on a program formulated for economic recovery by restoring the buying and consuming power of the masses, the power to buy, take, and consume what industry produces. But we are entering upon the program in a reverse order to accomplish that result, when we reduce wages, pensions, and small salaries, every dollar of which is required and is used in the consumption of the vital necessaries, before we shall have restored employment and the opportunities of men to earn an income with which to buy and consume the staple necessaries, the products of farm, factory, mill, and workshop. We are failing to realize that production without consumption is dead and cannot be brought back to life by further paralyzing the power of men to consume.

The following statement issued by L. S. Ray, chairman legislative committee of the Veterans of Foreign Wars, Washington, D.C., shows the history of the so-called "Economy Act", and how the support of Members of Congress was gained, and how it was administered in gross violation of the representations made to secure its enactment, and the inevitable effect upon pensions and disability allowances if the law remains in force:

After the passage of Public, No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and the subsequent issuance of regulations by the President on March 31, and instructions to the field by the Veterans' Administration, the Veterans of Foreign Wars counseled its membership, numbering about a quarter of a million ex-service men who served on foreign soil or in hostile waters in a time of war, to be as calm as possible, as we believed when the full effects of this legislation were known corrections would be made.

This belief was based on statements repeatedly made on the floor of the House and Senate that full justice would be done all disabled ex-service men and their dependents.

Statistics from the field reveal that veterans suffering from direct service-connected disabilities, including battle casualties, will suffer a slash of approximately 70 percent through the breaking of service-connection and drastic reductions in disability ratings. At this time very few cases of widows and orphans of disabled veterans who died of war-incurred disabilities have been reviewed, but, in the name of governmental economy, they, too, will receive this same ruthless cut.

The disabled veterans of the Spanish-American War and Philippine campaigns and their dependents will suffer a loss in pension of at least 65 percent. The Spanish-American War veteran has now reached an average age of 60 years—old age for men whose bodies have been weakened by injuries incurred during the period of the Spanish-American War. This fact has been officially admitted by the War and Navy Departments; and it is ridiculous to ask these men at this late date to attempt to prove service-connection. At their age and with their disabilities they cannot hope to find employment and will be forced to call on State, county, and municipal governments for aid.

Like injustices have been done to thousands of disability-allowance cases who, by no fault of their own, are unable to prove service-connection for their disabilities. Disabled emergency officers who have direct service-connected disabilities are asked to meet an impossible requirement of showing a causative factor.

Hospitalization has been restricted to service-connected injuries and diseases or to those with a permanent disability who can sign a pauper's oath.

The statement has been made in the press that those charged with carrying out this unjust act are convinced from the lack of appeal from the majority of veterans that they are willing to take a reduction in their pensions to aid the country in this economic depression. These disabled veterans are the same soldiers who in 1896 and 1917 and 1918 answered their country's call to arms. Few of them are of the complaining type. Surely, though, most of the 700,000 who will be dropped from the rolls, and for whom their small pension is the difference between an existence and absolute want, might be forgiven for complaining. These disabled war veterans have a right to expect justice from the Nation they served so well.

The Veterans of Foreign Wars believe if any adjustment in compensation were to be made that each item should be given the same careful study as was given the enactment of the laws providing these benefits.

After a careful study of Public, No. 2, regulations and instructions, and their effect, we are certain that this law is not based on justice nor equity, but strictly on the desire to effect economies at the expense of the disabled war veteran and his dependents. We do not believe that a single Member of Congress was in favor of or believed that such drastic cuts would be made when he voted for the measure, nor that few, if any, would have supported the legislation had they been advised of the plans undoubtedly formulated before the bill was presented to Congress.

Some few minor changes have been made in the Veterans' Administration instructions—these in the main were to correct errors—but no changes have been made in the regulations.

There is no longer any doubt that there is a clear understanding of what the full effects of the act and regulations will be, and that no material changes will be made unless Congress makes them. This is a serious situation that will bring suffering and want to thousands and if ignored or allowed to go further will, in our opinion, be indefensible.

The Veterans of Foreign Wars of the United States demand, in the name of humanity, that before this special session of Congress adjourns Public, No. 2, be repealed and that any changes made be given careful study in hearings by the proper standing committees of the House and Senate or that it be amended so there can be no doubt that these disabled ex-service men will be given a fair deal.

With these disclosures and the information showing the administration of the law in gross violation of the representations made to Members of Congress to secure its support and approval, and with the personnel of the Department to continue in control and direct the administration of the pensions and Veterans' Bureau, Douglas as Director of the Budget, Hines, Administrator of the Bureau, and Woodin to continue Secretary of the Treasury, there was one and only one thing to do to vindicate my pledge and promise to the soldier and that was to introduce a bill to repeal the so-called "Economy Act" and provide for 15 percent reduction of pensions, the same as the act provided for wages and salaries, and which I have filed to bring before the House.

The administration of the so-called "Economy Act" under the regulations promulgated by the Veterans' Bureau to reduce and cut off pensions and disability allowances to service-maimed and wounded soldiers without evidence considered or hearing granted, to be left in want and to suffer humiliation and despair, while men with untold wealth are made exempt or left free to evade the payment of taxes, and while myriad millions are expended to finance banks and money lenders and to provide for interest to bond investors, is without parallel in cold, heartless public policy to favor war profiteers over its soldier defenders, and will go down in history and be held in harrowing memory as the most cruel, inhuman, brutal, and most unjustifiable course pursued by a

civilized nation toward its helpless citizen soldiery recorded in the annals of ancient or modern time.

THE VETERANS OF 1898—EXTENSION OF REMARKS

Mr. LUNDEEN. Mr. Speaker, it was my pleasure to hear a speech delivered in the House of Representatives by the gentleman from Alabama, my Spanish-American War comrade, Congressman GEORGE HUDDLESTON. It was one of the most thrilling, eloquent speeches I have heard in many a day, spoken with great feeling and sincerity, and by a very able and distinguished soldier and gentleman. I had the pleasure of serving with Congressman HUDDLESTON during the war days in the Sixty-fifth Congress. I know him as fearless and unafraid, and I am glad to find him still in Congress, and I hope that he will stay here for many a day.

I know those of you who have not seen it want to read that speech, and we now read his words as follows:

Mr. HUDDLESTON. Mr. Speaker, the measure which we are considering and which is offered as a substitute for the Connally amendment, is said to represent a "compromise" agreed upon by the President and the unofficial committee which waited upon him. I agree that this substitute secures for World War veterans benefits comparable to the Connally amendment; but, as far as Spanish War veterans and their dependents are concerned, they have been tossed overboard; there is nothing for them.

Today 35 years ago my division was marching and drilling at Camp Coppinger, some miles out from Mobile. Within a few days we were transferred to Miami, then a mere village alongside a swamp. There, bitten by swarms of insects and under unspeakable sanitary conditions, we remained throughout the tropical summer. Our food was scanty and unwholesome. Our hospital was little more than a name, medicines and supplies almost wholly lacking, and medical attention largely a pretense. There were no nurses and no suitable food for the sick. I lay for 30 hours, after admission to the hospital, upon a bare board, with my blouse folded under my head for a pillow, without seeing a doctor or receiving the slightest attention.

Our sick list mounted at terrific pace, until scarcely 50 percent were fit for duty. Wracked by malaria, typhoid, and other diseases of the semitropics, within 60 days there was scarcely a sound man in the pestilential camp, and deaths were rising to an appalling figure. When the armistice was signed these men came away to be discharged without a medical examination, and without any adequate record having been made of their disabilities.

I saw these men as they went into camp—gay and patriotic boys, eager to serve their country. Then I saw them as they were discharged to their home—gaunt and fever-stricken, and bearing the seeds of disease to plague them throughout their lives.

Never have veterans of any of our wars received so little attention and such small evidence of appreciation of their sufferings as have those who served in the War with Spain. For more than 20 years no special provision whatever was made for those who were disabled. They received neither bounty nor bonus, and yet there was not a conscript among them.

Now, 35 years have gone. Half of these veterans have passed into the great beyond, many of them hastened to their graves by their sufferings in service. The others, now in their old age and their gray hairs, enfeebled by disease incurred in the service of their country, or broken by the casualties of industry, now find themselves, in their declining years, the "forgotten men"—discriminated against, dishonored, and disowned by the Government for which they offered their lives. [Applause.]

What have they done to receive such treatment—that they should be denied the pittance by which they might eat honest bread? Did you not call them to the service of your country? Did they not follow your flag? Did they not suffer in your stead? Why should you disown them now. [Applause.]

I marched with these men in '98. They have been my friends and intimates through all the intervening years. I know how poor they are—how little they have to show for a life of service. I know that a large majority of them will be destitute if robbed of their pensions. I know that many are merely being transferred from the pension list to the mercies of charity or to the shoulders of sympathetic friends.

Oh, the ingratitude of republics! You are tossing them overboard, these veterans of '98. I marched with them then, and I can do no better now than share their fate. You toss them overboard and, if need be, I am willing to go overboard with them. [Applause.]

The Spanish-American War is one war which gained great wealth for Uncle Sam. The cost is estimated at a trifle over $1,000,000,000, and the property gained at about $10,000,000,000. This property has earned for us more than twenty billion since we acquired the same. If Uncle Sam were to pay out the money he made on the Spanish-American War to the veterans and widows and orphans of that war, we would be drawing 10 times the pensions we are drawing today, every one of us, and more besides, and our widows and orphans after us.

Why those in authority should strike so viciously at so brave a volunteer army as that which marched in 1898 is beyond my comprehension, and I say men who so voted and who so struck are not well informed and do not understand. They should see Puerto Rico and its great wealth. They should see Cuba, because under the Platt amendment it is ours whenever we so desire. Its resources are always at our command and have greatly enriched the continental United States. The Philippine Islands are most valuable and have untold resources.

Half of our men are dead and gone. For a score of years we asked nothing. We were then in our prime, and we fought through our manhood in civilian life without asking a cent from Uncle Sam. Now, when our regiments and battalions are drifting into old age and over the horizon into death, we have asked for a few dollars for our disabled veterans and for our widows and orphans, and I say that any man who votes against a fair and just compensation for these men, these volunteers, these heroes of 1898, is unpatriotic and un-American and fails to understand his country and its institutions.

Is it serving your country to vote against the defenders of the Nation in time of war? Is that a patriotic thing to do, to cut their little pensions down in order that taxes may be saved upon fortunes of the superrich? Here is the House of J. Pierpont Morgan & Co., paying no income taxes for more than 3 years, paying huge taxes to the British Empire. There are other huge fortunes unlevied upon. I say, before I am willing to cut the Spanish War veterans' pensions I will vote to take one half of every million and billion inheritance in this country. I am willing to vote huge levies upon incomes in the higher brackets of our superrich and their great fortunes. I am willing to levy gift taxes upon those who seek to evade the law. Let the war profiteers pay. The widow, the orphan, the service man must be protected.

Now, I want to say to you, my comrades of 1898, the enemy is upon us. They have already struck down the pension structure built up after many years of effort. We should have had the so-called "50–50" pension law years ago, but we were not even granted that. Now, our enemies are cutting and slashing our forces in every direction.

There is but one remedy to this situation, and that is politics, political action in political campaigns, and I predict that when the elections of 1934 and 1936 roll around, even though one half of our armies may have disappeared over the horizon into the land beyond, those who fought us will think the woods are full of Spanish-Americans, for we will be up and fighting them.

We know now who our enemies are. They have recorded their names upon the roll calls. They have shown just where they stand. We have been betrayed by fair words. It was the kiss of Judas, and we did not understand; but we understand now.

Let it be understood by all men that the Spanish-American soldiers never lost a battle, never lost a prisoner, and won a war in record time. We are not going to lose this battle with our enemies for justice for the disabled, and we mean to let the world know that we will not submit to any pauper clauses and any degrading papers which we are asked to sign. We stand today erect in the sunlight of God under the flag we carried in war time and unafraid we look the world in the face, American citizens and soldiers—and we demand that we be treated as such.

VETERANS' COMPENSATION—THE STEIWER-CUTTING AMENDMENT IS NOT A FAVOR TO THE VETERANS—EXTENSION OF REMARKS

Mr. DISNEY. Mr. Speaker, we are at a period in the career of our country when it is necessary to effect legislation that will reduce the running expenses of our Government, and it is incumbent on every one of us to suggest such means as will accomplish this. There is not a question that the affairs of Government have been handled for many years in a very extravagant manner. The taxpayers of our country have been compelled to delve deeper and deeper into their pockets in order to maintain the standard of the Gov-

ernment and to meet the taxes imposed on them for this purpose.

I might suggest many ways of enabling our Government to curtail the expense made necessary by such extravagance; but if I were to do so, there would be without doubt a hue and cry raised in opposition to such suggestion for the reason that it might affect an activity of the Government which certain classes believe should not be interfered with.

When we speak of economy it is with an idea of reducing expenses in connection with some governmental activity that will not interfere with the fundamental interests of those who would be affected thereby. To eliminate one branch of government by consolidating it with another is one means of effecting this without injury to the persons concerned, as it is possible to take care of the employees thus affected. But when we take from those who are rightfully entitled to receive consideration from our Government without giving anything in return, that is inhuman and unjust.

In 1898, when our Government called for volunteers to protect the flag, it did not find the men who responded unwilling to take the oath to die if need be in support of our Constitution and the rights of our people. In 1917, when the selective draft was put into effect, our young men responded with the same willingness as those of other wars. When they were discharged after the armistice was signed it was with the sole thought of returning to a useful occupation with no thought in mind other than to give the same service to their Government that they had in time of war. Many of these young men were so desirous of being discharged from the Army that they failed to disclose any disability that may have been the result of their war service. Others were disabled to such an extent that they were not capable of carrying on the occupation which they had followed before their entrance into the service.

Actual service-connected disability compensation should not have been touched. The rolls should have been purged of other cases found undeserving.

The Congress, with a full realization of the need of our veterans, enacted after very careful consideration various laws having for their purpose the granting of the compensation to which they were entitled.

The veteran, whether he be of the World War or any other war, is entitled to the greatest consideration that may be given him, and in the end I predict that the compensation which has already been awarded to him will be returned in full measure. Yet we are here today discussing how a few dollars may be cut from these benefits, and it appears to me that the veteran is to be made the goat. I do not directly or indirectly impugn the good faith of the President in urging that this action be taken. I voted for the economy measure in the firm conviction that the officials of Government who would carry out its provisions would take such action as would not affect our veterans who were entitled to the benefits they had been receiving. There is no question that there is room for improvement in our veterans' laws, which would afford a saving of much money to the Government. The emergency officers' retirement pay should be discontinued where the beneficiary draws a substantial salary in either a Government or private position. In many other ways a saving might be effected, and it was with this in mind that I voted for such measure. The President, in my opinion, could not be expected to supervise closely the drafting of regulations or the carrying into effect of the provisions of the numerous acts which have been signed by him. It is necessary for him to depend upon his subordinates, and in this particular instance I believe that he was not aware of the injustice that was attempted to be worked on our veterans.

The measure before us today is not a solution of the problem, neither is the Connally amendment. I do not believe that a veteran of any of our wars who is receiving a pension for actual service-connected disability should be required to present further evidence to show that he was entitled to such compensation. Any of my colleagues who has had occasion to further the interests of a veteran with his claim for compensation certainly realizes that the burden is on him to prove that his disability was service connected. At the same time I believe that in protecting the rights of the veterans the Government should have the power to purge the rolls of undeserving cases, but in no instance should this power be distorted to allow persecution of all veterans. I think a purging of the rolls of undeserving cases should have come first, and my idea of the economy bill was that this would first be done under fair, instead of cruel and unjust, regulations.

The veteran deserves a fair answer to his inquiries concerning the action which his Congressman intends to take in the problem with which he is confronted; and in answer to the veterans who are my constituents, I want them to know that no act of mine will ever reflect other than gratitude to them for the service which they have rendered their country. It shall be my purpose to continue my activity in their behalf in the hope that in the next session of the Congress such legislation will be passed as will make it impossible for any succeeding body to enact any law which would ex post facto take from them any part of the compensation which had been rightfully given to those properly entitled to it by a former act of Congress, whether it be in the interest of economy or otherwise.

In this vote I am following the lead of Congressman WRIGHT PATMAN and Congressman GORDON BROWNING, who have been leaders of the fight in the interests of the veterans, and who say that a vote for the Steiwer-Cutting amendment is a vote to set the cause of the veterans back 10 years. Let us follow the advice of these two friends of veterans' legislation.

RECESS

Mr. BYRNS. Mr. Speaker, I move that the House stand in recess until 6 o'clock.

The SPEAKER. The question is on the motion of the gentleman from Tennessee [Mr. BYRNS].

The motion was agreed to; accordingly (at 4 o'clock and 17 minutes p.m.) the House took a recess until 6 o'clock p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6 o'clock p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, the bill (H.R. 5790) entitled "An act to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes"; that the Senate insists upon its amendments to said bill, requests a conference with the House thereon, and appoints Mr. BYRNES, Mr. ADAMS, and Mr. GOLDSBOROUGH to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 3511. An act to authorize the creation of a game refuge in the Ouachita National Forest in the State of Arkansas;

H.R. 3659. An act to extend the mining laws of the United States to the Death Valley National Monument in California;

H.R. 4872. An act authorizing Farris Engineering Co., its successors and assigns, to construct, maintain, and operate a bridge across the Monongahela River at or near California, Pa.;

H.R. 5589. An act granting the consent of Congress to the city of Washington, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Washington, Mo.; and

H.J.Res. 183. Joint resolution extending for 1 year the time within which American claimants may make application for payment, under the Settlement of War Claims Act

of 1928, of awards of the Mixed Claims Commission and of the Tripartite Claims Commission.

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

S. 554. An act providing per capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury;

S. 1286. An act to increase the efficiency of the Veterinary Corps of the Regular Army;

S. 1650. An act amending section 74 of the Judicial Code, as amended (U.S.C., Annotated, title 28, sec. 147);

S. 1654. An act for the relief of George Yusko;

S. 1759. An act to extend the time for the construction of dams and dikes in Lincoln County, Oreg., to prevent the flow of waters of Yaquina Bay and River into Nutes Slough, Boones Slough, and sloughs connected therewith;

S. 1772. An act for relief of the Western Montana Clinic, Missoula, Mont.

S. 1813. An act providing for the sale to Joe Graham Post, No. 119, American Legion, of the lands lying within the Ship Island Military Reservation in the State of Mississippi;

S. 1872. An act to extend the times for commencing and completing the construction of a bridge across the French Broad River on the proposed Morristown-Newport Road between Jefferson and Cocke Counties, Tenn.;

S.J.Res. 15. Joint resolution extending to the whaling industry certain benefits granted under section 11 of the Merchant Marine Act, 1920;

S.J.Res. 59. Joint resolution to provide for the expenses of delegates of the United States to the Ninth Pan American Sanitary Conference; and

S.J.Res. 60. Joint resolution making an appropriation for an investigation of housing conditions and rentals in the District of Columbia.

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.

FARM CREDIT LEGISLATION

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

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

Mr. CARPENTER of Nebraska. Reserving the right to object, I suggest that the gentleman from Texas withhold this request until we see if the bank bill comes up, as I gave notice that I would object to any further-unanimous-consent requests.

Mr. JONES. This simply sends the bill to conference, and they are trying to get through this evening.

Mr. CARPENTER of Nebraska. And I am trying to see to it that they do not get through until the bank bill comes here.

Mr. JONES. I want to state to the gentleman from Nebraska that the entire agricultural credit of the Nation is involved in this bill, and the machinery for the functioning of the entire system of the different types of credit. It is a considerable responsibility for a Member to take to stop it. It is a nonpartisan matter and I hope the gentleman will not object to this bill going to conference, because it means a great deal for American agriculture.

Mr. CARPENTER of Nebraska. It merely means an extension for 24 hours.

Mr. JONES. No. It may defeat the entire program. This particular thing may have to go over. I do not know that they would hold over the Congress for this matter.

Mr. BLANTON. Will the gentleman yield?

Mr. JONES. I yield.

Mr. BLANTON. And objecting would not help the bank bill and the gentleman from Nebraska thereby accomplishes nothing at all. That is not helping the bank bill. Most of us are with the gentleman in wanting to pass the bank bill. We would like to see that bill get out of the Senate jam, but his holding up this matter would be a futile proceeding.

Mr. CARPENTER of Nebraska. It will hold it up until Monday, will it not?

Mr. BLANTON. But it would not help it a bit.

Mr. JONES. I want to say to the gentleman that the farmers of every State of the Union are interested in this bill, and it is a matter that means a great deal to the farmers of the gentleman's section, as well as mine, and he is taking on his shoulders the entire responsibility for its failure, if it fails.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. JONES, FULMER, DOXEY, CLARKE of New York, and HOPE.

INDUSTRIAL RECOVERY BILL

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that the conferees on the industrial recovery bill may file a report without an accompanying statement.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. BYRNS]?

Mr. LEHLBACH. Reserving the right to object, will the gentleman yield to me to address a parliamentary inquiry to the Speaker?

Mr. BYRNS. Yes.

Mr. LEHLBACH. I have no objection to the gentleman's request.

Mr. BYRNS. Can the gentleman not let me get this and then address the Chair?

Mr. LEHLBACH. Very well.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. BYRNS]?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LEHLBACH. When we took the recess there was pending a motion to order the previous question. I should like to ask whether the previous question was moved with respect to both the pending amendment to the rule and to the rule itself?

The SPEAKER. It was.

Mr. LEHLBACH. Then a further inquiry, Mr. Speaker. If the previous question is defeated would an amendment in behalf of the Spanish-American War veterans then be in order?

The SPEAKER. The Chair thinks so.

Mr. BYRNS. Mr. Speaker, may I propound a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. BYRNS. If the House votes down that rule, is it not a fact that there is nothing before the House with reference to veterans? Is that not the fact?

The SPEAKER. That is true.

Mr. KVALE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KVALE. If this resolution is defeated, will the vote then come upon the Connally amendment, so called, which was incorporated in the Senate bill?

Mr. BYRNS. Oh, no.

Mr. BLANTON. There would not be anything before the House.

The SPEAKER. That could only be accomplished by unanimous consent.

Mr. WOODRUFF. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOODRUFF. As I understand it, the previous question was moved.

The SPEAKER. Yes.

Mr. WOODRUFF. If the previous question is voted down the rule will still be before the House, will it not, and open to amendment?

The SPEAKER. Yes.

Mr. KVALE. And open to amendment?

Mr. WOODRUFF. That is the way I understand it.

Mr. BYRNS. Mr. Speaker, I ask unanimous consent, in the interest of a number of gentleman on both sides of the aisle, that the House stand in recess until 6:45.

Mr. LEHLBACH. Make it 6:30.

Mr. BYRNS. I got the request from gentlemen on both sides of the aisle, that the House stand in recess until 6:45. I am simply complying with their request. That is only 15 minutes longer and it is a courtesy we owe them.

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

There was no objection.

Accordingly (at 6 o'clock and 8 minutes p.m.) the House stood in recess until 6:45.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6:45 o'clock p.m.

The SPEAKER. When the House recessed, the gentleman from North Carolina [Mr. POU] had moved the previous question on the amendment and resolution to final passage.

The question is on ordering the previous question.

Mr. LEHLBACH. Mr. Speaker, on that I ask the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 231, nays 168, not voting 31, as follows:

[Roll No. 63]

YEAS—231

Abernethy	Culkin	Kee	Perkins
Adams	Cullen	Keller	Peyser
Allgood	Cummings	Kelly, Ill.	Pierce
Arnold	Darden	Kemp	Polk
Auf der Heide	Dear	Kennedy, Md.	Pou
Ayres, Kans.	Delaney	Kenney	Prall
Bailey	Dickinson	Kerr	Ragon
Bankhead	Dickstein	Kloeb	Ramsay
Beam	Dies	Kniffin	Randolph
Beck	Dingell	Kocialkowski	Rayburn
Beiter	Disney	Kopplemann	Reilly
Berlin	Dobbins	Kramer	Richardson
Biermann	Doughton	Lambeth	Robertson
Bland	Doxey	Lamneck	Robinson
Blanton	Drewry	Lanham	Rogers, N.H.
Bloom	Driver	Lanzetta	Romjue
Boehne	Duffey	Larrabee	Rudd
Boland	Duncan, Mo.	Lea, Calif.	Ruffin
Boylan	Eagle	Lehr	Sabath
Brennan	Eilzey, Miss.	Lesinski	Sadowski
Brown, Ky.	Faddis	Lewis, Colo.	Sanders
Brown, Mich.	Farley	Lewis, Md.	Sandlin
Browning	Fiesinger	Lindsay	Schaefer
Brunner	Fitzpatrick	Lozier	Schulte
Buchanan	Flannagan	Luce	Sears
Buck	Ford	McCarthy	Secrest
Bulwinkle	Foulkes	McClintic	Shallenberger
Burch	Fuller	McDuffie	Sirovich
Busby	Gambrill	McFarlane	Sisson
Byrns	Gillespie	McGrath	Smith, Va.
Cady	Glover	McKeown	Smith, W.Va.
Caldwell	Goldsborough	Major	Snyder
Cannon, Wis.	Goodwin	Maloney, La.	Somers, N.Y.
Carden	Green	Marland	Spence
Carley	Greenwood	Martin, Colo.	Steagall
Carpenter, Kans.	Gregory	Martin, Oreg.	Stokes
Cary	Griffin	May	Strong, Tex.
Celler	Haines	Merritt	Stubbs
Chapman	Hamilton	Milligan	Studley
Chavez	Hancock, N.C.	Mitchell	Sullivan
Church	Harlan	Montet	Sumners, Tex.
Claiborne	Harter	Moran	Sutphin
Clark, N.C.	Hastings	Musselwhite	Taber
Cochran, Mo.	Henney	Norton	Tarver
Coffin	Hill, Ala.	O'Connell	Taylor, Colo.
Colden	Hill, Samuel B.	O'Connor	Taylor, S.C.
Cole	Hoidale	Oliver, Ala.	Terrell
Colmer	Hughes	Oliver, N.Y.	Thom
Cooper, Tenn.	Imhoff	Owen	Thompson, Ill.
Cox	Jenckes	Palmisano	Tobey
Crosby	Johnson, Okla.	Parker, Ga.	Turner
Cross	Johnson, Tex.	Parks	Umstead
Crowe	Johnson, W.Va.	Parsons	Underwood
Crump	Jones	Patman	Vinson, Ga.
Vinson, Ky.	Weideman	Wilcox	Wood, Ga.
Walter	West, Ohio	Williford	Woodrum
Warren	West, Tex.	Williams	Young
Weaver	Whittington	Wilson	

NAYS—168

Adair	Dondero	James	Rankin
Allen	Doutrich	Jeffers	Ransley
Andrews, N.Y.	Dowell	Jenkins	Reece
Arens	Dunn	Johnson, Minn.	Richards
Ayers, Mont.	Durgan, Ind.	Kahn	Rogers, Mass.
Bacharach	Eaton	Kelly, Pa.	Rogers, Okla.
Bakewell	Edmonds	Kinzer	Scrugham
Beedy	Eicher	Knutson	Seger
Black	Eltse, Calif.	Kurtz	Shannon
Blanchard	Englebright	Kvale	Shoemaker
Boileau	Evans	Lambertson	Simpson
Bolton	Fish	Lee, Mo.	Sinclair
Britten	Fitzgibbons	Lehlbach	Smith, Wash.
Brumm	Fletcher	Lemke	Snell
Burke, Nebr.	Focht	Ludlow	Stalker
Burnham	Foss	Lundeen	Strong, Pa.
Cannon, Mo.	Frear	McCormack	Swank
Carpenter, Nebr.	Fulmer	McFadden	Swick
Carter, Calif.	Gasque	McGugin	Taylor, Tenn.
Carter, Wyo.	Gibson	McLean	Thomason, Tex.
Cartwright	Gilchrist	McLeod	Thurston
Castellow	Gillette	McMillan	Tinkham
Cavicchia	Goss	McSwain	Traeger
Chase	Granfield	Maloney, Conn.	Treadway
Christianson	Gray	Mapes	Truax
Clarke, N.Y.	Griswold	Marshall	Turpin
Cochran, Pa.	Guyer	Martin, Mass.	Wadsworth
Collins, Calif.	Hancock, N.Y.	Mead	Waldron
Collins, Miss.	Hartley	Meeks	Wallgren
Condon	Healey	Millard	Watson
Connery	Hess	Miller	Wearin
Connolly	Higgins	Monaghan	Welch
Cooper, Ohio	Hildebrandt	Morehead	Werner
Cravens	Hill, Knute	Mott	White
Crowther	Hoeppel	Muldowney	Whitley
Darrow	Hollister	Murdock	Wigglesworth
Deen	Holmes	Nesbit	Withrow
De Priest	Hooper	Parker, N.Y.	Wolcott
DeRouen	Hope	Peavey	Wolfenden
Dirksen	Howard	Pettengill	Wolverton
Ditter	Huddleston	Powers	Wood, Mo.
Dockweiler	Jacobsen	Ramspeck	Woodruff

NOT VOTING—31

Almon	Douglass	Lloyd	Reed, N.Y.
Andrew, Mass.	Fernandez	McReynolds	Reid, Ill.
Bacon	Gavagan	Mansfield	Rich
Brooks	Gifford	Montague	Schuetz
Buckbee	Hart	Moynihan	Sweeney
Burke, Calif.	Hornor	O'Brien	Utterback
Corning	Kennedy, N.Y.	O'Malley	Zioncheck
Crosser	Kleberg	Peterson	

So the previous question was ordered.

The Clerk announced the following additional pairs:

On this vote:

Mr. Corning (for) with Mr. Douglass (against).
Mr. O'Malley (for) with Mr. Bacon (against).
Mr. Brooks (for) with Mr. Sweeney (against).

Until further notice:

Mr. Almon with Mr. Gifford.
Mr. Crosser with Mr. Andrew of Massachusetts.
Mr. Gavagan with Mr. Moynihan.
Mr. McReynolds with Mr. Buckbee.
Mr. Kennedy of New York with Mr. Reed of New York.
Mr. Mansfield with Mr. Rich.
Mr. Fernandez with Mr. Reid of Illinois.
Mr. Kleberg with Mr. Utterback.
Mr. Hart with Mr. Zioncheck.
Mr. Montague with Mr. Peterson.
Mr. Schuetz with Mr. Lloyd.
Mr. O'Brien with Mr. Hornor.

Mr. CONNERY. Mr. Speaker, my colleague the gentleman from Massachusetts, Mr. DOUGLASS, is unavoidably absent. He asked me to state that if he were here he would vote "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question now recurs on the amendment offered by the gentleman from North Carolina [Mr. POU].

Mr. CONNERY. Mr. Speaker, I ask for the yeas and nays.

Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNERY. Members are asking if this is a vote on the adoption of the rule.

The SPEAKER. It is on the amendment.

The yeas and nays were refused.

The question was taken, and the amendment was agreed to.

The SPEAKER. The question is on the resolution as amended.

Mr. LEHLBACH and Mr. CONNERY asked for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 238, nays 161, not voting 31, as follows:

[Roll No. 64]

YEAS—238

Abernethy	Delaney	Kocialkowski	Robertson
Adams	DeRouen	Kopplemann	Rogers, N.H.
Allgood	Dickinson	Kramer	Romjue
Andrews, N.Y.	Dickstein	Lambeth	Rudd
Arnold	Dies	Lamneck	Ruffin
Auf der Heide	Dingell	Lanham	Sabath
Ayres, Kans.	Disney	Lanzetta	Sadowski
Bailey	Dobbins	Larrabee	Sanders
Bankhead	Dockweiler	Lea, Calif.	Sandlin
Beam	Doughton	Lehr	Schaefer
Beck	Doxey	Lesinski	Schuetz
Beiter	Drewry	Lewis, Colo.	Sears
Berlin	Driver	Lewis, Md.	Secrest
Biermann	Duffey	Lindsay	Shallenberger
Bland	Duncan, Mo.	Lozier	Sirovich
Blanton	Eagle	Luce	Sisson
Bloom	Elizey, Miss.	Ludlow	Smith, Va.
Boehne	Faddis	McCarthy	Smith, W.Va.
Boland	Farley	McClintic	Snyder
Boylan	Fiesinger	McDuffie	Somers, N.Y.
Brennan	Fitzpatrick	McFarlane	Spence
Brown, Ky.	Flannagan	McGrath	Steagall
Brown, Mich.	Fletcher	McKeown	Stokes
Browning	Ford	Major	Strong, Tex.
Brunner	Foulkes	Maloney, La.	Stubbs
Buchanan	Fuller	Marland	Studley
Buck	Gambrill	Martin, Colo	Sullivan
Bulwinkle	Gillespie	Martin, Oreg.	Sumners, Tex.
Burch	Goldsborough	May	Sutphin
Byrns	Green	Mead	Taber
Cady	Greenwood	Merritt	Tarver
Caldwell	Gregory	Millard	Taylor, Colo.
Carden	Griffin	Milligan	Taylor, S.C.
Carley	Haines	Mitchell	Terrell
Carpenter, Kans.	Hamilton	Montet	Thom
Cary	Hancock, N.C.	Moran	Thompson, Ill.
Castellow	Harlan	Norton	Tobey
Celler	Harter	O'Brien	Turner
Chapman	Hastings	O'Connell	Umstead
Church	Henney	O'Connor	Underwood
Claiborne	Hill, Ala.	Oliver, Ala.	Vinson, Ga.
Clark, N.C.	Hill, Samuel B.	Oliver, N.Y.	Vinson, Ky.
Cochran, Mo.	Hoidale	Owen	Wadsworth
Coffin	Hollister	Palmisano	Walter
Colden	Hughes	Parker, Ga.	Warren
Cole	Imhoff	Parks	Weaver
Colmer	Jenckes	Parsons	Weideman
Cooper, Tenn.	Johnson, Okla.	Patman	West, Ohio
Cox	Johnson, Tex.	Perkins	West, Tex.
Crosby	Johnson, W.Va.	Peyser	Whittington
Cross	Jones	Pierce	Wilcox
Crowe	Kee	Polk	Willford
Crowther	Keller	Pou	Williams
Crump	Kelly, Ill.	Prall	Wilson
Culkin	Kemp	Ragon	Wood, Ga.
Cullen	Kennedy, Md.	Ramspeck	Woodrum
Cummings	Kenney	Randolph	Young
Darden	Kerr	Rayburn	Zioncheck
Dear	Kloeb	Reilly	
Deen	Kniffin	Richardson	

NAYS—161

Adair	De Priest	Hess	Mapes
Allen	Dirksen	Higgins	Marshall
Arens	Ditter	Hildebrandt	Martin, Mass.
Ayers, Mont.	Dondero	Hill, Knute	Meeks
Bacharach	Doutrich	Hoeppel	Miller
Bakewell	Dowell	Holmes	Monaghan
Beedy	Dunn	Hooper	Morehead
Black	Durgan, Ind.	Hope	Mott
Blanchard	Eaton	Howard	Muldowney
Boileau	Edmonds	Huddleston	Murdock
Bolton	Eicher	Jacobsen	Musselwhite
Britten	Eltse, Calif.	James	Nesbit
Brumm	Englebright	Jeffers	Parker, N.Y.
Burke, Nebr.	Evans	Jenkins	Peavey
Burnham	Fish	Johnson, Minn.	Pettengill
Busby	Fitzgibbons	Kahn	Powers
Cannon, Mo.	Focht	Kelly, Pa.	Ramsay
Cannon, Wis.	Foss	Kinzer	Rankin
Carter, Calif.	Frear	Knutson	Ransley
Carter, Wyo.	Fulmer	Kurtz	Reece
Cartwright	Gasque	Kvale	Richards
Cavicchia	Gibson	Lambertson	Rogers, Mass.
Chase	Gilchrist	Lee, Mo.	Rogers, Okla.
Christianson	Gillette	Lehlbach	Schulte
Clarke, N.Y.	Glover	Lemke	Scrugham
Cochran, Pa.	Goodwin	Lundeen	Seger
Collins, Calif.	Goss	McCormack	Shannon
Collins, Miss.	Granfield	McFadden	Shoemaker
Condon	Gray	McGugin	Simpson
Connery	Griswold	McLean	Sinclair
Connolly	Guyer	McLeod	Smith, Wash.
Cooper, Ohio	Hancock, N.Y.	McMillan	Snell
Cravens	Hartley	McSwain	Stalker
Darrow	Healey	Maloney, Conn.	Strong, Pa.
Swank	Treadway	Welch	Wolfenden
Swick	Truax	Werner	Wolverton
Taylor, Tenn.	Turpin	White	Wood, Mo.
Thomason, Tex.	Waldron	Whitley	Woodruff
Thurston	Wallgren	Wigglesworth	
Tinkham	Watson	Withrow	
Traeger	Wearin	Wolcott	

NOT VOTING—31

Almon	Corning	Kennedy, N.Y.	Peterson
Andrew, Mass.	Crosser	Kleberg	Reed, N.Y.
Bacon	Douglass	Lloyd	Reid, Ill.
Brooks	Fernandez	McReynolds	Rich
Buckbee	Gavagan	Mansfield	Robinson
Burke, Calif.	Gifford	Montague	Sweeney
Carpenter, Nebr.	Hart	Moynihan	Utterback
Chavez	Hornor	O'Malley	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Corning (for) with Mr. Douglass (against).
Mr. O'Malley (for) with Mr. Bacon (against).
Mr. Brooks (for) with Mr. Sweeney (against).

Until further notice:

Mr. Almon with Mr. Gifford.
Mr. Crosser with Mr. Andrew of Massachusetts.
Mr. Gavagan with Mr. Moynihan.
Mr. McReynolds with Mr. Buckbee.
Mr. Kennedy of New York with Mr. Reed of New York.
Mr. Mansfield with Mr. Rich.
Mr. Fernandez with Mr. Reid of Illinois.
Mr. Kleberg with Mr. Utterback.
Mr. Montague with Mr. Peterson.
Mr. Carpenter of Nebraska with Mr. Robertson.
Mr. Chavez with Mr. Lloyd.
Mr. Hart with Mr. Hornor.

Mr. WEST of Texas. Mr. Speaker, the gentleman from Texas, Mr. KLEBERG, is unavoidably absent. If present, he would vote "aye."

Mr. CONNERY. Mr. Speaker, my colleague the gentleman from Massachusetts, Mr. DOUGLASS, is unavoidably absent. He requested me to state that if he were here, he would vote "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report amendment no. 47.

The Clerk read as follows:

Amendment no. 47: Page 59, after line 17, insert:
"SEC. 20. Notwithstanding any of the provisions of the act approved March 20, 1933, entitled 'An act to maintain the credit of the United States Government', in no event shall World War service-connected disability compensation of any veteran or the pension of any veteran of a war prior to the World War, or the pension of any widow and/or dependents of such veterans be reduced more than 25 percent of the rate being received prior to March 15, 1933."

Mr. BUCHANAN. Mr. Speaker, I move to concur in Senate amendment no. 47, with an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Mr. BUCHANAN moves to concur in Senate amendment no. 47 with the following amendment: In lieu of the matter contained in said amendment, insert the following:
"SEC. 20. The President is hereby authorized under the provisions of Public Law No. 2, Seventy-third Congress"——

Mr. BUCHANAN (interrupting the reading of the motion). Mr. Speaker, I ask unanimous consent that the reading of this 3-page amendment be dispensed with as it is the same amendment contained in the amended rule just adopted. It has been read to the House and has been discussed for an hour.

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

There was no objection.

Mr. BUCHANAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Indiana [Mrs. JENCKES].

Mrs. JENCKES. Mr. Speaker, I wish at this time to address the House of Representatives on a most important phase of the veteran problem. This problem affects the welfare of the veteran, the welfare of the Nation, and also the efficient functioning of the House of Representatives in the deliberations incident to bringing our Nation back to a state of prosperity.

My standing as a friend of the veteran is nationally known. For years I have pleaded for a comprehensive, permanent

rehabilitation of the American veteran, and since I came to Congress my services to the veteran have met with their entire approval. So today I come before you in behalf of the American veteran and I not only come to you as your colleague but as a woman who is able to understand the women's viewpoint as it pertains to the permanent rehabilitation of our American veterans.

The American veteran problem will never be settled until it is settled on a permanent basis. This subject has been before preceding sessions of the Congress and no permanent solution has been developed.

It is now not only necessary but imperative that the American veteran must take his place in the ranks of our American citizenship and cooperate with the President and the Congress in the Nation-wide effort we are making to face our Nation toward prosperity again. I have followed the various suggestions for legislation made in behalf of the veteran. I have considered them from the viewpoint of the women members of the veterans' families, and I sincerely believe that the best interests of all veterans can be served in a genuine way by patriotically accepting the changes made by President Roosevelt on June 6 in the regulations having to do with the compensation allowances for veterans of the World War and the Spanish-American War. I have advice from the White House that—

> No man in a hospital with service-connected injury or disability or in distress would be put out of a hospital, and that a survey would be made of all cases where compensation cuts had been more severe than was intended. The purpose of this survey would be to increase the levels of compensation due to veterans.

I especially invite the attention of the Members of the House of Representatives, as well as that of all veterans, to the statement released by the White House on June 6, which shows the increase in the compensations, which in some instances are more advantageous to the veteran than is proposed in legislation intended to limit the President's economy power.

It is obvious to all of us here in Congress, and to every patriotic veteran, that all efforts in behalf of the veteran at this time must be considered from the emergency viewpoint.

President Roosevelt has met this emergency in a way which will tide over our veterans until the progress of the "new deal" and the President's economy program brings the state of the Nation to the point of prosperity where we can discharge the obligation America owes its veterans. So I appeal to you, my colleagues, to "stand by the President" in his recommendations for the welfare of the veterans and in this manner make it possible for our veterans to share in helping bring back prosperity to our Nation. [Applause.]

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to concur in the Senate amendment with an amendment.

Mr. KVALE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KVALE. If the motion of the gentleman from Texas is voted down, will the question then recur upon the Connally amendment?

The SPEAKER. If this motion is voted down, the Connally amendment will be before the House for consideration.

Mr. FISH. Then, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AYERS of Montana. Mr. Speaker, a parliamentary inquiry. If this motion is voted down, does that put the Connally amendment before the House?

Mr. WOODRUM. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded. The Chair has answered that inquiry.

The question was taken; and there were—yeas, 243, nays 155, not voting 32, as follows:

[Roll No. 65]

YEAS—243

Abernethy	Cummings	Kocialkowski	Robertson
Adams	Darden	Kopplemann	Robinson
Allgood	Dear	Kramer	Rogers, N.H.
Andrews, N.Y.	Deen	Lambeth	Romjue
Arnold	Delaney	Lamneck	Rudd
Auf der Heide	Dickinson	Lanham	Ruffin
Ayres, Kans.	Dickstein	Lanzetta	Sabath
Bacharach	Dies	Larrabee	Sadowski
Bailey	Dingell	Lea, Calif.	Sanders
Bakewell	Disney	Lehr	Sandlin
Bankhead	Dobbins	Lesinski	Schaefer
Beam	Doughton	Lewis, Colo.	Schuetz
Beck	Doxey	Lewis, Md.	Sears
Beiter	Drewry	Lindsay	Secrest
Berlin	Driver	Lloyd	Seger
Biermann	Duffey	Lozier	Shallenberger
Bland	Duncan, Mo.	Luce	Sirovich
Blanton	Eagle	McCarthy	Sisson
Bloom	Eaton	McClintic	Smith, Va.
Boehne	Ellzey, Miss.	McDuffie	Smith, W.Va.
Boland	Faddis	McFarlane	Snell
Boylan	Farley	McGrath	Snyder
Brennan	Fiesinger	McKeown	Somers, N.Y.
Britten	Fitzpatrick	McLean	Spence
Brown, Ky.	Flannagan	Major	Stokes
Brown, Mich.	Ford	Maloney, La.	Strong, Tex.
Browning	Fuller	Marland	Stubbs
Brunner	Gambrill	Martin, Colo.	Studley
Buchanan	Gillespie	Martin, Oreg.	Sullivan
Buck	Glover	May	Sumners, Tex.
Bulwinkle	Goldsborough	Mead	Sutphin
Burch	Goodwin	Merritt	Taber
Byrns	Green	Millard	Tarver
Cady	Greenwood	Milligan	Taylor, Colo.
Caldwell	Gregory	Mitchell	Taylor, S.C.
Carden	Griffin	Montet	Terrell
Carley	Haines	Moran	Thom
Carpenter, Kans.	Hamilton	Norton	Thompson, Ill.
Cary	Hancock, N.C.	O'Brien	Tinkham
Castellow	Harlan	O'Connell	Tobey
Cavicchia	Hart	O'Connor	Treadway
Celler	Harter	Oliver, Ala.	Turner
Chapman	Hastings	Oliver, N.Y.	Umstead
Chavez	Henney	Owen	Underwood
Church	Hill, Ala.	Palmisano	Vinson, Ga.
Claiborne	Hill, Samuel B.	Parker, Ga.	Vinson, Ky.
Clark, N.C.	Hoidale	Parker, N.Y.	Wadsworth
Cochran, Mo.	Hughes	Parks	Walter
Coffin	Jenckes	Patman	Weaver
Colden	Johnson, Okla.	Perkins	Weideman
Cole	Johnson, Tex.	Peyser	West, Ohio
Colmer	Johnson, W.Va.	Pierce	West, Tex.
Cooper, Tenn.	Jones	Polk	Whittington
Cox	Kee	Pou	Wigglesworth
Crosby	Keller	Prall	Wilcox
Cross	Kelly, Ill.	Ragon	Willford
Crowe	Kemp	Ramspeck	Williams
Crowther	Kennedy, Md.	Randolph	Wilson
Crump	Kenney	Rayburn	Wood, Ga.
Culkin	Kerr	Reilly	Woodrum
Cullen	Kloeb	Richardson	

NAYS—155

Adair	Dowell	James	Reece
Allen	Dunn	Jeffers	Richards
Arens	Durgan, Ind.	Jenkins	Rogers, Mass.
Ayers, Mont.	Edmonds	Johnson, Minn.	Rogers, Okla.
Beedy	Eicher	Kahn	Schulte
Black	Eltse, Calif.	Kelly, Pa.	Scrugham
Blanchard	Englebright	Kinzer	Shannon
Boileau	Evans	Kniffin	Shoemaker
Bolton	Fish	Knutson	Simpson
Brooks	Fitzgibbons	Kurtz	Sinclair
Brumm	Fletcher	Kvale	Smith, Wash.
Burke, Nebr.	Focht	Lambertson	Stalker
Burnham	Foss	Lee, Mo.	Strong, Pa.
Busby	Foulkes	Lemke	Swank
Cannon, Mo.	Frear	Ludlow	Sweeney
Cannon, Wis.	Fulmer	Lundeen	Swick
Carpenter, Nebr.	Gasque	McCormack	Taylor, Tenn.
Carter, Calif.	Gibson	McFadden	Thomason, Tex.
Carter, Wyo.	Gilchrist	McGugin	Thurston
Cartwright	Gillette	McLeod	Traeger
Chase	Goss	McMillan	Truax
Christianson	Granfield	Maloney, Conn.	Turpin
Clarke, N.Y.	Gray	Mapes	Waldron
Cochran, Pa.	Griswold	Marshall	Wallgren
Collins, Calif.	Guyer	Martin, Mass.	Watson
Collins, Miss.	Hancock, N.Y.	Mecks	Wearin
Condon	Healey	Miller	Welch
Connery	Hess	Monaghan	Werner
Connolly	Higgins	Morehead	White
Cooper, Ohio	Hildebrandt	Mott	Whitley
Cravens	Hill, Knute	Muldowney	Withrow
Darrow	Hoeppel	Murdock	Wolcott
De Priest	Holmes	Nesbit	Wolfenden
DeRouen	Hooper	Parsons	Wolverton
Dirksen	Hope	Pettengill	Wood, Mo.
Ditter	Howard	Powers	Woodruff
Dockweiler	Huddleston	Ramsay	Young
Dondero	Imhoff	Rankin	Zioncheck
Doutrich	Jacobsen	Ransley	

NOT VOTING—32

Almon	Fernandez	Lehlbach	Peavey
Andrew, Mass.	Gavagan	McReynolds	Peterson
Bacon	Gifford	McSwain	Reed, N.Y.
Buckbee	Hartley	Mansfield	Reid, Ill.
Burke, Calif.	Hollister	Montague	Rich
Corning	Hornor	Moynihan	Steagall
Crosser	Kennedy, N.Y.	Musselwhite	Utterback
Douglass	Kleberg	O'Malley	Warren

So the motion to concur in the Senate amendment with an amendment was agreed to.

The following pairs were announced:

On this vote:

Mr. Corning (for) with Mr. Douglass (against).

Until further notice:

Mr. Almon with Mr. Gifford.
Mr. Crosser with Mr. Andrew of Massachusetts.
Mr. Gavagan with Mr. Moynihan.
Mr. McReynolds with Mr. Buckbee.
Mr. Kennedy of New York with Mr. Reed of New York.
Mr. Mansfield with Mr. Rich.
Mr. Fernandez with Mr. Reid of Illinois.
Mr. Kleberg with Mr. Utterback.
Mr. O'Malley with Mr. Bacon.
Mr. Musselwhite with Mr. Hollister.
Mr. Warren with Mr. Lehlbach.
Mr. Steagall with Mr. Peavey.
Mr. McSwain with Mr. Peterson.
Mr. Montague with Mr. Hornor.

Mr. WILCOX. Mr. Speaker, my colleague, Mr. PETERSON, is absent on account of the death of his father.

Mr. WEST of Texas. Mr. Speaker, my colleague, Mr. KLEBERG, is unavoidably absent. If present, he would have voted "aye."

Mr. CONNERY. Mr. Speaker, my colleague, Mr. DOUGLASS, is unavoidably absent. If here, he would vote "no."

The result of the vote was announced as above recorded.

Mr. BUCHANAN. Mr. Speaker, I move that the House ask for a conference with the Senate on the disagreeing votes of the two Houses.

The motion was agreed to.

Mr. BLANTON. Mr. Speaker, I offer a preferential motion to instruct the conferees.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Mr. Speaker, I move to instruct the House conferees to disagree to Senate amendment 19, page 53, which appropriates $48,500 for the expense of participating in the International Institute of Agriculture at Rome, Italy.

Mr. BLANTON. Mr. Speaker, this Senate amendment no. 19 is an improper legislative matter that the Senate has improperly put on an appropriation bill. Such a proposal could not have been placed on this bill in the House. It would have been subject to a point of order, and I would have stopped it by making a point of order against it; and it should not have been put on in the Senate, for our overburdened farmers just now are not interested in spending $48,500 for a junket over to Rome, Italy, for certain bureau chiefs in the Agricultural and State Departments, and possibly for some politicians to accompany them. Here is the Senate amendment:

(19) INTERNATIONAL INSTITUTE OF AGRICULTURE

The sum of $48,500, or so much thereof as may be necessary, is hereby appropriated for the expenses of participation by the United States in the International Institute of Agriculture at Rome, Italy, to be expended under the direction of the Secretary of State in the following manner:

(1) Not to exceed the equivalent in United States currency of 192,000 gold francs for the payment of the quota of the United States for the support of the institute, including the shares of the Territory of Hawaii, and of the dependencies of the Philippine Islands, Puerto Rico, and the Virgin Islands.

(2) Not to exceed $5,000 for the salary of a United States member of the permanent committee of the International Institute of Agriculture.

(3) Not to exceed $5,500 for rent of living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (46 Stat. 818); compensation of subordinate employees without regard to the Classification Act of 1923, as amended; actual and necessary traveling expenses; and other contingent expenses incident to the maintenance of an office at Rome, Italy, for a United States member of the permanent committee of the International Institute of Agriculture.

Mr. Speaker, this is a $48,500 junket, and this matter was before the House not long ago. The farmers do not want to spend $48,500 in Rome, Italy. It was fought out on the floor, debated pro and con on both sides of the aisle, and after careful consideration the Members of this House decided that it would be a waste of public money to expend $48,500 on the so-called "Institute" in Rome, Italy, and we killed the bill in the House by a record vote.

We ought to stop this, and save this $48,500. That being the case, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to instruct the conferees.

Mr. BLANTON. On that, Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays. The Chair will count. [After counting.] Forty-four Members have arisen; not a sufficient number.

Mr. BLANTON. I ask for a division.

The House divided; and there were—yeas 118, noes 150.

Mr. BLANTON. Mr. Speaker, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. BUCHANAN and Mr. BLANTON.

The House again divided; and the tellers reported that there were 125 ayes and 180 noes.

So the motion was rejected.

The SPEAKER. The Chair will appoint as conferees on the part of the House Mr. WOODRUM, Mr. BOYLAN, Mr. HASTINGS, Mr. BUCHANAN, Mr. TABER, and Mr. THURSTON.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that, notwithstanding clause II of rule XXI, the conferees be permitted to agree to any of the Senate amendments.

The SPEAKER. Is there objection?

Mr. CARPENTER of Nebraska. Mr. Speaker, I object.

Mr. TABER. I object.

FEDERAL FARM LOAN ACT

Mr. JONES. Mr. Speaker, I call up the conference report upon the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Texas calls up a conference report upon the bill H.R. 5790 and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. CARPENTER of Nebraska. Mr. Speaker, I object.

The SPEAKER. The Clerk will read the conference report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 6, and 56.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, and 54, and agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: On page 7, line 19, of the Senate engrossed amendments, strike out " and representing the public interest " and insert in lieu thereof the following: " of whom two shall represent the public interest and one shall represent national farm-loan associations and borrowers through agencies, and such director shall be a borrower from a Federal land bank "; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows:

" SEC. 86. Subdivision (a) of section 10 of the act entitled 'An act to relieve the existing national economic emergency by increasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief with respect to agricultural indebtedness, to provide for the orderly liquidation of joint-stock land banks, and for other purposes', approved May 12, 1933, is amended by inserting before the period at the end of the first sentence a colon and the following: '*And provided further*, That the State administrator appointed to administer this act in each State shall be appointed by the President, by and with the advice and consent of the Senate.' "

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert " 87 "; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert " 88 "; and the Senate agree to the same.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
JOHN D. CLARKE,
CLIFFORD R. HOPE,
Managers on the part of the House.

JAMES F. BYRNES,
ALVA B. ADAMS,
P. L. GOLDSBOROUGH,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5790) to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment no. 1: This amendment makes the exercise of the power by the directors of the Production Credit Corporations and the Banks for Cooperatives to employ and fix the compensation of officers and employees subject to the approval of the Governor of the Farm Credit Administration. The House recedes.

On amendments nos. 2, 8, 9, and 48: These amendments make clerical corrections, and the House recedes.

On amendment no. 3: Under the House bill it was provided that the creation of the revolving fund under section 5 (a) is not to restrict the Governor of the Farm Credit Administration in expending out of the funds included in subsection (a) so much as might be required during the fiscal year 1934 in the execution of the functions for which such funds were available. The Senate amendment strikes out the language relating to the fical year 1934, thus making such funds available during the remainder of the fiscal year 1933, as well as during the fiscal year 1934. The House recedes.

On amendment no. 4: This amendment authorized loans by the Governor of the Farm Credit Administration to counties to aid in grasshopper eradication and control. The Senate recedes.

On amendments nos. 5 and 7: These amendments make clarifying changes in language. The House recedes.

On amendment no. 6: This amendment includes within the security which may be taken for loans by production credit associations ranches, leases, and permits. Under the House bill such security could be taken, and therefore the provision is omitted as being unnecessary. The Senate recedes.

On amendment no. 10: Under the House bill Federal courts were to have jurisdiction in cases of winding up production credit corporations and production credit associations. The Senate amendment deprives Federal courts of such jurisdiction but confers jurisdiction on such courts of suits by or against receivers of such corporations and associations. The House recedes.

On amendments nos. 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37: These amendments make technical changes in the penalty provisions of the bill and make the penalties applicable as well in the case of officers and employees of the farm credit administration, the regional agricultural credit corporations, and any production credit association in which a production credit corporation holds stock, and in cases of fraud in dealings with any of the foregoing agencies. The Senate amendments also provide penalties for fraudulently concealing, removing, disposing of, or converting property mortgaged or pledged to such agencies. The House recedes.

On amendment no. 38: This amendment provides that no director, officer, or employee of any of the corporations created by the act shall be paid compensation at a rate in excess of $10,000 per annum, and that the same limitation shall apply to officers and employees of the Farm Credit Administration engaged in administering the provisions of the act relating to such corporations. The House recedes.

On amendment no. 39: This amendment changes the date after which only one director of a land bank may act as an officer or employee of the Farm Credit Administration or any land bank, and after which not more than one director shall receive compensation as a director of a land bank for more than 30 days in 1 year except for attendance at directors' meetings from July 1, 1933, as provided in the House bill, to January 1, 1934. The House recedes.

On amendment no. 40: This amendment provides for representation on the land-bank board of directors of stockholders of banks for cooperatives and production credit associations. It further provides that the director at large of the land banks shall be appointed by the Governor of the Farm Credit Administration without regard to nominations by borrowers. The section relates only to successors of present directors whose regular terms expire, so that a vacancy up to that time is to be filled without regard to the amendatory provision, and in no event is the section to apply until 1 year after the enactment of the act. The House recedes with an amendment which provides that 1 of the 3 district directors appointed by the Governor of the Farm Credit Administration shall represent national farm-loan associations and borrowers through agencies and shall be a land-bank borrower.

On amendments nos. 41, 42, and 43: These amendments are technical clarifying amendments. The House recedes.

On amendment no. 44: This amendment inserts a subsection letter. The House recedes.

On amendment no. 45: This amendment eliminates the requirements that land-bank bonds state on their face that they are secured by endorsed first mortgages. The House recedes.

On amendment no. 46: This amendment eliminates the requirement that the officers and employees of land banks be also the officers and employees of the Federal intermediate credit banks. It also provides that the employment

and compensation of such officers and employees shall be subject to the approval of the Governor of the Farm Credit Administration. The House recedes.

On amendments nos. 47 and 49: These amendments make changes in section numbers and letters. The House recedes.

On amendments nos. 50 and 51: These amendments eliminate the 8-year term of land-bank commissioners hereafter appointed. They also provide for the appointment by the President by and with the advice and consent of the Senate of three commissioners in the Farm Credit Administration. The House recedes.

On amendment no. 52: This amendment provides that this act shall not be construed to repeal the provision of law which created the regional agricultural credit corporations. The House recedes.

On amendment no. 53: This amendment authorizes the Reconstruction Finance Corporation, with the approval of the Governor of the Farm Credit Administration, to reduce and increase the capital of regional agricultural credit corporations. The House recedes.

On amendment no. 54: This amendment makes a change in section number. The House recedes.

On amendment no. 55: This amendment provides that the functions, under the Agricultural Adjustment Act, of officers, employees, and experts of the Department of Agriculture in each State shall be executed under the supervision of a State administrator in each State appointed by the President, by and with the advice and consent of the Senate. The House recedes with an amendment which provides that the State administrator appointed to administer the Agricultural Adjustment Act in each State shall be appointed by the President, by and with the advice and consent of the Senate.

On amendment no. 56: This amendment provides for a tax on certain futures transactions in cotton. The Senate recedes.

On amendments nos. 57 and 58: These amendments make changes in section numbers. The House recedes with amendments making further changes in section numbers.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
JOHN D. CLARKE,
CLIFFORD R. HOPE,
Managers on the part of the House.

Mr. JONES. Mr. Speaker, two amendments that have been agreed to are of interest and importance. One changes the method of selecting the directors and provides such a method as will give a central control of directors of the farm-lending agencies. The other amendment which makes a substantial change provides that the State administrators under the Agricultural Adjustment Act shall be appointed by the President, by and with the advice and consent of the Senate.

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

Mr. JONES. Yes.

Mr. GILCHRIST. Do I understand that the amendment proposed by the Senate provides that the Federal Land Bank Board shall now have control of the directorates of the banks?

Mr. JONES. The change that is made provides the method of selecting. It provides that of the three selected by the stockholders, one shall represent the production field, one the cooperative field, and a third the land-bank field. Of the three directors selected by the governor one must be selected from among Federal land-bank borrowers or stockholders. The seventh is selected by the governor.

Mr. GILCHRIST. As I understand, the present law is that the seventh member of the directorate is selected from one of three as proposed by the local boards.

Mr. JONES. That is changed, and the governor controls this selection.

Mr. GILCHRIST. Of all?

Mr. JONES. No; just of one.

Mr. GILCHRIST. I know, but that is the seventh one.

Mr. JONES. Yes.

Mr. GILCHRIST. That gives him control?

Mr. JONES. Yes.

Mr. GILCHRIST. That makes him have 4 against 3.

Mr. JONES. Yes.

Mr. GILCHRIST. And it is not proposed by this amendment that the Governor will have complete control of the board of each of these banks.

Mr. JONES. No; for one of those four must be a land-bank borrower or stockholder. That gives the land-bank borrowers two representatives.

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

The previous question was ordered.

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

The conference report was agreed to, and a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

AGRICULTURE

Mr. FOULKES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

There was no objection.

Mr. FOULKES. Mr. Speaker, a few days ago I made a short talk on the floor of the House relating to agriculture, of which committee I have the honor of being a member. Today I desire to elaborate briefly my remarks on the same question. I am a real dirt farmer, I actually farm thousands of acres of the most fertile soil that lies outdoors, with houses, barns, stock, machinery, and the usual equipment which accompanies large farming operations.

This has been acquired by a lifetime of grueling work, through frugality and industry. In my humble opinion this experience, coupled with a lifetime of effort, gives me the right to voice my sentiments in behalf of the millions who toiled upon our farms today. Treating agriculture and those engaged in it as the ancient nomadic Tartars treated their cattle cannot go on forever. The Tartars traveled slowly on their shaggy ponies driving cows and oxen before them. When they wanted meat they cut a slice off the living animal and the suffering creature was driven on. When from too much cutting it could walk no longer it was slaughtered. All animals could stand that for a little while. None could stand it indefinitely. You will find that these farmers cannot stand the same treatment indefinitely either. The other day I made a brief reference to the professors, economists, statisticians, and others now engaged in the Agricultural Department of this Government. These gentlemen, who all enjoy large salaries, are constantly engaged in formulating new rules and regulations under the pretense of benefiting the agricultural sections, until today we are so surrounded and burdened with these regulations that it has become almost impossible for the farmer to market his crop after it has been produced. This is a serious situation, which at a later date I hope to be able to bring to the attention of this House with the expectation that legislation will be enacted to remove a condition which is now unbearable.

This Republic is anchored in the farm homes of America. More and more this basic fact is becoming generally known. Even the industrial centers now realize that the farm problem is a national problem. The farmer is the last great American individualist. The wheat farm grows more than 60 different types of wheat, ranging from the winter wheat of the Southwest to the spring wheat of the Northwest. Some of these producers live 2,000 miles apart. Unorganized, working alone, they have served the country in peace and war. In former years they have gathered around their fireside and planned the future and education of their children. While they have been going about their daily toil, certain selfish groups have benefited by discriminatory legislation and by trade practices that have inured to their advantage. This has caused a one-sided development of our national life. I speak of selfishness, not in an offensive way. It is as natural for men to look after their own interest as for the sparks to fly upward.

I do not charge that there has been a deliberate attempt to discriminate against agriculture, but the inevitable result of past governmental policy has been to place upon us the same burden that follows the granting of special privilege to other groups of our industrial population. In other words, the unconscious discrimination against us is just as severe and much more difficult to attack than if it had been done from deliberate purpose. During the last 10 years a line of thought grew up to the effect that a prosperous agriculture was not essential to our general prosperity. We were admittedly suffering while great activity in industry and manufacturing was hailed as evidence that farming was no longer a basic factor in our general welfare. Such a doctrine failed to take into consideration the fact that 11,000,000 persons employed in agriculture against 9,000,000 employed in industry and 3,000,000 in transportation and 6,000,000 as salesmen, clerks, and in trade; that agriculture still constituted the largest class and in addition represented a class requiring experience, skill, and special knowledge. Such an element as ourself standing first in number, and whose labor is so essential to the maintenance of all human life, cannot be put aside as a negligible factor in our scheme of economic well-being. You leaders of commerce, industry, and finance have given little thought to the troubles of agriculture up to this time. Now, however, you are commencing to realize just how severe the punishment for violation of economic law is to you.

There will be no well-founded prosperity for the people of this country until every group of our population is secure in its enjoyment of equal opportunity to all. For more than three decades governmental policy has steadily tended toward subversion of agriculture and toward the upholding of industrial supremacy. Ignorance of the delicate adjustment of the machinery of agricultural production and its distribution leads to interference with the solution of our problem, not from deliberate purpose but from misunderstanding.

The simple truth is that we farmers are determined and compelled to take ourselves and our future with desperate seriousness. We know the struggle for what it is, a difficult brutually free-for-all. Because we are human, we wish to forge ourselves a direct and simple path to personal happiness. Because we cannot escape the movements of the time nor the accident of our environment, we demand that our lines of procedure be not impeded by any extraneous or unfair methods or obstacles. We also have our general needs and present objectives, and hope to fit ourselves so far as possible with specialized weapons as will most help us to defend our own cause.

With the coming of Mr. Roosevelt and his new deal, I believe we shall have leaders with vision and a new program.

Within the last 60 days we have appropriated enormous sums of money for the benefit of our farmers and small-home owners. Sums so great that the mind is bewildered in its contemplation. This was emergency legislation, taken at the instance of our great President and his advisers, with whose program I have been in deepest sympathy. Enormous powers have been delegated to individuals of his choice for the administration of this huge program, and I hope these powers have not been misplaced and will be administered with a kindly and sympathetic spirit. I note with regret, however, the absence of actual and experienced farmers among the appointees, men whose life work should have fitted them for this responsibility. Surely, somewhere in this great mass of men who labor on the land there must be outstanding individuals whose qualifications should best fit them for this work. I was in hopes that the administration would avail itself of their services in this labor of usefulness, and I repeat that I regret to notice the absence of their employment. What this work needs to bring it to its full degree of fruition for which it was intended, is less theory and a more complete abundance of fact. [Applause.]

AMENDING NATIONAL DEFENSE ACT OF JUNE 3, 1916

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5645) to amend the National Defense Act of June 3, 1916, as amended, and agree to the Senate amendment.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to take from the Speaker's table the bill H.R. 5645, which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 3, after line 16, insert:

"The Chief of Staff shall exercise the same supervision and control of the reserve components of the Army of the United States as he does over the Regular Army."

Page 5, line 18, strike out all after "command" down to and including "promotion", line 20.

Page 20, line 14, strike out "nine" and insert "four."

The SPEAKER. The gentleman from South Carolina asks unanimous consent to concur in the Senate amendments. Is there objection?

Mr. CARPENTER of Nebraska. Mr. Speaker, I object.

Mr. McSWAIN. Mr. Speaker, I move that the House concur in the Senate amendment. They are agreeable to every interest involved. They have been agreed to by the reserve officers, the National Guard Association, and the War Department.

The SPEAKER. The question is on the motion of the gentleman from South Carolina to concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the vote by which the motion was agreed to was laid on the table.

NATIONAL INDUSTRIAL RECOVERY

Mr. DOUGHTON. Mr. Speaker, I present a privileged conference report on the bill (H.R. 5755) to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes, which I send to the desk.

The SPEAKER. The gentleman from North Carolina presents a conference report upon the industrial recovery bill, which the Clerk will report.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5755) to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, 21, 23, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 47, 49, 54, 69, 76, 79, 80, 88, 89, 90, 92, and 93.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 51, 52, 53, 55, 56, 57, 58, 59, 60, 61, 62, 63, 65, 67, 70, 71, 72, 73, 74, 75, 77, 81, 82, 83, 84, 85, 87, 91, 94, and 95, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert ": *Provided*, That such code or codes shall not permit monopolies or monopolistic practices"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with the following amendments: On page 3 of the Senate engrossed amendments, line 11, strike out "and" and insert "quantities or"; on page 3 of the Senate engrossed amendments, line 16, strike out "shall" and insert "may"; and on page 3 of the Senate engrossed amendments, line 21, strike out "may" and insert "shall"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "and also the construction of any river or drainage improvement required to perform or satisfy any obligation incurred by the United States through a treaty with a foreign government heretofore ratified and to restore or develop for the use of any State or its citizens water taken from or denied to them by performance on the part of the United States of treaty obligations heretofore assumed: *Provided*, That no river or harbor improvements shall be carried out unless they shall have heretofore or hereafter been adopted by the Congress or are recommended by the Chief of Engineers of the United States Army"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and "reconstruction, alteration, or repair"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "and paragraph (3) of such subsection (a) shall for such purposes be held to include loans for the construction or completion of hospitals the operation of which is partly financed from public funds, and of reservoirs and pumping plants and for the construction of drydocks"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "heavier-than-air aircraft and technical construction for the Army Air Corps and"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "and bridge"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "seven eighths"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "and one eighth in the ratio which the population of each State bears to the total population of the United States, according to the latest decennial census"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "citizens of the United States and aliens who have declared their intention of becoming citizens, who are"; and the Senate agree to the same.

Amendment numbered 79½: That the House recede from its disagreement to the amendment of the Senate numbered 79½, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "citizens of the United States and aliens who have declared their intention of becoming citizens, who are"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with amendments as follows: On page 21 of the Senate engrossed amendments, line 15, strike out all after figure "1932" down to and including the word "act" in line 17;

On page 25 of the Senate engrossed amendments, line 14, strike out "214" and insert "215";

On page 26 of the Senate engrossed amendments, line 12, strike out "the date of";

On page 26 of the Senate engrossed amendments, line 19, strike out "212" and insert "213";

On page 27 of the Senate engrossed amendments, line 15, strike out all after the colon down to and including line 20 and insert the following: "No part of any loss disallowed to a partnership as a deduction by section 23 (r) shall be allowed as a deduction to a member of such partnership in computing net income.";

On page 28 of the Senate engrossed amendments, line 2, strike out "taxable year 1932" and insert "taxable years 1932 and 1933";

On page 28 of the Senate engrossed amendments, line 5, strike out "1933, 1934, and 1935" and insert "1934 and 1935";

On page 28 of the Senate engrossed amendments, line 7, strike out the period and insert a period at the end of the line;

On page 28 of the Senate engrossed amendments, strike out lines 19 to 25, both inclusive, and lines 1 to 11, both inclusive, on page 29;

On page 29 of the Senate engrossed amendments, line 12, strike out "(i)" and insert "(h)";

On page 29 of the Senate engrossed amendments, line 14, strike out all after the colon down to and including line 17, and insert the following: "and all returns made under this act after the date of enactment of the National Industrial Recovery Act shall constitute public records and shall be open to public examination and inspection to such extent as shall be authorized in rules and regulations promulgated by the President" and a period;

On page 30 of the Senate engrossed amendments, strike out lines 4 to 24, both inclusive, and lines 1 to 19, both inclusive, on page 31;

On page 26 of the House bill, at the end of line 18, insert the following: "The President is authorized to allocate so much of said sum, not in excess of $100,000,000, as he may determine to be necessary for expenditures in carrying out the agricultural adjustment act and the purposes, powers, and functions heretofore and hereafter conferred upon the Farm Credit Administration"; and

On page 26 of the House bill, after line 18, insert the following:

"SEC. 221. Section 7 of the Agricultural Adjustment Act, approved May 12, 1933, is amended by striking out all of its present terms and provisions and substituting therefor the following:

"'SEC. 7. The Secretary shall sell the cotton held by him at his discretion, but subject to the foregoing provisions: *Provided*, That he shall dispose of all cotton held by him by March 1, 1936: *Provided further*, That notwithstanding the provisions of section 6, the Secretary shall have authority to enter into option contracts with producers of cotton to sell to the producers such cotton held by him, in such amounts and at such prices and upon such terms and conditions as the Secretary may deem advisable, in combination with rental or benefit payments provided for in part 2 of this title.

"'Notwithstanding any provisions of existing law, the Secretary of Agriculture may in the administration of the

Agricultural Adjustment Act make public such information as he deems necessary in order to effectuate the purposes of such act.'"

And the Senate agree to the same.

ROBERT L. DOUGHTON,
HEARTSILL RAGON,
SAM B. HILL,
ALLEN T. TREADWAY,
ISAAC BACHARACH,
Managers on the part of the House.

PAT HARRISON,
WILLIAM H. KING,
WALTER F. GEORGE,
Managers on the part of the Senate.

Mr. DOUGHTON. Mr. Speaker, I yield 10 minutes to the gentleman from Arkansas [Mr. RAGON].

Mr. RAGON. Mr. Speaker, the House and Senate conferees have been all day trying to get together on the different amendments offered to the recovery bill by the Senate. Your conferees are glad to report to you that we came to an agreement with the Senate conferees a little over an hour ago. There have been something like 100 amendments offered by the Senate to this bill. After we ironed it out I do not think there is very much change between the bill as we find it today and the bill as it passed the House, save and except with reference to the basis of taxation for the bond issue. I do not think there is any material difference in the bill as it passed the House, save and except perhaps the inclusion of the provision giving the President rather extensive powers over the oil industry. This provision the House conferees accepted as the Senate passed it, because, as we understood it, it was a compromise between the different oil industries and the Secretary of Commerce.

Mr. PARSONS. Will the gentleman yield there?

Mr. RAGON. I yield.

Mr. PARSONS. Was there any discussion with reference to the coal proposition coming in as well as the oil proposition, at this time?

Mr. RAGON. No, sir; there was not. Except for that and minor amendments, which I believe could be called more mechanical than anything else, I do not think there is any worth-while change in title I of this bill.

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

Mr. RAGON. I yield.

Mr. SNELL. Will the gentleman explain what was done with the so-called "Borah amendment"?

Mr. RAGON. Yes. With reference to the Borah amendment, when that came up for consideration the conferees dispatched Senator WAGNER to have a conference with Senator BORAH. Upon his return he provided the conferees with this amendment which was adopted. I cannot say whether this met with the endorsement or approbation of Senator BORAH or not. I did not discuss the matter with Senator WAGNER after his return. I might add it was explained that Senator BORAH was interested in the provisions referring to the antitrust law, in seeing that any provision that might affect restraint of trade or a price-fixing condition, did not result in the practice of monopoly. So this is the final draft of the amendment that was inserted in the bill:

Provided, That such code or codes shall not permit monopolies or monopolistic practices.

That is the amendment that was finally adopted and is written into the conference report.

Mr. SNELL. That would be quite a little coming down from the original amendment as presented. That would be quite a little compromise from the original amendment as presented, would it not?

Mr. RAGON. It strikes out the words "price fixing", and also the words, "restraint of trade", that were in there. As I understood from news that was brought to us, Senator BORAH would not object to this amendment as it was.

Mr. DOUGHTON. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. DOUGHTON. I think the gentleman will remember also that the message came from Senator BORAH stating that notwithstanding any amendment that might be adopted, he would not support it under any circumstance, and he did not know whether he should offer any suggestion at all to the conferees or not.

Mr. RAGON. That is correct.

Mr. TERRELL. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. TERRELL. I want to ask about the oil control. Do you grant the President any authority further than control of oil in interstate shipments?

Mr. RAGON. That is all. That is all we could do.

Mr. TERRELL. I know that is all you could legally do.

Mr. RAGON. Well, we did not do anything illegally.

Mr. CONNERY. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. CONNERY. Did they leave in the Senate amendment in title I, which provided that the President is given discretion on foreign imports, to bar them from the United States?

Mr. RAGON. Yes. That is left in there. That was taken as the Senate had passed it. I perhaps should explain that provision, since it enables the President, whenever any foreign products or imports come into this country in such quantity as to endanger the effectiveness of one of these codes, to assess fees in any range that he desires; that is, assess them after an investigation is made by the Tariff Commission; and he may likewise, after investigation by the Tariff Commission, limit the imports of that particular product.

Mr. CONNERY. Will the gentleman yield further?

Mr. RAGON. I yield.

Mr. CONNERY. I call attention to the fact that that was the suggestion of the Committee on Labor in the House, and that is the reason why the 5-day, 6-hour bill was not allowed to come up in the House.

Mr. CELLER. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. CELLER. Will the gentleman tell us whether the amendment passed by the Senate concerning the publication of taxation returns is still in the bill?

Mr. RAGON. I will read that just as soon as the experts can find it. That provision was modified. The House took the position that the Senate provisions were rather drastic, and the Treasury experts suggested it would be a very cumbersome thing for them to properly administer. We then discussed going back to the old law where the name of the taxpayer and the amount paid was published and posted in the collector's office. Finally after much discussion we adopted this provision:

And all returns made under this act after the date of the enactment of the National Industries Recovery Act shall constitute public records and shall be open to public examination and inspection as to such an extent as shall be authorized in rules and regulations promulgated by the President of the United States.

Mr. McCLINTIC and Mr. KVALE rose.

Mr. RAGON. I yield to the gentleman from Oklahoma.

Mr. McCLINTIC. Can the gentleman state whether any change was made in the gasoline tax other than what was agreed upon by the House?

Mr. RAGON. I prefer to conclude title I before I take that matter up.

I now yield to the gentleman from Minnesota.

Mr. KVALE. As far as the gentleman knows did the House conferees feel it was fair to the House and to the Senate to ask them to delegate this important power to the Executive instead of specifically providing in the bill what measure of publicity should be granted, and in the report which the conferees brought back to the House?

Mr. RAGON. I may say to the gentleman from Minnesota that we did not have time, as he knows, especially when we were told by the leaders on both sides that we wanted to adjourn tonight, to consider every amendment as thoroughly as we should have liked. We felt that if we could turn over the gigantic industries of this country to

the President and delegate the tender interests of the laboring classes of this country to the President of the United States we certainly could depend on him for the little thing of promulgating rules that would give to the man who had the right to look at them, the right to inspect the income-tax returns of the country.

Mr. KVALE. Will the gentleman yield for a further question?

Mr. RAGON. I yield for a question if it is not a statement. I am very tired.

Mr. KVALE. Is the gentleman willing, as one of the conferees, to grant the House the privilege of expressing its will regarding publicity on income-tax returns?

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield the gentleman from Arkansas 5 additional minutes.

Mr. RAGON. The gentleman knows I am not going to impose my frail form here in front of the House of Representatives if it wants to rush headlong without consideration into this matter, but I do suggest to the gentleman as a practicable proposition that we fought for 2 hours over that provision and this is the best we could get in the way of a compromise at this time. We are not writing a revenue bill here, Mr. Speaker; we are trying to put to work 12,000,000 people and save the broken-down industries of this country. That is the prime consideration to remember in this bill.

Mr. KVALE. Then the Senate conferees did not sustain the position of their own body?

Mr. RAGON. That is a thing they will have to take up over there, I may say to the gentleman.

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

Mr. RAGON. I yield.

Mr. TREADWAY. Is not this authority over returns placed in the hands of the President exactly identical with all the other provisions of the bill?

Mr. RAGON. Certainly, it is exactly the same.

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

Mr. RAGON. I yield.

Mr. McFARLANE. With regard to the oil regulatory provision, does the bill give the President power to divorce pipe lines from the refining end of the business?

Mr. RAGON. Yes, it does that. Mr. Speaker, I think if the Members would let me proceed with my statement we might obviate many of these questions.

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

Mr. RAGON. I yield.

Mr. SEARS. Amendment no. 48 I understand the conferees cut out.

Mr. RAGON. We cut out everything but hospitals, reservoirs, and drydocks.

Mr. SEARS. Why did you cut them out?

Mr. RAGON. Because I may say to the gentleman frankly, and I would like the House to hear this, when we were before the Ways and Means Committee having these hearings there were 50 Members, I guess, who came over there and asked for amendments of one kind and another.

In order to expedite this matter and in order to get the bill as near as we could like the administration desired it, we had to forego what would have otherwise been a pleasure to the committee of giving those Members all they wanted in the way of amendments. We did it on this ground: The attorney, Mr. Richberg, and Mr. Douglas, and Senator Wagner, all said that most of their amendments came within the provisions or the purview of the bill and they stayed in, but when they got over there you find some gentleman ready to stick his fingers into the pork barrel, either politically or financially, and, so far as we found, mighty near every amendment we had rejected over here came back on the Senate bill. Every Member who did not get his amendment inserted over here went over there and had it put on, and we proceed to take 9 out of every 10 out of the bill, and we said to them that the Members of the House of Representatives were not going to be denied a privilege that Members of the United States Senate undertook to get themselves. [Applause.]

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

Mr. RAGON. I yield.

Mr. GREEN. Can the gentleman tell us anything about the status of the provision in the act relative to the disruption of labor relationships?

Mr. RAGON. I do not know what that amendment is.

Mr. LEE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. RAGON. I yield.

Mr. LEE of Missouri. Will the gentleman from Arkansas state whether or not the Representatives from this House insisted on covering up these income-tax returns or insisted that they be made public?

Mr. RAGON. We have got more publicity. If the gentleman means the publicity feature, we did not take that attitude.

Mr. LEE of Missouri. The laws of the country in the past have been so framed that the Morgans and the idle rich have profited by this lack of publicity.

Mr. RAGON. If we had got busy on this publicity proposition a long time ago we would not have much of this Morgan situation that is presented today.

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

Mr. RAGON. I yield.

Mr. McCLINTIC. Would the gentleman care to make any statement in regard to the tax on gasoline?

Mr. RAGON. I shall proceed forthwith to the tax features of the bill.

Mr. CONNERY. Can the gentleman tell me if any action was taken with respect to the cost-plus feature?

Mr. RAGON. No; the House committee knocked that out.

Mr. CONNERY. I am pleased to hear that, because the American Federation of Labor, as well as all labor, was against that provision.

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

Mr. RAGON. I yield.

Mr. McLEOD. What happened to the Vandenberg amendment with respect to street widening in title II of the bill?

Mr. RAGON. That went out. I would suggest that the gentleman discuss that with the gentleman from New Jersey [Mr. BACHARACH].

Mr. CELLER. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. CELLER. The Senate inserted an amendment that the Federal Trade Commission, rather than the district court, should hear complaints concerning violations of these fair-trade codes. What happened to that amendment?

Mr. RAGON. We took it out.

Mr. CELLER. So it is now put back in the district courts?

Mr. RAGON. Yes.

Mr. LUNDEEN. Will the gentleman yield for a brief inquiry?

Mr. RAGON. Yes.

Mr. LUNDEEN. Was the provision with respect to the authority given to the President over foreign imports permissive or mandatory?

Mr. RAGON. Permissive.

Mr. SHOEMAKER. Were the rates on income taxes changed?

Mr. RAGON. If the gentleman will permit I will now explain the matter of taxes.

Mr. Speaker, with reference to taxes, the House abandoned its tax base. I will say to you, frankly, I think the Senate had a better base and I think every one of your five conferees took the same view of it. I think it was more just and it was more equitable.

My friend, the gentleman from Oklahoma, a moment ago asked about the gasoline tax. The gasoline tax was reduced from the House rate of three fourths of a cent a gallon to one half of a cent a gallon. This will bring in about $62,000,000.

The House bill subjected dividends from corporations to the normal tax rates. The Senate provision still retains the taxation of dividends but they reach it in an entirely different way and I think in a much more equitable and a much more satisfactory way. They impose first a flat 5 percent on all dividends and they apply the tax at the source; that is, before the dividend is paid to you, for instance, as a member of the corporation, the tax is held in the hands of the corporation which issues the dividend. This brings in, I believe, $70,000,000.

Then the Senate also placed upon the tax base what we used to have and what was known as the capital stock tax. This brings in approximately $80,000,000.

This totals $212,000,000 of the $220,000,000 to furnish the tax base for this bond issue.

There are numerous clauses of the administrative features in the present law that have been corrected here that will bring about an increase in taxes of approximately $15,000,000. Most of these are directed at private bankers or efforts that are made to correct the abuses which have been laid at the door of the Morgan firm.

Mr. CLARKE of New York. Will the gentleman permit an interruption right there?

Mr. RAGON. Yes.

Mr. CLARKE of New York. As I understand it, the two outstanding abuses, as revealed in the Senate investigation, are first, these fake proceedings where they sell at the close of the year certain stock to their wives or someone else and escape the tax in that way, and I think the other abuse of the taxation processes which we have in this country today is the issuance of tax-exempt securities. One of the outstanding critics over in the other body and one of the investigators is a man that put from $40,000,000 to $60,000,000 into tax-exempt securities, and, so far as I am concerned, I should like to know whether any consideration was given to some method of getting at these men who take their money, amounting to thirty or forty or fifty or sixty million dollars and put it into tax-exempt securities and are more guilty, in my opinion, than the Morgan firm itself in trying to evade the law.

Mr. RAGON. I fully agree with my friend, and I hope some day or other this Congress will pass such legislation.

Mr. CLARKE of New York. I say "amen" to that.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. RAGON. But I hope the time will come in the near future when the Congress of the United States will do what I think the sixteenth amendment was intended to permit and that is, tax securities of every kind, and this should be done at once. [Applause.]

There was brought in before the Senate last night when I was listening to the debate over there a proposition to solely tax State securities or the interest from the bonds of the States. No effort was made, of course, because of perhaps the constitutional effect, upon Government securities; but an amendment was passed last night and was brought up for the consideration of the conferees that would subject our State bonds or our State securities to these different taxes. Your conferees took that into consideration, and after full discussion and thorough consideration we thought that that should not be done at this time. I do not think it is fair to the States to do a thing like that.

The Treasury Department came before us and said, while it would not affect the issue within the next 10 days, they felt that it would affect the selling of securities that they expected to put on the market in the near future, and they asked that that amendment be killed. I think I would be safe in saying that it is the consensus of opinion of the conferees on both sides that it be left out.

Mr. CONNERY. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. CONNERY. Will the House have an opportunity to vote on how they feel about it?

Mr. RAGON. I do not think the gentleman wants to gum up the proceedings in that way.

Mr. CONNERY. If you are going to take $400,000,000 from the disabled veterans, let us tax these securities.

Mr. RAGON. I doubt whether we have the constitutional authority to levy a tax on State securities. That question came up, and it is too uncertain.

Mr. MAY. Is it not well settled by reliable authority that you cannot do it, but has the gentleman thought about this proposition that in marketing securities upon which the Government has to secure money to pay its operating expenses the tax on the securities would reduce the market value more than the amount of the tax?

Mr. RAGON. That has been considered. I know that what impresses me most in a bill of this character is that in the revision of revenue you do not want to fly into quick action, because it is a very serious thing to impose a tax on the State credit.

Mr. BLANTON. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. BLANTON. The gentleman's committee, the Ways and Means Committee, is the only committee in the House that has authority in the House to bring in legislation that will reach these tax-exempt securities. The gentleman says he "hopes some day or other this Congress will pass such legislation." I hope that the Ways and Means Committee in the next Congress will reach it, but I have heard that statement, that "some day or other they will do it", from the members of the Ways and Means Committee every single year for 16 years. When are we going to pass legislation that will reach tax-exempt securities?

Mr. RAGON. I will tell the gentleman that the Ways and Means Committee brought in a measure of that kind in the Sixty-seventh and Sixty-eighth Congress, and what did you do? You killed it.

Mr. BLANTON. I want to say to the gentleman that I tried at that time in every way that was humanly possible to help pass a measure that would reach tax-exempt securities, but was outvoted.

Mr. CLARKE of New York. I challenge that statement.

Mr. BLANTON. Oh, the gentleman from New York does not know what he is talking about.

Mr. CLARKE of New York. And neither does the gentleman from Texas. [Laughter.]

Mr. BLANTON. It is most fortunate indeed, Mr. Speaker, that the gentleman from Texas has proof that he does know what he is talking about. When in the Sixty-eighth Congress, which was the first in which my friend from Arkansas, Mr. RAGON, served, the Green resolution was before the House on February 28, 1924; it was sponsored by our late Secretary of the Treasury, Mr. Mills, of New York, and by the former Republican Speaker, Mr. Longworth, and I then took the position that their measure would not reach tax-exempt securities, and was not designed to reach exempt securities owned by the rich, and I offered the following substitute for it, to wit:

Substitute of Mr. BLANTON for the amendment offered by Mr. MCKEOWN: Page 1, line 9, strike out all of section 1 of the resolution and insert in lieu thereof the following:

"SECTION 1. The United States shall have power to lay and collect taxes on income derived from all tax-exempt securities owned by any person or corporation in excess of the maximum amount of such securities which Congress by appropriate legislation shall determine may be owned by a person or corporation free from taxation. And when Congress determines the maximum amount of tax-exempt securities which may be owned free from tax on income by a person or corporation, the income from all tax-exempt securities in excess of such maximum owned by any person or corporation shall respond to the same rate of taxation as income derived from all other sources."

And in speaking for my proposal, I then made the following observations, and I later quoted at length a colloquy I had with Chairman GREEN, showing that he admitted that his proposal would not reach them, to wit:

Mr. BLANTON. Mr. Chairman, I am in favor of making the rich respond to the Government in taxes just the same as anybody else. I am against the rich evading the payment of taxes. I am against the present practice of the very wealthy investing all of their big fortunes in tax-exempt securities and thus avoiding the payment of any tax whatever on their big incomes.

The amendment I have just offered will stop it. It is proposed to be stopped in no other way. The Green resolution now before

us will not stop it, and all of us know it. If my amendment is passed, it would give the Congress the right to limit the amount of tax-exempt securities which any person or corporation could own and evade the payment of tax on its income to the sum of $100,000; while at present, and even after passing the Green resolution, the rich of the country may continue to own from $40,000,000 to $100,000,000 each in tax-exempt securities and pay no tax whatever on their stupendous incomes. I am for stopping it. My amendment will stop it. But Mr. GREEN claimed in his speech that there is only $13,000,000,000 of such tax-exempt securities. And I made him admit that the very wealthy have not been able to absorb half of such amount. Let me quote the colloquy:

"Mr. BLANTON. The gentleman said that big finance did not absorb the $13,000,000,000 which already exists in tax-exempt securities. How much can it absorb?

"Mr. GREEN of Iowa. Oh, not one half of it.

"Mr. BLANTON. The gentleman says that it cannot absorb one half of that, and that the purpose of this amendment which the gentleman says he introduced and which we recognize as the same as our friend from New York [Mr. MILLS] introduced——

"Mr. GREEN of Iowa. I do not want the gentleman to make a speech in my time.

"Mr. BLANTON. If they cannot absorb half of those which exist, how are we going to reach them, when we do not make this amendment apply in any way to the income from those which already exist, but only to future issues?

"Mr. GREEN of Iowa. You cannot reach them or affect them, nor will this amendment materially affect the price of the securities which they now own."

This shows, Mr. Speaker, that the gentleman from Texas does know what he is talking about. And I hope that next January the Committee on Ways and Means will pass a measure that will reach tax-exempt securities.

Mr. AYERS of Montana. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. AYERS of Montana. Section 204, which deals with the apportionment of money among the States for highways—did the conferees adopt the Senate amendment?

Mr. RAGON. I am glad the gentleman brought that up. We had a wrangle and wrestle over that, and we finally adopted seven eighths and one eighth instead of three fourths and one fourth, and everybody was happy.

Mr. AYERS of Montana. The same as the old law?

Mr. RAGON. No; seven eighths and one eighth, instead of three fourths and one fourth. Mr. Speaker, much has been said here tonight to show the interest of Members of this House in a revision of the revenue laws. I think a resolution will be introduced here tonight asking authority for the Ways and Means Committee to meet in December, in vacation, to look into the matter of the revision of the revenue laws of this country. Also a resolution carrying an appropriation of $5,000 will be asked to enable them to carry on that work. If you will go at it in that way instead of traipsing around the country with some lawyer drawing big headlines in the newspapers and drawing down $100,000 from the Treasury, and get down here yourselves with these experts that you have on your pay roll, you can do it just as well as anybody, and it does not take an expose of the Morgan concern to bring it about. These loopholes are well known. It is up to you gentlemen. These resolutions will be introduced for your consideration and I hope they will prove the beginning of a better day toward an equalization of our taxing laws.

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

Mr. RAGON. Yes.

Mr. TRUAX. It has been reported that the electrical energy tax has been transferred back to the consumer.

Mr. RAGON. Who reported that?

Mr. TRUAX. It was in this morning's newspaper.

Mr. RAGON. The gentleman should not believe everything he sees in the newspapers. We did not even consider such a proposition.

Mr. DOUGHTON. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, at the beginning of my remarks in reference to this bill I want first to make a special reference to the Member from Arkansas [Mr. RAGON] who has just taken his seat. I assume that tonight is the last appearance that the gentleman will make as a Member of this House. As a member of the opposition party, I can sincerely say that the House is experiencing a very great loss in the resignation which I assume is soon to come from the gentleman from Arkansas, Mr. RAGON. [Applause.] The explanation that he has just presented to this House of a very intricate and complicated conference report is a higher compliment to his ability than I can pay in words. He has been a Member of the House for 10 years and has served on the Committee on Ways and Means for the last 5 years. He succeeded another eminent son of Arkansas in the person of the late William A. Oldfield. Certainly Arkansas has made great contribution to the work of the Ways and Means Committee. It might be proper for me as a Republican to say that it will be easier for us to proceed with Mr. RAGON out of the way, but I am not going to draw any such inference as that, because while the Committee on Ways and Means is a partisan committee, nevertheless we have prided ourselves for many years upon the fact that we sit about the council table hour after hour endeavoring to serve not a party but the people and the country, and Mr. RAGON is an outstanding example of that type of service. [Applause.]

The country, however, is fortunate, even if the House is the loser, by the fact that he is soon to assume a position on the bench. We have seen ample illustration of his legal ability and his judicial type of mind; and certainly, if all appointments to the judiciary are to be of the type that he represents, there will be no such effort at impeachment procedure as we have seen in the House here recently. All of us, Democrats and Republicans, whether on the Ways and Means Committee or not, I am quite sure join in congratulating the gentleman from Arkansas upon his elevation to the bench, and they join with me in expressing our own sincere regret that he is to sever his relations with the House of Representatives and the Committee on Ways and Means. [Applause.]

After the explanation that the gentleman from Arkansas has made, there is very little that I need to add in explanation of the conference report. It is not as anyone of us would have written it. There are many things in the report that my colleague, the gentleman from New Jersey [Mr. BACHRACH], and myself would have been glad to have opposed, and possibly we might have been glad to oppose the whole bill itself. However, that was not the question involved. We were appointed by this House to come to an agreement with the other branch of Congress, and to endeavor to do it today.

Congressmen are often criticized for not making good use of their time, and it is said that they have an easy job. I wish some of those critics could have sat about that council table with us today and seen the necessity for haste and careful consideration at the same time that it was necessary for the 10 conferees to exercise. Therefore, in behalf of the gentleman from New Jersey and myself, let me say that we approve of the conference report, even though we represent the minority. I shall confine myself to very brief remarks on only a few items.

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

Mr. TREADWAY. Yes.

Mr. CONNERY. It has been brought to my attention that a liaison officer was provided by a Senate amendment, who was supposed to represent the Federal employees and act as a sort of advocate for employees who might be discharged without cause or something of the sort. I understand that that was stricken out by the conferees. What was the purpose of that?

Mr. TREADWAY. Mr. Speaker, I cannot tell the gentleman the purpose of striking it out. It was an amendment from which the Senate receded. The House conferees were not asked to adopt that Senate amendment.

It was inserted in the Senate, and before there was any opportunity for action the Senate conferees receded and left us with nothing to do.

Now, I want to refer particularly to the highway item. As one of those coming from a fairly large State, I regret very much that we were obliged to accept any change in the allot-

ment of the new money in this bill as passed by the House, but that was one place wherein we were absolutely deadlocked.

Some of us come from old Yankeeland, and if you cannot have your own way, have what part of it you can and split the difference. That is exactly what we did in the allotments to the States. We split the difference from three quarters to seven eighths and called it a Yankee bargain, neither side being satisfied. [Laughter.] That is the whole explanation of that particular item. Still, as a New Englander, I want to approve of the idea of a trade, a Yankee straight out-and-out splitting-the-difference trade, which I will do any time, trading jackknives or anything else. The practical effect of the conference agreement is to allocate ten twenty-fourths of the road money on the basis of population, seven twenty-fourths on the basis of acreage, and seven twenty-fourths on the basis of mileage.

There is another feature of the highway item that I certainly disapprove of. The allotment of $400,000,000 for highway improvement is the only item of actual amount designated in the House bill. It was the purpose of the House measure that $400,000,000 should be spent on the highways. That is the way it was passed in this body, but the Senate was very insistent that the language should be changed to read "not less than $400,000,000", which leaves the gate wide open for the expenditure of any sum in addition to that up to $3,300,000,000. Personally I think the language of the House was much better than the language adopted by the conference report, but there it is, and we had to agree to it.

There is another item that I personally am very much interested in. It occurs on page 5, where we have inserted a long Senate amendment having to do with giving the President very wide authority over tariff matters. I venture to say that if at any time the Republican Party had been in power it had offered such an amendment as this, the Democratic minority would have endeavored to laugh us out of our seats. It is extending a power to the President almost to the extent of setting up an embargo. As long as the President wants that authority, we Republicans want him to have it. [Laughter and applause.]

The SPEAKER. The time of the gentleman from Massachusetts [Mr. TREADWAY] has expired.

Mr. DOUGHTON. I yield 5 minutes additional to the gentleman from Massachusetts.

Mr. TREADWAY. On the question of revenues, I agree with the gentleman from Arkansas [Mr. RAGON] that we have made a good change in the system of taxation involved in the new bill. In other words, the Senate amendment was preferable to our system of raising $227,000,000. The capital-stock tax is the outstanding feature, and is not open to the criticism of the old capital-stock tax on account of the fact that this tax is laid on the rate of value that the corporations themselves set up.

There are various administrative changes which will raise an additional revenue of $15,000,000 by plugging up certain loopholes in the law. These are not injurious changes. They are simply administrative. The method of assessing rates on dividends is an improvement, in that they are to be laid at the source, and in that way we will secure a large revenue from foreign-held dividend-paying stocks.

Mr. McFADDEN. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. McFADDEN. On page 39 of the bill, section 13, you impose a tax on dividends. Does that include a tax on stock dividends?

Mr. TREADWAY. No.

Mr. McFADDEN. Was that given any consideration?

Mr. TREADWAY. That is on dividends collected at the source and not collected from the person who has received the dividends from the company. [Applause.]

The SPEAKER. The time of the gentleman from Massachusetts [Mr. TREADWAY] has again expired.

Mr. DOUGHTON. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, I desire to express my appreciation of my association with and my admiration for the gentleman from Arkansas [Mr. RAGON], my colleague, over a long period of years, on the Ways and Means Committee. Particularly do I desire to express my appreciation of the fact that he has been instrumental in bringing into this Congress in this conference report so splendid a tariff amendment. [Applause.]

It has been suggested that I have leaned somewhat toward a protective-tariff policy [laughter], but this out-tariffs anything I have ever even suggested. I have never been an embargoist. It has been suggested I wanted rates so high that an importer would probably break his neck trying to get his goods into the country. Former Chairman Collier said I had such an antipathy for importers that I wanted an amendment put in the bill that the only way they could approach the Ways and Means Committee at public hearings was on their hands and knees.

However, I am glad that this amendment has been accepted. Let me say to the gentleman from Arkansas that if his court decisions are based upon the same calm, cool judgment that he displayed in consideration of this tariff amendment, there will be no appeals from his decisions in the State of Arkansas. [Applause and laughter.] Judge RAGON, I salute you.

The SPEAKER. The time of the gentleman from New York [Mr. CROWTHER] has expired.

Mr. DOUGHTON. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. MARLAND].

Mr. MARLAND. Mr. Speaker and Members of the House, never before in the history of the world have the people of a civilized nation such as ours abandoned completely an industrial system that had prevailed among them for generations without attendant bloodshed and political revolution.

This Congress today, representing the people of the United States, has turned its back upon the highly competitive industrial system which has built this great Nation of ours and which has been the life of trade during the centuries of progress from our European ancestors.

We have not only abandoned an economic system which had its beginning in the early dawn of civilization but we have left it without knowing what system we are to follow in the future.

No law has been written which so much affected human rights, human happiness, and human destiny since the writing of the Magna Carta on the field of Runnymede 718 years ago as will the passage of the National Industrial Recovery Act. It may mean that by the passage of this act we shall have repealed that great charter of human liberties which guaranteed government "by law" instead of government "by discretion" of royalty, which had theretofore prevailed.

By this National Industrial Recovery Act we will confer upon the President of the United States wider discretionary powers of government than have ever been held by any but an absolute monarch. The saving grace of this renunciation of our constitutional rights lies in the fact that a national emergency exists and that the powers granted to the President shall cease to exist at the expiration of 2 years after the date of the enactment of this act, or sooner if in the judgment of the President the emergency has ceased to exist.

How the new order of things will affect the petroleum industry of the great oil-producing State of Oklahoma, which I have the honor to represent, is the subject upon which I would address you.

Individual enterprise, initiative, keen competition, ability to endure hardships and disappointments have built up this great industry. Its expansion, its physical progress, have been due to the enterprise, the ability, the genius of the individuals engaged in it. Its growth into the first rank among the great industries of our country has been unequalled by that of any industry intended to be aided by this act.

The dependency of our national welfare and safety, our general prosperity, our modern manner of living rest upon

its ability to supply our ever-increasing demand for oil, which has been met in the past because of the promised reward held out to the venturesome individuals engaged in finding and producing oil.

Superior luck, superior skill, and the compelling force of personal ambition have found our oil fields. Among the thousands of individuals engaged in the business of producing oil, a few only have prospered greatly. The others have met dismal disappointment of their hopes for wealth. The net result of the efforts of all in pioneering or prospecting for oil has been to increase the number of discovered oil fields and increase the petroleum wealth of the Nation.

Our present and future civilization depends upon our ability to find more and more oil fields. In the past, three fourths of our oil fields have been found, not by associations or corporations but by individuals.

What does the future hold in store for us under the new economic order about to be set up under the Industrial Recovery Act? Will individual effort, will initiative and enterprise, will inventive genius be smothered under the codes of fair competition, written by trade associations and approved by the President?

When the code to govern oil producers is written by an association or associations, financed and controlled by integrated corporations, will it provide that the President or his administrator may say when, where, and how a man may drill a well for oil?

And if he finds oil, will the code provide when, where, and to whom, and for how much he may sell his oil? Will the code limit his possible profits when he is lucky and ignore his more frequent losses? Will the code compel him to sell his crude oil to existing refineries, or may he build a refinery of his own, and sell the products to the consumer? Or if he is permitted to build his own refinery and refine his oil, must he forego the privilege of marketing the products direct to the consumers and, perforce, sell them to some existing marketing agency?

There is nothing in this act to say what he may or may not do. He will be governed under it completely by the discretion of the President. It is to the President he must look for the determination of his rights and privileges and future conduct of his business.

Mr. Speaker, it is my intention, as soon as this act has been passed, to notify my many friends in the producing branch of the oil business in the United States to assemble and write for themselves a code to govern their future activities and present it to the President for his approval. They must not neglect to do this. They must not permit the great integrated companies to write a producing code for them. A major company engaged in producing, pipeline transportation, refining, and marketing cannot be expected to write a code that will be fair to producers not engaged in the other branches of the industry.

The great integrated companies, with their enormous profits accruing to them from pipe-line operations, are not so much concerned about establishing a price for crude oil to meet the cost of production. Nor can they be trusted to write a code that will be fair to each of the several oil-producing States when their producing interests may be entirely in other States.

A trade association in an industry cannot be depended upon to be equally fair to the producers of all States when it may represent the producers in only one of those States, or when it is financed or controlled by the refining industry, or by pipe-line companies purchasing oil.

The interest of the public of the United States, the interest of the people of the several oil-producing States, and the interest of the independent producers of oil are identical. They want to produce the quantity of oil needed for the market for the greatest number of years without either physical or economic waste, at a fair profit, commensurate with the hazard of the business.

Mr. Speaker, I should like to impress upon the President and the agency he sets up to administer this act, so far as it relates to the petroleum industry, the importance of these facts:

In the past the independent producer of oil, the individualist, has found nearly all the oil fields that have been found in this country; that he must be depended upon to do so in the future; that his initiative must not be ruined; that his incentive must remain; that he must not be turned over to the tender mercies of the great integrated holding companies, whether they be Standard Oil, Mellon, Morgan, or Dutch controlled. He must be allowed freedom, within proper bounds, in which to exercise his genius and his enterprise.

Mr. Speaker, it is my hope that the President, in exercising his authority under this act, will see to it that the independent producers of each of our oil-producing States have fair representation upon any board or agency that may be set up under his authority to pass upon a code to control the producers of oil in the United States.

Mr. Speaker, my State of Oklahoma is vitally concerned with the proper administration of this act. I hope that the administrative agency set up by the President will call into consultation, before approving any code to regulate the production of oil, the State authorities, the Corporation Commission of Oklahoma, which is invested with the authority, under our State laws, to enforce oil conservation in our State.

For many years Oklahoma has supplied a great part of the market for petroleum and its products in the mid-continent area of the United States, that great region extending from the Allegheny Mountains on the east to the Rocky Mountains on the west, to Canada on the north, and to the Oklahoma-Texas State boundary line on the south. That was, and still is, the natural market for our production. That market can and should be supplied from the wells and refineries within that area.

The producers of oil in those States, the conservation authorities of those States, should be called into consultation before any code governing production is finally approved. Only by so doing can we have a fair, impartial administration of the act.

In conclusion it is safe to say that the code, when written by the petroleum trade associations, will be silent on the section of the act which I had the privilege of suggesting, section 9, which provides that—

> The President may initiate proceedings to control the operations of pipe lines and fix reasonable rates for the transportation of oil, and to institute proceedings to divorce from any holding company any pipe-line company which by unfair practices or by exorbitant rates in the transportation of petroleum tends to create a monopoly.

My confidence in the President and his statements regarding pipe-line divorcement leads me to believe that he will place proper value on the recommendations of so-called "independent oil associations" financed by the pipe-line companies, and, even though they neglect to request it, he will exercise the authority vested in him by section 9 of this act, and will divorce pipe-line companies from holding companies when necessary to establish fair competition and preserve the smaller units in the petroleum industry.

Mr. DOUGHTON. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Speaker, it is futile to try to plead with the conferees and with the House on an evening like this, but I call the attention of my colleagues to the fact that in a few minutes, without any printed material before us, without adequate explanation, we shall be called upon to vote upon the most gigantic piece of legislation that has been before this body in this century, with the possible exception of the declaration of war in 1917.

There have been drastic changes not only in the Borah amendment referred to with reference to price fixing and antimonopoly but also with reference to other features of the public-works as well as of the industry-controlled section of the bill, and there have been radical changes in the entire tax structure, culminating in two amendments referred to briefly in debate, the one with reference to taxing tax-exempt securities and the other with reference to changes in the tax structure that was passed by the House and changed by the Senate, throwing out all our proposals to tax the incomes and to continue certain of the nuisance

taxes, and substituting therefor a rather involved system of taxation beginning with the tax upon the net worth of corporations and continuing on into a system of excess-profits taxes and other things that we should understand but do not in this evening hour.

I wonder if it is not possible to delay the adjournment of this body, to withstand the pressure that is being exerted upon us from all sides to quit tonight regardless of our duty, and stay here until we can enact some bank-guaranty legislation [applause], until we can consider this all-important tax feature of this measure, until we can give adequate attention to the needs of the veterans who still, God help them, look hopefully to us, and until we can discharge our duty as responsible people that we were asked to perform when we were elected last November.

This is a futile appeal, I fear, but I hope that maybe as things approach a crisis in the next hour or two, or three, that somewhere, from some source there may come to us a determination to stay here until our duties are discharged.

Upon this I for one cannot agree to the report of the conferees until I understand better than I now do what is contained in this report, and I think I can say the same for the vast majority of the Membership of this House. [Applause.]

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I join with my colleague from Massachusetts [Mr. TREADWAY] in expressing the high regard that I have for my distinguished friend, the gentleman from Arkansas [Mr. RAGON], who is about to leave the legislative branch to accept an appointment as a member of the Federal judiciary.

I came to Congress 5 years ago as a new Democratic Member from Massachusetts, and one of the first Members that I met, and one of the first Democratic leaders that I met, was the gentleman from Arkansas [Mr. RAGON]. He immediately impressed me with not only his ability and personality but with the fine, broad, national viewpoint that he possessed. Sectionalism had no place in his mind. He imbued me from the outset with his ambition and his determination to build up a national Democratic Party; a party national in its character that would be representative of and render service to the entire country.

It is an ambition that has been attained.

Two years ago I was elected by my Democratic colleagues as a member of the Committee on Ways and Means. The Democratic members of this committee also act as the committee on committees for the Democratic Members of the House. The Democratic members of this committee are charged with the responsibility of assigning Democrats to other committees. The manner in which this duty is discharged is important in the building up of a party that will have strength throughout the country. During my service on this committee our friend from Arkansas has been the leader in what is now our settled policy that not only ability but geographical lines should be a matter of primary consideration in the making of committee assignments. Committees that would be as representative as possible of all sections of the country have been the goal of our friend from Arkansas. The favorable results, not only to the Democratic Party but to the country, of the efforts of Mr. RAGON have already been evidenced, and will be shown more and more as the years go by if this sound and practical policy is adhered to. Sectionalism has always been hurled at the Democratic Party in the past. It was good politics for the other party in some sections of the country to make this charge. Whether or not this was true in the past, it is no longer true. The committee assignments of Democrats in the House will clearly refute any such claim in the future. This condition, in the main, favorable to party and country, has been brought about as a result of the vision, the courage, and the sterling leadership of the gentleman from Arkansas [Mr. RAGON].

One of the great pleasures, outside of the sacred ties of family life, are the friendships that we make. If I am permitted to live to what might be termed old age, to the point where I will look back on life instead of looking forward to the future, that which will stand out most important in my life will be the friendships that I have made, and foremost in my mind will be my friendship for my friend RAGON, and of our service as Members of this body. My contact with him has been an inspiration to me, and I regret seeing him go. I regret seeing the legislative branch lose his services, but I am glad to see the judiciary of the United States receive the benefit of his outstanding abilities.

In the years to come I shall always look back upon my association with my distinguished friend from Arkansas as one of the most pleasant that has occurred during my life. I shall always value and treasure his friendship. [Applause.]

Mr. DOUGHTON. Mr. Speaker, we are now nearing the consummation of the enactment of one of the most important pieces of legislation that has perhaps ever been considered by the Congress within the history of our country. Some seem to think we could perform the task better by remaining here several days longer. This view has just been expressed, but, in my judgment, Mr. Speaker, were we to remain here for weeks and months we would perhaps be in no better condition to complete our work than we are tonight.

The country is anxious for us to complete our labors and give the legislation we have enacted an opportunity to be tried out. I know the country desires that we complete our work immediately.

Mr. Speaker, separating from those with whom we have served pleasantly and congenially is always a very unpleasant thing. I know I express the sentiment of every member of the Ways and Means Committee, yea, indeed, of every Member of this House, when I say it is with genuine and sincere regret that there will soon be separated from this service, to go to the service of the judicial branch of the Government, our distinguished colleague the gentleman from Arkansas [Mr. RAGON].

Mr. Speaker, since I have been a Member of this House, no Representative from any section of the country, North or South, East or West, has served with greater ability, greater industry, greater courage, and greater fidelity to public duty than the gentleman from Arkansas [Mr. RAGON.] As a member of the Ways and Means Committee, he has always been courteous, he has always been helpful, he has always been fair, he has always been intelligent, and I wish to say further, Mr. Speaker, in paying him this tribute, that we all regret to see him go, but we trust that his life in the other branch of the Government service will be one filled with genuine happiness. The gentleman from Arkansas possesses every qualification of mind and character essential to the making of an able and an upright judge, and I know, Mr. Speaker, that what we lose will be gained by those whom he serves as a judge of the Federal court of the United States.

Mr. Speaker, we are soon to vote upon this most important piece of legislation. It has been explained so far as it can be explained, briefly, here tonight. It gives unprecedented power and authority to the President of the United States; but, Mr. Speaker, we are in the midst of unprecedented conditions, and our great President has said that he would try this as an experiment and that if it did not work, he would try something else. We all know, Mr. Speaker, that something unusual, something extraordinary, must be tried, and we all hope and we all expect when this legislation is put into effect and its effects are manifested throughout the country that millions of men will be again employed and that industry will be resuscitated and revived by reason of the salutary effect of this legislation.

It is the composite judgment of the American Congress, not only the Democrats, but the Republicans as well, and right here I should pay a word of tribute to the minority, because in all our deliberations in the preparation of this legislation there has not been one partisan word uttered. You could not have told from the deliberations in our committee that there was a majority or a minority, or a Republican or a Democrat, on the committee, and the same thing, Mr. Speaker, was true with respect to the conference. If

this legislation works and has a beneficial effect on the country and we realize the benefits that we expect, the credit for it belongs to both parties and not strictly to one party. If it should not work, then the responsibility for its failure rests, of course, more upon the majority than the minority, but the minority always has a responsibility. Minorities cannot excuse themselves from responsibility for what they do any more than the majority can.

Mr. Speaker, I now move the previous question.

The previous question was ordered.

Mr. CONNERY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNERY. Would it be possible for me now, under the rules with respect to conference reports, to offer a motion to recede and concur in the Senate amendment with respect to tax-exempt securities?

The SPEAKER. That would not be in order.

The conference report was agreed to.

A motion to reconsider was laid on the table.

INVESTIGATION OF REVENUE LAWS

Mr. VINSON of Kentucky. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 183, authorizing the Ways and Means Committee, either as a whole or as a subcommittee, to sit in vacation.

The Clerk read the resolution, as follows:

House Resolution 183

Resolved, That for the purpose of obtaining information necessary as a basis for legislation the Committee on Ways and Means, as a whole or by subcommittee, is authorized to conduct an investigation (1) of the operation and effect of the internal-revenue laws of the United States with a view to determining methods of improving and simplifying, and of preventing evasion and avoidance of, such laws, and (2) of possible new sources of revenue.

The committee shall report to the House at the earliest practicable date during the first regular session of the present Congress 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 require the attendance of such witnesses, and the production of such books, papers, and documents, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman, and may be served by any person designated by him.

Mr. BLANTON. Mr. Speaker, reserving the right to object, under the language of this resolution any subcommittee of the Ways and Means Committee could sit anywhere in the United States and employ experts and assistants and fix their salaries and go to many other expenses. I have objected to this sort of resolution. I have objected to a similar resolution with respect to the Judiciary Committee, and they have amended the resolution, eliminating all waste and possible extravagance; and, as amended, it is not objectionable. If the gentleman would amend this resolution and leave out the words "and elsewhere" after the words, "District of Columbia", and confine the investigations to Washington, I would have no objection; but under the language of this resolution, the committee could travel all over the United States and pay high salaries to expensive experts, and spend $500,000 if the various subcommittees saw fit to spend it.

Mr. VINSON of Kentucky. It is contemplated if the resolution is adopted that only $5,000 will be spent instead of $500,000. The purpose of it is to allow the Ways and Means Committee to work in vacation.

Mr. BLANTON. Where will they probably sit?

Mr. VINSON of Kentucky. I think probably most of the time in Washington.

Mr. BLANTON. Then why not limit sittings to Washington?

Mr. VINSON of Kentucky. If the gentleman from Texas wants to take the responsibility of preventing this Ways and Means Committee from making an investigation and stopping up the loopholes in the internal revenue laws, he can take that responsibility. But I know that the gentleman from Texas is such a good legislator that he will not take that responsibility.

Mr. BLANTON. I will take the responsibility unless there is some definite understanding or a limitation in the bill restricting expenditures to not over $5,000, because I know what other committees have spent. I know about the tremendous amount the Joe Walsh committee spent on the Pacific coast, when it lived in special Pullmans there for weeks, and I know what the Graham of Illinois committee spent. I know that there was first $400,000 spent and then an additional $200,000 wasted by a commission in the investigation of the coal matter. I know the Wickersham committee spent $500,000. I cannot forget them; and on my responsibility as one Member of Congress, I want a proper limitation in these bills restricting expenditures.

Mr. VINSON of Kentucky. I assure the gentleman that there will not be more than $5,000 expended here.

Mr. BLANTON. If the gentleman will put that in the bill, or if he will give me that assurance that it will be not over $5,000, I will not object.

Mr. VINSON of Kentucky. I think I can do that.

Mr. BLANTON. Then I withdraw my reservation of objection.

Mr. CLARKE of New York. Mr. Speaker, reserving the right to object, I do not care about an assurance that they will not spend more than $5,000, but I want to know if there will be some consideration given to tax-exempt securities, which is one of the biggest loopholes in the whole proposition?

More than that, I want to know if the committee will investigate one feature of the law that allows a person to sell his securities to his wife and then take them back in 60 days afterward simply to escape taxation.

Mr. FREAR. Reserving the right to object, I would insist on the gentleman from New York [Mr. CLARKE], and the gentleman from Texas [Mr. BLANTON] being present as witnesses to aid us in this work.

The SPEAKER. Is there objection?

Mr. McFADDEN. Reserving the right to object, and I do not intend to object, I want to say to the gentleman that I am very happy that he has brought in this resolution, I want it to pass, it is, I hope, what I have been asking for. I want to say to him and to the House that $500,000 if necessary could be very properly spent in such an inquiry, because if this committee will do its duty and look into the tax evasions, going back into evasions, and fraudulently withheld taxes, including refunds, they will save the country hundreds of millions of dollars and correct a situation that I have been trying to correct and trying to get the House to act upon for a long time past. [Applause.]

Mr. TREADWAY. Mr. Speaker, a great deal of reference has been made to tax-exempt securities. The Committee on Ways and Means now has before it a resolution setting up a constitutional amendment which I introduced some weeks ago, and naturally it will be one of the subjects brought up when this committee takes up the subject of taxation.

Mr. CLARKE of New York. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I have not the floor, but if the gentleman from Kentucky yields I have no objection to answering the gentleman's question.

Mr. CLARKE of New York. I should like to ask this question of the gentleman from Massachusetts. Has any thought or consideration been given to the single proposition of whether there is any way under the law by which the Federal Government can set up a sort of refinance corporation to take over all of the tax-exempt securities in the country and prevent the further issuance of any tax-exempt securities from now on?

Mr. TREADWAY. I do not think there is, but we will look into the question with great care.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

NATIONAL DEPOSITORS COMMITTEE—EXTENSION OF REMARKS

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent to insert in the Record a resolution and a copy of the program adopted by the executive committee of the convention that is being held in the city of Washington, representing 20,000,000 depositors who have money in closed banks. This sets out their program and plan of action to secure relief.

The SPEAKER. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following program of the National Depositors Committee to be presented to President Franklin D. Roosevelt by a committee headed by Frank H. Schrenk, chairman, and Hon. A. Mitchell Palmer:

We pledge our earnest support to the President in the wise and courageous course he has pursued to lift the burden of suffering which the depression in business and the cost of government have laid on the backs of the people. We commend his efforts to carry out in good faith and in spite of all opposition the pledges made by his party in the form of a covenant with the people to which he has publicly pledged his support 100 percent.

We call attention to the fact that so far the only "forgotten man" in the administration's plans for relief is the depositor in the thousands of closed and restricted banks, who has waited with a patience and forbearance unequaled in history for the relief to which he is entitled if the pledge of the party in power and the moral obligation of the Government are to be faithfully kept.

Twenty million American people, depositors in restricted and closed banks, who responded to the appeals of the Government to keep their money in the banks, are now being penalized for their loyalty to the Government and their confident trust in its leaders. These 20,000,000 loyal Americans are entitled to have their money paid back to them, and the loss, if any, in the program of reopening restricted banks and payment of a fair percentage of the deposits of closed banks must be borne by the Government and absorbed by the Nation.

As their representatives, chosen by them for the purpose of working out a program for their relief, we call upon the proper authorities of the Government to take such steps as may be lawful and necessary to accomplish the following reforms:

1. The Reconstruction Finance Corporation, which has operated with all the rigid rules and regulations of investment bankers for the purpose of saving losses to the Government and even making a profit for itself, should adopt a policy of saving losses to depositors without regard for profits to the Reconstruction Finance Corporation.

2. The policy of the Reconstruction Finance Corporation should contemplate recovery in business and not universal bankruptcy, and the Government should await the return of that recovery before liquidating assets which secure deposits frozen during the existing emergency.

3. The Reconstruction Finance Corporation should release to the closed and restricted banks all their prime and unquestioned assets in order that such banks may reopen and the depositors be credited on their books with such proportion of their deposits as are secured by such assets.

4. The Reconstruction Finance Corporation should accept in lieu of such unquestioned assets now held by it as security for loans the slow or frozen assets of closed and restricted banks, which should be liquidated only over a period of years as prices advance in response to the policies of the administration now being considered or heretofore enacted into law.

5. Such slow or frozen assets should be accepted by the Reconstruction Finance Corporation on the basis of values of 1926 and loans made thereon to the amount of 80 percent of such values.

6. Federal Reserve banks during the emergency should accept the rediscountable paper of customers of closed and restricted banks at par.

7. Income on collateral of closed and restricted banks should be paid to the banks when and as received for the purpose of facilitating their banking business and interest charged to the banks on such loans should not exceed the rate the Government pays on its own loans for the purpose of carrying out the provisions of the Reconstruction Finance Corporation Act.

8. Credits granted by the Reconstruction Finance Corporation and Federal Reserve banks to closed and restricted banks after the deposit of collateral should be carried on the borrowing banks' books as cash.

9. The Reconstruction Finance Corporation should purchase capital stock of restricted banks dollar for dollar of the amount which is sold by the bank, including sales to its own depositors, to be paid for out of balances now tied up in such banks.

10. The various local Reconstruction Finance committees which pass on collateral submitted by restricted and closed banks are the representatives of the larger and open banks of the communities, and these banks as a class do not want the restricted banks to be reopened. The depositors of restricted banks cannot secure fair play from present existing committees. These committees should be reorganized to include representatives of restricted and closed banks.

11. The depositors of closed banks which do not reopen under the plan above set forth should be immediately repaid by the Federal Government 60 percent of their frozen deposits and the Government should accept from said depositors assignment of their bank balances and from their banks an assignment of assets which should be liquidated over a period of years and not at present deflated prices.

12. We urge the prompt enactment of the Glass-Steagall banking reform bill. This legislation is required in the interest of the depositors of every bank in the country and would have been passed long ago except for the violent and apparently effective opposition of the large banking interests in New York who plan to destroy the independence of the country banker and are willing to sacrifice the interests of the suffering depositors to their own ambition to control the banking system of the United States. The insidious and vicious methods by which these interests have sought influence in high places to accomplish these ends is the greatest scandal of the times. Every favorite of these New York banking interests should be driven from public place and we earnestly, even prayerfully, urge the President to execute the determination expressed in his inaugural address to drive these money changers from the temple.

A. Mitchell Palmer, Pennsylvania, Chairman; S. Davis Wilson, Pennsylvania; Jas. H. Sleeth, Michigan; T. C. Dale, Vermont; Clyde H. Walker, Oregon-Washington; John J. Rohora, Louisiana; John J. Fitzgerald, New Jersey; John E. Orman, Alabama.

INVESTIGATION OF REVENUE LAWS

Mr. COCHRAN of Missouri. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 184, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 184

Resolved, That the expenses of conducting the investigation authorized by H.Res. 183, incurred by the Committee on Ways and Means, acting as a whole or by subcommittee, not to exceed $5,000, including expenditures for the employment of experts and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by the committee, signed by the chairman thereof, and approved by the Committee on Accounts.

The SPEAKER. Is there objection?

Mr. CLARKE of New York. Mr. Speaker, I reserve the right to object. I want an assurance that there will not be more than $5,000 expended in this investigation.

Mr. COCHRAN of Missouri. I say to the gentleman as a member of the Committee on Accounts that there will be no more than $5,000 expended, without the permission of the gentleman from New York.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

CRIMINAL CODE

Mr. McKEOWN. Mr. Speaker, I call up the bill H.R. 5091, to amend section 289 of the Criminal Code, on the Speaker's desk, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to take from the Speaker's desk the bill H.R. 5091, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The Speaker appointed the following conferees:

Mr. SOMERS of New York, Mr. McKEOWN, and Mr. KURTZ.

LOANS TO CLOSED BUILDING-AND-LOAN ASSOCIATIONS

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1648) to amend the Reconstruction Finance Corporation Act, as amended, to provide for loans to closed building-and-loan associations, which I send to the desk and ask to have read.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. We want to know what the bill is.

Mr. STEAGALL. Mr. Speaker, this bill has the unanimous report of the Committee on Banking and Currency and it is desired by the administration. The provisions of the bill simply amend the original Reconstruction Finance Corporation Act so as to eliminate the limitation which provided that only $200,000,000 should be available for loans upon the assets of the closed banks.

Mr. BLANTON. Has it the approval of a very important bank politician who lives in a capital on the James? Unless it has his approval, I doubt very seriously whether we can ever pass it. It might be held up as our guaranty deposit bank bill is being held up just now.

Mr. STEAGALL. There is no opposition to this bill from any quarter on the part of anybody who is familiar with it. One of the most important things before the country now is to thaw out the frozen assets in closed banks and relieve depositors whose cash is tied up in that way. That is the purpose of the legislation.

The SPEAKER. Is there objection?

Mr. DOWELL. Reserving the right to object, the gentleman has stated that this raises the $200,000,000 limit. What limit is placed in this bill?

Mr. STEAGALL. It simply permits the Reconstruction Finance Corporation to loan from the assets of closed banks within its discretion, as long as it pleases, the same as other institutions to which loans are authorized, none of which are so worthy as the institutions provided for in this bill.

Mr. DOWELL. This puts it on the same basis as the other?

Mr. STEAGALL. Yes.

Mr. McFARLANE. Reserving the right to object, are there limitations placed upon the salaries of these building-and-loan and closed-bank officers?

Mr. STEAGALL. No limitation that especially refers to this. The same as are incorporated in the bill on which the House has already voted.

Mr. CONNERY. Reserving the right to object, will the gentleman state whether credit unions are provided for in this?

Mr. STEAGALL. Oh, yes. They are originally provided for.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the first paragraph of section 5 of the Reconstruction Finance Corporation Act, as amended, is amended to read as follows:

"SEC. 5. To aid in financing agriculture, commerce, and industry, including facilitating the exportation of agricultural and other products, the Corporation is authorized and empowered to make loans, upon such terms and conditions not inconsistent with this act as it may determine, to any bank, savings bank, trust company, building-and-loan association, insurance company, mortgage-loan company, credit union, Federal land bank, joint-stock land bank, Federal intermediate-credit bank, agricultural credit corporation, livestock credit corporation, organized under the laws of any State or of the United States, including loans secured by the assets of any bank, savings bank, or building and loan association that is closed, or in process of liquidation to aid in the reorganization or liquidation of such banks or building-and-loan associations, upon application of the receiver or liquidating agent of such bank or building-and-loan association, and any receiver of any national bank is hereby authorized to contract for such loans and to pledge any assets of the bank for securing the same: *Provided*, That not more than $300,000,000 shall be used for the relief of banks (including savings banks and building-and-loan associations) that are closed or in the process of liquidation, and such sum shall constitute a revolving fund for such purposes."

With the following committee amendment:

On page 2, line 15, after the word "same", strike out the remainder of the paragraph.

The committee amendment was agreed to.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

TO AMEND NATIONAL EMERGENCY BANKING ACT

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1425) to amend the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes", approved March 9, 1933.

The Clerk read the title of the bill.

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

Mr. SNELL. Reserving the right to object, I think the gentleman should tell us what this bill means.

Mr. STEAGALL. I shall be very glad to do so. The bill has the unanimous report from the Committee on Banking and Currency. There has been no objection from any source that I have heard of. It amends the Emergency Banking Act so as to relieve the Government from responsibility for what we call "double liability" on any preferred stock that might be acquired by the Reconstruction Finance Corporation, under the provisions of the Emergency Banking Act, which permitted the Reconstruction Finance Corporation to purchase the preferred stock of banks, or make loans on preferred stocks in banks as collateral.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes", approved March 9, 1933, is amended by—

(a) Striking out the whole of section 301 of title III thereof and inserting in lieu thereof the following:

"SEC. 301. Notwithstanding any other provision of law, any national banking association may, with the approval of the Comptroller of the Currency and by vote of shareholders owning a majority of the stock of such association, upon not less than 5 days' notice, given by registered mail pursuant to action taken by its board of directors, issue preferred stock of one or more classes, in such amount and with such par value as shall be approved by said Comptroller, and make such amendments to its articles of association as may be necessary for this purpose; but, in the case of any newly organized national banking association which has not yet issued common stock, the requirement of notice to and vote of shareholders shall not apply. No issue of preferred stock shall be valid until the par value of all stock so issued shall be paid in."

(b) Striking out the whole of subsection (a) of section 302 of the said title III and inserting in lieu thereof the following:

"Notwithstanding any other provision of law, whether relating to restriction upon the payment of dividends upon capital stock or otherwise, the holders of such preferred stock shall be entitled to receive such cumulative dividends at a rate not exceeding 6 percent per annum and shall have such voting and conversion rights and such control of management, and such stock shall be subject to retirement in such manner and upon such conditions as may be provided in the articles of association with the approval of the Comptroller of the Currency. The holders of such preferred stock shall not be held individually responsible as such holders for any debts, contracts, or engagements of such association, and shall not be liable for assessments to restore impairments in the capital of such association as now provided by law with reference to holders of common stock."

(c) Adding to section 304 of said title III the following new paragraph:

"Notwithstanding the provisions of United States Revised Statutes, section 5146, nominees of Reconstruction Finance Corporation shall be qualified as such to act as directors of any national banking association."

With the following committee amendment:

Page 3, beginning on line 7, strike out all down to and including line 12 on page 3.

The committee amendment was agreed to.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

REDEMPTION OF NATIONAL-BANK NOTES, ETC.

Mr. HANCOCK of North Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1634) to provide for the redemption of national-bank notes, Federal Reserve bank notes, and Federal Reserve notes which cannot be identified as to the bank of issue.

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

Mr. SNELL. Reserving the right to object, I think the gentleman should make some explanation of what this bill is. We are passing legislation here tonight without knowing very much about it.

Mr. HANCOCK of North Carolina. Mr. Speaker, the bill S. 1634 has been passed by the Senate and unanimously approved by the Committee on Banking and Currency in the House. It provides for the redemption of mutilated currency, such currency as is unidentified or defaced. The total amount now outstanding that cannot be identified is approximately $1,735. The individual claims do not exceed

$11. Not one dollar will be provided by the Government. The amount is to be redeemed by apportioning the loss among the Federal Reserve banks.

Mr. McFADDEN. Will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. McFADDEN. Why is this made in the form of permanent legislation?

Mr. HANCOCK of North Carolina. I did not understand that it was made that way.

Mr. McFADDEN. I think it applies for all time, as the gentleman will note if he will read it.

Mr. HANCOCK of North Carolina. If the gentleman will carefully read the report he will see it only provides for redemption at this time of $1,765.

Mr. McFADDEN. Does the gentleman know whether or not that is the amount of the accumulation from the time we began to issue those notes?

Mr. HANCOCK of North Carolina. That is the representation made to us.

Mr. McFADDEN. I may say to the gentleman that does not seem at all possible, and I am curious to know whether some new precedent is being established here whereby the redemption of counterfeit notes, possibly, or some inferior notes, might be made?

Mr. HANCOCK of North Carolina. We do not understand it that way.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. HANCOCK]?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That whenever any national-bank notes, Federal Reserve bank notes, or Federal Reserve notes are presented to the Treasurer of the United States for redemption and such notes cannot be identified as to the bank of issue or the bank through which issued, the Treasurer of the United States may redeem such notes under such rules and regulations as the Secretary of the Treasury may prescribe, and the notes so redeemed shall be forwarded to the Comptroller of the Currency for cancelation and destruction.

SEC. 2. National-bank notes and Federal Reserve bank notes redeemed by the Treasurer of the United States under this act shall be charged against the balance of deposits for the retirement of national-bank notes and Federal Reserve bank notes under the provisions of section 6 of the act entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes", approved July 14, 1890 (U.S.C., title 12, sec. 122), and section 18 of the Federal Reserve Act (U.S.C., title 12, sec. 445); and charges for Federal Reserve notes redeemed by the Treasurer of the United States under this act shall be apportioned among the 12 Federal Reserve banks in proportion to the amount of Federal Reserve notes of each Federal Reserve bank in circulation on the 31st day of December of the year preceding the date of redemption, and the amount so apportioned to each bank shall be charged by the Treasurer of the United States against deposit in the gold-redemption fund made by such bank or its Federal Reserve agent.

The bill was ordered to be read a third time, was read the third time and passed. A motion to reconsider was laid on the table.

SECTIONS 109 AND 113 OF THE CRIMINAL CODE

Mr. JONES. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 54, limiting the operations of sections 109 and 113 of the Criminal Code, which I send to the Clerk's desk with an amendment.

The Clerk read the title of the Senate joint resolution.

Mr. BLANTON. Mr. Speaker, I am going to object to the consideration of this joint resolution, not only because it changes the law but also because it sets a bad precedent. Such a privilege given to any lawyer would be worth a hundred thousand dollars a year to him.

Mr. JONES. I wish to say, if the gentleman will reserve his objection——

Mr. BLANTON. Mr. Speaker, I may say that if we change this law, both criminal and civil, for this particular lawyer, it would set a most unwise precedent that would harass us in the future.

Mr. JONES. This does not change the law.

Mr. BLANTON. Oh, my colleague is mistaken, Mr. Speaker, for it makes several laws inapplicable to this particular lawyer. It grants him privileges that no other lawyer enjoys. It would give him an inside on law business with Government departments. He should not represent private business against the Government, when he is working for the United States. I regret to have to object, but I do object.

REPORTS FROM CHIEF OF ENGINEERS

Mr. LAMBETH. Mr. Speaker, by direction of the Committee on Printing I send to the desk a privileged resolution and ask its immediate consideration.

The Clerk read as follows:

HOUSE RESOLUTION 178

Resolved, That the communications from the Secretary of War transmitting letters of the Chief of Engineers submitting reports on the examination and survey of Bad River, Wis.; Big Black River and its tributaries, Miss.; Big Fork River, Minn.; Brule River, Minn.; Calcasieu River, Bayou Nezpique, and Bayou Teche, La.; Cannonball, Grand, and Moreau Rivers, N.Dak. and S. Dak.; Cascade River, Minn.; Columbia River and minor tributaries; Coquille River, Oreg.; Devil Track River, Minn.; Grand River, Mich.; Green, Barren, and Rough Rivers, Ky.; Hocking River, Ohio; James River, N.Dak. and S.Dak.; John Day River, Oreg.; Kentucky River, Ky.; Licking River, Ky.; Little Fork River, Minn.; Milk River, Mont.; Montreal River, Wis. and Mich.; Niobrara River, Nebr. and Wyo.; Osage River, Mo. and Kans.; Pigeon River, Minn.; Poplar and Temperance Rivers, Minn.; Potomac River and its tributaries; St. Joseph River, Mich. and Ind.; St. Louis River, Minn. and Wis.; Santee River, N.C. and S.C.; Sturgeon River, Mich.; Turkey River, Iowa; Vermilion River, Minn.; Wabash River, Ohio, Ind. and Ill.; and White River, Mo. and Ark., which were transmitted to the House of Representatives pursuant to section 1 of the River and Harbor Act, approved January 21, 1927, and section 10 of the Flood Control Act, approved May 15, 1928, during the seventy-second Congress and the present session, be printed, with illustrations, as separate House documents.

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

There was no objection.

The resolution was agreed to.

On motion of Mr. LAMBETH, a motion to reconsider the vote whereby the resolution was agreed to was laid on the table.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I ask the majority leader a question?

Rumors are going around at the other end of the Capitol that there is no possibility of adjournment tonight. May I ask the gentleman from Tennessee how much longer he really expects to keep us in session?

Mr. BYRNS. I do not know anything about the rumors, but I just left the majority leader of the Senate, and he stated that if we would remain in session probably 2 hours, we would be able to adjourn. I think under the circumstances we ought to remain here, since we are so near adjournment.

Mr. BLANTON. We have stayed here all night a number of times during the past years.

Mr. BYRNS. Yes. Many times I have stayed here 2 nights in succession.

Mr. BLANTON. Yes; and it is not going to hurt us to stay here 2 hours, or all night, if we can adjourn sine die. Let us take a recess and then resume later and finish work and adjourn sine die tonight.

Mr. BYRNS. Mr. Speaker, I am informed by the gentleman from Missouri, who has just come from the Senate, that there is an even chance of getting through tonight. I think we should wait and see how matters progress over there. We all know something about the habits of the Senate. Things flare up, but suddenly everything is all right.

EXTENSION OF COOPERATIVE WORK OF THE GEOLOGICAL SURVEY TO PUERTO RICO

Mr. McDUFFIE. Mr. Speaker, by direction of the Committee on Insular Affairs, I ask unanimous consent for the present consideration of House Joint Resolution 202, providing for extension of cooperative work of the Geological Survey to Puerto Rico.

The Clerk read as follows:

Resolved, etc., That the provisions of law authorizing the making of topographic and geological surveys and conducting investigations relating to mineral and water resources by the United States Geological Survey in various portions of the United States be, and the same are hereby, extended to authorize such surveys and investigations in Puerto Rico.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Alabama a question. Is not this a junket?

Mr. McDUFFIE. No; it is not.

Mr. BLANTON. What is it?

Mr. McDUFFIE. I am afraid the gentleman did not hear the resolution read.

Mr. BLANTON. I heard it. Does it contemplate that this geological survey is to be made by the Committee on Insular Affairs or by the Geological Survey of the Interior Department?

Mr. McDUFFIE. The Committee on Insular Affairs would not, if it could, make a geological survey.

Mr. BLANTON. Does the committee intend to go to our island possessions, whether Puerto Rico or anywhere else?

Mr. McDUFFIE. No member of the committee is going at the expense of the Government or the islands so far as I know.

Mr. BLANTON. But I take it there are probably some experts who have been doing this work in the United States who want to take a trip to Puerto Rico this summer. Is that right?

Mr. McCORMACK. The gentleman from Texas should know that the gentleman from Alabama would not do anything of the kind.

Mr. BLANTON. I may say there have been junkets taken to Puerto Rico, the Hawaiian Islands, the Philippine Islands, and elsewhere, to South America and Europe, not by my good economy friend [Mr. McDUFFIE] because he is for economy, but by some other economy friends.

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

Mr. McDUFFIE. I yield.

Mr. WEIDEMAN. Does the gentleman know what the approximate cost of this is going to be?

Mr. McDUFFIE. The approximate cost of this in the course of 3 or 4 years will be about $250,000.

Mr. BLANTON. I wanted to ask what the exact cost will be, if this bill passes?

Mr. McDUFFIE. This will cost in the course of 2, 3, or 4 years, just as the Interior Department is able to do the work from year to year, approximately $250,000.

Mr. BLANTON. Mr. Speaker, we ought to save this $250,000.

Mr. McDUFFIE. Let me say to the gentleman——

Mr. BLANTON. I just want to mention that we ought not to spend this $250,000, when it is not necessary.

Mr. McDUFFIE. Yes; but let me mention something first, if the gentleman pleases. This does not take an additional dollar of appropriations out of the Treasury.

Mr. BLANTON. But it takes $250,000 that has already been appropriated, that ought to be spent here on the mainland in the various States and allows it to be spent on what I call junket trips by experts to Puerto Rico.

Mr. McDUFFIE. The gentleman knows I would be the last man to consent to a junket trip.

Mr. BLANTON. I think Mr. Secretary Ickes is going to have all he can do to take care of the oil problems and other situations on the mainland.

Mr. McDUFFIE. May I say to the gentleman from Texas that we own the island of Puerto Rico. The extent of our trade with Puerto Rico last year, I am satisfied, will surprise the gentleman and it did me when I found it was $163,000,000. Puerto Rico is the sixth largest customer of ours. We own the island. There are vast natural resources there that no one knows anything about. This may be a very wise investment, but whether it be wise or not the gentleman, I am sure, is willing to have that island mapped.

Mr. BLANTON. I should like to ask one question and if the gentleman can answer it satisfactorily I shall withdraw my objection. If this is such a wise matter and so important, why on God's earth has it been put off until the last hours of probably the last night of Congress to be called up?

Mr. McDUFFIE. I grant the gentleman there is something in that suggestion, but that does not go to the merits of the resolution, and I think the gentleman is fair enough to admit that.

Mr. BLANTON. I think we can well put this matter off, and save now this $250,000.

Mr. LANZETTA. Will the gentleman yield?

Mr. McDUFFIE. I yield.

Mr. LANZETTA. The Territories of Hawaii and Alaska are included in this geological survey, so there is absolutely no reason why Puerto Rico should not be included.

Mr. BLANTON. Mr. Speaker, I have followed my good friend from Alabama many times, and the gentleman knows I appreciate all his splendid service, but I think this $250,000 should be saved, and I object.

The SPEAKER. Objection is heard.

ORDER OF BUSINESS

Mr. BACHARACH. Mr. Speaker, I should like to have the attention of the majority leader. As I understand, there is a message here from the President of the United States; and it would seem to me that while we are waiting to hear from the other side of the Capitol, it would be well to have the message read, unless the gentleman can tell us now what the purport of the message may be.

Mr. BYRNS. I have not any control over the message, I will say to my friend from New Jersey.

Mr. BACHARACH. I understand the gentleman has no control over it, but it would seem to me that it is very important in the closing hours of this Congress that this message should not come to us at the last minute. If I have been correctly informed, it involves very important consolidations of various departments, and the message is on the Speaker's table. It would seem to me that the Members of the House who have waited here until this late hour, with nothing particular to do except to wait on the other body, should at least be able to hear what the President has to say with reference to consolidations.

Mr. BYRNS. The gentleman has given me some information, and I am much obliged to him. I have not seen the message, and I have made no inquiries about it.

Mr. BACHARACH. Perhaps the gentleman has not made any inquiry for a very good reason, and I am making the inquiry for the same reason.

It seems to me, Mr. Speaker, that inasmuch as the majority leader does not seem anxious to give us the information, we are entitled to get the information from the Chair.

The SPEAKER. The message in question will be read to the House before the House adjourns and when the Speaker submits it for that purpose.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the amendment of the House to the bill (S. 1513) to amend Public Act No. 435 of the Seventy-second Congress, relating to sales of timber on Indian land.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5790) entitled, "An act to provide for organizations within the Farm Credit Administration to make loans for the production and marketing of agricultural products, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, to provide a market for obligations of the United States, and for other purposes."

BRIDGE ACROSS THE ST. CLAIR RIVER

Mr. WOLCOTT. Mr. Speaker, with the consent of the Committee on Interstate and Foreign Commerce, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5495) to amend an act entitled "An act creating the Great Lakes Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich.", approved June 25, 1930, and to extend the times for commencing and completing construction of said

bridge, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, lines 19 and 20, strike out "and the bonds issued in connection therewith."

Mr. WEIDEMAN. Mr. Speaker, reserving the right to object, is this a Senate bill?

Mr. WOLCOTT. This is a House bill that has passed the Senate with an amendment striking out this language.

Mr. WEIDEMAN. This is the bridge across the St. Clair River at Port Huron?

Mr. WOLCOTT. Yes.

Mr. WEIDEMAN. This is the bridge where the Americans furnish all the capital, and after the bridge is finished the profits are divided with Canadian interests?

Mr. WOLCOTT. No; I cannot agree with the gentleman about that.

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

There was no objection.

The Senate amendment was agreed to.

INVESTIGATION OF RECEIVERS, TRUSTEES, REFEREES IN BANKRUPTCY, ETC.

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 145.

Mr. SNELL. Mr. Speaker, I make a point of no quorum.

The SPEAKER. The gentleman from New York makes the point of no quorum. The Chair will count. [After counting.] Two hundred and thirty-three Members are present, a quorum.

Mr. MARTIN of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 35, noes 175.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 115, nays 249, not voting 66, as follows:

[Roll No. 66]

YEAS—115

Allen	Dondero	Kelly, Pa.	Rogers, Mass.
Arens	Doutrich	Kerr	Sadowski
Ayers, Mont.	Dowell	Kinzer	Seger
Bacharach	Eaton	Knutson	Shoemaker
Bakewell	Edmonds	Kurtz	Simpson
Beedy	Eltse, Calif.	Kvale	Sinclair
Blanchard	Englebright	Lambertson	Snell
Boileau	Evans	Lehr	Stalker
Britten	Fish	Luce	Stokes
Brown, Mich.	Focht	Lundeen	Strong, Pa.
Brumm	Foss	McFadden	Swick
Brunner	Gibson	McGugin	Taber
Burnham	Gilchrist	McLean	Thurston
Carter, Calif.	Goodwin	Mapes	Tobey
Carter, Wyo.	Guyer	Marshall	Traeger
Chase	Hancock, N.Y.	Martin, Mass.	Treadway
Christianson	Hartley	Merritt	Turpin
Clarke, N.Y.	Hess	Millard	Wadsworth
Cochran, Pa.	Higgins	Monaghan	Waldron
Collins, Calif.	Hill, Knute	Mott	Watson
Connolly	Holmes	Muldowney	Welch
Crowther	Hooper	Musselwhite	Whitley
Culkin	Hope	Oliver, N.Y.	Wigglesworth
Cummings	Hornor	Parker, N.Y.	Withrow
Darrow	Howard	Parks	Wolcott
De Priest	James	Powers	Wolfenden
Dirksen	Jenkins	Rankin	Wolverton
Disney	Johnson, Minn.	Ransley	Woodruff
Ditter	Kahn	Reece	

NAYS—249

Adair	Boylan	Carley	Colmer
Adams	Brennan	Carpenter, Kans.	Condon
Allgood	Brooks	Cartwright	Connery
Arnold	Brown, Ky.	Cary	Cooper, Tenn.
Auf der Heide	Browning	Castellow	Cox
Ayres, Kans.	Buchanan	Cavicchia	Cravens
Beiter	Buck	Celler	Crosby
Berlin	Bulwinkle	Chapman	Cross
Biermann	Burch	Chavez	Crowe
Black	Burke, Nebr.	Church	Crump
Bland	Busby	Clark, N.C.	Cullen
Blanton	Byrns	Cochran, Mo.	Darden
Bloom	Cady	Coffin	Dear
Boehne	Caldwell	Colden	Deen
Boland	Cannon, Mo.	Cole	Delaney
DeRouen	Holdale	Mead	Shannon
Dickinson	Huddleston	Meeks	Sirovich
Dickstein	Hughes	Miller	Sisson
Dies	Imhoff	Milligan	Smith, Va.
Dobbins	Jacobsen	Mitchell	Smith, Wash.
Dockweiler	Jeffers	Montet	Smith, W.Va.
Doughton	Jenckes	Moran	Snyder
Doxey	Johnson, Okla.	Morehead	Somers, N.Y.
Drewry	Johnson, Tex.	Murdock	Spence
Driver	Johnson, Va.	Nesbit	Steagall
Duffey	Jones	Norton	Strong, Tex.
Duncan, Mo.	Kee	O'Brien	Studley
Dunn	Keller	O'Connell	Sullivan
Durgan, Ind.	Kemp	O'Connor	Sumners, Tex.
Eagle	Kenney	Oliver, Ala.	Sutphin
Eicher	Kloeb	Owen	Swank
Ellzey, Miss.	Kniffin	Palmisano	Sweeney
Faddis	Kocialkowski	Parker, Ga.	Tarver
Farley	Kopplemann	Parsons	Taylor, Colo.
Fiesinger	Kramer	Patman	Taylor, S.C.
Fitzgibbons	Lambeth	Perkins	Thom
Fitzpatrick	Lamneck	Pettengill	Thomason, Tex.
Flannagan	Lanham	Peyser	Thompson, Ill.
Fletcher	Lanzetta	Polk	Tinkham
Ford	Larrabee	Prall	Truax
Fuller	Lea, Calif.	Ramsay	Turner
Fulmer	Lee, Mo.	Ramspeck	Umstead
Gambrill	Lemke	Randolph	Vinson, Ga.
Gillespie	Lesinski	Rayburn	Vinson, Ky.
Gillette	Lewis, Colo.	Reilly	Wallgren
Glover	Lewis, Md.	Richards	Walter
Goldsborough	Lindsay	Richardson	Wearin
Granfield	Lozier	Robertson	Weaver
Gray	Ludlow	Robinson	Weideman
Green	McCarthy	Rogers, N.H.	Werner
Greenwood	McClintic	Rogers, Okla.	West, Ohio
Gregory	McCormack	Romjue	White
Griffin	McDuffie	Rudd	Whittington
Griswold	McFarlane	Ruffin	Wilcox
Hamilton	McGrath	Sabath	Williford
Harlan	McKeown	Sandlin	Williams
Harter	McLeod	Schaefer	Wilson
Hastings	Major	Schuetz	Wood, Mo.
Healey	Maloney, Conn.	Schulte	Young
Henney	Maloney, La.	Scrugham	Zioncheck
Hildebrandt	Marland	Sears	
Hill, Ala.	Martin, Colo.	Secrest	
Hill, Samuel B.	May	Shallenberger	

NOT VOTING—66

Abernethy	Cooper, Ohio	Kelly, Ill.	Pou
Almon	Corning	Kennedy, Md.	Ragon
Andrew, Mass.	Crosser	Kennedy, N.Y.	Reed, N.Y.
Andrews, N.Y.	Dingell	Kleberg	Reid, Ill.
Bacon	Douglass	Lehlbach	Rich
Bailey	Fernandez	Lloyd	Sanders
Bankhead	Foulkes	McMillan	Stubbs
Beam	Frear	McReynolds	Taylor, Tenn.
Beck	Gasque	McSwain	Terrell
Bolton	Gavagan	Mansfield	Underwood
Buckbee	Gifford	Martin, Oreg.	Utterback
Burke, Calif.	Goss	Montague	Warren
Cannon, Wis.	Haines	Moynihan	West, Tex.
Carden	Hancock, N.C.	O'Malley	Wood, Ga.
Carpenter, Nebr.	Hart	Peavey	Woodrum
Claiborne	Hoeppel	Peterson	
Collins, Miss.	Hollister	Pierce	

So the House refused to adjourn.

The following pairs were announced:

Until further notice:

Mr. Montague with Mr. Lloyd.
Mr. Crosser with Mr. Andrew of Massachusetts.
Mr. Almon with Mr. Gifford.
Mr. Gavagan with Mr. Moynihan.
Mr. McReynolds with Mr. Buckbee.
Mr. Kennedy of New York with Mr. Reed of New York.
Mr. Mansfield with Mr. Rich.
Mr. O'Malley with Mr. Bacon.
Mr. Warren with Mr. Lehlbach.
Mr. Woodrum with Mr. Andrews of New York.
Mr. Pou with Mr. Cooper of Ohio.
Mr. Bankhead with Mr. Goss.
Mr. Corning with Mr. Taylor of Tennessee.
Mr. Douglass with Mr. Beck.
Mr. Kelly of Illinois with Mr. Frear.
Mr. McMillan with Mr. Hollister.
Mr. Ragon with Mr. Reid of Illinois.
Mr. Underwood with Mr. Bolton.
Mr. McSwain with Mr. Peavey.
Mr. Kleberg with Mr. Peterson.
Mr. Sanders with Mr. Carden.
Mr. Abernethy with Mr. Stubbs.
Mr. Beam with Mr. Utterback.
Mr. Wood of Georgia with Mr. Cannon of Wisconsin.
Mr. Collins of Mississippi with Mr. Dingell.
Mr. Fernandez with Mr. Claiborne.
Mr. Hancock of North Carolina with Mr. Foulkes.
Mr. Haines with Mr. Hart.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was

read and referred to the Committee on Expenditures in the Executive Departments:

To the Congress:

Pursuant to the provisions of section 1, title III, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith an Executive order for certain regroupings, consolidations, transfers, and abolitions of executive agencies and functions thereof.

Please let me tell you very simply and frankly that in transmitting this Executive order at this late hour in the special session I have had no thought of taking what might be considered an advantage of the Congress. The very urgent demands of the public business, both legislative and administrative, during the past few weeks have made it literally impossible to complete the study of consolidation.

Many other changes are in contemplation, and I have selected only those which I believe should be put into effect as quickly as possible. These additional changes I do not feel it right to submit until the next regular session of the Congress.

May I suggest that if the changes proposed in the present Executive order are not concurred in by the Congress they can be restored or otherwise changed at the beginning of the next regular session a few months hence.

The justification for sending this Executive order up, even at this late hour, is that it will effect a saving of more than $25,000,000. This is well worth while.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 10, 1933.*

EXECUTIVE ORDER

ORGANIZATION OF EXECUTIVE AGENCIES

Whereas section 16 of the act of March 3, 1933 (Public, No. 428, 47 Stat. 1517), provides for reorganizations within the executive branch of the Government, requires the President to investigate and determine what reorganizations are necessary to effectuate the purposes of the statute, and authorizes the President to make such reorganizations by Executive order; and

Whereas I have investigated the organization of all executive and administrative agencies of the Government and have determined that certain regroupings, consolidations, transfers, and abolitions of executive agencies and functions thereof are necessary to accomplish the purposes of section 16;

Now, therefore, by virtue of the aforesaid authority, I do hereby order that:

Section 1. Procurement

The function of determination of policies and methods of procurement, warehousing, and distribution of property, facilities, structures, improvements, machinery, equipment, stores, and supplies exercised by any agency is transferred to a Procurement Division in the Treasury Department, at the head of which shall be a Director of Procurement.

The Office of the Supervising Architect of the Treasury Department is transferred to the Procurement Division, except that the buildings of the Treasury Department shall be administered by the Treasury Department and the administration of post-office buildings is transferred to the Post Office Department. The General Supply Committee of the Treasury Department is abolished.

In respect of any kind of procurement, warehousing, or distribution for any agency the Procurement Division may, with the approval of the President, (a) undertake the performance of such procurement, warehousing, or distribution itself, or (b) permit such agency to perform such procurement, warehousing, or distribution, or (c) entrust such performance to some other agency, or (d) avail itself in part of any of these recourses, according as it may deem desirable in the interest of economy and efficiency. When the Procurement Division has prescribed the manner of procurement, warehousing, or distribution of anything, no agency shall thereafter procure, warehouse, or distribute such thing in any manner other than so prescribed.

The execution of work now performed by the Corps of Engineers of the Army shall remain with said corps, subject to the responsibilities herein vested in the Procurement Division.

The Procurement Division shall also have control of all property, facilities, structures, machinery, equipment, stores, and supplies not necessary to the work of any agency; may have custody thereof or entrust custody to any other agency; and shall furnish the same to agencies as need therefor may arise.

The Fuel Yards of the Bureau of Mines of the Department of Commerce are transferred to the Procurement Office.

The Federal Employment Stabilization Board is abolished, and its records are transferred to the Federal Emergency Administration of Public Works if and when said administration is authorized and established.

Section 2. National parks, buildings, and reservations

All functions of administration of public buildings, reservations, national parks, national monuments, and national cemeteries are consolidated in an office of national parks, buildings, and reservations in the Department of the Interior, at the head of which shall be a director of national parks, buildings, and reservations; except that where deemed desirable there may be excluded from this provision any public building or reservation which is chiefly employed as a facility in the work of a particular agency. This transfer and consolidation of functions shall include, among others, those of the National Park Service of the Department of the Interior and the national cemeteries and parks of the War Department which are located within the continental limits of the United States. National cemeteries located in foreign countries shall be transferred to the Department of State, and those located in insular possessions under the jurisdiction of the War Department shall be administered by the Bureau of Insular Affairs of the War Department.

The functions of the following agencies are transferred to the office of national parks, buildings, and reservations of the Department of the Interior, and the agencies are abolished:

Arlington Memorial Bridge Commission.
Public Buildings Commission.
Public Buildings and Public Parks of the National Capital.
National Memorial Commission.
Rock Creek and Potomac Parkway Commission.

Expenditures by the Federal Government for the purposes of the Commission of Fine Arts, the George Rogers Clark Sesquicentennial Commission, and the Rushmore National Commission shall be administered by the Department of the Interior.

Section 3. Investigations

All functions now exercised by the Bureau of Prohibition of the Department of Justice with respect to the granting of permits under the national prohibition laws are transferred to the Division of Internal Revenue in the Treasury Department.

All functions now exercised by the Bureau of Prohibition with respect to investigations and all the functions now performed by the Bureau of Investigation of the Department of Justice are transferred to and consolidated in a Division of Investigation in the Department of Justice, at the head of which shall be a Director of Investigation.

All other functions now performed by the Bureau of Prohibition are transferred to such divisions in the Department of Justice as in the judgment of the Attorney General may be desirable.

Section 4. Disbursement

The function of disbursement of moneys of the United States exercised by any agency is transferred to the Treasury Department and, together with the Office of Disbursing Clerk of that Department, is consolidated in a Division of Disbursement, at the head of which shall be a Chief Disbursing Officer.

The Division of Disbursement of the Treasury Department is authorized to establish local offices, or to delegate the exercise of its functions locally to officers or employees of other agencies, according as the interests of efficiency and economy may require.

The Division of Disbursement shall disburse moneys only upon the certification of persons by law duly authorized to incur obligations upon behalf of the United States. The function of accountability for improper certification shall be transferred to such persons, and no disbursing officer shall be held accountable therefor.

Section 5. Claims by or against the United States

The functions of prosecuting in the courts of the United States claims and demands by and offenses against the Government of the United States and of defending claims and demands against the Government, and of supervising the work of United States attorneys, marshals, and clerks in connection therewith, now exercised by any agency or officer, are transferred to the Department of Justice.

As to any case referred to the Department of Justice for prosecution or defense in the courts, the function of decision whether and in what manner to prosecute, or to defend, or to compromise, or to appeal, or to abandon prosecution or defense, now exercised by any agency or officer, is transferred to the Department of Justice.

For the exercise of such of his functions as are not transferred to the Department of Justice by the foregoing two paragraphs, the Solicitor of the Treasury is transferred from the Department of Justice to the Treasury Department.

Nothing in this section shall be construed to affect the function of any agency or officer with respect to cases at any stage prior to reference to the Department of Justice for prosecution or defense.

Section 6. Insular courts

The United States Court for China, the District Court of the United States for the Panama Canal Zone, and the District Court of the Virgin Islands of the United States are transferred to the Department of Justice.

Section 7. Solicitors

The Solicitor for the Department of Commerce is transferred from the Department of Justice to the Department of Commerce.

The Solicitor for the Department of Labor is transferred from the Department of Justice to the Department of Labor.

Section 8. Internal revenue

The Bureaus of Internal Revenue and of Industrial Alcohol of the Treasury Department are consolidated in a Division of Internal Revenue, at the head of which shall be a Commissioner of Internal Revenue.

Section 9. Assistant Secretary of Commerce

The Assistant Secretary of Commerce for Aeronautics shall be an Assistant Secretary of Commerce, and shall perform such functions as the Secretary of Commerce may designate.

Section 10. Official Register

The function of preparation of the Official Register is transferred from the Bureau of the Census to the Civil Service Commission.

Section 11. Statistics of cities

The function of the Bureau of the Census of the Department of Commerce of compiling statistics of cities under 100,000 population is abolished for the period ending June 30, 1935.

Section 12. Shipping Board

The functions of the United States Shipping Board including those over and in respect to the United States Shipping Board Merchant Fleet Corporation, are transferred to the Department of Commerce, and the United States Shipping Board is abolished.

Section 13. National Screw Thread Commission

The National Screw Thread Commission is abolished, and its records, property, facilities, equipment, and supplies are transferred to the Department of Commerce.

Section 14. Immigration and Naturalization

The Bureaus of Immigration and of Naturalization of the Department of Labor are consolidated as an Immigration and Naturalization Service of the Department of Labor, at the head of which shall be a Commissioner of Immigration and Naturalization.

Section 15. Vocational Education

The functions of the Federal Board for Vocational Education are transferred to the Department of the Interior, and the Board shall act in an advisory capacity without compensation.

Section 16. Apportionment of appropriations

The functions of making, waiving, and modifying apportionments of appropriations are transferred to the Director of the Bureau of the Budget.

Section 17. Coordinating Service

The Federal Coordinating Service is abolished.

Section 18

The following functions are abolished in part:

Cooperative vocational education and rehabilitation, 25 percent thereof.

Payments for agricultural experiment stations, 25 percent thereof.

Cooperative agricultural extension work, 25 percent thereof.

Endowment and maintenance of colleges for the benefit of agriculture and the mechanic arts, 25 percent thereof.

Section 19. General provisions

Each agency all the functions of which are transferred to or consolidated with another agency is abolished.

The records pertaining to an abolished agency or a function disposed of, disposition of which is not elsewhere herein provided for, shall be transferred to the successor. If there be no successor agency, and such abolished agency be within a department, said records shall be disposed of as the head of such department may direct.

The property, facilities, equipment, and supplies employed in the work of an abolished agency or the exercise of a function disposed of, disposition of which is not elsewhere herein provided for, shall, to the extent required, be transferred to the successor agency. Other such property, facilities, equipment, and supplies shall be transferred to the procurement division.

All personnel employed in connection with the work of an abolished agency or function disposed of shall be separated from the service of the United States, except that the head of any successor agency, subject to my approval, may, within a period of 4 months after transfer or consolidation, reappoint any of such personnel required for the work of the successor agency without reexamination or loss of Civil Service status.

Section 20. Appropriations

Such portions of the unexpended balances of appropriations for any abolished agency or function disposed of shall be transferred to the successor agency as the Director of the Budget shall deem necessary.

Unexpended balances of appropriations for an abolished agency or function disposed of, not so transferred by the Director of the Budget, shall, in accordance with law, be impounded and returned to the Treasury.

Section 21. Definitions

As used in this order—

"Agency" means any commission, independent establishment, board, bureau, division, service, or office in the executive branch of the Government.

"Abolished agency" means any agency which is abolished, transferred, or consolidated.

"Successor agency" means any agency to which is transferred some other agency or function, or which results from the consolidation of other agencies or functions.

"Function disposed of" means any function eliminated or transferred.

Section 22. Effective date

In accordance with law, this order shall become effective 61 days from its date: *Provided*, That in case it shall appear to the President that the interests of economy require that any transfer, consolidation, or elimination be delayed beyond the date this order becomes effective, he may, in his discretion, fix a later date therefor, and he may for like cause further defer such date from time to time.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 10, 1933.*

Mr. MAPES. Mr. Speaker, may I submit an inquiry? If I understand the law, the orders of the President reorganizing the departments do not go into effect until after the expiration of 60 days after their submission to Congress.

The SPEAKER. That is a question of law, and the Speaker cannot answer it without reading the law.

Mr. MAPES. I ask unanimous consent that I may proceed for 1 minute, in order that I may ask the gentleman from Tennessee a question.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAPES. I should like to ask the gentleman from Tennessee if it is his intention or purpose in order to put into effect at once the savings which the President speaks of to pass an act of Congress putting these orders into effect immediately instead of waiting for 60 days.

Mr. BYRNS. I will say to my friend that that is a matter that has not been determined, and needs some consideration. I think we are all anxious to adjourn and get a good night's sleep and rest.

Mr. KVALE. Under the law, if I remember correctly, it is possible to carry it into effect in 60 days from today, inasmuch as Congress is in session.

Mr. BLANTON. Mr. Speaker, I think the report accompanying the message ought to be printed in the RECORD.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, announced that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3511. An act to authorize the creation of a game refuge in the Ouachita National Forest in the State of Arkansas;

H.R. 3659. An act to extend the mining laws of the United States to the Death Valley National Monument in California;

H.R. 4872. An act authorizing Farris Engineering Co., its successors and assigns, to construct, maintain, and operate a bridge across the Monongahela River at or near California, Pa.;

H.R. 5589. An act granting the consent of Congress to the city of Washington, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Washington, Mo.; and

H.J.Res. 183. Joint resolution extending for 1 year the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and of the Tripartite Claims Commission.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 804. An act to authorize the Secretary of War to grant a right of way to The Dalles Bridge Co.;

S. 1513. To amend Public Act No. 435 of the Seventy-second Congress, relating to sales of timber on Indian land;

S. 1536. An act giving credit for water charges paid on damaged land;

S. 1745. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Umpqua River at or near Reedsport, Douglas County, Oreg.;

S. 1746. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Yaquina Bay at or near Newport, Lincoln County, Oreg.;

S. 1747. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Alsea Bay at or near Waldport, Lincoln County, Oreg.;

S. 1748. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Coos Bay at or near North Bend, Coos County, Oreg.;

S. 1749. An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Siuslaw River at or near Florence, Lane County, Oreg.;

S. 1783. An act granting the consent of Congress to the Overseas Road and Toll Bridge District, a political subdivision of the State of Florida, to construct, maintain, and operate bridges across the navigable waters in Monroe County, Fla., from Lower Matecumbe Key to No Name Key; and

S. 1808. To authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary in 1936 of the independence of Texas, and of the noble and heroic sacrifies of her pioneers, whose revered memory has been an inspiration to her sons and daughters during the past century.

ADJOURNMENT

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 25 minutes p.m.) the House adjourned until Monday, June 12, 1933, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

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

93. A letter from the Secretary of War, transmitting report from the Chief of Engineers, pursuant to the River and Harbor Act of July 3, 1930, on preliminary examinations of Flint River, Ala., together with accompanying papers; to the Committee on Rivers and Harbors.

94. A letter from the Secretary of War, transmitting report from the Chief of Engineers, pursuant to the River and Harbor Act of July 3, 1930, on preliminary examination and survey of Fairfield Canal, N.C., together with accompanying papers; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McDUFFIE: Committee on Insular Affairs. House Joint Resolution 202. Joint resolution providing for extension of cooperative work of the Geological Survey to Puerto Rico; without amendment (Rept. No. 236). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUCHANAN: Committee on Appropriations. H.R. 6034. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes; without amendment (Rept. No. 238). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. House Joint Resolution 94. Joint resolution authorizing the Secretary of the Treasury to accept certain gifts; with amendment (Rept. No. 240). Referred to the Committee of the Whole House on the state of the Union.

Mr. LAMBETH: Committee on Printing. House Resolution 178. Resolution to authorize the printing of communications from the Secretary of War transmitting letters of the Chief of Engineers submitting reports on the examination and survey of certain waterways in the United States; without amendment (Rept. No. 244). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COCHRAN of Missouri: Committee on Accounts. House Resolution 182. Resolution for the relief of Catherine Jane McKee (Rept. No. 237). Ordered to be printed.

Mr. COFFIN: Committee on Military Affairs. S. 248. An act for the relief of Rolando B. Moffet; without amendment (Rept. No. 239). Referred to the Committee of the Whole House.

Mr. ROGERS of New Hampshire: Committee on Military Affairs. H.R. 2632. A bill for the relief of Wilson G. Bingham; without amendment (Rept. No. 241). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KRAMER: A bill (H.R. 6033) to require certain borrowers from the Reconstruction Finance Corporation to grant extensions of time for payment of loans on homes or farm lands, and for other purposes; to the Committee on Banking and Currency.

By Mr. BUCHANAN: A bill (H.R. 6034) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. KNUTSON: A bill (H.R. 6035) to prohibit the sale or offer for sale, for domestic consumption or use, of oleomargarine containing less than 75 percent of animal fat; to the Committee on Agriculture.

By Mr. FADDIS: A bill (H.R. 6036) to provide benefits for women who served with the American Expeditionary Forces during the World War; to the Committee on Military Affairs.

By Mr. BYRNS: A bill (H.R. 6037) to exempt from taxation certain property of the National Society of the Sons of the American Revolution; to the Committee on the District of Columbia.

By Mr. SHANNON: A bill (H.R. 6038) to provide for the establishment and maintenance of a standard system of cost accounting and cost reports for the executive departments of the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. DEAR: A bill (H.R. 6039) to provide for the commemoration of the Fort of Los Adais, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. LEWIS of Maryland: A bill (H.R. 6040) to stabilize the coal-mining industry; to provide for a coal operators' code and agreement; to provide for cooperative marketing of coal; to secure prices just to operators and consumers and fair living and working conditions for the miners concerned; to levy a tax on coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of coal to be affected with a public interest; to provide for the general welfare; and for other purposes; to the Committee on Ways and Means.

By Mr. DUNN: A bill (H.R. 6041) to protect the homes and properties of all of the people in the United States and its possessions; to the Committee on the Judiciary.

By Mr. LUDLOW: A bill (H.R. 6042) to repeal Public Law No. 17 of the Seventy-third Congress; to the Committee on Military Affairs.

By Mr. KELLER: A bill (H.R. 6043) in relation to the construction, maintenance, and regulation within and by the United States of America of a Nation-wide system of durable hard-surfaced post roads and their appurtenances, and the provision of means for the payment of the cost thereof; to the Committee on Ways and Means.

By Mr. McSWAIN: A bill (H.R. 6044) to create a Board of Decorations and Awards in the War Department; to the Committee on Military Affairs.

By Mr. AYERS of Montana: A bill (H.R. 6045) to amend the provisions of the act entitled "An act to extend the period of time during which final proof may be offered by homestead entrymen", approved May 13, 1932, to desert-land entrymen, and for other purposes; to the Committee on the Public Lands.

By Mr. WALDRON: A bill (H.R. 6095) to amend the Reconstruction Finance Corporation Act, as amended; to the Committee on Banking and Currency.

By Mr. REID of Illinois: Joint resolution (H.J.Res. 204) to provide for the disposal of smuggled merchandise, to authorize the Secretary of the Treasury to require imported articles to be marked in order that smuggled merchandise may be identified, and for other purposes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUF DER HEIDE: A bill (H.R. 6046) for the relief of Frederick F. Day; to the Committee on Naval Affairs.

By Mr. BAILEY (by request): A bill (H.R. 6047) for the relief of the International-Great Northern Railroad Co.; to the Committee on Claims.

By Mr. DE PRIEST: A bill (H.R. 6048) granting a pension to Mary T. Gunn; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6049) for the relief of Albert Armstrong; to the Committee on Military Affairs.

By Mr. GIBSON: A bill (H.R. 6050) for the relief of Earl E. Robinson; to the Committee on Naval Affairs.

By Mr. HARTLEY: A bill (H.R. 6051) for the relief of Saul Levin; to the Committee on Claims.

By Mr. HORNOR: A bill (H.R. 6052) granting an increase of pension to Elizabeth M. Schoonover; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6053) granting an increase of pension to Margaret Smith; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6054) granting an increase of pension to Nancy J. Smith; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6055) granting an increase of pension to Susan J. Waldo; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6056), granting an increase of pension to Elizabeth E. West; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6057) granting an increase of pension to Julia A. Duncan; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6058) granting an increase of pension to Mary E. Hart; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6059) granting an increase of pension to Anzina L. Harper; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6060) granting an increase of pension to Sarah C. Kirkpatrick; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6061) granting an increase of pension to Villa A. Light; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6062) granting an increase of pension to Annie A. Moneypenny; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6063) granting an increase of pension to Sarah A. Nutter; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6064) granting an increase of pension to Ann E. Riggs; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6065) granting a pension to Mary J. Carr; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6066) granting a pension to James C. Elbon; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6067) granting a pension to Alexander T. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6068) granting a pension to Sarah M. Waugh; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6069) granting a pension to Anna King; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6070) granting a pension to Nathan O. Myer; to the Committee on Pensions.

Also, a bill (H.R. 6071) granting a pension to Florence O. Weekley; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6072) granting an increase of pension to Sarah A. Bush; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6073) granting an increase of pension to Minerva E. Bailey; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6074) granting an increase of pension to Mary E. Crites; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6075) granting an increase of pension to Mary Danley; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6076) for the relief of John Albert Farne; to the Committee on Naval Affairs.

Also, a bill (H.R. 6077) for the relief of Charles H. Frum; to the Committee on Military Affairs.

Also, a bill (H.R. 6078) for the relief of Edwin M. Rapp; to the Committee on Military Affairs.

Also, a bill (H.R. 6079) for the relief of Clarence G. Stonestreet; to the Committee on Military Affairs.

Also, a bill (H.R. 6080) for the relief of the Zoar Baptist Church, of Keslers Cross Lanes, Nicholas County, W.Va.; to the Committee on War Claims.

By Mr. LEMKE: A bill (H.R. 6081) for the relief of Jerry O'Shea; to the Committee on Claims.

By Mr. MONAGHAN: A bill (H.R. 6082) for the relief of M. M. Twichel; to the Committee on Indian Affairs.

By Mr. REECE: A bill (H.R. 6083) for the relief of Edward Ray; to the Committee on Naval Affairs.

By Mr. RICHARDS: A bill (H.R. 6084) for the relief of Lottie W. McCaskill; to the Committee on Claims.

By Mr. SHOEMAKER: A bill (H.R. 6085) for the relief of the estate of Victor L. Berger, deceased; to the Committee on Claims.

By Mr. SNYDER: A bill (H.R. 6086) granting an increase of pension to Martha Gorsuch; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6087) granting an increase of pension to Mary C. Pearson; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6088) granting an increase of pension to Sarah A. Chisholm; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6089) granting an increase of pension to Ella N. Nerwick; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6090) granting an increase of pension to Roxalina Davis; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6091) granting an increase of pension to Sarah Miller; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H.R. 6092) for the relief of the Hiawasee Lumber Co. and its successors; to the Committee on the Judiciary.

Also, a bill (H.R. 6093) for the relief of the counties of Haywood and Swain, in the State of North Carolina, by reason of their loss in taxable valuation by the establishment of the Great Smoky Mountains National Park; to the Committee on the Judiciary.

By Mr. CROSBY: A bill (H.R. 6094) authorizing the Treasurer of the United States to refund to creditors' committee of the Progressive Commercial Co., of Philadelphia, Pa., income taxes illegally paid to the United States Treasurer; to the Committee on Claims.

PETITIONS, ETC.

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

1359. By Mr. CELLER: Resolution of the Mount Sinai Baptist Church, of Brooklyn, N.Y., calling upon the Seventy-third Congress to exert forceful influence upon the Nazis of Germany, under the leadership of Adolf Hitler, to refrain from the barbarism and cruelties now being practiced upon the defenseless Jews in Germany; to the Committee on Foreign Affairs.

1360. Also, resolution of the National Guard Association of the State of New York, advocating maintenance of Federal appropriations for the Naval Reserve; to the Committee on Appropriations.

1361. By Mr. COCHRAN of Missouri: Petition of the American War Mothers of St. Louis, Mo., Edith R. Steibenz,

president, Luella B. Leacock, chairman of the resolutions committee, actuated by the knowledge of the destructiveness of the principles underlying the Russian Soviet Government, call upon Congress to voice its stern objection to the diplomatic recognition of Soviet Russia by our Government; to the Committee on Foreign Affairs.

1362. By Mr. DE PRIEST: Petition on behalf of the Chicago branch, National Association for the Advancement of Colored People, by A. C. MacNeal, president, as to the constitutional rights of certain citizens; to the Committee on the Judiciary.

1363. By Mr. FITZPATRICK: Petition of the Congregation Linas Hazedik, located at Ward and Watson Avenues, Bronx, New York City, relative to the inhuman treatment of the Jewish citizens by the German Government; to the Committee on Foreign Affairs.

1364. By Mr. GOSS: Petition of James F. Martone, Bladis Waitkus, Nicholas Muccino, and other citizens of the city of Waterbury, Conn., urging the restoration to all service-connected disabled veterans their former benefits, privileges, schedules, ratings, etc.; to the Committee on Appropriations.

1365. By Mr. HOEPPEL: Petition of certain citizens of the United States, residents and voters of the State of California, protesting certain phases of the so-called "Economy Act regulations", particularly insofar as they pertain to the legitimately service-connected disabled veteran, and petitioning Congress to take such action as is necessary to revise the regulations and/or the Economy Act itself so that there shall be restored to all veterans who were actually disabled in the military or naval service the former rights, benefits, privileges, ratings, schedules, compensation, presumptions, and pensions heretofore enjoyed by them and existent prior to the enactment of said Economy Act; to the Committee on Appropriations.

1366. By Mr. KRAMER: Petition of R. F. Beckwith and other citizens of the United States and the State of California, protesting against certain phases of the so-called "Economy Act regulations", particularly insofar as they pertain to the legitimately service-connected disabled veteran, etc.; to the Committee on Expenditures in the Executive Departments.

1367. By Mr. MERRITT: Petition of Banner Council, No. 54, Sons and Daughters of Liberty, of South Norwalk, Conn., urging the passage of House bill 4114 to further restrict immigration into the United States; to the Committee on Immigration and Naturalization.

1368. Also, petition of Star Council, No. 42, Sons and Daughters of Liberty, of Greenwich, Conn., urging the passage of House bill 4114 to further restrict immigration into the United States; to the Committee on Immigration and Naturalization.

1369. By Mr. PARKER of Georgia: Resolution adopted at a mass meeting of the Jews of Savannah, Ga., on June 5, 1933, preliminary to a campaign for raising funds for the immediate relief of Jews in Germany; to the Committee on Foreign Affairs.

1370. By Mr. SUTPHIN: Petition of Monmouth County Board of Chosen Freeholders, New Jersey, urging Federal beach protection; to the Committee on the Public Lands.

1371. By Mr. TRAEGER: Petition of 260 residents of California, to restore to all service-connected disabled veterans their former benefits, privileges, schedules, rating, etc.; to the Committee on Pensions.

1372. By the SPEAKER: Petition of the Chamber of Commerce of Eau Claire, Wis., urging Congress to adopt House Joint Resolution 137; to the Committee on Rules.

1373. By Mr. COLLINS of California: Petition of citizens of the State of California, requesting Congress to restore to all service-connected disabled veterans their former benefits, ratings, etc.; to the Committee on Expenditures in the Executive Departments.

1374. Also, petition of citizens of the State of California, requesting Congress to restore to all service-connected disabled veterans their former benefits, ratings, etc.; to the Committee on Expenditures in the Executive Departments.

SENATE

MONDAY, JUNE 12, 1933

(Legislative day of Tuesday, June 6, 1933)

The Senate met at 11 o'clock a.m., on the expiration of the recess.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal for the calendar days of June 9 and June 10 was dispensed with, and the Journal was approved.

SPECIAL COMMITTEE ON INVESTIGATION OF CAMPAIGN EXPENDITURES

The VICE PRESIDENT. The Chair announces the appointment of the Senator from Utah [Mr. THOMAS] as a member of the Special Committee on Investigation of Campaign Expenditures to fill the vacancy caused by the resignation of the Senator from New Mexico [Mr. BRATTON].

RATIFICATION BY WYOMING OF THE REPEAL OF EIGHTEENTH AMENDMENT

The VICE PRESIDENT laid before the Senate the proceedings and minutes of the Constitutional Convention for the State of Wyoming, held at Casper, Wyo., on May 25, 1933, which were ordered to lie on the table and to be printed in the RECORD, as follows:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Wyoming, ss:

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of the minutes of the constitutional convention held at Casper, Wyo., on May 25, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 6th day of June A.D. 1933.

[SEAL] A. M. CLARK, *Secretary of State.*
By C. J. ROGERS, *Deputy.*

PROCEEDINGS AND MINUTES OF THE CONSTITUTIONAL CONVENTION FOR THE STATE OF WYOMING, HELD AT CASPER, WYO., MAY 25, 1933

Pursuant to the statutes of the State of Wyoming providing for the calling of State conventions, prescribing the method and manner in which such conventions shall be called and held in the State of Wyoming to consider and vote on the question of repealing, amending, or altering the Constitution of the United States of America; providing for the payment of the expenses thereof, prescribing the duties of the Governor, the secretary of state, the chairman or other member of the board of county commissioners and the officers of the several counties; and appropriating money to defray the expenses incurred thereby; and a public proclamation by Hon. Leslie A. Miller, Governor of the State of Wyoming, which proclamation reads as follows:

PUBLIC PROCLAMATION

Under and by virtue of the power vested in me by reason of the laws of the State of Wyoming, I, Leslie A. Miller, Governor of the State of Wyoming, do hereby order and proclaim that on the 25th day of May A.D. 1933, at 10 o'clock a.m., at the city hall in the city of Casper, in the State of Wyoming, there shall be held a State convention to which State convention there shall be submitted the following joint resolution proposing an amendment to the Constitution of the United States, for such action as may be had thereon.

"[Seventy-Second Congress of the United States of America; at the second session, begun and held at the city of Washington on Manday, the 5th day of December 1932]

"Joint resolution proposing an amendment to the Constitution of the United States

"*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 hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three fourths of the several States:

"'ARTICLE —

"'SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"'SEC. 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

"'SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions