PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. TRAEGER: A bill (H.R. 6109) granting an increase of pension to Jeannette R. Walton Leslie; to the Committee on Pensions.

By Mr. BURKE of California: A bill (H.R. 6112) for the relief of Grace Schultz; to the Committee on Claims.

By Mr. EDMONDS: A bill (H.R. 6113) for the relief of the city of Philadelphia; 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:

1380. By Mr. CULLEN: Petition of the Linden Heights Taxpayers Association, Inc., of Brooklyn, N.Y., urging a reduction of the interest rate on first mortgages from 6 percent to 4½ percent, and they deem it imperative that such action be taken immediately; to the Committee on the Judiciary.

1381. By Mr. KRAMER: Petition of Council of the City of Los Angeles, Calif., that the Federal Government be requested henceforth to require that every local agency now administering relief money, contributed in whole or in part, directly or indirectly, by any agency of the Federal Government, shall deal with the stricken individual through an application for rehabilitation, as distinguished from a declaration of pauperism, and that this application shall permit of a specific request for a 20-year Federal loan at low interest rate to be used for the actual construction of a home on a self-supporting piece of land near industry or office, etc.; to the Committee on Banking and Currency.

1382. Also, senate joint resolution of the State of California, introduced by Senator Breed, relative to expansion of the topographic mapping program of the United States; to the Committee on Appropriations.

1383. By Mr. TREADWAY: Petition of the Worcester (Mass.) Central Association of Congregational Churches, urging the revision of the naturalization laws of the United States; to the Committee on Immigration and Naturalization.

1384. By Mr. TRAEGER: Petition of First Regiment of California, United States Volunteer Infantry Association, requesting earnest consideration in reviewing the cases of Spanish War veterans; to the Committee on Pensions.

SENATE

WEDNESDAY, JUNE 14, 1933

(Legislative day of Tuesday, June 6, 1933)

The Senate met at 11 o'clock a.m., on the expiration of the recess.

ADJOURNMENT

Mr. ROBINSON of Arkansas. Mr. President, in order that the Senate may have an opportunity of taking up measures that have been reported during this legislative day I move that the Senate adjourn until 11 o'clock and 30 minutes a.m., this day.

The motion was agreed to; and (at 11 o'clock and 1 minute a.m.) the Senate adjourned until 11 o'clock and 30 minutes a.m., Wednesday, June 14, 1933.

(Calendar day of Wednesday, June 14, 1933)

The Senate met at 11:30 o'clock a.m.

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

Almighty God and Heavenly Father, in whom we live and move and have our being, who hast brought us to this, the beginning of another day; grant us that by the direction of Thy Holy Spirit we may plan and do all things that are in accord with Thy eternal counsel.

May Thy Holy Spirit abide in this sacred place, and bring to each Member of the Senate a spirit of calm, a clear and true vision, a more intensive purpose, and, above all, an absolute commitment to Thy blessed will.

May we feel that in all our endeavors we are not working alone, for Thou art with us. Though we pass through the waters, Thou wilt be with us; and through the rivers, they shall not overflow us; though we walk through the fire, we shall not be burned, for Thou art our God, the everlasting Father, the Holy One of Israel, our Savior.

Grant that now we may feel Thy presence and be secure in the knowledge that underneath are Thine everlasting arms; and we pray that the peace of God, which passeth all understanding, may keep our hearts and our minds in the knowledge and love of God, and of His Son Jesus Christ our Lord, and that the blessings of God Almighty, the Father, the Son, and the Holy Spirit may be upon us and remain with us forever. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, June 6, when, upon request of Mr. ROBINSON of Arkansas, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

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:

Adams	Costigan	Kean	Robinson, Ind.
Ashurst	Cutting	Kendrick	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	Pope	Wheeler
Clark	Hayden	Reed	White
Connally	Hebert	Reynolds	
Copeland	Johnson	Robinson, Ark.	

Mr. ROBINSON of Arkansas. I desire to announce that the Senator from Massachusetts [Mr. COOLIDGE] is necessarily detained from the Senate on official business, and that the Senator from Nevada Mr. [PITTMAN] is necessarily detained from the Senate by reason of his service as a delegate representing our Government at the London Economic Conference.

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. HEBERT. I announce the unavoidable absence of the Senator from New Hampshire [Mr. KEYES], the Senator from Missouri [Mr. PATTERSON], and the Senator from South Dakota [Mr. NORBECK].

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

BRANCH MANUFACTURING PLANTS ABROAD

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting, pursuant to Senate Resolution 138 (72d Cong.), agreed to January 15, 1932, a report containing chiefly a list of American branch factories abroad, specifying their location, character of the product, and investment and labor employment involved, prepared by the Bureau of Foreign and Domestic Commerce of the Department (being the second report on the subject of American manufacturing investments in foreign countries by the Department), which, with the accompanying papers, was referred to the Committee on Commerce.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was ordered to lie on the table:

Joint resolution relating to cost of production for farmers

Whereas the Congress of the United States, it has been reported, struck out of the farm relief bill the so-called "Simpson amendment", which would have guaranteed prices to farmers equal to their actual and fair cost of production; and

Whereas this action makes the national farm strike inevitable, which will probably cause discontent and distress; and

Whereas the demand of the farmers for prices which will give them at least their cost of production is reasonable in all respects and is but plain justice: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Congress of the United States to promptly enact legislation guaranteeing to farmers their reasonable cost of production; be it further

Resolved, That properly attested copies of this resolution be transmitted to Hon. Henry A. Wallace, Secretary of Agriculture, and to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

C. T. YOUNG,
Speaker of the Assembly.
JOHN J. SLOCUM,
Chief Clerk of the Assembly.
THOMAS J. O'MALLEY,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.

Mr. COPELAND presented a resolution adopted by the convention of District Lodge No. 1, Scandinavian Fraternity of America, at Jamestown, N.Y., endorsing the policy of the President of the United States looking toward an enduring international peace, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Mount Neboh Men's Club, of New York City, N.Y., protesting against the persecution of, and alleged outrages committed against, the Jews in Germany, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Brooklyn, N.Y., remonstrating against the persecution of, and alleged outrages committed against, the Jews in Germany, which was referred to the Committee on Foreign Relations.

VETERANS' BENEFITS

Mr. COPELAND presented resolutions adopted by the Wyoming County committee of the American Legion, Silver Springs, N.Y., which were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Resolution adopted by Wyoming County committee, American Legion, Department of New York, in regular meeting at Silver Springs, N.Y., May 24, 1933

Whereas one of the basic reasons for the existence of the American Legion and one of its most sacred duties is the welfare of the disabled veterans of the World War; and

Whereas the American Legion through diligence and supreme effort since the World War secured enactment of legislation in the interests of the disabled veterans of the World War; and

Whereas the Congress of the United States has enacted legislation by virtue of which Executive orders have been issued tearing down in its entirety this structure of legislation and in lieu thereof creating regulations defining a pension system for all veterans; and

Whereas this so-called "pension system" is, in its essence, arbitrary, without foundation in fact or medical science, contravenes all concepts of pure justice in its effects on the deserving disabled veterans; and is the result of false and malicious propaganda spread with the object of besmirching the character of the veterans of the World War and other wars, and was intended to destroy the high reputation which the veterans and their organizations have previously built up in their respective communities; and

Whereas this so-called "pension system" divests the deserving disabled veterans of their vested rights, tends to pauperize these veterans, shifts the burden of care of these veterans from the back of the Federal income-tax payers to the already overloaded back of the home owner and the owner of other real estate, and is a vicious assault on patriotism because of its tendency to create a belief that the reward of the deserving disabled veteran, whose life and happiness were impaired in the service of his country, is a trip over the hill to the poorhouse, and that his widow and children will share likewise: Now, therefore, be it

Resolved, That the Wyoming County committee, Department of New York, American Legion, places itself on record as opposed to the legislation enacted by the Congress of the United States and the orders and regulations issued thereunder by the Executive, and whole-heartedly demands that the American Legion institute a vigorous campaign for the repeal or modification of them with a view to securing plain and pure justice for the deserving disabled veterans; and be it further

Resolved, That we dedicate ourselves to this task; and be it further

Resolved, That copies of this resolution be sent through proper channels to the local Member of the House of Representatives and to the United States Senators from the State of New York.

REPORT OF SPECIAL COMMITTEE ON CONSERVATION OF WILD LIFE RESOURCES

Mr. WALCOTT, from the Special Committee on Conservation of Wild Life Resources, to which was referred the bill (S. 1658) to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes, reported it without amendment and submitted a report (No. 145) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 13, 1933, the committee presented to the President of the United States the following enrolled bills:

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;

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; and

S. 1648. An act to amend the Reconstruction Finance Corporation Act, as amended, to provide for loans to closed building and loan associations.

BILLS INTRODUCED

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

By Mr. WHITE:

A bill (S. 1947) to provide for the creation of the St. Croix Island National Monument located near the mouth of the St. Croix River in the State of Maine, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Oklahoma:

A bill (S. 1948) amending the act entitled "An act authorizing the Court of Claims to hear, determine, and render judgment in the civilization-fund claim of the Osage Nation of Indians against the United States", approved February 6, 1921 (41 Stat. 1097); to the Committee on Indian Affairs.

By Mr. ERICKSON:

A bill (S. 1949) for the relief of C. J. Mast; to the Committee on Claims.

By Mr. REED (by request):

A bill (S. 1950) to permit any person doing business within the United States to obtain loans from the Reconstruction Finance Corporation for an amount not in excess of 60 percent of the value of the real-estate holdings of such person; to the Committee on Banking and Currency.

By Mr. SCHALL:

A bill (S. 1951) to amend the act of June 23, 1926, reserving Rice Lake and contiguous lands for the Chippewa Indians of Minnesota (with an accompanying paper); to the Committee on Indian Affairs.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5091) to amend section 289 of the Criminal Code.

The message also announced that the House had passed without amendment bills of the Senate of the following titles:

S. 554. An act providing for per capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury;

S. 1650. An act amending section 74 of the Judicial Code (U.S.C., Annotated, title 28, sec. 147);

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; and

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.

ROCKY MOUNTAIN SPOTTED FEVER

Mr. KENDRICK. Mr. President, I have here a telegram from Hon. Leslie A. Miller, Governor of Wyoming, which I send to the desk and ask to have read.

The VICE PRESIDENT. The telegram will be read.

The Chief Clerk read the telegram, as follows:

CHEYENNE, WYO., *June 1, 1933.*

Senator JOHN B. KENDRICK,
United States Senate, Washington, D.C.:

Understand there is proposal to cut 50 percent in Public Health Service appropriation on Rocky Mountain spotted fever and that such a cut would be serious blow to production of vaccine and research work on the disease. My understanding facilities at Hamilton Mont., laboratory now very much under requirements for proper study of this disease, which, as you know, is causing such concern in this State, there being something over 40 cases now outstanding; and that we have had 5 or 6 fatalities so far this year. Kindly give this your attention and urge the retention of this particular service as being very much in the interest of Wyoming.

LESLIE A. MILLER.

Mr. KENDRICK. Mr. President, this message is of especial importance at this time in view of the vicious character of this disease, and its enormous spread, not only in the Rocky Mountain country but in parts of the East. It was supposed at first that it was dangerous only in the Northwest country. It originated, I believe, in the Bitter Root Valley of Montana. Very recently, however, there have been epidemics of it, not only in States farther east, but in States as far east as Maryland and Virginia.

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

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from New York?

Mr. KENDRICK. I yield.

Mr. COPELAND. In what form does this matter come to us? Was it by some act of the Congress that the change was made, or is it a matter of economy?

Mr. KENDRICK. The late Senator from Montana, Mr. Walsh, 3 or 4 years ago induced the Congress to make an appropriation for the purpose of building a laboratory at Hamilton, Mont.; and this laboratory has been only partly finished. The reduction in the appropriation threatens the construction of that laboratory. There has been a great increase in this disease, until now it is spreading all over the country. Not only is it vicious in character, but a feature of the disease is the perfectly hideous appearance of the victim. His skin takes on the coloring of a rattlesnake; and the matter is of vast importance not only to the West but to this eastern country as well.

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

Mr. KENDRICK. Just a moment. Upon receipt of this telegram I called on the Public Health Service for a statement, and I think it would interest Members if they would listen to this statement. I send the letter to the desk and ask to have it read.

The VICE PRESIDENT. Without objection, the letter will be read.

The legislative clerk read the letter, as follows:

TREASURY DEPARTMENT,
PUBLIC HEALTH SERVICE,
Washington, June 6, 1933.

Hon. JOHN B. KENDRICK,
United States Senate, Washington, D.C.

MY DEAR SENATOR KENDRICK: With reference to our several conversations with regard to the work of the Public Health Service on Rocky Mountain spotted fever, especially the production of the vaccine, the following points may be of interest to you:

The Public Health Service has been engaged in the study of Rocky Mountain spotted fever since 1903. During this time 23 officers and employees have contracted the disease or other infections associated with the work, and six of these have died.

As you know, the headquarters for the studies have been since 1911 at Hamilton, Mont., where the State erected a laboratory for that special purpose. From the original conception that Rocky Mountain spotted fever was a strictly western disease, studies made by the Public Health Service have demonstrated that it is not confined to that part of the United States. It has been found in 25 States and the District of Columbia. This interstate feature of the disease was recognized by the late Senator Walsh, who in 1931 introduced a bill for the purchase of the Montana State Laboratory, and in addition the construction of an additional laboratory to take care of the increasing requirements of the work.

In 1924 Surg. R. R. Spencer, of the Public Health Service, developed a vaccine made from infected ticks which was protective against the disease. The annual production of this vaccine in recent years has been as follows:

	Liters
1928	12.8
1929	25.2
1930	55.0
1931	117.2
1932	152.8
1933 (approximate)	175.0

The demands for this vaccine have continuously exceeded its production, so much so that the employees of the Government engaged in the reforestation plan and the troops of the United States Army have had to be denied vaccine in order to reserve it for civilian personnel living in those regions where the disease is most prevalent and most severe. No vaccine has been allotted to the eastern United States for extensive immunization purposes.

During the present fiscal year approximately $83,000 was allotted to the maintenance of this laboratory and its work. For the next fiscal year this has been cut to $49,000. To come within this allotment, the policy of the Public Health Service has been to maintain as high a production of the vaccine as possible, even at the expense of discharging some of its scientific personnel, although it was the work of this personnel that made the discovery of the vaccine possible.

Very truly yours,

H. S. CUMMING, *Surgeon General.*

Mr. KENDRICK. Mr. President, the letter which has just been read contains two significant statements:

There never has been definite proof that the vaccine that has been produced here would render a person immune; but the fact is established that among the thousands of people who have been vaccinated there has never been the loss of a single life.

This letter also points out the fact that 26 physicians have been employed in the manufacture of this vaccine, and 6 of them have died from the disease. It is the most deadly disease that has broken out in recent years, and promises to be of national importance. Therefore, I have asked to have this telegram and letter inserted in the RECORD.

Mr. COPELAND. Mr. President, it seems to me unthinkable that we should reduce this appropriation. Senators will recall the effort made by the late Senator Walsh, of Montana, to have this small laboratory in the State of Montana transferred to the Federal Government in order that a large production of this vaccine might be had. I wish now to ask the Senator how it happens that the reduction was made. Was it a reduction in the appropriation bill, or was it by order of the Budget Director?

Mr. KENDRICK. I think it was made in the regular appropriation bill. I ought to say also that when the importance of the matter was called to the attention of the Director of the Budget a part of the money which had been cut off was restored, so that those interested could go on with their manufacture of the vaccine, and in part continue the construction and development of this laboratory.

Mr. HATFIELD. Mr. President, are they producing vaccine in this laboratory? Have they gotten to that point?

Mr. KENDRICK. They are producing vaccine; yet they cannot begin to supply the demand. There has been a large number of deaths from spotted fever over all the Rocky Mountain section of the country during this season because the vaccine could not be procured.

Mr. HATFIELD. In other words, Mr. President, on account of the lack of vaccine, those who have contracted this disease by bite from a tick die for the want of immunization. Is that true?

Mr. KENDRICK. Yes. I want to say again that they are proceeding with the production of the vaccine, but in

nothing like sufficient quantity to meet the demand. As an illustration, the people located in our section of the country who are subject to infection cannot be supplied.

Mr. COPELAND. Mr. President, has the Senator a plan to suggest by which we can get the funds? Certainly they ought to be provided at once, because the letter from the Public Health Service points out that the young men in the Civilian Conservation Corps are now to be subjected to the danger of infection with this disease. Certainly we ought not to permit a thing like that to happen. It has been very clearly pointed out here that, with the meager facilities now at hand, and through the hampering of the laboratory, it will not be possible to produce the vaccine in quantities sufficient. There should be provided some way. Has the Senator a plan?

Mr. KENDRICK. I have no plan for even an appeal to the Director of the Budget at this time, but I think such an appeal ought to be made, and such increased appropriation provided as will insure the completion of this laboratory.

Mr. COPELAND. May I suggest to the Senator that he prepare at once a suitable resolution which may be acted on today.

Mr. KENDRICK. I think it would not be possible to take such action here as would give us results this season, because of the fact that it takes quite a bit of time to secure the material for this vaccine.

Mr. COPELAND. Yes; but if we wait 6 months, it will take so much more time to get the material. I do not think we ought to wait. I want to say in all seriousness to the Senate that this is a real menace. It is not alone in the Rocky Mountain States, but the State of Maryland and other Eastern States are infected. It is a matter of great concern to the entire country, and there should be found some way, as I see it, to provide the funds to produce this vaccine in sufficient quantities.

Mr. KENDRICK. I shall be glad to cooperate in any way I can, because over all my State the infection is breaking out, as well as over Montana and Idaho. It is found particularly in the Rocky Mountain States. The Senate has already heard that the disease is more vicious in its form than any other disease we have known in this country.

CONDITION OF THE INDIAN

Mr. WHEELER presented an address by Hon. John Collier, Commissioner of Indian Affairs, delivered at the National Conference of Social Work, Detroit, Mich., on June 13, 1933, which was referred to the Committee on Indian Affairs and ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE JOHN COLLIER, COMMISSIONER OF INDIAN AFFAIRS, AT THE NATIONAL CONFERENCE OF SOCIAL WORK, DETROIT, MICH., TUESDAY MORNING, JUNE 13, 1933

INTRODUCTION

The Indian is revealed as an excessively underprivileged group—rather as a hundred groups—in situations extremely variegated and yet bound together by certain common conditions. These conditions have arisen out of the past, but they exist today as facts of law and administration, and of commission as well as omission.

Three main necessities have been driven home by your proceedings in these earlier years.

First. The resources of helpfulness, Federal and local, official and unofficial, have largely been withheld from the Indians or actually have been shut out from them. Those resources must be extended to them systematically, but coordinately the Federal responsibility for Indian protection must be kept intact.

Second. Indian administration needs to become decentralized and democratized. The changes must be not only administrative; basic legal reforms are needed, and these reforms should provide for the Indians clear and abundant civil status and a framework of group organization. Broadly, the constitutional rights.

Third. The laws affecting Indian property and the system of administering the physical assets of the Indians must be drastically changed. These laws at present necessitate the continued wastage of the Indian estate. The Indian lands have been cut down from 133,000,000 acres in 1887 to 46,000,000 today; the cutting-down goes steadily ahead, and the archaic property system necessitates a paternalism whose ramifications grow more elaborate each year and impede Indian administration and paralyze the Indians more hopelessly with each passing year.

DRASTIC REDUCTION IN AVAILABLE FUNDS

Let us glance first at the financial situation of the Indian Bureau. From last year (the fiscal year 1932) to the coming year (the fiscal year 1934, beginning July 1 next) the Federal appropriation for Indian Service has been cut from $27,030,047 to $16,586,059. The reduction is $10,443,988, or 39 percent. The Indian tribal trust funds available for Indian Bureau costs have been reduced from $3,385,934 to a sum not yet precisely known, but totaling $2,450,000, approximately, about a $930,000 diminution. And the tribal trust funds available for payment in cash to the Indians have been reduced from $3,289,160 to $2,000,000. A grand total appropriation of $33,704,000 for last year (1932) is cut to approximately $21,142,000 for the coming year (1934), and the total reduction is approximately $12,562,988. For simplicity I omit certain unexpended balances of tribal funds from the totals and certain revolving funds from irrigation projects.

Let us examine more closely that part of the reduction which is a taxpayers' saving. That is $10,443,986, of a total reduction of $12,562,988. It is divided between a saving of $5,890,440 on physical construction of all types, and a saving of $4,553,546 on personnel and administration and institutional costs. Of this cut in personnel and in institutional costs, a million and a half is represented by the uniform pay cut of 15 percent, leaving $3,000,000 to be absorbed, principally through abolition of positions and through institutional savings.

DEPLETION OF TRUST FUNDS

Roughly to finish off the picture, let me add that the payment of cash to Indians from their tribal funds and the use of tribal funds for Indian service costs is largely a diversion of capital assets into current maintenance; and the capital assets in liquid shape have, for some tribes, shrunken actually past the vanishing point; for all tribes possessing such funds they are vanishing swiftly. Another year may see activities of the Indian Service transferred from the tribal to the tax budget in the amount of $2,000,000. In large part they ought to be thus transferred. The use of Indian trust funds for administration costs is wrong; but inasmuch as the grant from tax sources can hardly be increased in the years just ahead, the effect of this shift from tribal to tax-raised funds will be a serious additional cut in the total appropriation available for Indian Service. Incidentally, the sharp reduction in per-capita payments to Indians from tribal funds (more than a million dollars in the coming year) may throw upon the tax appropriation an increased relief burden of several hundred thousand dollars.

I hurriedly complete the fiscal picture. Partially balancing the $12,500,000 reduction of total appropriations is a new grant of $5,800,000 for the emergency reforestation camps, in which 14,000 Indians will be enrolled, and we are hoping for substantial grants under the Industrial Recovery Act for road building and for construction. The Indians and the Indian lands will be benefited through these emergency grants, and through the emergency reforestation work especially we hope to achieve big advances in Indian organization for self-help. But the strain on the permanent Indian Service—the mandate for swift and drastic readjustments in the complicated institutional work of the Indian Bureau—is hardly at all diminished by the emergency grants. We do not complain at all. Ultimately we know that a permanently bettered Indian Service is going to be forged out through the economy blast, but we face extreme difficulties.

SCHOOLS AND INDIAN CHILDREN

Now I pass to the very human topic whose involvement with the fact of reduced and still-shrinking appropriations is immediate and mandatory. I refer to our schools. There are 90,000, approximately, of Indian children of school age. Of this total, 16,000 have not yet been provided with any schooling opportunity whatever. And of this number—90,000—there are 20,000 in Government boarding schools. On these 20,000 institutionalized children we have been spending, year after year 80 percent and upward of our whole appropriation for Indian education. We have left totally unprovided an almost equal number of "forgotten" Indian children. We have thrown upon the local school districts, with no Federal aid or supervision, more than 25,000 Indian children. We have paid tuition for perhaps an equal number in public schools and other schools. And to all the Indians we have denied the opportunity for advanced professional, vocational, and liberal education.

It is a state of affairs typifying a wider state of affairs in the Indian Service. We have, during all past years, concentrated on the institutional and the centralized and therefore, incidentally, the most financially expensive of the many services which we might have chosen to render the Indians.

This institutional concentration has typified our medical work as well as our school work; and it has been characteristic of our agency work on the reservations; and it has been again expressed in an overcentralization, reaching degrees which were and are fantastic, of policy making and of detailed administrative control at the remote Washington headquarters of the Indian Office. I need not, in this half hour, spin out the picture of the human, the social, the fiscal consequences of an exclusive reliance on institutional devices when one is trying to raise the life level of masses of people scattered amid the general communities of 20 States and with backgrounds and destinies as widely differing as can be imagined between the social poles.

ORIGINS OF THE PRESENT POLICY

Let me pause to explain that I am not here formulating anything new nor anything first thought of by the new Indian administration or even by its immediate predecessor. I do but summarize the facts and the conclusions of the Meriam report of 1928. And that report, while adding vastly to the factual data

about Indian service, did but state with careful application a conclusion which many of the then superintendents in the Indian Service and probably all of the Indian welfare bodies had previously arrived at. The years since 1928 have made the beginnings in the transformation of Indian Service from institutional concentration toward diffusion of services and toward use of all resources of helpfulness for and by the Indians, and toward decentralization of responsibility and of power, and toward substitution of Indian self-help (communal and individual) for the more or less forced bottle-feeding by institutional methods of a minority of the Indians. The transformation as yet has been very incomplete; and the Indian administration since 2 months ago has not yet proved that it is going to have the skill or audacity to decisively speed up the transformation. But, in common with the administration which preceded us, we do at least know that our success or our failure will rest in one thing more than all else. There are many collateral necessities, but to move, and to move faster, from institutional concentration toward Indian-participated distribution of services is the one absolute mandate. And we welcome the forced economies, because they drive us forward on the one line that may bring to an end the social entombment of most of the Indians and the biological sentence of death which still hangs over a majority of the tribes.

HOW INDIAN CHILDREN ARE NOW SCHOOLED

Returning to our Indian shool situation, on 20,000 children in institutions (three fourths of whom, and probably more, are not properly institutional cases) we are spending $7,000,000, or 80 percent of our whole educational fund. Sixteen thousand children have no schooling opportunity at all. Forty-eight thousand Indian children are enrolled in public schools, and many of these public schools are threatened with suspension by the failure of local tax resources, while the Federal Government withholds from them any payment whatsoever for the schooling of untaxed Indian children. The Federal Government pays tuition for a minority only of the Indian children in public schools. I say nothing of the relative advantages of institutional boarding schools for non-institutional children as over against day schools near the homes; the superiority of the day schools, when adequate social aid is given, will be apparent to you gathered here and has been declared by every investigating body since 1922—every official and unofficial body. Why, then, do I pause to comment upon the obvious?

THE OPPOSITION TO THE CHANGE

I do so because we now are encountering, as the prior administration encountered, intense and organized resistance to the program of moving out of boarding schools one child in order to make for him and for two other children and for their families and their communities a more adequate provision. Invested in the boarding schools are millions of dollars—perhaps as much as $25,000,000 in plant investment. In the boarding schools there is 1 Government employee for every 7 children. Each boarding school is a civic institution and an economic feeder to the local community where it is situated. And many Indians have been trained by the boarding schools to expect to be relieved of the cost and the bother of rearing their own families. Hence the intense and the many-sided resistance to the deinstitutionalizing program. But in addition there is a resistance growing out of real considerations of emotion and of philosophy.

These Indians—these Mongoloid peoples; this broken and sequestrated race; this underprivileged race, victim of a century-long Federal bureaucratic monopoly over its life, and victim of the unconscious ideal of institutionalism, and victim of a mortality excessively high, of a poverty excessively deep; this alien race, so perpetually in the "limelight" and so wildly, so romantically, not understood. Indeed, are not the institutional methods proper to such a race? Are they not situated like the buffaloes, these Indians? Very general indeed is this view of the Indians, and it has not yet by any means faded from many minds even within Congress, and the resistance against the closing of boarding schools "rationalizes" itself convincingly, through evoking from our own racial unconsciousness this view of the Indian which has in it elements which are powerful indeed of envy and of fear, of hate, and of love.

THE TENTATIVE IMMEDIATE PROGRAM

We expect that 10 boarding schools will be suspended July 1, and the attendance at many others will be somewhat reduced. Of the 10 schools which may be closed, 4 were decided upon long ago. The 6 others would normally have been closed not this year, but next, or the year after; their immediate suspension, if it takes place, will be due to the emergency requirements under the Economy Act. The future speed of change will depend on two conditions primarily: How much money can be obtained from Congress for the construction of day schools, and how broad an authority can be secured for reapplying to public-school uses the money saved from the boarding schools. If 12,000 children be transferred from boarding schools, the effect will be to save about $4,400,000 gross. If each child be schooled at a public school, and if $80 tuition be paid the school district and an additional $45 be supplied toward social and health service, the expenditure will be $1,500,000. The net saving will be $2,900,000. If we be allowed to apply toward Indian education even half of this net saving, and if the needed construction of buildings be supplied under the industrial recovery bill, we shall be enabled to place in school 10,000 children now denied any schooling. Or, were we allowed to reapply half the savings toward other Indian needs, we could, for example, out of this single adjustment finance, in behalf of all the Indians, an adequate system of agricultural credit; or we could finance, year by year, the recapture of at least 20,000 acres of allotted heirship lands now destined to pass to white ownership; or we could institute, and make general through the Indian country, the health and home education which is now almost completely neglected, and on which the survival of the tribe may be even more dependent than it is dependent on our clinical services.

IN MEXICO

So much time given to the school question in this half hour may appear to disproportion it. It is not so, as one realizes the instant he looks at the Indian work of Mexico. In Mexico the community day school has been made the foundation of all the Government's Indian effort and of the Indian cooperative effort. Indian administration has been decentralized to the last outpost—the day school with its teachers' cottage. At this day school the agricultural work centers, as well as the health work, the political education, and the art expression. The day school is the headquarters of the local cooperative society and the credit union. Adult education bulks as large as child education in many of these schools. The Indian program is integrated through the school, and being thus a local expression, this program is found with each year more diversified as one goes from region to region in Mexico. And so largely does the Mexican effort rest upon the locally organized Indians that if through revolution or bankruptcy the governmental Indian program of Mexico were tomorrow completely abandoned, still the main elements of Mexico's Indian work would not perish. This is not a speculation but a fact of experience. Until 3 years ago half of all the Indian schools of Mexico were locally supported by the Indians, even the teachers, chosen by the local Indian communes, being paid by them through moneys not derived from taxation.

The release of ambition and vision, the joy of work, the excitement of adventure in the Mexican Indian system are very impressive. The absence of red tape and the vividness of local responsibility and the sense of free option among the Indian workers are noted by every investigator. The fullness of Indian participation is noteworthy above everything else. Indeed, the whole operation is Indian-made, and Indians are holding in the Mexican Indian service every class of technical position to the highest and most professional.

You will see, returning to our own Indian Service, that the issue is not merely a contest between boarding schools and day schools. It is not merely an issue as between a luxury expenditure and an economy. The issue, if our Indian Service people have the genius to make it such, lies as between an institutional practice that is archaic, on the one hand, and on the other hand a development of social enterprise, with the day school as its nucleus, which in its potentialities reaches far out beyond the present achievement of our white communities. The Indian, if we and he can make the transition, will move from the condition of an underprivileged group, locked within outmoded institutional provisions, to a position of a group claiming and having those advantages which lie out beyond our present day, which are the hope of the great century ahead. Indian affairs thus will become one of the social pioneering enterprises, and the Indian will be the principal in a social experiment critical to the whole world.

WHAT THE INDIANS NEED FROM CONGRESS

The next session of Congress will be for the Indians and the Indian Service a fateful time. The allotment law must be radically amended. Tribal status and the machinery for Indian organization must be defined. Civil rights must be extended—a budget of measures constituting an Indian bill of rights. Legislation must be secured widening the cooperative relationships between the Federal and local agencies in all types of Indian service, while preserving intact the Federal guardianship. Legislation protecting and fostering the Indian arts and crafts must be advanced. A system of financial credit for Indians must be established. The discretion of the Secretary of the Interior and of the Indian Commissioner must be curbed. The ultimate discretion of Congress itself—its plenary power over Indian affairs—must be curbed. if Congress can be so persuaded. The system of budgeting for Indian Service must be overhauled from top to bottom. Tribal funds must be given a protection equal to that enjoyed by the Canadian Indians.

The drafting of this legislative program will be in competent hands. The legal staff of the whole Interior Department is being reorganized and concentrated under Nathan R. Margold, who is a lawyer both experienced and brilliant. The inspectorial forces of the whole Interior Department are being concentrated under Louis R. Glavis, a conservationist and a master of the techniques of investigation. To head the emergency unemployment and reforestation work for Indians, we have enlisted Dr. Jay B. Nash, known probably to all of you, than whom there is no better expert in community organization. We have announced that hereafter, as soon as we can achieve the result, the Indian timber holdings, exceeding 7,000,000 acres, shall be administered no longer through contract sales but by tribal operation, with a view to perpetual conservation and to the maximum of Indian employment and Indian communal development.

I can assure you that from the Secretary of the Interior right down through the Indian Office and out to many of its field agencies, there is an acute consciousness that Indian affairs have reached their crisis. It is a crisis which time has brought; and for most of the Indians, realization has not come too late. We know that we are facing a challenge to be met not by words but by deeds. We do not know that we shall have the resource-

fulness to meet the challenge. Ultimately the decision concerning the Indians' fate will be made in large part by Congress. Of course, the Indians themselves, and only they, will finally cast the die; but we, their official and unofficial friends, must first correct those many and strange mechanisms which, in their total effect, amount to nothing less than a benign (and not always benign) enslavement. May you, who are Members of this session, watch the course of events in the months ahead; and we beg you to help us when Congress meets next January.

The VICE PRESIDENT. Morning business is closed.

APPOINTMENT OF GOVERNOR OF HAWAII

Mr. TYDINGS. Mr. President, I move that the Senate proceed to the immediate consideration of House bill 5767, to authorize the appointment of the Governor of Hawaii without regard to his being a citizen or resident of Hawaii.

Mr. KING. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KING. Is this not a debatable question?

The VICE PRESIDENT. It is not.

Mr. BORAH. Mr. President, there are resolutions lying on the table coming over from a previous day, are there not?

The VICE PRESIDENT. The parliamentary clerk informs the Chair that there was no resolution coming over from a previous day.

Mr. BORAH. I introduced the resolution, which is on the table.

The VICE PRESIDENT. It is a joint resolution, the Chair is advised, and does not come within the rule.

Mr. McNARY. Mr. President, I ask, as a parliamentary inquiry, whether, at the conclusion of routine morning business on any day other than Monday, the calendar is not automatically taken up?

The VICE PRESIDENT. Unless otherwise ordered, the Senate at the conclusion of the morning business for each day, proceeds to the consideration of the calendar. On Monday the Senate, except by unanimous consent, is required to proceed to the consideration of bills on the calendar in their regular order. On any other day, however, the Chair may recognize any Senator to move to take up any bill he desires to have taken up out of order.

Mr. McNARY. Irrespective of its position on the calendar?

The VICE PRESIDENT. That is correct.

Mr. KING. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KING. Is it not proper to make some statement as to the character and effect of the measure the Senator from Maryland has moved to take up?

The VICE PRESIDENT. That would come within the purview of debate, it seems to the Chair.

Mr. KING. Undoubtedly; but I mean in advance of any vote on a motion to take it up.

The VICE PRESIDENT. No; that would undoubtedly be debate. I think the Senator will agree to that.

Mr. ROBINSON of Arkansas. Mr. President, if the measure be taken up, it will become subject to debate.

The VICE PRESIDENT. Certainly; then it will be subject to unlimited debate.

The question is on agreeing to the motion of the Senator from Maryland [Mr. TYDINGS] that the Senate proceed to the consideration of House bill 5767, authorizing the appointment of the Governor of Hawaii without regard to his being a citizen or resident of Hawaii.

On a division, the motion was agreed to, and the Senate proceeded to consider the bill.

Mr. TYDINGS obtained the floor.

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

Mr. TYDINGS. I yield.

Mr. BORAH. Before the Senator proceeds with the debate, I want to ask if he will permit me to call attention to a joint resolution which, if we do not pass it speedily, will be of no effect. It is a joint resolution to suspend the President's executive order for consolidation, transfer, and abolition of executive agencies, which order contained the following language:

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.

The Senator from Oregon [Mr. McNARY] has introduced a joint resolution which would have the effect of repealing this part of the Executive order. I have no pride of authorship in regard to it, but I do not believe we can successfully pass a joint resolution repealing. I do believe it would be agreeable to all parties to have that part of the order suspended until 60 days after the convening of the next session of Congress, during which time we may deal with the matter as we desire to deal with it.

Mr. COPELAND. Would not the Senator be willing to include vocational education also in the joint resolution?

Mr. BORAH. I have no objection myself to including that. It is in the same group. I was not so vitally concerned in that myself, but I have no objection to including it, provided it will not jeopardize the resolution.

Mr. COPELAND. Will the Senator include it?

Mr. LA FOLLETTE. Mr. President, I hope the Senator from Idaho will include vocational education.

Mr. BORAH. I will include that upon the condition stated.

Mr. TYDINGS. Mr. President, I should be very glad to yield to the Senator from Idaho, and I recognize the importance of his joint resolution, but if I should lose the floor and this should bring on long debate, I would be reluctant to yield.

Mr. McNARY and Mr. FESS addressed the Chair.

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

Mr. TYDINGS. I yield first to the Senator from Oregon.

Mr. McNARY. Mr. President, I think, for the sake of orderly procedure, the matter which the Senator from Idaho is now discussing should follow the disposal of the subject matter suggested by the Senator from Maryland. I have a joint resolution on the desk the object of which is the repeal of section 18 of the President's order. I think I can come to an agreement with the Senator from Arkansas with regard to its disposal, but I want it fairly set forth in the RECORD, and I would prefer that no action be taken at this time, but later in the day.

Mr. FESS. Mr. President, will the Senator from Maryland yield to me for a question?

Mr. TYDINGS. I yield.

Mr. FESS. I wanted to ask somebody who would know whether the suspension of a recommendation of the President in this particular reorganization authority would require a joint resolution or a concurrent resolution. If it would require a joint resolution, it would have to be signed by the President.

Mr. BORAH. I am not positive in my view; but after looking the matter up, I came to the conclusion that it was a matter to which the President would have to consent by signing the measure.

Mr. McNARY. I can state specifically that the joint resolution I proposed, having the same status as a bill, must be signed by the President.

Mr. BORAH. I only desire to say this with reference to time—that this matter must pass the House and must go to the President, and, therefore, we ought to be as speedy in dealing with it as possible. I regret an objection is made.

Mr. TYDINGS. Mr. President, it will be recalled that on May 22, 1933, the President addressed a message to Congress. It is a very short message of 10 lines, and I hope I may have the attention of the Senate while I read it. It is as follows:

To the Congress:

It is particularly necessary to select for the post of Governor of Hawaii a man of experience and vision who will be regarded by all citizens of the islands as one who will be absolutely impartial in his decisions on matters as to which there may be a difference of local opinion. In making my choice, I should like to be free to pick either from the islands themselves or from the entire United States, the best man for this post. I request, therefore, suitable

legislation temporarily suspending that part of the law which requires the Governor of Hawaii to be an actual resident of the islands.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 22, 1933.*

In response to that message a bill was introduced in the House of Representatives. Under the parliamentary situation in the House, it was necessary to secure a two-thirds vote in order for it to pass that body. At the time the vote was taken the measure was carried overwhelmingly, but it lacked a few votes of the necessary two thirds.

A day or two subsequent to that vote another vote was taken upon the proposal, and on that occasion over two thirds of the membership of the House voted to pass the bill. It came to the Senate on the 8th of June 1933, and there was very little time remaining between the 8th of June and the contemplated adjournment on the 10th. Therefore there was not the occasion which would ordinarily have been the case to go into the matter fully, as the Senate had a right to go into it; but because of the emergency that existed the committee nevertheless ordered the measure to be reported out without an adequate hearing. That must be conceded.

Now, in order to get a very hasty picture of the Hawaiian Islands, particularly for the benefit of those who have not had occasion to look into this matter, let me refer first to the population of the islands. According to the census of June 30, 1931, there were at that time 375,211 persons in the Hawaiian Islands. Of that number 143,754 were Japanese—about 40 percent of the entire population. But that in itself does not picture the racial divisions in the islands, because we find there about a dozen different racial divisions which I will mention.

Of Hawaiians there are 22,391; Caucasian Hawaiians, 16,454; Asiatic Hawaiians, 13,549; Portuguese, 28,219; Puerto Ricans, 6,886; Spanish, 1,255; other Caucasians, 41,968; Chinese, 27,317; Japanese, 143,754; Koreans, 6,583; Filipinos, 66,049; and all others, 786, making a total of 375,211 persons.

It is plain to be seen that there on those delightful and beautiful islands there is ample ground for racial differences, plenty of opportunity for conflicts, plenty of opportunity for racial isolation and hatreds and prejudices. Fortunately, as nearly as I am able to ascertain, up to the present the people there have lived in amity, and the islands have attracted people from all over the world because of their natural beauties and climate and the life which is characteristic of the islands.

However, some time ago incidents began to happen. I do not want to reflect upon the Hawaiian Islands by picking out one or two instances and saying that they are typical of the Islands, that the people there are a lawless lot, that they are a bad lot, for that would not be true, in the first place, and I certainly do not want to reflect upon the people there in the second place; but the statement is predicated upon truth, that there has been a degree of disrespect for law which has not been the normal situation in the Islands. A year or so ago some incidents occurred there which accentuated the racial divisions.

In the Philippine Islands, having a population of 13,000,000 souls, a population which is largely homogeneous, we pick the Governor from the United States. The Filipino Government is a stable Government. Only recently the Congress passed an act allowing the Philippine people to choose the path of absolute independence should they desire to do so. We have done all that in the case of the 13,000,000 people who live in the Philippine Islands at the present time; but, notwithstanding that advanced state of affairs, the Governor of the Philippines is a citizen and a resident of the United States. That is likewise true of Puerto Rico, the Senate having just confirmed another resident of the United States to be the Governor of Puerto Rico.

Originally the law was not in its present shape with reference to the selection of governors for the Hawaiian Islands. President Wilson appointed a Mr. Pinkney who served him in the islands; but later on the complexion of Congress changed and the Hawaiian organic act was amended so that, under the act as it now exists, the Governor of the Hawaiian Islands must be a resident of the Hawaiian Islands for a period of at least 3 years.

President Roosevelt has had an investigation made of the conditions in the islands, and he deems it wise in their interest as well as in the interest of the United States to have a free hand to scan the country from one end to the other in order to select the very best man he can find for this post at this time. I hope the Senate will support the President in this program.

I have no desire to make a long address concerning conditions in the Hawaiian Islands; in fact, I should rather not say anything than make a remark which by indirection or by innuendo might cast any reflection upon the people of those islands. However, the conditions are such that the President feels it will be in the best interest of all parties concerned if he shall be given this power as a temporary measure, during this period when there has been some unpleasantness in the Hawaiian Islands. I hope the Senate will sustain the President in this respect; I hope they will support his request and permit the amendment of the law as a temporary proposition so that the best man available may be selected for Governor of the Hawaiian Islands.

Much may be said for local self-government, and I am not going to say anything opposed to that proposition, except to make this observation: Under the present law, the citizens of the Hawaiian Islands do not elect their Governor; they have no voice in the election of their Governor any more than I have in the election of the Governor of Illinois or Connecticut. The Governor of Hawaii is selected by the President. The sole color of title to local self-government in the selection of the Governor arises from the fact that, under existing law, the Governor of Hawaii must be a resident of the Hawaiian Islands; that is all. The President may take any one of the residents of the Hawaiian Islands for Governor; the people of the Hawaiian Islands have no voice in the selection of the Governor. If they had the right to elect their Governor, the departure from the ordinary routine would be one thing; but when they have no right to elect their Governor, when the Governor is appointed by the President, anyway, it cannot be said that this proposal is any substantial infringement of the right of local self-government. Since they have no voice in the election of their Governor, anyway, and in view of the fact that a year ago the situation was very tense in the Hawaiian Islands, I am hopeful that, as a temporary measure, the Senate will accede to the President's request that he may be permitted to scan the whole country and select either from the islands or from the mainland the one man who he finds is best equipped and situated to administer the affairs of these very beautiful islands in the Pacific for a brief period of time until normalcy may be restored.

COOPERATION AMONG SUPERVISORY BANKING AGENCIES

Mr. VANDENBERG. Mr. President, I want to address myself to the pending proposition respecting the Governorship of Hawaii in just a moment, but preceding that discussion I want to offer one comment and suggestion respecting the contemporary banking situation, inasmuch as this may be one of the last opportunities we may have in the Congress to address ourselves to that subject before next January. The intervening months represent a dangerous interlude.

This administration, Mr. President, believes in unified command in everything except in the one field of present activity in which it is most sadly and tragically needed. It is practicing, or will practice, unified command in every field except that occupied by those incongruous and unharmonized agencies which are presumed to help open closed banks and which are presumed to help keep open banks that are already in operation. Personally I do not believe in many of these dictatorships, and therefore I find it particularly irksome that there is no unified command at the one point where it ought to exist; and, inasmuch as the situation is pretty clearly within the jurisdiction of the Chief Executive, I want to urge upon the President that he take effective

Executive cognizance of the situation to which I am addressing myself.

Mr. President, I am referring to the fact that there are three governmental agencies with which an open bank must deal if it needs assistance in remaining open or with which a closed bank must deal if it is to obtain conclusive cooperation in a reorganization and reopening. These banks, whether open or closed, must deal first with the Reconstruction Finance Corporation in respect to loans; second, with the Treasury Department in respect to licenses; and, third, with the Federal Reserve banks not only in respect to licenses and to the rediscount privilege but also with respect to those emergency sections of the first Glass-Steagall bill which were supposed to be helpful, but which are altogether too rarely invoked.

Mr. President, I have not meant to name these agencies in the relative order of their importance or in the order of their contemporary sterility, but all three of them are always involved in each situation which a bank confronts whether, upon the one hand, it is trying to procure the necessary assistance to stay open or whether, upon the other hand, it is a closed bank which is trying to procure the necessary cooperation in order that it may reopen.

The open banks, Mr. President, when they need assistance, need it promptly; they need it quickly; they need it conclusively; they need it dependably. They cannot wait for an indeterminate debate between the Reconstruction Finance Corporation and the Treasury Department and the Federal Reserve banks, for except as the assistance is prompt and conclusive it is useless. Yet these banks are finding themselves lost in many a critical moment—and I am referring particularly to such a moment which has just occurred again in my own State of Michigan—they are finding themselves literally lost in the diverse decisions and the lack of conclusive cooperation between these three separate agencies of the Government with which they must deal. There are examinations and then there are reexaminations and then there are re-reexaminations. One agency examines. Then another examines the examination already made. The process is as continuous as it is confusing. One instrumentality makes one decision. Another instrumentality makes another decision. Then the third instrumentality disagrees with both the others. The banker who wants an answer respecting his problems is on a veritable merry-go-round. It would often be funny if it were not so serious. I am not criticizing officials. I am criticizing the system.

Mr. President, closed banks are finding one of their chief problems in reorganization and reopening to be this difficulty in procuring a meeting of minds between the Reconstruction Finance Corporation, the Treasury Department, and the Federal Reserve banks. Not only that but when the field agents of these three instrumentalities of the Government, the men representing these instrumentalities out in the field, on the ground where the difficulty arises, tentatively agree upon a program, let us say, for the reorganization and reopening of a closed bank, that program has to come back to headquarters; it has to come back to the Federal Reserve banks; it has to come back to the national board of directors of the Reconstruction Finance Corporation; it has to come back to the Secretary of the Treasury, and the Comptroller of the Currency. Time and time again when there has been an agreement on the ground, in the field, upon a formula for opening these banks, the formula has been vetoed when it finally reaches headquarters.

Mr. President, this is coming to be a very serious menace, and, except as the Executive does take Executive cognizance of the situation, I am very much afraid it may produce serious jeopardy. This process cannot go on indefinitely. It already has cost infinite and needless grief, and it will cost more.

The President went upon the radio at the end of his national banking holiday and told the American people that they could trust every bank to which he has given a license. Mr. President, he must make good upon that promise. I submit to him in all sympathetic cooperation that he cannot make good upon that promise unless he speedily correlates the three agencies and puts them in unified cooperation in dealing with these banking difficulties in summary fashion.

Mr. President, there was once a very famous double play in professional baseball, "Tinker to Evers to Chance", and any runner and any batter who collided with that combination was always out. Mr. President, we have a modern double play—or perhaps it is a triple play—which is equally fatal to the banker and to his depositor when they confront the modern combination which shoots the ball from the Reconstruction Finance Corporation to the Treasury Department to the Federal Reserve banks. It may not always be in that serial order, but it is always a potential threat and it has many a put-out to its credit during the last 3 months of play in the depression league. There must be an end to this type of diffused responsibility in dealing with the banking situation or, frankly, Mr. President, there will be needless difficulties which we all will regret. I am submitting this comment in the best of faith, believing that it is a suggestion upon which the President of the United States needs to act with exceeding promptness if there shall not be difficulties which none of us cares to contemplate.

So much for that subject. I desire now to address myself to the measure which has been brought to the attention of the Senate by the able senior Senator from Maryland.

APPOINTMENT OF GOVERNOR OF HAWAII

The Senate resumed 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.

Mr. VANDENBERG. Mr. President, I find myself in complete and unqualified hostility to the proposition submitted by the Senator from Maryland [Mr. TYDINGS] in behalf of the President of the United States. I think it is an indefensible affront to a free people. I think that temporary vicissitudes in the Hawaiian Islands cannot be pleaded in mitigation of our offense when we resurrect carpetbagging in the United States and inflict an external governor upon a people to whom we have covenanted a governor of their own residency.

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

The PRESIDING OFFICER (Mr. HAYDEN in the chair). Does the Senator from Michigan yield to the Senator from Maryland?

Mr. VANDENBERG. I do.

Mr. TYDINGS. Would the Senator be in favor of amending the Filipino Act and the Puerto Rican Act so that those two sections might have governors who are natives of the islands?

Mr. VANDENBERG. I shall be very glad to discuss that in a moment. The answer is no, and the parallel is utterly without analogy, as I shall be very happy to show. The Senator from Maryland merely begs the question. If this is the best excuse that can be made for the proposed imposition, there is no excuse whatever. I may as well address myself to that subject now, since the Senator from Maryland has raised it.

Mr. President, there are two types of external relationship under the American flag. One type deals with so-called "possessions." "Possessions", within the use of that word, for example, includes Puerto Rico and the Philippine Islands. The other classification is the classification of a "Territory." It is a totally different classification. It acknowledges a totally different obligation on our part and a totally different status in respect to the citizens who there reside. Our Territories are Alaska and Hawaii. It is no argument whatsoever to plead that the lack of a native governor in the Philippine Islands or in Puerto Rico is a precedent which justifies the withdrawal of the right of a local governor in Hawaii and in Alaska.

Mr. President, there is this further distinction and the Senator from Maryland well knows the distinction exists. We are under no covenant with the Philippine Islands in respect to their Governor. We are under a definite and

specific covenant in the organic act which we have validated for some 30 years in respect to Hawaii. The pending proposal is a direct and specific nullification of an obligation that has been honored for 30 years, which certainly has partaken of the nature of a solemn contract between the Government of the United States and the government and the people of the Hawaiian Islands. It is perfectly absurd to suggest that there is any remote parallel between the problem which we confront in respect of the governorship at Honolulu and the problem which we confront in respect of the governorship at Manila. The governorship at Hawaii is a matter of contract under organic law, and this present effort either to suspend the terms of that contract or to violate the spirit of it is nothing more nor less than a resurrection of the old-fashioned carpetbagging which I never supposed would come to life and to the attention of this Congress under Democratic auspices.

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

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

Mr. VANDENBERG. I yield.

Mr. KING. May I suggest to the able Senator from Michigan, in addition to the very strong statement which he just made and which cannot be controverted, that the Hawaiian Islands became a part of the United States by treaty, and the Hawaiian Islands were an independent government. It was a Republic, and one Republic dealt with another Republic. We did not conquer the Hawaiian Islands as we conquered the Philippines or as we took possession of Puerto Rico by military force. Here was an independent government, a republic which we approach and asked for consolidation. Here was one independent people covenanting and cooperating with another independent government.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Louisiana?

Mr. VANDENBERG. I do.

Mr. LONG. Since the Senator has yielded, I am very glad to hear the Senator from Michigan denouncing the carpetbagging that is apparently intended to take place in Hawaii. That is a subject matter very dear to our hearts down in my part of the country and it is quite an influential argument. Just wherein does the parallel come, may I ask the Senator from Michigan? I am really in sympathy with the Senator from Michigan.

Mr. VANDENBERG. The parallel comes in the superimposition of an external governor over a people against their protest and contrary to their home-rule right.

Furthermore, Mr. President, in this same general connection, it is a very amazing thing to me and perhaps a significant thing that there is pending even a proposal to carpetbag the District commissionership in the city of Washington. Certainly there has not been any great outburst of violence in the National Capital, there has not been any clashing of races in the National Capital, quoting the argument submitted by the Senator from Maryland, to justify carpetbagging here, and yet the newspapers tell us, quoting from a headline in yesterday's newspaper, "Omaha man called District of Columbia head candidate." I read it because of its significance; significant of what may lie behind this amazing proposition to inflict an external governorship upon the people of Hawaii contrary to the organic contract under which we have lived with them for 3 decades.

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

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from South Carolina?

Mr. VANDENBERG. I yield.

Mr. BYRNES. I know nothing or very little about the Hawaiian bill.

Mr. VANDENBERG. If the Senator will follow me, he will know a great deal more about it than he knows now.

Mr. BYRNES. I hope so. I do not think I would be very well informed as the result of newspaper statements because the Senator from Michigan knows that the law provides that the Commissioners of the District of Columbia must be natives of Washington.

Mr. VANDENBERG. Yes; I know that; and the organic law provides that the Governor of Hawaii must be a resident for 3 years of Hawaii.

Mr. BYRNES. No other man can be appointed unless the law is changed.

Mr. VANDENBERG. Exactly; and I am wondering, after this Hawaii thing has been flipped through the Senate in the last days of the session, whether we shall not confront an emergency resolution, because of an alleged emergency and the inability of the Democratic Party to agree upon who ought to be appointed to the commissionership, whether we shall not have another sudden emergency resolution like the one now pending for the purpose of authorizing the importation of one of the Commissioners of the District of Columbia.

I want to pursue that matter just a little because I think it is rather interesting. I read from this article, which may be as unreliable as my dear friend the Senator from South Carolina intimates, and yet which seems to have some basis and some significance:

> Postmaster General James A. Farley, who conducted the preconvention campaign for Mr. Roosevelt on the basis of home rule, is said to be wavering. Although the six votes of the District delegation to the Chicago convention were put in Mr. Farley's pocket at a time when they did his cause much more good than the number of them would indicate, the patronage dispenser of the administration now is reported ready to forget the voteless District and give District jobs to persons who have votes and a voting following elsewhere.
>
> Although the law would prohibit appointment of Mr. Hopkins—

The point raised by my able friend from South Carolina—

> or anyone else who is not a bona fide resident of the District, residents of the National Capital would be practically helpless to upset any outside appointment the President might make. Similar appointments have been made in the past, and although contests were started in the courts, the contests were not effective, the courts denying the right of citizens to challenge the selection of the President when approved by the Senate.

So here is the contemplation close at home of an administration movement which evidently has taken formidable status already to carpetbag the government of the District of Columbia. Of course, if they are willing to carpetbag the government of the District of Columbia, they would not hesitate for a moment to carpetbag the helpless and more remote government of the Territory of Hawaii. I think it is very significant that the problem of carpetbagging the government of the District of Columbia is in the hands of, to quote the journalistic definition, the "patronage dispenser of the administration." I only hope that lying behind the proposition to carpetbag the government of the Territory of Hawaii is not a similar aspiration on the part of the "patronage dispenser of the administration" with reference to the District of Columbia.

Mr. President, the able Senator from Utah [Mr. KING] has referred to the fact that the Territory of Hawaii came within our jurisdiction under particular and peculiar conditions involving a particular and specific challenge to the integrity of our relationship with those people. He is entirely correct. The islands were annexed to the United States in 1898. The organic act was adopted in 1900. Section 5 of the organic act provides that—

> The Constitution and all the laws of the United States which are not locally inapplicable shall have the same force and effect within said Territory as elsewhere in the United States.

Thereby the Constitution of the United States became the constitution of the islands, and the laws of the United States became the law of the islands.

Section 4 provides that all persons who were residents of the Republic of Hawaii on August 12, 1898, "and all the citizens of the United States who shall hereafter reside in the Territory of Hawaii for 1 year, shall be citizens of the Territory of Hawaii." Then, respecting the qualifications for the governorship, I read from section 66:

He—

That is, the Governor—

> shall be not less than 35 years of age. He shall be a citizen of the Territory of Hawaii.

Therefore, no one could have been Governor of Hawaii under the initial promise of the organic act except as he had resided there for 1 year or more.

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

Mr. VANDENBERG. I yield.

Mr. BYRNES. I wonder if the Senator would be good enough to yield for the purpose of permitting me to present a conference report on the independent offices appropriation bill.

Mr. VANDENBERG. I shall be very glad to yield in just a moment, if the Senator will let me finish this particular thought.

Mr. BYRNES. That is very kind of the Senator.

Mr. VANDENBERG. I desire to continue the quotation from the organic act in respect to the governorship, and to note for the sake of continuity that in 1921 section 66 of the act was amended by inserting, after the provision that the Governor should be a citizen of the Territory of Hawaii, the requirement that he shall have resided there 3 years next preceding his appointment, in lieu of the 1-year residential requirement.

Therefore, Mr. President, so far as the organic act stands, so far as the integrity of our relationship with the Hawaiian people is concerned, we stand committed to the integrity of a promise that no Governor shall be sent to Honolulu except a Governor who has been a bona-fide resident of the Hawaiian Islands for a period of 3 years; and when the debate is resumed, I shall ask the privilege of reclaiming the floor to demonstrate how the Democratic Party, in particular, has underwritten that promise for the last 20 years, and that it does not lie within its honest and decent purview to propose to challenge and qualify it today.

I now yield to the Senator from South Carolina.

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. 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, agreed to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BUCHANAN, Mr. TAYLOR of Colorado, Mr. AYRES of Kansas, Mr. OLIVER of Alabama, Mr. TABER, and Mr. THURSTON were appointed managers on the part of the House at the conference.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRNES. Mr. President, I send to the desk a conference report on the independent offices appropriation bill and ask that it be read.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Costigan	Kean	Robinson, Ind.
Ashurst	Cutting	Kendrick	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	Pope	Wheeler
Clark	Hayden	Reed	White
Connally	Hebert	Reynolds	
Copeland	Johnson	Robinson, Ark.	

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present.

The PRESIDING OFFICER. The Senator from South Carolina [Mr. BYRNES] has presented a conference report, which will be read.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 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, 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 9, 25, 26, and 32.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 12, 22, 23, 24, 27, 28, 29, 31, 35, 37, 38, 39, 40, 41, 42, and 48, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "and notwithstanding any provisions of law to the contrary, the Administrator is authorized to expend during the fiscal year 1934 not to exceed $2,000 for actuarial services by contract, without obtaining competition, at such rates of compensation as he may determine to be reasonable"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In line 8 of the matter inserted by said amendment, strike out "$13,950" and insert in lieu thereof "$13,110", and in the same line, strike out "$1,800" and insert in lieu thereof "$1,530"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: Omit the matter stricken out and inserted by said amendment; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: Omit the matter inserted by said amendment and restore the matter stricken out amended to read as follows:

"SEC. 10. The President is authorized, in his discretion, to suspend the extra pay or reduce the rate of extra pay allowed to commissioned officers, warrant officers, and enlisted men of the Army, Navy, Marine Corps, and Coast Guard while on flying duty, and to distinguish between degrees of hazard in various types of flying duty and make different rates of extra pay applicable thereto."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 10, 11, 13, 14, 15, 16, 17, 18, 19, 21, 30, 34, 43, 44, 45, 46, and 47.

CARTER GLASS,
JAMES F. BYRNES,
RICHARD B. RUSSELL, Jr.,
FREDERICK HALE,
FREDERICK STEIWER,
Managers on the part of the Senate.

C. A. WOODRUM,
JOHN J. BOYLAN,
W. W. HASTINGS,
J. P. BUCHANAN,
Managers on the part of the House.

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

The report was agreed to.

Mr. BYRNES. I move that the Senate further insist upon its amendments numbered 7, 10, 11, 13, 14, 15, 16, 17, 18, 19, 21, 30, 34, 43, 44, 45, and 46 to the bill.

The motion was agreed to.

Mr. BYRNES. I offer the motion which I send to the desk and ask to have read.

The PRESIDING OFFICER. The motion will be read.

The legislative clerk read as follows:

Mr. BYRNES moves that the Senate concur in the House amendment to Senate amendment numbered 47, with an amendment, as follows:

"Notwithstanding any of the provisions of Public Law No. 2, Seventy-third Congress, any veteran of the Spanish-American War, including the Boxer rebellion and the Philippine insurrection, who served 90 days or more, was honorably discharged from the service, is 55 years of age or over, is 50 percent disabled, and in need as defined by the President, shall be paid a pension of not less than $15 per month."

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

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Oregon?

Mr. BYRNES. I do.

Mr. STEIWER. I desire to make a parliamentary inquiry. As most Senators know, it is my purpose at the appropriate time to offer an amendment in the nature of a substitute for the House amendment as it now stands, or as it may be amended by the proposal just offered by the Senator from South Carolina. Will it be in order for me to offer an amendment in the nature of a substitute after the Senator's motion has been agreed to?

The PRESIDING OFFICER. The Chair is of the opinion that it will be. This is in the nature of a perfecting amendment, which has priority over a substitute.

Mr. STEIWER. Very well. If it is so regarded, I will not offer an amendment to the amendment, but will wait until action is taken upon the amendment.

The PRESIDING OFFICER. The Chair will say that if the present occupant of the chair is still in the chair, he will so hold.

Mr. TRAMMELL. Mr. President, I desire to raise the parliamentary question that before the amendment is voted upon it may be perfected. After that amendment is once perfected, can a substitute be offered?

The PRESIDING OFFICER. The Chair thinks so.

Mr. TRAMMELL. That is the question—whether that is the case, or whether the substitute should be offered prior to that time, so that they may each be perfected.

Mr. STEIWER. Mr. President, may we have better order? I cannot hear the discussion.

The PRESIDING OFFICER. The Senate will be in order.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Wisconsin?

Mr. BYRNES. I do.

Mr. LA FOLLETTE. It would seem perfectly clear that the motion made by the Senator from South Carolina brings the House text before the Senate as an original proposition in the first stage of legislation; and therefore, quite obviously, it is open to amendment by the Senator from South Carolina or any other Senator who desires to amend it. The substitute would clearly be in order.

Mr. TRAMMELL. Mr. President, I raise the parliamentary point that the substitute amendment can now be offered, and that it does not have to await a vote on or a perfecting of the motion made by the Senator from South Carolina. I much prefer to have that procedure followed. I believe it is in order. I propound that parliamentary question.

The PRESIDING OFFICER. The Chair will state that a substitute may be offered now or at any time before the motion of the Senator from South Carolina is finally disposed of; but a perfecting amendment would have to be voted on first, before the substitute would be voted on. Therefore, nothing would be gained by offering it at this time.

Mr. STEIWER. Mr. President, if the Senator from South Carolina will yield to me, in view of what has just been stated by the Chair, I should like to make the necessary offer.

At this time, Mr. President, I offer, on behalf of the Senator from New Mexico [Mr. CUTTING] and myself, an amendment to the amendment offered by the Senator from South Carolina in the nature of a substitute for the proposal agreed to by the House as an amendment to Senate amendment numbered 47. I ask that it be stated.

The PRESIDING OFFICER. The Senator offers a substitute for whatever there is after it is perfected.

Mr. STEIWER. No, Mr. President. I am offering this as a substitute for the House language; but in view of the ruling just made by the Chair, I take it that it may be considered prior to the consideration of the proposal made by the Senator from South Carolina.

The PRESIDING OFFICER. No; the Senator misunderstood the Chair. The Chair held that notwithstanding the substitute might be offered now, all perfecting amendments must be voted on prior to the vote on the substitute. Therefore there is nothing to be gained by offering the substitute now, although the Senator may offer it at this time and have it pending and voted on after the amendments have been voted on.

Mr. CUTTING. Mr. President, do I understand correctly that the ruling of the Chair is that, after accepting the perfecting amendments offered by the Senator from South Carolina, we may then vote on the amendment of the Senator from Oregon, although it may contain provisions totally contrary to those in the House provision accepted by the Senator from South Carolina?

The PRESIDING OFFICER. That is the ruling of the Chair.

Mr. TRAMMELL. I desire to propound another parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TRAMMELL. After the motion offered by the Senator from South Carolina, and the offering of a substitute, I take the parliamentary position to be that the vote will come on whether or not the substitute shall be adopted, before the vote comes on the question of the motion made by the Senator from South Carolina. Is that correct?

The PRESIDING OFFICER. The Chair would have to rule that the Senator's position is not well taken.

Mr. BYRNES. Mr. President, I desire to make only a very brief statement as to the amendment I have offered.

The purpose of this amendment is to give the Senate an opportunity to vote upon the so-called "House compromise", plus an amendment which I have offered, and which includes the assurances made by the President in his letter to Representative CROSSER, the chairman of the special Veterans' Committee of the House during the consideration of this measure by the House.

I think the Senate is familiar with the House amendment, with the provision caring for directly service-connected cases, with the provision that the presumptives shall be continued upon the rolls until October, and that in the meantime a special committee, a majority of which shall not be connected in any way with the Veterans' Administration, shall look into those cases, and determine which should remain upon the rolls; and with the further provision that if, in October, the inquiry has not been completed, those whose cases have not been examined shall have their cases continued by the President until such time as they are examined.

Then there was another provision, which is not included in the Steiwer amendment, as I understand it, but which is in the House amendment, and which is to the effect that as to all of those cases making claims for insurance, for compensation, for allowances, for emergency officers' retirement pay, under the old law, and which cases, by the provisions of the Economy Act, were discarded, are revived, and the Veterans' Administration is authorized to consider those insurance cases, cases for pensions, and cases for allowances and benefits, upon the evidence in the files of the Veterans' Administration, and adjudicate them.

The Senate is familiar with the other provision, because it is contained substantially in these two measures.

In the House amendment there was no provision as to the Spanish-American War veterans. The House did have before it the letter of the President addressed to Mr. CROSSER, in which the President stated:

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, 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 assurance 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.

In the amendment I have offered I have written the language of the President with this exception, that instead of the words "substantially disabled", which would leave to the Veterans' Administration the determination of that question, the specific provision is "50 percent disabled." In the course of the debate in the House, veterans who represented the House stated that that was the understanding with the President. I wrote it into the law instead of letting it remain in the letter.

In the letter of the President no amount is specified, the statement of the President being that he would give assistance. In this amendment it is specified that the assistance shall be not less than $15 per month. The effect of it is this, that every Spanish-American War veteran 55 years of age or over, having a disability of 50 percent, whether service connected or not, will be restored to the rolls at $15 per month.

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

Mr. BYRNES. Please permit me to finish this statement. According to my information, there are but few of those veterans under 55 years of age, because of the years which have passed since 1898 and 1899. Therefore this includes practically all the Spanish-American War veterans.

The effect of the adoption of this amendment and of the House compromise would be this, that since the issuance of the first regulations agreed upon and issued by the President, the President has issued additional regulations, which increased the amount to be paid to veterans for pension benefits approximately forty-five to forty-seven million dollars. By the adoption of the House amendment, plus the amendment I now offer, approximately $50,000,000 additional will be added to the amount to be paid to veterans, so that as a result of the President's regulations and this action, the veterans would receive $100,000,000 more than they would have received under the regulations first issued by the President.

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

Mr. BYRNES. I will yield first to the Senator from Texas, who first asked me to yield.

Mr. CONNALLY. I defer to the Senator from Nebraska.

Mr. BYRNES. Then I yield to the Senator from Nebraska.

Mr. NORRIS. There is one clause in the Senator's amendment which seems to me to be objectionable from a practical standpoint. I am not opposing the Senator's amendment, particularly if this clause shall be stricken out. In addition to a veteran being 50 percent disabled and being 55 years old, and having the other disabilities mentioned, there is this language in the amendment as I heard it read, "and if in need, as found by the President." That is extremely indefinite. It seems to me that we have heretofore put nothing in the pension laws similar to that, "if in need, as found by the President." Of course, everybody knows that the President cannot look into these cases; somebody must do it for him. I wonder why that language is put in.

Mr. BYRNES. Mr. President, the primary reason is that it is contained in the letter indicating the agreement that was had between the Veterans' Committee and the President; but I know the reasons for that, and I will inform the Senator, because that is what he wants to know.

First, my information is that, as a result of the provisions written into the economy law as to non-service-connected totally disabled cases, the question of need is involved. If not, certainly it is in the regulations. But the reason behind it was that if a Spanish-American War veteran is 55 years of age, is 50 percent disabled, and has an income of five or ten or twenty or twenty-five thousand dollars a year, he is one of the few who is well to do.

Mr. NORRIS. Mr. President, that is the point I should like to call to the attention of the Senator. Somebody has to decide whether that kind of a man, 50 percent disabled, and 55 years old, who has an income of a thousand dollars a year, is in need or is not in need. It would depend upon the opinion of some person who looks into the matter as to whether that man was in need or not. I can see how one man might be much more than 50 percent disabled, much more in need, than a man who was just barely 50 percent disabled. If the Senator wants to put it on the basis of the income, then we ought to write in the law as we did years ago in reference to Civil War veterans, a provision that if a man has a net income of a certain amount he should not be entitled to the pension. But these words "if in need" are indefinite, almost meaningless, it seems to me. It depends on a thousand things, and no two men would agree, probably, as to when a man was in need and when he was not or to what extent he was in need.

Mr. BYRNES. Mr. President, of course, that is the difficulty in connection with the provision. We would all agree that, as to the man who has an income and who is not in need and who is suffering from a disability which is in no way connected with the service, Congress would not be very zealous about providing a pension for him. It is difficult to write into the law, I admit, a principle which could be followed, unless we went to the income-tax figures.

The language in the President's letter was "who are in need." I have added to that language the clause "as defined by the President." I know that the Senator from Nebraska would say, as we have heard so often, and with considerable force, that the President cannot do all of these things and that it would be left to some other person. If the language were left simply "who are in need", certainly the Veterans' Administration would determine the question. Because I hoped that that might not be done, I specifically provided "as defined by the President", because I know that we have a letter which was written by the President, and it is a matter to which he has given and would give consideration. What guiding principle should be laid down to determine the need could be better decided by him than by the Congress, in my opinion.

Mr. NORRIS. It seems to me the Senator's own remark is convincing; it looks to me almost like an impossibility. No two men would agree about the question. If we are going to pay pensions only to men who do not have sufficient incomes on which to live, if we are going to put that principle into the law at all, then it seems to me we could do it definitely by saying that any man with an income of a thousand, or fifteen hundred, or two thousand dollars, should not be entitled to the pension; in other words, provide that the veteran may draw a pension if he has a net income of less than $2,500, or something of that kind. That would be definite. It would not be difficult to prove. It would apply to all cases alike. I do not know that I should like to have it put in. I would rather not have anything in the nature of a pauper's oath required of a pensioner; but if we are to determine that one of the things necessary to be shown is that he is in need, it ought to be so definite that it would apply to all applicants. We administered that kind of a statute in our pension law several years ago in relation to widow's pensions.

Mr. BYRNES. Certainly it would be more definite. The only difference is, I willingly concede, that whereas I have sought to make every other provision in the amendment definite, as to that I have said, "in need as defined by the President."

Mr. CONNALLY and Mr. CUTTING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Carolina yield; and if so, to whom?

Mr. BYRNES. The Senator from Texas first asked me to yield and I yield to him. Then I will yield to the Senator from New Mexico.

Mr. CONNALLY. The Senator from Texas desires to inquire of the Senator from South Carolina as to the scope of the word "disabled." As I understand the Senator, the word "disabled" is not restrictive, but includes any disability from any cause, whether it can be traced to service or otherwise in the case of Spanish-American War veterans.

Mr. BYRNES. Absolutely; there is no doubt about that.

Mr. CONNALLY. The Senator is clear that it has that implication and will receive that construction?

Mr. BYRNES. Not only has it that implication, but it is the intention of it, and it specifically says that any veteran whether his disability is service-connected or not benefits under this language.

Mr. CONNALLY. It is not a question so much about the veteran as it is about the disability—whether it includes disability from any source?

Mr. BYRNES. There is no doubt about that, either in language or in intent.

Mr. CUTTING. Mr. President——

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

Mr. BYRNES. I yield.

Mr. CUTTING. As I read the amendment which the Senator has presented, it is subject not only to the criticism which the Senator from Nebraska makes but also to the further criticism that the 50-percent disability is to be "defined" by the President.

Mr. BYRNES. Mr. President, the Senator from New Mexico is in error. I think the Senator must have a copy of the amendment as it was first drafted, when it contained different language, because the amendment offered specifically uses the words "50 percent disabled."

Mr. CUTTING. That is what I say. The amendment reads "is 50 percent disabled, and in need as defined by the President."

Mr. BYRNES. Yes.

Mr. CUTTING. So that the only Spanish War veterans who would get any benefit from this amendment would be those whom the President may define as being, first, 50 percent disabled, and, secondly, in need. What class of veterans will be embraced under this amendment is absolutely impossible for any one of us to determine.

Mr. BYRNES. O Mr. President, I regret greatly that I cannot follow the Senator from New Mexico at all. In the first place, the amendment reads, "is 50 percent disabled, and in need"; but, even if it were not so, it is true that as to what constitutes 50-percent disability certainly someone must decide, and, of course, it will be decided not by the President but by examinations that are made. I repeat, the degree of disability must be determined by someone; and who would determine it?

Mr. CUTTING. The Senator's construction of the amendment is exactly the same as my own.

Mr. BYRNES. No; I have made clear that the amendment does not say what the Senator suggests. It says, "50 percent disabled, and in need as defined by the President." I go on to say that when we come to consider the language as to a veteran who is 50 percent disabled, someone has got to determine the degree of disability; and necessarily that will be determined by the representatives of the President; the doctors who are appointed to determine disability in all other cases will have to determine it in these cases. It cannot be determined by the Senator or by the President; it will have to be determined as a result of some evidence showing disability.

Mr. CUTTING. O Mr. President, I beg to differ with the Senator. We could quite easily write into this amendment exactly which veterans we intend to keep on the rolls. We could write such a provision as is contained in the amendment offered by the Senator from Oregon [Mr. STEIWER]. We could write such a provision as is contained in the amendment of the Senator from Texas [Mr. CONNALLY] which we adopted the other day, providing that veterans who are now on the rolls, unless for some reason they should be ruled out, shall be retained. Here we adopt a perfectly vague thing. "Fifty-five years of age or over"; that is the only definite thing, I submit, in the Senator's amendment.

Fifty percent disabled, and in need as defined by the President.

I do not care at all whether the words "as defined by the President" in this amendment are grammatically connected with 50 percent disabled; the fact still remains, as stated by the Senator, that the President or the President's agencies will determine whether or not a man is 50 percent disabled; and that, to my mind, from long experience with the Veterans' Bureau, completely removes any substantial benefit which any veteran can obtain from this amendment.

Mr. BYRNES. Mr. President, there is not any question as to the fact that the amendment provides that as to those between 55 and 62 there must be a 50-percent disability, and that under the legislation with which the Senator is familiar veterans over 62, regardless of disability, will receive a minimum of $15 a month.

Mr. CUTTING. Can the Senator give us any definition of what is meant by the words "50-percent disability"?

Mr. BYRNES. They mean what they say—50 percent disabled—and that must be determined by the doctors who examine a man upon the evidence submitted by the individual in each case. The officials charged with the administration must determine that, just as disability is determined by the administration in all other cases.

Mr. CUTTING. Exactly; and a man who is now rated at 100 percent may under a new rating of the Veterans' Bureau be rated 10 percent. That has been done repeatedly since the passage of the Economy Act.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Washington?

Mr. BYRNES. I yield.

Mr. DILL. Could not that be cured by writing into the amendment the words "now rated at 50 percent disabled"?

Mr. BYRNES. I can very well see that a Spanish-American War veteran who is not now rated and becomes disabled when he is 56 or 57 years of age, or 6 months from now, would become entitled to the pension provided; and I do not believe that the suggestion of the Senator from Washington would remedy the situation he has in mind.

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

Mr. BYRNES. I prefer not to yield again, because I want to finish my statement.

My purpose in presenting this amendment, with the request that the Senate consider it at this time, is that the Senate may have an opportunity to pass upon the House amendment with this Spanish-American War provision, which is the provision agreed upon, as I have stated several times, by the Veterans' Committee of the House and the President. I know that we all have our views about this legislation; I doubt if there are any two of us who could agree upon all its provisions; I know that we have heard many cases that appeal to our sympathy; we have heard stories that have caused us to believe that certainly the first regulations adopted by the Veterans' Administration and approved by the President were too harsh; and, in an effort to remedy that situation, such Members of the House as Representative PATMAN, of Texas, Representative BROWNING, of Tennessee, and others whose names I do not now recall, but who have been through the years demonstrating their sympathy with and interest in the ex-service men of the United States in the hope of reconciling the differences, and in the hope of bringing about legislation that would result in really accomplishing something for the veterans, agreed to this compromise, and it was adopted by the House. Under it, as I have stated, veterans will receive $100,000,000 more than they would receive if we had nothing but the first regulations issued by the Veterans' Administration.

Mr. President, we may as well be practical about it. If this amendment shall be adopted, and go to the House, the House will adopt it, in my humble opinion; and, if it shall be adopted by the House, and shall go to the President, the President will sign it, and the veterans will receive $100,-

000,000 more than they would have received under the first regulation. I believe this is the practical thing to do. By the amendment relief is granted in the case of the Spanish-American War veterans under 62, which reaches a complaint that has been made against the House amendment. If we really believe that we should compromise our differences and do something that we know will meet the approval of the House and of the President and give relief to the veterans, this amendment should be adopted.

Mr. WALSH. Mr. President——

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

Mr. BYRNES. I yield the floor.

Mr. WALSH. I should like to ask the Senator from South Carolina a question.

Mr. BYRNES. Very well.

Mr. WALSH. Will the Senator state what is the present draft upon the Public Treasury for pensions of Spanish-American War veterans? Will he also state what would be the draft upon the Public Treasury for Spanish-American War veterans under the regulations adopted by the President; and will he also tell us what would be the draft under his amendment?

Mr. BYRNES. Mr. President, I am sorry that I cannot answer any question except the last one. Under the House amendment, as amended, approximately $50,000,000 would be the amount. That is the best estimate of the Veterans' Administration as to the amount that will be paid as the result of the adoption of the House amendment plus the amendment I have offered.

Mr. WALSH. The amount that is now paid to Spanish-American War veterans is about $125,000,000, is it not?

Mr. BYRNES. My recollection is that it is something over $100,000,000, but I do not know the exact amount. The statement I have made is that the House compromise——

Mr. STEIWER. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Oregon?

Mr. BYRNES. I yield.

Mr. STEIWER. In the bill which was passed during the latter part of the last session the item providing pensions carried for the Spanish-American War pensioners of all classes of approximately $124,000,000.

Mr. WALSH. That is what I thought. Will the Senator from South Carolina state what appropriation would be required to meet the regulations issued by the President without this amendment? Surely somebody ought to know what that amount would be.

Mr. BYRNES. Without this amendment, I cannot say at the moment what appropriation would be required, and it is difficult to estimate the cost of this amendment, but the best estimates we can obtain are that the adoption of this amendment would add six or seven million dollars, anyway, to the Spanish-American War veterans.

Mr. WALSH. That is, the President's regulations approximately reduced the appropriation for Spanish-American War veterans from $125,000,000 to about $40,000,000, and this amendment would increase it about six or seven million dollars.

Mr. BYRNES. I do not know about the $40,000,000.

Mr. STEIWER. That is approximately correct, if the Senator will permit me.

Mr. BYRNES. I will ask the Senator to wait a moment. The only figures I have are as to the effect of the adoption of the amendment of the Senate. I wanted to know from the Veterans' Bureau the cost of the House amendment plus this amendment, and that is given at $50,000,000. So, by the adoption of the amendment, we would add $50,000,000; and, of that amount, approximately six or seven million dollars would go to the Spanish-American War veterans.

Mr. WALSH. I thank the Senator.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. BYRNES. I have yielded the floor.

Mr. CUTTING. I should like to ask the Senator from South Carolina a question, if he will yield.

Mr. WALSH. Mr. President, may we have for the RECORD now the figures showing how much the amendment of the Senator from New Mexico proposes would add to the appropriation?

Mr. CUTTING. That was just the question regarding which I wished to consult the Senator from South Carolina. I merely want to ask the Senator from South Carolina a question.

Mr. BYRNES. I shall be glad to answer it, if I can, although I have yielded the floor.

Mr. CUTTING. I merely want to say that I understood the Senator from South Carolina to say that the adoption of the House amendment, with the addition of the amendment which he has suggested, would add about $100,000,000.

Mr. BYRNES. Oh, no; the Senator misunderstood me. I said that the regulations last issued by the President, revising those previously issued, added approximately $45,000,000 to $47,000,000; that the House amendment plus the Spanish-American War veteran amendment would add approximately $50,000,000; so that the total added, not by this amendment but by the liberalized regulations last issued and this amendment, would mean $100,000,000 more than the regulations first issued.

Mr. CUTTING. How can the Senator possibly make any such estimate? It will be realized that the entire substance of the House amendment is that presumptive cases are all going to be reviewed on their individual merits by special boards according to a set of standards which the Senate of the United States has not been furnished. Unless the Senator from South Carolina has information which the rest of us have not, either as to the manner in which those boards are going to perform their duties or as to some other instructions about which we do not know, how can he possibly tell what cases will be validated, what cases will be thrown out, and as a consequence how much money will be spent?

Mr. BYRNES. The only answer to the question is that manifestly, under the language of either the amendment offered by the Senator from New Mexico or the House compromise, which provides for the examination of presumptive cases, any estimate must depend upon the action in those cases. The Senator asked how I arrive at it. I would not attempt to arrive at it, and I stated, and have stated several times, that solely in order to secure as much information as possible I had asked for an estimate by the Veterans' Administration. That estimate is the amount I have given to the Senate.

The criticism which the Senator makes would, of course, be valid, and it would likewise be valid against any estimate made as to the Steiwer-Cutting amendment, which provides for review of presumptive cases. Any amount determined would rest upon the judgment of the Board under either amendment. It can be nothing but the best information possible, and when it was given to me it was stated that it was nothing but an estimate based upon the best thought that could be given the subject.

Mr. CUTTING. I appreciate the candor of the Senator from South Carolina. What he says is perfectly correct, and for that reason neither the Senator from Oregon [Mr. STEIWER] nor I have attempted to estimate the necessary expenditures which will be made either under this amendment or the other. I prefer to determine the question on the grounds of justice and fairness rather than the precise amount of money which will be spent under one or the other arrangement.

Mr. LONG. Mr. President, as I understand it, we are going to adopt the Byrnes report and then consider the Steiwer-Cutting amendment. If I understand the parliamentary status, we let him perfect his amendment and then we offer our amendments. That is my understanding.

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

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Pennsylvania?

Mr. LONG. I yield.

Mr. REED. I have been trying to get the floor to make an inquiry on just that point. I am a little concerned about the parliamentary situation. The motion of the Senator from South Carolina is to agree to the House amendment with an amendment which he proposes. Ordinarily I should have thought that if the amendment were acted on affirmatively, then any substitute would be foreclosed and could not be offered thereafter. I understand the Chair, however, to rule that the substitute offered by the Senator from Oregon [Mr. STEIWER] would then be in order.

The PRESIDING OFFICER. The Chair has so ruled.

Mr. REED. May we, for the purpose of removing all doubt, because the present occupant of the chair may not always remain in the chair, have unanimous consent that substitutes for the House amendment as amended shall be in order after action has been taken on the amendment offered by the Senator from South Carolina?

Mr. ROBINSON of Arkansas. Mr. President, may I say that there is not the slightest necessity for that. The Senator from South Carolina has the right to have his amendment perfected. After that has been done, as stated by the Senator from Louisiana, the question then will arise between the Steiwer-Cutting substitute and the amendment of the Senator from South Carolina as perfected. I should not be willing to agree that substitutes may be offered. That might prolong debate indefinitely. Unquestionably the substitute that has been offered is in order, and no question has been raised upon it.

Mr. REED. If that substitute——

Mr. LONG. I decline to yield further at this time if I can occupy the floor in my own time long enough to explain the situation to the Senator from Pennsylvania. We have already settled that question. This is only perfecting the House amendment. All we have before the Senate now is the matter of perfecting the House amendment. I am anxious to do that, to go ahead and go through the formality of allowing the Senator from South Carolina to perfect his amendment, and then let us come along with the Steiwer-Cutting amendment and go through with it. It would seem to me that we are arguing out of turn. There is no objection to perfecting the amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Carolina.

Mr. GORE. Mr. President, I rose some time ago to inquire of the Senator from South Carolina [Mr. BYRNES] or the Senator from Oregon [Mr. STEIWER] as to how many pensioners, how many veterans, how many widows of veterans, and how many dependents, are now on the pay roll as the result of the Spanish-American War.

Mr. BYRNES. Mr. President, I regret that I cannot give the Senator the information.

Mr. GORE. Can the Senator from Oregon do so?

Mr. STEIWER. Mr. President, I do not pose as an authority upon all phases of this question. I understand, though, that there are approximately 250,000 Spanish-American War veterans. I am not advised concerning the number of widows and dependents. That depends on the number of children in the families, of course.

Mr. GORE. I think we are all as desirous of being just and even generous to the veterans of the Spanish-American War and their widows and dependents as to those of any other war.

Mr. President, I saw the statement the other day that during the Spanish-American War there were killed in Cuba 272 American soldiers. There were 272 killed in Cuba; 107 died of wounds received in battle; 288 others died of casualties not connected with their service. There were 379 American soldiers who lost their lives in combat or as a result of wounds in Cuba during that war. It is indeed true that 4,795 died as a result of disease. These figures were furnished me by the War Department. The Senator from Oregon has said there are 250,000 pensioners who are Spanish-American War veterans.

Mr. STEIWER. No; Mr. President. I said there are 250,000 veterans. I did not attempt to state the number of pensioners.

Mr. GORE. I was referring to the Senator's recollection. My own recollection is that there are 192,000 veterans of the Spanish-American War now on the pay roll.

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

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from South Carolina?

Mr. GORE. I do.

Mr. BYRNES. Since the Senator inquired of me I have made some inquiry, and I am informed there were not 250,000, but 190,000, approximately the number stated by the Senator from Oklahoma.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. GORE. Yes; in just a moment. As I understand it, the veterans of the war in the Philippines and the Boxer rebellion are classified as veterans of the Spanish-American War so far as the pension roll is concerned. As to the number of casualties occurring in the Philippines, I do not know. As to the number of pensioners resulting from the war in the Philippines, I do not know.

Now I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. My inquiry is, What was the total number of soldiers engaged in the Spanish-American War?

Mr. GORE. That I am unable to answer.

Mr. BYRNES. The information I have is that there were 250,000 Spanish-American War veterans.

Mr. HATFIELD. That is correct.

Mr. CONNALLY. That is, at this time.

Mr. ROBINSON of Arkansas. But that does not answer my question at all.

Mr. GORE. Does the Senator mean the number mustered into service?

Mr. ROBINSON of Arkansas. I think the statement of the Senator from Oregon, as modified by the statement of the Senator from Oklahoma and the Senator from South Carolina, to the effect that there are 190,000 Spanish-American War veterans on the rolls, is correct; but my inquiry is how many soldiers were actually engaged in the Spanish-American War? Of course, during the 35 or 36 years that have elapsed since the war a great many of them have died.

Mr. GORE. I do not know how many men were actually landed in Cuba.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Missouri?

Mr. GORE. I do.

Mr. CLARK. I do not know how many were actually landed in Cuba, but I want to call attention to the fact that the term "Spanish-American War" as used in connection with the pension laws likewise includes the Filipino insurrection and the Boxer rebellion.

Mr. ROBINSON of Arkansas. I still ask how many soldiers were engaged in the Spanish-American War? The statement of the Senator from Missouri comprehends as well the Boxer rebellion and the Filipino insurrection.

Mr. HATFIELD. There were 250,000.

Mr. ROBINSON of Arkansas. Only 250,000? So we have now 190,000 veterans receiving pensions when there were only 250,000 soldiers, all told, engaged in the Spanish-American War. That is the most astonishing statement that has been made in connection with the matter! [Laughter.]

Mr. GORE. Mr. President, I make no statement on the Senator's consternation, but I did wish to point out that there are 192,000 pensioners on the rolls now. The annual expenditure on account of the Spanish War, including the different classes of pensioners, amounts to $124,000,000. I merely wish to make the point that the Government has been just, as it should be, has been generous, as it should be. It has not been niggardly toward the veterans of the Spanish-American War. It should never be niggardly toward the disabled and deserving veterans of any war.

Mr. GORE subsequently said: Mr. President, I know a citizen of my own State who is reputed to be worth a million

dollars or more. He is a Spanish War veteran. He is receiving a pension of $30 a month. Somebody inquired of him why he sought and accepted such a pittance. His answer was that it went as a payment on his Federal income tax.

As to that class of people I think that it is not unreasonable to ask that they make a showing that they need the bounty of their Government, and that we ought not to tax our overtaxed citizenship in order to provide a pension to men who are in that situation.

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

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Pennsylvania?

Mr. GORE. Yes.

Mr. REED. The Senator brought out a few minutes ago the figures as to Spanish War veterans and pensioners. I have just been advised through the Pension Office, on the authority of Director Morgan himself, that the number of veterans of the Spanish War and the Philippine campaigns was between 400,000 and 425,000. That was the number. A good many of them have died. Less than half of that 425,000 have been pensioned.

Mr. GORE. I stated that I thought it was three or four hundred thousand. I did not have the figures. I was speaking of those on the pension roll.

Mr. KING. Mr. President, will the Senator from Pennsylvania permit me to make an inquiry?

Mr. REED. Certainly.

Mr. KING. Is it not a fact that a large number of those who were mustered into the service never left the shores of the United States?

Mr. REED. That is true; but most of them were given typhoid in very unhealthy camps.

Mr. KING. As to that, I do not agree with the Senator. Many of them were sent to California, and lived in almost the most salubrious climate in the world.

Mr. REED. Mr. President, the camps in Florida were shocking.

Mr. KING. I said California.

Mr. GORE. Part of my statement was based upon literature issued by the Spanish War Veterans' Association. I think it is only just to them that the statement itself, coming from their organization, should be printed in the RECORD. I ask the privilege of doing that, if I can lay my hands on it, as well as the figures furnished by the War Department.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DATA BY WAR DEPARTMENT

Information furnished by the War Department relative to the Spanish-American War:

War Department (period of April to December 1898)

Total in Army	280,564
Killed in action	272
Died of wounds	107
Died of accidents (not war casualties)	288
Died of disease	4,795
Wounded in action	2,974

Navy-Marine Corps (period of Apr. 21 to Aug. 12, 1898)

Fighting strength	26,102
Killed in action	16
Died subsequently of wounds in action	2
Death from injuries (not war casualties)	11
Death from disease	56
Total deaths	85
Wounded in battle	68

DATA BY SPANISH-AMERICAN WAR VETERANS

In the following statement appears a summary of statistics pertinent to the United States military forces:

WAR WITH SPAIN

Duration of war: April 21, 1898, to April 11, 1899; active hostilities ceased August 13, 1898, pursuant to the terms of a protocol signed on the previous day.

Troops engaged: 280,564 officers and men, of whom 223,235, including 10,017 commissioned officers and 213,218 enlisted men, were volunteers. The other 57,329 individuals, including 2,346 commissioned officers and 54,983 enlisted men, served as members of the Regular Army.

Casualties (not classified by components):

Killed in action	498	
Died of wounds	202	
Total battle deaths		700
Died of disease	5,423	
Died by accident and other causes	349	
Total		5,772
Total deaths		6,472
Wounded, not mortally		2,961

The foregoing figures cover the period of the duration of the War with Spain. Inasmuch as fighting with the Filipinos was already in progress on April 11, 1899, and troops were being enrolled and sent to the Philippine Islands, it is practically impossible to furnish accurate statistics on either the War with Spain or the Philippine insurrection separately. The figures given, however, are based upon the most reliable data available.

PHILIPPINE INSURRECTION

Duration: April 11, 1899, to July 4, 1902, except in the Moro Province, where it ended July 15, 1903.

Troops engaged: 126,468 officers and enlisted men, of whom 50,052, including 2,185 officers and 47,867 enlisted men were volunteers, and 76,416, including 1,882 officers and 74,534 men, were members of the Regular Army.

Casualties (occurred during the period of fighting with the insurgents, Feb. 4, 1899, to July 4, 1902):

Killed in action	777	
Died of wounds	227	
Total battle deaths		1,004
Died of disease	2,572	
Died by accident and other causes	589	
Total		3,161
Total deaths		4,165
Wounded, not mortally		2,911

The PRESIDING OFFICER. The question is on the motion of the Senator from South Carolina [Mr. BYRNES].

Mr. REED. Mr. President, now that I have the floor in my own right, I desire to come back to the matter that I tried to elucidate.

It is perfectly evident from the statement of the Senator from Arkansas [Mr. ROBINSON] that he has a different understanding from that which was announced by the Chair. The Senator from Arkansas states that the substitute, or substitutes—because any number of them may be offered—must be acted upon before final action upon the amendment offered by the Senator from South Carolina. I thought I understood the Chair as having announced the exact contrary of that ruling.

The PRESIDING OFFICER. In order that the Chair may clear up the situation which he tried to clear up a while ago, when the Senator from Pennsylvania was not in the Chamber, the Chair will state that he is treating this amendment of the House as if it were an amendment on the floor of the Senate. The amendment offered by the Senator from South Carolina is in the nature of an amendment to that. It is a perfecting amendment; and all perfecting amendments must be disposed of before a substitute is in order to be voted upon, although it may be offered and pending.

The Chair ruled that after the amendment of the House had been perfected, either by the motion of the Senator from South Carolina or by other amendments to it, it would then be in order to vote on the substitute offered by the Senator from Oregon [Mr. STEIWER].

Mr. REED. I was concerned, then, because of the language used by the Senator from South Carolina in making his motion. It was that we agree to the House amendment with an amendment offered by him. That, as I understand from the Chair, is to be separated into two questions: First, shall the Byrnes amendment be accepted? Next, shall the House amendment, as amended, be agreed to?

Is that correct?

The PRESIDING OFFICER. The Chair is not of the opinion that that necessarily takes two motions, although it would be in order to vote on the amendment of the Senator

from South Carolina to agree to the House amendment, as amended; but the Chair held, and the Chair thinks it is according to rule XVIII, that notwithstanding the language of the motion of the Senator from South Carolina, the effect of it is to adopt a perfecting amendment, after which a substitute for the entire amendment, as amended, is in order.

Mr. FESS. Mr. President, I desire to say to the Senator that the practice here in the Senate, and also in the House, is to vote on concurring with an amendment as one motion. That has been the practice all along; but in this ruling, where there is to be a substitute offered, it is ruled that it is not one motion but that we will vote first on the motion to concur, and after that comes this substitute.

With that ruling made clear by the Chair, I did not raise any point of order at all.

Mr. REED. I was concerned about it because I did not want the Senator from Oregon to be foreclosed from a chance to have his amendment tested. The Chair has made it very plain now.

The PRESIDING OFFICER. The Chair has heretofore assured the Senator from Oregon that he will not be precluded from offering his substitute.

The question is on the motion of the Senator from South Carolina [Mr. BYRNES].

Mr. CUTTING. Mr. President, I desire to say just one word before we take a vote on this motion.

I do not mean to oppose the amendment offered by the Senator from South Carolina. The reason why I do not wish to oppose it is because I do not think it in any measure takes away any rights which veterans have at present. I do not think it affects the present situation at all.

So far as veterans over 62 years of age are concerned, the Spanish-American War veterans are taken care of by an Executive order issued on June 6, which restricts their cuts to $15 a month rather than $6, which was the case under the original administrative orders issued under the Economy Act. In addition, we have a vague clause here that a veteran over 55 years of age, and who is defined by somebody as being 50 percent disabled and in need, shall be paid a pension of not less than $15 a month. We cannot tell that that is going to add a single veteran to the pension roll; but as it cannot do any harm I certainly shall not object to the amendment offered by the Senator from South Carolina.

Mr. STEIWER. Mr. President, I merely wish to direct a question to the Senator from South Carolina, if he will permit me. Because of the confusion in the Chamber I did not hear the first part of the explanation made by the Senator. I thought I understood him to indicate that this proposal was in keeping with the letter which the President has sent to the House of Representatives. Am I right in that?

Mr. BYRNES. Yes, Mr. President; I made substantially that statement.

Mr. STEIWER. In other words, this proposal is one approved by the White House but not included in the action of the House of Representatives in the amendment agreed to there.

Mr. BYRNES. Mr. President, that is substantially what I stated. I have sought to write into the law the statement made by the President in his letter to Representative CROSSER, of the House.

Mr. LONG. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state the point of order.

Mr. LONG. Everybody understands this matter, and more than two speeches have been made by both these Senators on something nobody is voting against. I make the point of order that they cannot speak more than twice.

The PRESIDING OFFICER. The point of order is overruled.

Mr. COPELAND. Mr. President, I am very happy that the Senator from South Carolina [Mr. BYRNES] has presented this perfecting amendment. It helps a little. But it is not enough. I want to see the Spanish War veterans and all the other veterans given more liberal treatment. We may well adopt this perfecting amendment and then, certainly, we will give favorable consideration to the Steiwer amendment.

The PRESIDING OFFICER. The question is on the motion of the Senator from South Carolina.

The motion was agreed to.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who announced that the President had approved and signed the following acts:

On June 7, 1933:

S. 1581. An act to amend the act approved July 3, 1930 (46 Stat. 1005), authorizing commissioners or members of international tribunals to administer oaths, etc.

On June 9, 1933:

S. 604. An act amending section 1 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes", approved December 29, 1916 (ch. 9, par. 1, 39 Stat. 862), and as amended February 28, 1931 (ch. 328, 46 Stat. 1454);

S. 1278. An act to amend an act (Public, No. 431, 72d Cong.) to identify The Dalles Bridge Co.; and

S. 1815. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Owensboro, Ky.

On June 10, 1933:

S. 1094. An act to authorize the Reconstruction Finance Corporation to subscribe for preferred stock and purchase the capital notes of insurance companies, and for other purposes; and

S. 1562. An act granting the consent of Congress to the Levy Court of Sussex County, Del., to reconstruct, maintain, and operate a free highway bridge across the Deeps Creek at Cherry Tree Landing, Sussex County, Del.

On June 13, 1933:

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. 1634. An act 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;

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. 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.; and

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.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate a message from the President of the United States nominating J. Elliott Riddell, of Louisville, Ky., to be collector of customs at Louisville, Ky.

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent that the message of the President nominating a collector of customs at Louisville, Ky., may be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEPENDENT OFFICES APPROPRIATIONS

Mr. STEIWER. Mr. President, the proposal which I sent up in behalf of the Senator from New Mexico [Mr. CUTTING] and myself was not stated. May it be read?

The PRESIDING OFFICER. The amendment, in the nature of a substitute, will be read.

The CHIEF CLERK. It is proposed to 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 heretofore or hereafter 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, whether service connection shall be found in such cases, 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 in such cases shall not be based upon the requirements of regulation no. 1, part I, subparagraph (a), or instruction no. 2, regulation no. 1, issued under Public Law No. 2, 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, title 38 of the Code (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 was 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 in those cases where the special boards shall find that the award was based upon fraud, misrepresentation of a material fact, or unmistakable error not less than 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. In all cases where service connection shall be preserved under the review herein provided, not less than 75 percent of the payments being made on March 20, 1933, shall continue, and the determination of service connection in such review shall be final in all cases: *Provided, however*, That in the event of a change in the degree of disability of any such veteran the amount of compensation payable shall be determined pursuant to the provisions of the World War Veterans' Act, 1924, as amended, and the rating schedule in effect prior to March 20, 1933, and such amount shall not be reduced by more than 25 percent.

Notwithstanding any of the provisions of Public Law No. 2, Seventy-third Congress, in no event shall the compensation being paid 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, misrepresentation of a material fact, or unmistakable error, in receipt of compensation on March 20, 1933, be reduced more than 25 percent: *Provided, however*, That in the event of a change in the degree of disability of any such veteran the amount of compensation payable shall be determined pursuant to the provisions of the World War Veterans' Act, 1924, as amended, and the rating schedule in effect prior to March 20, 1933, and such amount shall not be reduced by more than 25 percent; and in no event shall death compensation, except by fraud, misrepresentation of a material fact, or unmistakable error, 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; except that the provisions of this paragraph shall not apply with respect to veterans residing outside the limits of the continental United States and its territories and possessions, or with respect to any veteran who is being furnished hospital treatment, institutional, or domiciliary care by the United States, or any political subdivision thereof, if such veteran has neither wife, child, nor dependent mother or father.

Notwithstanding any of the provisions of Public Law No. 2, Seventy-third Congress, the pension paid to veterans of any war prior to the World War, or to any widow and/or dependent of such veterans shall not be reduced more than 25 percent of the amount being paid prior to March 20, 1933.

Notwithstanding the provisions of section 17, title I, Public Law 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' retired pay under the provisions of law repealed by said section 17 wherein claims were duly filed prior to March 20, 1933, may be adjudicated by the Veterans' Administration on the proof 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 law: *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 made in such cases. Where a veteran died prior to March 20, 1933, under conditions which warrant payment of or reimbursement for burial expenses, such payments or reimbursements may be made in accordance with the laws in effect prior to March 20, 1933: *Provided*, That such claim for payment or reimbursement must be filed within 3 months from the date of the passage of this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Oregon [Mr. STEIWER] and the Senator from New Mexico [Mr. CUTTING] for the House amendment to Senate amendment numbered 47, as amended.

Mr. STEIWER. Mr. President, I do not propose to detain the Senate for any considerable time in connection with this matter; but I do desire to make a brief explanation of the parliamentary situation, and of the chief differences between these proposals.

In the first place, the amendment I have sent to the desk, which has just been read, is substantially the same proposal which was first sent to the desk last Saturday evening, and was printed and available to Senators upon Monday, and was argued out at considerable length here upon that day. To this proposal we have added a paragraph, referred to by the Senator from South Carolina as being one of the desirable paragraphs of the House amendment, that is, the paragraph at the end of the amendment which refers to yearly renewable insurance, and to certain other matters helpful in the administration of veterans' affairs.

The practical effect—and with this I think all Senators will agree—of the adoption of this proposal offered here now by the Senator from New Mexico and myself is to substitute it, so far as the Senate is concerned, for the amendment which was agreed to, and which was offered in the first instance by the Senator from Texas [Mr. CONNALLY]. That amendment, as Senators remember, restricted cuts in service-connected compensation of veterans of the World War and pensions of veterans of the Spanish-American War, to a maximum of 25 percent.

The proposal agreed to by the House does not make that restriction. The proposal agreed to by the House provides for a review of the presumptively connected cases. It provides that a pension shall be paid to those pensioners until October 31, 1933, or until the review is completed, whichever is the earlier date with respect to any particular case. After that date, under the House provision, there would be no protection written into the law for presumptive cases; that is to say, the board could remove them from the pension rolls or leave them on; but it is perfectly clear that under the House provision the great majority of the presumptive cases would, after this time of grace between now and October 31, go off the rolls entirely. I do not propose to debate that feature of the matter at this time, but I invite the attention of Senators to that part of the House proposal, and I think they will concur with me; indeed, in the conference there was no controversy upon that question, and I understand that the Solicitor of the Veterans' Administration takes the view that the language employed in the House provision extends no ultimate protection to presumptive cases, except with respect to that limited number who under the liberalized proof will be able to establish direct service connection.

Mr. President, I argued at length here, and shall not repeat at this time, that the House proposal does not extend protection from extreme cuts even in the direct service-connected cases, and that is due to the peculiar language used in that proposal, which does not specifically and in

plain terms limit the cut, but it does limit cuts in the rates of compensation payable to the veteran.

The proposal offered by the Senator from New Mexico and myself makes this provision perfectly clear by using language over which no one can quibble. It provides, so far as the directly service-connected cases are concerned, that no cut shall be more than 25 percent of the amount being paid on March 20, 1933. There are numerous other differences in these proposals, but those are the chief ones.

Mr. President, I want to submit to the Senate that it is better to accept the substitute offered by the Senator from New Mexico and myself, because that proposal with respect to the great class of World War veterans enables the Veterans' Administration to protect the interests of the United States Government. The Connally amendment does not do that, and when I make that remark I do not do so with the idea of reflecting upon the Senator from Texas. His amendment was prepared in the confusion of a very hotly contested debate. He wrote it on the floor so rapidly, as I recall, that the clerk could not read his handwriting, and the Senator had to go to the desk and interpret the amendment for the clerk so that the Senate might know its purport. In the haste of rushing it along nothing was provided to protect the Government against the claim of a pensioner even though he enlisted after the armistice, even though his disability came from his own misconduct, even though his disability was established in the first instance by fraud or by mistake on his part or on the part of the Veterans' Administration.

I submit—and in this I hope Senators may accept my view—that if controversy is to be had with the House of Representatives, or if difficulty should ensue later between the Congress and the President, it is altogether better, as it is altogether fairer, that we should protect our Government by agreeing to language which would meet these contingencies.

Mr. GEORGE. Mr. President, I want to ask the Senator a question, because I want to be clear about the situation. There are no World War willful-misconduct cases on the rolls except a relatively few cases of permanent and total disability?

Mr. STEIWER. Such cases, of course, are not supposed to be on the rolls, but I am not prepared to say there are not any. I have heard it claimed that there are such cases, and I did not want to put myself in the position, or put the Senator in the position, of agreeing to a provision which would protect such cases if they are on the rolls.

Mr. GEORGE. There are no cases of fraud on the rolls now, where it is known, at least?

Mr. STEIWER. The Veterans' Administration and the Pension Bureau have been reviewing cases for a long time. Some cases of fraud have been eliminated. I am not prepared to say how many cases of fraud remain, but undoubtedly there are many, and the claim is made constantly that there are such cases, and I should like to protect the Senate from taking the position that we are trying to defend those fraud cases.

Mr. GEORGE. Some fraud cases might come in under the Senator's amendment, because they cannot be thrown off until they are found out, but I cannot see the reason for emphasizing the fraud cases, or in case of the World War veterans the willful-misconduct cases, because they are not on the rolls, or are not supposed to be on the rolls now; so that the only substantial difference between the Connally amendment and the amendment offered by the distinguished Senator is in the post-armistice enlistment cases, as I understand it.

Mr. STEIWER. That is one substantial difference.

Mr. GEORGE. Let me ask the Senator another question. because I want to see if I understand the purport of his amendment. Under the amendment offered by the Senator all presumptive cases are to be considered as service connected?

Mr. STEIWER. Oh, no, Mr. President. Does the Senator mean in the proposal made by the Senator from New Mexico and myself?

Mr. GEORGE. Yes.

Mr. STEIWER. No. It is recited that it is the intent to connect those cases, but it opens to the Government the right to disconnect any case which, in fact, is not related to the war. If there is evidence that the case is not connected with the war, of course it will be separated from the rolls. Our proposal does have the effect, as the House language does, to place the burden upon the United States.

Mr. GEORGE. Without regard to the presumption, the amendment offered by the Senator from Oregon and the Senator from New Mexico permits the elimination of the presumptively service-connected case if the Government is able to show that it is not service connected?

Mr. STEIWER. That is what we attempted to write into the amendment.

Mr. GEORGE. The House has substantially the same thing, except, as I get the Senator's contention, it is not so favorable to the veteran.

Mr. STEIWER. That is correct; and may I say to the Senator that my office advised with Mr. Roberts, of the Veterans' Administration, and he takes the same view of the matter which I have taken, and which the Senator from New Mexico has taken. He told us that under the Steiwer-Cutting amendment the conditions for the service connection of presumptive cases would be more favorable than under the House proposal.

Mr. GEORGE. I think that is true.

Mr. STEIWER. That many would go off, but that a majority would stay on; and under the House proposal, a great majority would go off the roll.

Mr. GEORGE. I think the Senator is correct in that statement, and I am not attempting to controvert it. The point I am getting at is that under the amendment of the Senator from New Mexico and the Senator from Oregon, and under the House amendment, all of the presumptive cases may stay on or a large number of them could go off, depending on administration.

Mr. STEIWER. Mr. President, I am disposed to feel, under the language employed in the House amendment, that very few of the presumptive cases would be retained. The provision in the House amendment is that the review shall be made upon the available evidence, and that the Board shall make its decision on that evidence. I am afraid it excludes any benefit of presumption, and excludes from consideration the fact that the case may now be service connected under existing law. It appears to me to be a direction to the Veterans' Administration to consider these cases de novo, on such evidence as they may find. Although it places the burden upon the United States and provides that the veteran is entitled to the reasonable doubt, it still leaves the case in such shape that I believe the House proposal will not assure any substantial protection to that great class of veterans who are more entitled to consideration than any other.

There are, I am told, 33,000 totally disabled World War veterans connected by presumption with the pension rolls at this time. That includes neuropsychiatric cases, even where such cases are violently insane. It includes the tubercular cases, permanent and total; the active cases, that great group of ghastly, heart-rending cases which I am sure the Senator would not want to leave unprotected.

I want now to add a little further answer to the Senator's earlier question. He said there were no fraud cases on the rolls. He meant, I think, that there were no fraudulent disability cases which are properly being paid pensions, and that there were no misconduct cases properly being paid pensions. I think that is true.

However, the claim is made constantly that fraud cases are on the rolls, and of course they ought to be reviewed; they are being reviewed. Under the Connally amendment the United States would be precluded from reviewing them; and the under the proposal offered by the Senator from New Mexico and myself, that review would still go forward, and the interests of the Government could be fairly protected.

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

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

Mr. STEIWER. Yes.

Mr. CONNALLY. Let me suggest to the Senator that the so-called "Connally amendment" is not now before the Senate; we have substituted, on the motion of the Senator from South Carolina, the House amendment with his amendment, and so the issue here now is between that and the motion of the Senator from Oregon. The Connally amendment is not before the Senate at all.

Mr. STEIWER. That may be technically correct, but the Senate if it desired could reject the substitute the Senator from New Mexico and I are offering; it could vote down the proposal which the Senator from South Carolina is offering and thus go back to the Connally amendment if it desired to do so. I seek to prevent that result.

Mr. CONNALLY. The Senator is in error. We have already adopted the proposal of the Senator from South Carolina.

Mr. STEIWER. The Senator's statement would depend possibly upon the parliamentary ruling, which has already been disputed three or four times today. I do not want to be embroiled in that question at this time.

The amendment which the Senator from New Mexico and I have offered is a substitute for the entire house amendment as perfected; that is to say, it permits the adjudication of certain classes of pending claims, including the yearly renewable term insurance; it takes care of the Spanish-American War veterans; it takes care of everything that is dealt with in the House proposal; and I submit that it takes care of them in a better way than has been attempted in the House amendment.

I wish to make perfectly clear—and I can rest my case on this—that the House proposal contains no restriction upon cuts in the directly service-connected disability cases. The language employed in it may look as though it does, but every lawyer who has examined it, so far as I know, has reached the conclusion that it does not extend such protection.

The question is, Does the Senate want to protect disability cases of direct service connection by providing that no cut shall be more than a certain percentage? If so, our vote should be "yea" upon this substitute. If we do not agree to the proposal which is being offered by the Senator from New Mexico and myself, we shall be foreclosed absolutely from any opportunity to extend to direct service-connected pensioners protection against ruthless reductions in compensation.

Mr. McKELLAR. Mr. President, will the Senator from Oregon yield to me?

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

Mr. STEIWER. I am glad to yield.

Mr. McKELLAR. How much more would the Spanish-American War veterans receive under the proposed amendment of the Senator from Oregon than under the amendment offered by the Senator from South Carolina?

Mr. STEIWER. I cannot answer exactly, but I will give the Senator some idea about it. Under the appropriation bill passed at the last session there was carried for Spanish-American War pensioners approximately $124,000,000, or nearly $125,000,000. After the economy bill had been enacted the President on March 31 promulgated his regulations. The practical effect of those regulations was to cut the total payment of Spanish-American War pensions to a figure of approximately $41,000,000. The saving, as I remember, was around $83,000,000. Subsequently, on June 6, the President modified his regulations, but I cannot state the exact effect of that modification upon the Spanish-American War pensioners. Then we had presented to us the proposal made a little while ago by the Senator from South Carolina and agreed to.

Now, we have the House amendment as amended by the motion interposed by the Senator from South Carolina.

It is said that this additional provision would cost about $7,000,000. I believe this estimate should be under $6,000,000. I surmise that if the substitute of the Senator from New Mexico and myself is agreed to it may add to that total cost something like twenty-five or thirty million dollars. However, I should like to say further, because I do not entertain any illusions as to what may happen with respect to it, that the House conferees are not going to be in accord with us upon that proposition; they will no doubt stand upon their own amendment or upon the amendment as amended by the proposal made today by the Senator from South Carolina. Therefore, in conference no doubt, the figure will be reduced below that contemplated by the amendment as it stands.

I hope that the Senate will agree to the pending substitute, which is identical with the provision in the Connally amendment so far as the percentage of cut in the case of Spanish-American War veterans is concerned, and I hope we may agree to it so as to stand our ground, and that Senators who voted for the Connally amendment will vote for this one now, and if it is found necessary, appropriate concessions may be made in conference.

Mr. President, I am grateful to the Senator from Tennessee for reminding me of the figures, because I want to refer to them before I conclude my remarks. It was stated by the Senator from South Carolina that under the regulations promulgated by the President on June 6 there was added to the total veterans' compensation something in the neighborhood of $50,000,000. I believe that figure to be correct. It is the figure furnished me by the Veterans' Administration, and I have no reason to question but that it is approximately a correct estimate of the additional cost on account of the regulations of June 6.

The Senator from South Carolina also stated that the House amendment as amended by his proposal would add to the cost another estimated amount of approximately $50,000,000. I think that estimate is somewhere near correct, although it is subject to the criticism made by the Senator from New Mexico; namely, that it depends wholly upon the action of the reviewing boards. Under the language of the House amendment the reviewing boards may, if they please, take a very arbitrary stand reviewing any case. It is difficult, therefore, to estimate the exact amount of cost that results by reason of the House amendment. But, if we assume that those figures are entirely correct, the situation is presented to us in this way: The total cost over and above the low mark provided under the President's regulations of March 31 would be approximately $100,000,000. It might be a little more than that figure. I hope Senators will bear that figure in mind.

The Veterans' Administration estimates with respect to the proposal offered by the Senator from New Mexico and myself that the total cost over and above the cost under the regulations will be about $138,000,000. I wish to restate that in a different way. The estimate submitted to me was that the total cost would be about 90 percent of the cost of the Connally amendment and that the estimate that has been made of the total cost of the Connally amendment was $154,000,000. Senators will remember that there was carried in the bill to provide for the additional cost of that amendment $170,000,000 at the time the bill was before the Senate, or rather, the $170,000,000 was to care for the Connally amendment, the Dieterich amendment, and the Black amendment, the estimated cost of the Connally amendment being $154,000,000.

If that estimate was correct, the 90 percent now estimated as the possible additional cost of the Cutting-Steiwer amendment would be $138,600,000. So, as between the proposition which is contended for now by the Senator from South Carolina and the pending substitute which is offered to it, the outside difference cannot be more than $38,600,000. That is based on the figures of the Veterans' Administration; it is their own estimate, and I doubt if it will not be more than that, but it might well be less. I am contending for the higher figure of $138,600,000, and believe the Senate ought

to support the higher figure, with the feeling that we are not going to unbalance the Budget and are not going to make necessary new revenue merely because we add some thirty-five or thirty-eight million dollars to the cost carried under the House amendment.

Yesterday we passed the fourth deficiency bill carrying over $3,600,000,000, as I remember the figure. On the Senate floor there was added $150,000,000 to provide the Government's contribution under the Glass bill for deposit insurance. The Senate voted it after a few minutes' debate and a short explanation. Nobody suggested that the Budget would thus become unbalanced, and nobody argued that additional taxes would have to be levied.

Furthermore, we are now dealing with our friends across the sea, and they are talking about taking away from us in the current payment on their debt something like $70,000,000. From press reports it seems that may be done; but nobody says that is going to unbalance the Budget. We provide appropriations for many purposes, the figures running into the tens and hundreds of millions of dollars, and nobody claims that such appropriations will unbalance the Budget; but whenever it comes to providing money to take care of the disabled veterans who are sick and suffering always somebody says that the money is not in the Treasury and cannot be provided. I should like to accept that challenge today; I should like to see the Senate of the United States accept that challenge and vote for the pending substitute, because we know that, although it will cost the Government something more in money, it will absolutely protect the directly service-connected cases against any cuts greater than 25 percent. We also know that it will keep a great many, though not all, of the presumptive cases on the rolls and that they will not be cut more than 25 percent. We know that protection will be afforded to the Spanish-American veterans; that it will be afforded to widows and orphans of soldiers of those wars; that it will be afforded to all that class that is generally entitled to our bounty at this time, and all this will be brought about under limitations that will permit the Government to clear its records of fraud cases, of misconduct cases, and to make cuts in those cases where the enlistment was after the armistice. The Government will be permitted to enforce its regulations by additional cuts as to those veterans who are outside the United States and other benefits to the Government will be permitted, which in the aggregate will save many million dollars and will still assure reasonably adequate pensions in the most worthy cases.

Mr. CONNALLY obtained the floor.

Mr. LEWIS. Mr. President, at this moment, in anticipation of the vote, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Costigan	Kean	Robinson, Ind.
Ashurst	Cutting	Kendrick	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	Pope	Wheeler
Clark	Hayden	Reed	White
Connally	Hebert	Reynolds	
Copeland	Johnson	Robinson, Ark.	

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present. The question is on the substitute offered by the Senator from Oregon [Mr. STEIWER].

EXPENSES OF DELEGATES AT WORLD ECONOMIC CONFERENCE

Mr. LONG. Mr. President, before saying anything directly upon the matter under consideration by the Senate at this time I want to make a brief reference to an article which appeared in the New York Herald Tribune this morning, reading as follows:

UNITED STATES DELEGATES' FAMILIES COUNT PENNIES AT LONDON—UNOFFICIAL ATTACHÉS AT PARLEY CANNOT AFFORD MANY LUXURIES

LONDON, June 13.—Jokes about "Lo, the poor Americans", are being heard around Claridge's Hotel, where the United States delegation to the World Economic Conference is housed.

Families of the delegation attachés and others without Government expense accounts are taking their meals out, and surreptitiously sending out their laundry to be done, to save money.

Official members of the delegation receive special hotel rates, because of the $6-a-day restriction on expenses imposed by Congress, but unofficial members of the party pay the regular rates.

Mr. President, I was not aware that I had voted for anything in the Congress restricting the expenses of our delegates to the Economic Conference to $6 a day. It seems that over in London we are making a bad impression through our delegates in this respect. I read that our Secretary of State, a distinguished former Member of this body, when he arrived in London naturally expected to receive the kind of handclapping that greets a foreign ambassador coming here, that some of the delegates were very much disappointed because when they rolled up to the pier in a boat there was nobody there to meet them and because they had to take a hack and go up town and find a boarding house or some place to stay. [Laughter.]

It seems to me that, as good a creditor as we are to England and to France and to the other foreign countries, we ought to be able while our delegates are in London to allow them enough expense money so that they would not be ridiculed by the English people who are today indebted to us for so many billions of dollars that they are unable to pay anything like even a reasonable interest upon the amount. It seems to me, inasmuch as we are over there engaged in determining whether we are going to give the British Government several billion dollars—I am not now announcing that I may not be in favor of whatever they do—that at least we should extend the kind of indulgence to our ambassadors that would enable them to make a decent showing, that at least we ought to give them expense money enough so they would not be subject to this kind of embarrassment and this kind of ridicule.

I have never approved of this kind of penury in politics or in government. Every time a man comes in with his expense account showing that he has spent $10 or $15 a day, there are always speeches in Congress over the question whether it is possible for a man to spend that much money for a day's expenses and what a man could do with $15 a day. For the benefit of some of them I should like to show them what a man can really do with $10 or $15 a day in these cities for traveling. [Laughter.]

Then a good friend of mine from one of the Western States rose here, when we had up a measure allowing 20 cents a mile for Senators and Representatives to come to Washington and return home, and attacked that proposal as if it was a terrible thing, because, he said, a man could actually come here for 3 cents a mile and could return home for 3 cents a mile. Some of us have been taught that Members of the United States Senate had a right to travel in the same customary style that we did when we were ordinary traveling salesmen on the road. We did not travel for 3 cents a mile in those days, if we made several trips back and forth. Of course, we could get underneath on the rods and travel for less than 3 cents a mile, if necessary! [Laughter.]

If I was a party to this penuriousness I want to apologize to the Senate, because I never was aware of the fact that I was voting for any limitation of that kind. I hope that our President and those in charge of the matter will see, at least while our emissaries are in a foreign country dealing with the question of whether or not America can afford to

sacrifice several billions of dollars to European nations, that they are supplied with sufficient funds to enable them to live in at least something like the fashion in which they live at home.

HEALTH WORK AND CONDITIONS IN LOUISIANA

Mr. President, before speaking more directly on the subject matter now before the Senate, I have another matter that I want to bring to the attention of the Senate and get into the RECORD, which was brought to my mind by the statement of the Senator from Wyoming [Mr. KENDRICK] this morning with regard to health work.

In the State of Louisiana we have two charity hospitals taking care of those cases which are being thrown out of Government hospitals. We are having to increase our charity-hospital capacity considerably. We are not able to absorb everything, but I want to state briefly to the Senate what is happening in the State of Louisiana in the way of health work. It will take but a moment.

I have previously told the Senate of the great hospital institution we have in New Orleans. Our second hospital has lately been examined, the charity hospital at Shreveport, and inasmuch as we have seen several articles about Louisiana I want to give the people at large to understand what is happening in the way of hospitalization and health work in Louisiana. I hope that my good friend the senior Senator from New York [Mr. COPELAND] will be interested enough to notice what I am saying, because all of us read from time to time the health articles of his which appear in the papers.

In the State of Louisiana 5 years ago, before I became Governor of the State, the charity-hospital death rate was 9 percent. We reduced that rate to 3 percent. Out of every 3 cases coming to the charity hospital at Shreveport 5 years ago, we have saved 2 of those lives.

We instituted a treatment for cancer in that hospital, and out of 600 cases of cancer treated since last July 70 percent of them have received a cure of 1 year, and the balance of them are coming back from time to time for treatment. We are in a position to believe that our percentage of cures will not be reduced at all but will be greatly increased by the few years' treatment that will have to be given to those cases.

That is not all that is taking place in this health work in Louisiana. We had in the charity hospital in Shreveport at the time I became Governor 160 patients per day. Today we have in that hospital 500 patients a day. This is our second one. It is not our main hospital.

A few days ago the American Medical Association made an examination and made ratings which, by comparison, will show that the charity hospital at Shreveport led the Southern States in the treatment of tuberculosis, children's diseases, general hospital, and museum, and was even the first and best hospital in all matters and particulars of all the States of the South.

I want to say further that a celebrated authority from Philadelphia, Mr. Chevalier Jackson, who is known worldwide as the greatest man of his time in the treatment of the removal of foreign substances from the air passages of the body and the skull, has decided that he can be of great service to mankind; that the greatest opportunity afforded him is in the charity hospital at New Orleans; and he has connected himself with the Louisiana State University School of Medicine, because he finds it to be a great field, and therefore we will lead in his line in a few days after Mr. Jackson takes charge of that institution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 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; that the House had receded from its disagreement to the amendments of the Senate numbered 5, 6, 7, 13, and 14 to the said bill and concurred therein; and that the House had receded from its disagreement to the amendment of the Senate numbered 2 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H.R. 3344) to amend section 14, subdivision 3, of the Federal Farm Loan Act, in which it requested the concurrence of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Oregon [Mr. STEIWER] and the Senator from New Mexico [Mr. CUTTING] for the House amendment to Senate amendment numbered 47, as amended.

Mr. LONG. Mr. President, I now revert to the pending amendment of the Senator from Oregon [Mr. STEIWER]. I want to give a little analysis of the difference between what is proposed in the House amendment, as amended by my friend the Senator from South Carolina [Mr. BYRNES], and what is contained in substance in the Steiwer-Cutting amendment.

The Steiwer-Cutting amendment limits the cut to 25 percent in service-connected cases of the World War. The House proposal limits the cuts in rates, but not in amount. In other words, the Steiwer-Cutting amendment sets a limit on service-connected cases of 25 percent. Those Members of the United States Senate who voted to reduce their own salaries from $10,000 to $8,500 a year, those Members of the Senate who voted to determine whether or not they would reduce their own salaries 15 percent, are now called upon to vote on whether or not they will cut the disabled veterans' compensation more than 25 percent.

In other words, we start with the Steiwer-Cutting amendment agreeing that the soldier who receives $40 a month ought to be cut 10 percent more than a United States Senator or Representative, who receive $10,000 a year. Do not make any mistake about that. The one thing we are going back to our people to explain is how, why, and where in this great drive for economy we saw it become necessary to cut by only 15 percent the salaries of Representatives and Senators and of officials of the bureaus and the departments of the Government, men who are being employed to administer these very laws at salaries all the way from $5,000 to $20,000, and why we saw fit to take the disabled veterans of the World War and refuse to stop their cut even at 25 percent, which, at the very least, is 10 percent more than we were willing to cut our own salaries and the salaries of men employed in the Government at equally high or higher salaries.

That is no. 1. Of course, there is an element of justice in all this.

No. 2: The Steiwer amendment protects many, not all, presumptive cases. The House proposal has no protection to presumptive cases after October 31. Now, do not misunderstand me. The Steiwer amendment does protect a good many presumptive cases—tuberculosis, mental diseases, and things of that kind—which the statutes have adjudged to be certain cases of presumptive injury in line of service.

Under the amendment as amended by my distinguished friend from South Carolina there is no such thing as protection for these presumptive cases after the 31st day of the coming October. The only difference between these is, if it is just to give these presumptive cases the benefit of the law's provisions up until the 31st day of October, then it is just to continue these presumptions after the 31st day of October. We will be meeting back here in January, if there is any extraordinary ground, 60 days after that time, justifying any further change not yet shown to be necessary.

The third point is that the Steiwer amendment limits cuts in Spanish-American War veterans to 25 percent. The House proposal, as amended by the Senator from South Carolina, assures Spanish-American War veterans $15 per month if 55 years of age, and if so-and-so, and if something

else, and then if something on top of that. [Laughter in the galleries.] They have to take the pauper's oath to start with. In order for a man who stood on San Juan Hill or died in one of the camps in Florida to have his widow rewarded, or in order for any of these men who stood up during the days of 1898 and 1899, when we sang the grand and glorious song that—

As Christ died to make men holy
Let us die to make men free—

In order for that man to come and get the benefit of this supposed-to-be regulation of the House, the first thing he has to do is to take the pauper's oath. In other words, he has to paint his name in gilded letters on the rolls of the United States Government as being in actual, destitute need of the money before he can get a copper cent under the regulation that is proposed here by the House.

As long as I am drawing a dime from the United States Government I will never make a veteran of a war—a foreign war or a domestic war—go and take a pauper's oath to draw a dime from the United States Government when he was sent to fight for the life and liberty of the country. I will never be one of those who will stand in this Hall of Congress and vote to require the pauper's oath. You can go back and defend it before your people if you want to, and no doubt you will be able to do so; but I shall not have to defend it before my people—that I stood on the floor of the United States Senate, when I was not willing to vote to cut my own salary more than 15 per cent, when I was getting $10,000, and yet voted to take the Spanish-American War veteran off the list altogether unless he is willing to take the pauper's oath. I will not have that to answer for.

Mr. President, I want to stand by the President, but I shall have to stand for the President; and I shall be one of the men who will go out of this Hall of Congress who will be able to stand for the President. I intend to stand for him, Mr. President; but I shall be one of the men who will go out of this body saying that I can stand before the American people because, upholding the arm of my chief, I am unwilling to make the veterans of the war take the pauper's oath and then to get $15 a month—that is wonderful relief!—provided they were enlisted 90 days, I believe it says.

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

Mr. LONG. Yes; I yield to the Senator.

Mr. HATFIELD. The total number of Spanish-American War veterans on the roll at the present time is 196,000; 63,000 of them are between 55 and 61. There are 95,000 of them who are over 62.

I thought possibly the Senator would like to have that information.

I desire to call the Senator's attention further to the diseases to which the Spanish-American War soldier was subjected in that period.

Fifty-seven thousand two hundred and four suffered from dysentery. That is, 41.202 percent. Twenty thousand nine hundred and four suffered from typhoid and paratyphoid, or 15 percent of the Spanish-American War veterans.

The total number of Regulars was 57,000, and of Volunteers, 223,000, making a total of 280,000.

Mr. LONG. I wish the Senator would send me those figures in writing. I think I catch the import of the figures. I know that those are not all the diseases to which they were subjected—dysentery and typhoid. They had yellow fever, if I am not mistaken. A yellow-fever epidemic broke out in the Spanish-American War. Maybe I am mistaken about that, but I do not think I am.

I know this: I know that many of those soldiers were quartered down in Florida, and I know that a number of them died down there; and a number of them had smallpox, for instance. My friend from West Virginia does not remind me of that now, but I remember the smallpox epidemic. Why, I know men—I know one man in particular; I probably know a dozen men—who had smallpox in that war. Living through that war was almost an accident when they took the smallpox down in Florida, in the epidemic that broke out down there. I know a man in New Orleans, La. His face is so marked up that you cannot put the end of your little finger on his face and not feel a hole in the man's face that was caused by the smallpox scourge that he went through. He is one of the men who are not on the roll at the present time, I think.

Before reading these figures a little more closely let me give the last point.

Under the Steiwer amendment, generally the protection afforded by the Connally amendment is sustained. In other words, it is generally what they have under the Connally amendment, except that under the Steiwer amendment we provide for the reexaminations. We provide for the correction of any mistakes. We provide for taking off the roll any man whose condition has improved and who has become better. Under the Steiwer amendment, if a man got on the roll who does not belong on there now, we provide that he shall be taken off. Under the House proposal, however, instead of generally sustaining the Connally amendment provisions, they completely surrender, and, with some exceptions, permit cuts without limit.

That is the difference between these amendments.

I shall not read further from these statistics—I understand them—except just to repeat that of the Spanish-American War veterans between 55 and 61 years of age there are 63,000, and over 62 years of age there are 95,000; a total of 158,000.

I did not vote for the economy bill. Seven of my friends from the State of Louisiana who are in the lower House of Congress whom I had the honor to support for election and reelection to Congress last time, and another Member of the House as to whom I took no position either for or against him in his campaign—the entire eight Members of the House of Representatives from the State of Louisiana, with the exception of one, voted for the economy bill, along with the balance of those who supported it.

Mr. President, I should have liked to vote for that bill myself in the Senate. I could not see anything to come of it, however, except regulations such as we had. They looked upon it differently. They thought the regulations would be entirely more humane. So did other Members of this body and of that body. I could see nothing to come from it except what did come from it. Therefore I voted against it.

Today, however, we have a chance to correct it. They say the President will veto our action. Mr. President, that is his responsibility. That is not ours. That will then be his responsibility. If we will put ourselves on record in a fair, honorable, legitimate manner to the effect that the Congress of the United States wants to correct the injustices of the Economy Act, any possible veto of our action will be the President's responsibility, and that is his prerogative anyway.

When the Senator from Texas offered the Connally amendment, I did not vote for it; but many of our friends who were voting with us for the Trammell amendment did vote for it because they were persuaded by the argument made by the Senator from Texas that it would mean something that would become law. The Senator from Texas thought that to be true. That was one of the main reasons why he offered his amendment. The amendment offered by the Senator from Texas was in lieu of the amendment of the Senator from Florida [Mr. TRAMMELL]. The Senator from Florida proposed to restrict the amount that the compensation could be reduced to 15 percent, leaving the veterans 85 percent. The Senator from Texas added on the Spanish-American War veterans, and provided that none of them should be reduced below 25 percent, under a very eloquent and practicable plea that it might mean, or probably would mean, law instead of a gesture. Many Senators voted for the Connally amendment for those very good and probably sound reasons.

Today, however, we are not even arguing for the Connally amendment. We are offering to correct the matter down to a point that I am informed will mean that the Government will pay the veterans $40,000,000 less under the Steiwer-Cutting amendment than it will pay them under the Connally amendment as written—at least that much. Are we now to go and throw these men off the rolls again?

There are men who stood in front of the line of German soldiers who have been thrown out of hospitals today, gentlemen of the Senate, who have not a nickel in their pockets, and who are so disabled that they are unable to do any work, even though there were work to be had. There are men who have suffered from tuberculosis; there are men who have received shrapnel wounds in the back and in the head; there are men with their wives and their children helpless on the world today because of the rulings that have been made, whose cases are not corrected by this House proposal, which means that they today will have absolutely nothing whatever coming from the Government that is anything like respectable. Then when you talk about going into the case of the Spanish-American War veteran to prove that he was in service a certain length of time, and make him take the pauper's oath, providing which he gets $15, I say, Mr. President—and that is why I read this article—that the Members of the Congress cannot afford to say that. The members of the diplomatic corps cannot afford to say that.

I am not urging a reduction in the salaries of Congressmen. Do not understand me to be even urging that. I never have. When I ran for the United States Senate, I went out before the people of Louisiana and told them that I was running for the job to get $10,000 a year, and that I believed as a lawyer I could make four times that much practicing law in my State, and they knew it. Some man said a Senator ought to be able to work for $10,000 a year. I said, for some gentlemen, sure; but I was not trying to give them that kind of a Senator. I was trying to give them something that would cost them less than it was worth. I was trying to give them a $40,000 man for $10,000 a year. [Laughter in the galleries.]

The PRESIDING OFFICER. The Senate will be in order.

Mr. LONG. Mr. President, we have Members of the United States Senate here today who can make thirty, forty, fifty, sixty, or one hundred thousand dollars a year in private life in ordinary times, who are here in Washington, put up in one little old peanut-shell room, sweating out and paying just about everything they get for a little old room and a few victuals in a hotel, with telephone calls back home. That is about all they are getting to be in the United States Senate today. If that costs all our salary, we cannot help it. For that reason I have never been one of the men to come here to urge that these salaries be cut, because if we are capable of discharging the functions of our offices, we are entitled to live in the circumstances in which we could live if we were pursuing the customary vocations of private life. For that reason I have been opposed to the slashes in salaries of Senators and Representatives.

I am opposed to this penurious way in which our delegates go to London, and arrive there under such circumstances that the Secretary of State has to take his valise and light a lantern to find his way uptown. I am opposed to that kind of penurious practice on the part of the United States Government. As it is now, how much more unjust and uncivil is it for us, in what are called "times of stress" when we cannot see fit to reduce our own salaries more than $1,500 out of $10,000, to stand for such cuts in the compensation of disabled veterans. Far more am I opposed to a veteran of the World War having his compensation cut off altogether, or reduced 60 percent, and the Spanish-American War veteran reduced to $6, and then come back with a proposition not to change the status at all except that the Spanish-American War veteran must give his coat of arms, and various and sundry descriptions and painted signs, probably giving the proofs in detail, with several other proofs which he probably cannot give, then add to that the pauper's oath, and then we say, "We will be so liberal to you as to give you $15 more a month." It is too ridiculous and absurd a proposition to talk about.

Mr. President, I love the President of the United States, I love the Members of the Senate and of the Congress, but the time has come, gentlemen of the Senate, to think about the welfare of America for Americans. This is not the Economy League, this is the United States Senate. This is not a resolution being passed at the urge of the Economy League.

Who is the Economy League, which has had us do that? Let us see if I cannot dig that up here real quickly for the benefit of the Senate. I have the information all here.

We whipped this law through Congress, and here was the chief propagandist. We all have been receiving these telegrams from the Economy League not to interfere with the recommendations which have been made and with the cuts which have been made.

"Stand by the Economy League," they say. Stand by the Economy League. Do not let the soldier of Chateau Thierry, or the soldier of the Argonne Forest, or the soldier of the Marne; do not let the man who died with the smallpox in the camp in Florida, do not let the man who walked away from here get compensation unless he takes the pauper's oath and swears that he cannot get along without it, because the Economy League says not to do it. Thirty-five thousand one hundred dollars was raised for this propaganda, contributed by the following persons:

Anonymous	$1,000
Grenville Clark	1,500
W. R. Coe	1,100
Mrs. H. P. Davison	1,000
Mrs. E. Marshall Field	1,000
Mr. and Mrs. Marshall Field, 3d	1,000
Mr. and Mrs. Childs Frick	1,000
Mrs. Daniel Guggenheim	1,000
Edward S. Harkness	5,000
E. Roland Harriman	6,000

It almost makes me laugh.

Mr. NEELY. Mr. President, is he the one who wrecked the Harriman bank?

Mr. LONG. I do not know.

E. Roland Harriman; I do not know whether that is the same man or not. He is probably one of the railroad men or bankers, it does not make any difference; one is as bad as the other. [Laughter.]

Henry Ittleson	$1,500
George W. Naumburg	5,000
Harold L. Pratt	1,000
John D. Rockefeller, Jr	5,000
H. H. Rogers	1,000
Mr. and Mrs. Carll Tucker	1,000
Mr. and Mrs. Harrison Williams	1,000

Seventeen contributors, $35,100.

Mr. STEIWER. Mr. President, in testimony adduced before the Committee on Banking and Currency with respect to the bargain-counter offer made by the firm of J. P. Morgan & Co., there were disclosed the following names of well-known people:

Mr. John W. Davis, who bought Alleghany shares to the number of 400, and who bought Standard Brand shares to the number of 5,000.

Mr. Charles E. Mitchell, whose name the Senator will identify, bought on the bargain counter Alleghany shares to the number of 10,000, and 10,000 Standard Brand shares.

Mr. Silas H. Strawn bought of Alleghany shares 1,000.

Mr. Alfred P. Sloan bought 10,000 Alleghany shares and 7,500 Standard Brand shares.

Mr. Bernard M. Baruch bought of Standard Brand shares 4,000.

Marshall Field bought of Standard Brand shares 2,000.

The Harrison Forbes Corporation bought of Standard Brand shares 5,000.

Mr. Arthur Hood bought of Standard Brand shares 500.

There are still others, but these I have identified, and I am able to state to the Senator that all these people are active members of the Economy League, and they helped bring on this effort to crush down the sick, crippled veterans of the wars of the United States.

Mr. LONG. I thank the Senator for that contribution. I want to say, Mr. President, that we investigated those gentlemen, we investigated, and we deplored what they had done; but they went back to New York City and wherever else they live with their flags flying, and they managed to bring pressure to bear throughout the United States, enough

propaganda to have their way in this Economy League legislation, which took the disabled veterans off the pay roll.

I am not condemning the motives of the good men who want to balance the Budget of this Government. I think I have demonstrated completely, to the satisfaction of everyone, in his heart of hearts, whether he admits it particularly or takes time to admit it here, that we have not been at all consistent in our legislation. It was not consistent to take two or three hundred million dollars away from the soldiers and spend $500,000,000 on a sapling bill the next day. That was not consistent. It was not consistent to treat the States and the municipal governments as we have treated them. Down in the State of Louisiana we are today called upon by some means, somehow, to try to find a means of feeding these veterans, furnishing them with medicine, and giving them hospital treatment whenever it is required. Why, I ask the Senate, sitting here as jurors on the lives of the soldiers of this country, should we so discriminate against the soldiers?

I am not one of the soldiers. I was not a soldier, nor was I a man who asked other people to become soldiers. I did not go to any war, and I did not ask anybody to go to any war, and unless called I am not going to the next one, if it is like the last one, and if this is what we are to expect to come from it.

Mr. President, I say to my Republican friends, who have cried so much about President McKinley's bringing on the war with Spain, that there was no reason for that war. We should never have had the war with Spain. It is a matter of historical, public record that at the time the war with Spain was declared over Cuba President McKinley had in his pocket a telegram, acceding to every demand that had been made by the United States Government. But the propaganda and the fanfare throughout the United States had become such that McKinley yielded to that kind of pressure and declared a war that was absolutely useless to this country and something we will never get over.

Mr. FESS. Mr. President, I think the Senator has misquoted President McKinley. The Senator will recall that he had stood like a rock against declaring war, and not until the sinking of the *Maine*, was the sentiment in the country so powerful that he yielded; but the President certainly did not bring on the war.

Mr. LONG. Mr. McKinley stood against the war for a good while and then gave in. He had no more right to give in when he did than he had at any other time. The reasons President McKinley gave for not giving in and declaring war before were just as sound at the time we went into the war as they were before. True, the sinking of the *Maine* brought on that war to a large extent. It gave the propagandists the material they needed to work up the sentiment. There never was any proof that Spain was responsible for the sinking of the *Maine*. There has not been any such proof to this date, and for a Nation to go and plunge hundreds of thousands of lives into the vortex of blood and murder, which such war is, for something that never was proved, never has satisfied the calm and sane judgment of the American people.

I must get beyond this, however, to what I say is a matter of history, as shown in the documents in the archives of Government. I did not believe we should have gone into the last war. I believe I have been vindicated in that attitude more and more by the declarations we have heard on both sides of this Chamber, when we have heard our leaders deplore the stand taken by our allies in refusing to come forward and repay the loans we made to them.

I do not commit myself on that question. I may be in favor, I do not say I will not be, of letting our debtors loose on some of the loans we made, when the time comes, because if I am convinced that they cannot pay those debts, I am not going to try to keep entangling the United States over them another day until war comes. It may become necessary, I do not say it will not, that we will have to disentangle ourselves by not trying to force something we cannot collect. I do not know what my stand is going to be on that question. But in view of the reports which have been made, the attitude of the foreign countries certainly has not been pleasing to the statesmen on either side of this Chamber. With our Government getting ready to relieve the debts which others may owe us, with Congress getting ready to reach economy by clipping off 15 percent from the salaries of those getting $10,000, how are we to go back, whether the war was justified or not justified, to the man who stood and fought our battle, to the soldier who took our place, and say to him, "We who stood in no shadow of danger, we who did not sleep underneath a canvas flap in the nighttime, not knowing whether we would ever again come back to our homes, are going to treat in this way those who volunteered as candidates to fill unmarked graves 3,000 miles across the sea—those who came back home, after all the misery and suffering and the apprehension, with their fallen comrades lying beside the foes in foreign lands, who came back here maimed and crippled, disabled for life, facing a friendly Congress, they hoped, who sent them across the seas to fight"? Are they to be told they can get $15 a month if they will take a pauper's oath?

Mr. President, I am not willing to stain the record I have on this subject. I was not in favor of the war, but I will stand for justice and respectable treatment to those men, and as one who faces his proportionate and practical responsibility regardless of my attitude at the time, I feel that our obligation to these soldiers is such that we cannot afford to do anything except what is respectable for an honorable citizen to accept under like circumstances.

Mr. President, I shall take but another minute or two. I see other Senators who want to speak. I have made my stand clear on the matter. It is all right to know what we are doing.

Mr. FESS. Mr. President, if the Senator will yield, I should like to have the record kept straight. I do not want to interfere with anything the Senator wants to say, but he made a statement about McKinley, and then when I thought I had corrected him he did not seem to accept my correction.

Mr. LONG. I accept all the Senator has said. On the contrary, the Senator from Ohio does not dispute anything I have said.

Mr. FESS. Let me make this statement. This body sent to Cuba two distinguished Senators to study the conditions in the reconcentrado camps under the administration of Governor General Weyler. One of those men was John M. Thurston, of Nebraska, and the other was Redfield Proctor, of Vermont. Senator Thurston made the report on this floor. It was so graphic that after it was made, there was no question as to what this body and the other body would do.

I recall this very dramatic incident. He stated at the close of his address, after making the report—

> I speak at the command of lips that are now silent in death—

Referring to his wife, who died on the way home. He stated that he made her a promise that he would come to the Senate and that he would tell the truth about what he had seen. When that report and the report of Senator Proctor were submitted there was not any power in the White House to prevent the declaration of war; and the blame ought not to be put on President McKinley.

Mr. LONG. Mr. President, I do not put it on President McKinley except in this respect—that he yielded to the fanaticism of the people. There are times when executives should not yield. I remember that there was a man sentenced to be hanged in a town in my State, and I was called on to sign a warrant to hang him in 4 days. I refused to do it. It had been the custom in that section to give a condemned man 30 days before he was hanged, and I would not treat his case in any other way. They almost burned me in effigy in the little town of Rayville because I would not do it. But they had to wait until the 30 days had expired; and at the next election, for the first time in my life, I carried the town of Rayville.

I remember another case of such fanatical pleas. I remember when in the State of Louisiana every woman's club and almost every other society, from one end of the State to the other, met and adopted resolutions because I was hanging the first woman ever hung in the State for murder. I remember, Mr. President, that it was hardly safe to risk doing it, but the hanging took place just the same. If the sentiment of the majority of the people at that time had prevailed, there never would have been another hanging in the State of Louisiana. There have been many Governors who have had many worse experiences than that to contend with, such as the case in Iowa sometime ago, when the citizens took a judge out because he would not agree not to sign any mortgage-foreclosure papers, and they were going to murder him on the spot; but he stood his ground and enforced the law, and was upheld by the Governor. So Governors in other States have been confronted with similar situations. In one instance a judge was told if he did not refuse to issue warrants for people who refused to pay their taxes, which he had no right to do under the law, he would face the consequences, but he stood his ground, because it was his right and duty to stand his ground, and not yield to what seemed to be the fanatical probabilities and possibilities of the moment.

I do not blame Mr. McKinley, but the uncontroverted facts are that we need not have gotten into that war, just as I do not think President Woodrow Wilson had any more right to go into the war with Germany than McKinley had to go in the war with Spain. I have got records sufficient to substantiate both those statements to my satisfaction, and I think to the satisfaction of others. I do say that Mr. McKinley had on his desk or in his pocket at the time that war was declared—and I admit that there was a pressure behind him to have war declared—a cable from Spain agreeing to every demand of the American Government. The Spanish people knew they could not whip America. That war was an absolute farce; there was not any war to it. Of course, my friend, Theodore Roosevelt, got up there and rode down San Juan Hill and got a big name over it, but there was never any more war to that thing than if we went into a war to whip Cuba tomorrow. The thousands of soldiers used and the millions and millions of dollars that were spent in that war were wholly unnecessary, and if McKinley had stood his ground long enough, I do not believe there would have been anything to it.

President Wilson withstood all the talk when the Germans sunk the *Lusitania*. We did not go to war over the sinking of the *Lusitania*, although two thirds of the people of the Nation think the sinking of the *Lusitania* brought on the war. On the contrary, he stood it down and said we were not going to war because of any such thing as the sinking of the *Lusitania*. It was not the sinking of the *Lusitania* that brought on the war. That was not the ground for bringing on the war, just as the sinking of the *Maine* did not bring on the war with Spain; the war was brought on on entirely different grounds, because we never did have any proof, and we have not got it now—not a scintilla of proof is in the files and records of this Government today that Spain was responsible for the sinking of the *Maine*. Nobody knows it today.

Mr. President, I would have concluded except for what my friend from Ohio mentioned. I hope we will vote for the Steiwer amendment. I do not care if it is offered by the Republicans; it is not a Republican matter or a Democratic matter with me. The Republicans gave the votes to pass the economy bill; so it is not a partisan matter. I and others voted against the economy bill, and it was necessary to line up for it most of the Republicans over there, although some of them did not vote for it.

Politics makes men feel differently. I remember the first time I ran for public office I naturally began to feel kindly toward my fellow men, and as it gets nearer election time naturally the Republicans will feel kindly toward the soldiers, and I am glad to see that. If they had stood with us on the economy bill we would not now have it; but we are glad to have them with us at this time. There is more cheering over one who is lost and has returned than over millions who are already saved.

Mr. CONNALLY. Mr. President, if we could pass a retroactive statute and repeal the Spanish-American War and abolish the World War, of course we would not be confronted here today with this very difficult and vexing question. If I could satisfy a hungry soldier with a speech, probably it would not be necessary to give him a pension; if we could heal his crippled limbs with a little oratorical ointment, he would not ask for compensation; but, Mr. President, we are faced today with a very practical question. That question is, What are we going to do with the disabled soldiers? Are they going to get something or are they going to get nothing except speeches? The speeches may tickle the soldiers' ears, but they carry little nourishment to his stomach. I repeat, we are confronted with a very practical question.

As the Senate knows, some days ago we had the Trammell amendment here restricting the cut to 15 percent. The Senator from Texas offered a substitute providing a limitation of only 25-percent cut. That amendment was offered in the best of good faith. I have now no apology to make for that amendment.

In spite of what the Senator from Oregon says about that amendment, it simply accepted the status quo which the Congress had already established by law and limited the cuts on service-connected cases to 25 percent and provided a similar restriction on cuts in the case of the Spanish-American War veterans. Under the Connally amendment a saving of $306,000,000 annually under the expenditures estimated under the old law would have resulted. I had inserted in the RECORD for June 12, 1933, a statement from the Veterans' Bureau setting forth that state of facts. The savings under it would have been in excess of the 25-percent cut in expenses promised in the Democratic platform. That amendment was adopted by the Senate by the deciding vote of Vice President Garner. It went to the other House. Then what happened? We all know that the House of Representatives and the President together worked out an amendment which both admitted was the best possible that could be framed under the circumstances. The House adopted that amendment in lieu of the Senate amendment. Today the Senator from South Carolina moves to concur in that House amendment with a further amendment with relation to the Spanish-American War veterans.

Mr. President, we are given assurances upon what I regard as absolutely unimpeachable authority, if the Steiwer amendment should be adopted by the Senate and should be concurred in by the other House, that a Presidential veto will strike down this whole bill.

Then what will be the situation? We shall come back to the Senate and pass a joint resolution continuing the present appropriation for another year, and the veterans will be right back where they were under the economy law without any legislation whatever.

We must face this question. It is not a theory; it is a reality that we must face. Shall we accept a compromise which we know will be approved by the House of Representatives and by the President and get some real relief for the veterans, or shall we content ourselves by making speeches, playing to their passions and to their sensibilities, and, while we are doing it, drive into their vitals disappointment through failing to get what we can assure them by an agreement upon this amendment? We are, I repeat, confronted with a condition, not a theory; and, as the author of the original Connally amendment, I propose to support the motion of the Senator from South Carolina to accept the House amendment, with a further amendment which will give added protection to the Spanish-American War veterans.

Some Senators on the other side and some, perhaps, on this side have said that the reforestation workers, in case they meet with accident, will draw more compensation than will some of the disabled soldiers under the Spanish-American War or the World War pension legislation. That may be true. Of course, it is silly and ridiculous to think

that a reforestation employee 25 years old, who may stick a splinter into his body in the forest and thereby suffer some injuries, should draw larger compensation than a disabled soldier; but the reforestation matter is not before the Senate; there is nothing we can do about reforestation now. By our votes today we shall not correct that; we shall not modify that.

Let me say, Mr. President, that the salary cut of 15 percent is not before the Senate. We shall not change that by our votes today; it will remain the same; it has got nothing to do with this question. The question is whether or not the Senate is going to use judgment instead of passion; whether the Senate is going to use common sense instead of bombast. The question is whether we are going to prove our devotion to the soldiers by getting something that he can eat and getting something that he can wear instead of feeding him and tickling his ears with a speech and letting him go tonight without something to eat and without something to wear. That is the issue here today.

Mr. CUTTING. Mr. President, will the Senator from Texas yield to me?

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

Mr. CONNALLY. I yield to my very good friend and a devoted friend of the veterans, the Senator from New Mexico.

Mr. CUTTING. Did not the Senator make substantially the same speech on June 2 in support of his own amendment, and was it not largely for that reason that the Senate voted for his amendment as against the amendment of the Senator from Florida [Mr. TRAMMELL]?

Mr. CONNALLY. I cannot assume that the Senate was influenced by what the Senator from Texas then said, but he did make somewhat the same argument.

Mr. CUTTING. The Senator did say, "Let us get something that we can get and not take a chance of not getting anything at all."

Mr. CONNALLY. Let me say to the Senator from New Mexico that when I first took the floor I said that I had assurances as to the statement then made, and I thought I had authority for it. I thought the amendment would be accepted, but it was not. Today, however, I have authority which is more direct, more certain. The Senator from New Mexico has seen in the press and perhaps has talked to others who are closer to the President than am I, and I am sure that the Senator from New Mexico has information to the same effect, that if the Steiwer amendment should be adopted and agreed to by the other House the measure will be vetoed and the soldiers will get nothing more than the economy bill, except the sympathy of the Veterans' Administration.

Mr. CUTTING. I want to say in the first place that I have no such information. I am not arguing with the Senator on that basis. I do recognize the force of the Senator's argument when he says: "If we can get something for the veterans, let us take it." I hope, however, before the Senator concludes that he will show us something in the House provision that really gives some benefit to the service men of the country which will not be provided if the House amendment shall not be adopted.

If the Senator will yield to me for a moment more, what I wish that he would elucidate is this: Is there anything in the amendment compelling the President to do anything which he will not do if we do not adopt the House amendment, anything which he has not authority to do if we do not adopt the House amendment?

Mr. CONNALLY. The Senator has covered a great deal of territory with his question. Let me ask the Senator a question. Does he not agree that the House amendment gives the veterans more benefit and more guaranty than they now have under the existing regulations?

Mr. CUTTING. Except with regard to widows and dependents, I think there is no word in the House amendment which is in any way mandatory on the executive branch of the Government. I think it allows the President to do a great many things which he already has authority to do.

Mr. CONNALLY. Of course, the President under the Economy Act can do almost anything. He could put all these men back on the rolls 100 percent, but the Senator from New Mexico knows he is not going to do it.

Mr. CUTTING. No; but the President has said he is going to do certain things. If we do not adopt the House provision, he can still do those things which he has promised to do, and the House amendment does not compel him to do one single additional thing.

Mr. CONNALLY. Let me say to the Senator from New Mexico that while the President, irrespective of the House amendment, could still do all of the things he is authorized to do under the Economy Act, the House amendment does guarantee to the veterans certain things. The amendment of the Senator from South Carolina [Mr. BYRNES] gives added assurance to the veterans in addition to the House amendment. We are voting in something more than is contained in the House bill.

I have no contest to make with the Senator from New Mexico. I want to pay my tribute to the Senator for his earnestness and his sincerity and his zeal for the soldiers. I am not saying that the amendment gives the soldiers all they are entitled to. I think my amendment adopted the other day was a fair and just amendment, but we cannot get it; we cannot secure it. We cannot secure the amendment of the Senator from Oregon [Mr. STEIWER] or the amendment of the Senator from New Mexico [Mr. CUTTING]. When Senators are confronted with that kind of situation what are we going to do? Are we going to refuse all aid because we cannot get exactly what we want?

Did the Senator ever vote for a bill in the Senate which he approved in every line and in every paragraph? No Senator ever had that experience. I have been in the Congress some 15 years. Legislation is a matter of accommodation and compromise. We cannot write every line in a bill or every paragraph. We have had to do the best we could. If I thought we could get more than the House amendment and the Byrnes amendment, I would stand here and fight for it. But, whether other Senators are convinced or not, I am convinced that we cannot get it, that it would be vetoed, and I am assured by those who have a right to speak that if we adopt the Byrnes amendment and the House amendment, the House will concur, the President will approve the bill, and the veterans will get something instead of oratory and enthusiasm. The veteran wants sustenance and not buncombe.

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

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Montana?

Mr. CONNALLY. I yield.

Mr. WHEELER. Assuming that the President does veto the bill, then he is still in position to do everything provided in the Byrnes amendment and everything provided in the House amendment as the bill now stands. So that as a matter of fact the veterans would not lose anything if we voted for the bill and passed it and he vetoed it, because the understanding is or it has been repeatedly said that he intends to do all the things that are in the House amendment and in the Byrnes amendment, anyway.

Mr. CONNALLY. If the Senator's philosophy is correct, there is no use to do anything but leave it alone. The President can do and he will do all the things that he may desire, but we are trying to get the assurance of a statute as far as we can. The Senator from Montana would leave it all to the President, so why vote for the Steiwer amendment? If we kill it, will not the President have the power still to do all that is in that amendment? Of course he will. That answers the Senator.

Mr. WHEELER. I do not think it does at all.

Mr. CONNALLY. Everybody else thinks so. [Laughter.]

Mr. WHEELER. What we are trying to do is to write into the statute something that will give the President authority to do certain things. We were promised certain definite things by the administration and by the Veterans' Bureau. When the Economy Act was passed, we were told what they

would do. The Veterans' Administration did not keep their word. We are trying to see that something is written into the law that will absolutely give the veterans partial justice at least. The Senator says that if we vote for the Cutting amendment we are just giving the veterans buncombe.

Mr. CONNALLY. No; I did not say that at all.

Mr. WHEELER. Then I misunderstood the Senator.

Mr CONNALLY. I said "oratory and buncombe", meaning a form of oratory of which the Senate has heard a great deal. [Laughter.]

Mr. WHEELER. That is a difference without a distinction. I submit that the President, having promised the Members of the House and the Members of the Senate that he is going to do what is in the House amendment, the least he can possibly do and be consistent would be to put it into operation. Some of us are not satisfied with that. We want to write into the law that he shall do more than that. It seems to me we ought to express our views in the matter, and not simply be guided by the Veterans' Administration.

Mr. CONNALLY. We expressed ourselves the other day on the Connally amendment. The Senator's idea of a compromise is that the President says, "I will do the following if you will agree to it." The Senator's idea is "No; we will not agree to it, but we are going to insist on the President doing it anyway." The President agreed to accept the House amendment, and it was the understanding of the House that it would go into the law if the Senate approved it. The Senator from Montana wants the President to abide by a unilateral promise and then try to exact something more. That is not the idea of the Senate of the United States with reference to a compact or agreement.

Mr. WHEELER. I do not understand it as the Senator does. As a matter of fact, the Byrnes amendment is simply writing into the law what the President said he was going to do with reference to the Spanish-American War veterans.

Mr. CONNALLY. No; it is not. It goes farther than that.

Mr. WHEELER. The Senator from South Carolina at least made that statement to me. Possibly the Senator from South Carolina knows more about it than I do. I am saying that is what he said to me, that this was simply writing into the law what the President had said he was going to do.

Mr. CONNALLY. In the form of a letter?

Mr. WHEELER. Yes.

Mr. CONNALLY. He did not say that in a letter. He said he was going to give them aid and relief, but there was nothing definite about it. This is proposed to make definite what was uncertain. This is proposed to write into the law that which was nothing more than a letter before.

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

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

Mr. CONNALLY. I yield.

Mr. CUTTING. Let me see if I clearly understand the Senator from Texas. He said that the President made a certain agreement with Members of the House, and that if the Senate is not willing to abide by that agreement the President on his side is not bound to abide by it. Either the President feels that the agreement which he reached was a just one, or he does not. Surely the Senator from Texas does not imply that the President of the United States, after reaching an agreement which he thought was a just one, would thereupon modify the terms of it on account of some action or failure to act on the part of somebody else?

Mr. CONNALLY. Oh, no; the Senator from New Mexico is not warranted in making those assumptions. What the President agreed to do was this: He said, "If Congress writes into the bill these words, I shall approve it." He made concessions, just as I am compelled to make concessions here today by voting for the Byrnes amendment and the House amendment. I do not mean to say that I am satisfied with what is being done. Men make concessions. The President has made concessions. The bill carries $100,000,000 more than would have been carried under the Economy Act. I think it is an unfair position for Senators to take to assume that because the President has said, "If you make that into the form of a bill, I will approve it" that he is thereby morally bound to do that without the enactment of such a measure, while Senators withhold on their part the right to go ahead and get more if they can, and then if they cannot get more hold the President to some fanciful or imaginary compact.

Mr. STEIWER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Oregon?

Mr. CONNALLY. I do.

Mr. STEIWER. I understand the Senator to say that the President's proposition was that if Congress wrote the House amendment into law, extending certain protection to the veterans, he would carry out those instructions. Is that what the Senator said?

Mr. CONNALLY. That is what I understand he is to do anyway if it is the law. He would approve the bill.

Mr. STEIWER. Therefore the Senator is basing the virtue of his claims for the President on his agreement to obey the law.

Mr. CONNALLY. I have a tender affection for the Senator from Oregon, but he does himself no credit in making a reference of that kind to the President. He could veto the bill, of course. The President is not going to violate the law.

Mr. STEIWER. I was not really referring to the President. I was referring to the anomaly presented by the Senator from Texas.

Mr. CONNALLY. The Senator from Texas has more anomalies than he has anything else, for that matter. [Laughter.] The point I was trying to make was that the President agreed to approve the bill; and if he does approve it, it will become the law.

Mr. President, we have got to realize that the Senate of the United States, though it may be the greatest deliberative body on the globe, is not the only body on the globe. There is a body over at the other end of the Capitol which under the Constitution has just as much power as the Senate when it comes to legislative matters.

The President, over at the other end of Pennsylvania Avenue, when it comes to legislative matters, has more power than either body unless we have two thirds of both bodies to overrule him. Those are the facts. There is no use ignoring them. They cannot be ignored. They cannot be brushed out of the way. The President and the House of Representatives have already agreed as far as they could agree. In addition to that agreement the Senate is securing a still further concession and we are faced with the dilemma of taking what we can get or voting it down and getting nothing for the soldiers except a veto.

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

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from North Dakota?

Mr. CONNALLY. I yield.

Mr. FRAZIER. I should like to ask the Senator from Texas if he did not feel, when he voted for the economy bill, that the administration would treat the veterans fairly?

Mr. CONNALLY. I shall say frankly to the Senator from North Dakota that we had assurances that the Economy Act would be administered in a liberal and generous fashion, and we relied upon those promises. There is no doubt that Senators relied on such assurances, although I believe the Senator from North Dakota did not vote for the bill.

Mr. FRAZIER. No; I did not vote for the bill. I do not like to legislate that way.

Mr. CONNALLY. Then the Senator was not defrauded; he was not deluded; he was not deceived.

Mr. FRAZIER. If the Senator was mistaken with reference to the economy bill, how does he know that he is not mistaken on the proposal of the President to veto the bill if this amendment is adopted?

Mr. CONNALLY. Of course the Senator from Texas may be mistaken. He is frequently mistaken. He was mistaken

when he thought the Senator from North Dakota was going to ask a question that would elucidate the matter and bring forth additional information. [Laughter.]

Mr. President, that is the situation and we cannot ignore it. We need not try to fool ourselves or delude ourselves with the idea that we are going to be able to go back home and tell the soldier, when he gets no additional relief, "I made a speech for you. Yes; I made a long speech. I sent it to you under my frank at route 3, box 47." But, Senators, when his compensation does not arrive, when his Spanish-American War veterans' pension is not delivered, he is not going to be able to subsist very long on a franked speech. He will not be able to subsist long on all the oratory which may be poured out here.

Mr. LA FOLLETTE and Mr. CUTTING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Texas yield; and if so, to whom?

Mr. CONNALLY. I will yield first to the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, I am very much interested to know what the Senator from Texas thinks the veterans about whom he is talking will get from the House amendment, if it is adopted?

Mr. CONNALLY. The Senator has read the House amendment, has he not?

Mr. LA FOLLETTE. Yes; I have.

Mr. CONNALLY. The Senator knows just as much about it as the Senator from Texas, if he has exercised his usual astuteness.

Mr. LA FOLLETTE. If the Senator from Texas had reached the same conclusion after reading the House amendment that I have, he would not be making the speech he is making now. The reason why I asked the Senator the question is this:

The Senator says, in a nutshell, that the choice here is between getting something for the veterans and getting nothing for them. I should like to know what there is in the House text which gives any assurance that any substantial benefit is to be derived for the veterans from it.

Mr. CONNALLY. Let me say to the Senator from Wisconsin that I have not time now to analyze the House amendment in all its details. If the Senator from Wisconsin, with his analytical mind and his intellectual powers, has read it and does not know what is in it, I cannot pause now to explain it to him. Let me say to the Senator, however——

Mr. LAFOLLETTE. Tell me just 2 or 3 things, if they are in it, that are any guaranty, that are any assurance to the veterans who have had this cruel and harsh treatment under the Economy Act that they will receive any substantial change under the House text.

Mr. CONNALLY. Let me say to the Senator from Wisconsin that the delegation in the House representing the soldiers were just as good friends of the veterans as the Senator from Wisconsin. They labored over this matter for a week or 10 days. They were convinced that the House amendment was a substantial improvement over what they secured under the Economy Act. Now, in addition to the House amendment, the Senator from South Carolina [Mr. BYRNES] has an additional amendment giving security to the veterans of the Spanish-American War. When I say "nothing" I mean nothing in the way of new legislation; nothing except the old Economy Act, which the Senator from Wisconsin denounces, and yet which he is willing now to leave in full force and effect because he does not get just exactly what he wants in the way of an amendment.

Mr. LA FOLLETTE. On the contrary, Mr. President, I am as anxious as the Senator from Texas to get tangible results. I state to the Senate frankly, however, that I have read the House text, and I have read it again; I have listened to the analysis of the Senator from New Mexico [Mr. CUTTING], who has been a student of these matters; I have listened to the analysis of the Senator from Oregon [Mr. STEIWER]; and I state to the Senate that I am unable to find a single tangible assurance contained in that language which will give any substantial improvement to the veterans if it is enacted. I think, in all fairness, that as long as the Senator from Texas is putting it here as an issue between something and nothing, the Senate is entitled to have the Senator from Texas tell us just exactly what that "something" consists of.

Mr. CONNALLY. I will tell the Senator something of it right now.

Under the Economy Act and the regulations, more than half of all Spanish-American War veterans go off the roll entirely. The Senator understands that; does he not?

Mr. LA FOLLETTE. Yes.

Mr. CONNALLY. All right. More than half of them go off entirely. Under the amendment offered by the Senator from South Carolina all veterans who are 55 years of age and above, and who are 50 percent disabled, will stay on the roll.

Mr. LA FOLLETTE. Provided they take a pauper's oath, and after they have been rated by the Bureau.

Mr. CONNALLY. All right; but the Senator wanted to know. Now I am telling him, and he is not satisfied with the information.

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

Mr. CONNALLY. In a moment I shall yield to the gallant Senator from Oregon.

Let me repeat to the Senator from Wisconsin that at present half of them go off the roll entirely, while under this proposal we can keep on the roll all of those above 55 years of age—and that covers nearly all of them, because a man 20 years old at the time of the Spanish-American War is only 55 now. The average age is 60 years. So when we keep on the roll all of the Spanish-American War veterans 55 years of age and above who are as much as 50 percent disabled, even though the veteran does have to prove that he is in need, if he is in need had he not better prove it and get something than to stay in need and get nothing?

I do not favor the need clause—no. I never have voted for it in the Senate. I have voted against it; but if we are to have it, it is better than nothing. It at least gives those who are in need something, and those who are not in need probably can get along without it.

Mr. TYDINGS. Mr. President——

Mr. STEIWER. Mr. President, the Senator from Texas was challenged just now by the Senator from Wisconsin to state one thing of value to the veterans in the proposal for which he is contending. He singled out the thing which I assume he regards as most important.

Mr. CONNALLY. The Senator has no right to make any assumptions. If the Senator heard what the Senator from Texas said——

Mr. STEIWER. I will not make that assumption then; but he singled out a thing which he thought worthy of presentation to the Senate, and he told the Senator from Wisconsin that one thing of value to those veterans was the assurance carried in the amendment that Spanish War veterans over the age of 55 would get a certain protection. Let me restate to the Senator, and then I shall no longer trespass upon his time, just what is given to those veterans.

Mr. CONNALLY. I hope the Senator will hurry. I desire to conclude my remarks.

Mr. STEIWER. If they are over 55 years of age, if they make a pauper's oath, and if they are 50 percent disabled, they get $15 a month. If they are 62 years old, they are protected by the Economy Act in any event. So the only people the Senator from Texas is talking about are those between 55 and 62 years old. The Senator knows that that is true.

Mr. CONNALLY. The Senator from Oregon proceeds to deny something, and then he proves it. He pretends to show that the amendment of the Senator from South Carolina does not give any security, and yet he admits that it does save the men above 55. What do they get now? Under the Economy Act more than half of them go off the rolls with nothing, and those above 62 get $6. Is it not better to give

the majority of them at least $15 than to cut more than half of them off and give the others only $6 a month?

Mr. STEIWER. They can starve at either rate.

Mr. CONNALLY. And under the Senator's plan of having the bill vetoed they probably will. I yield now to the Senator from Maryland.

Mr. STEIWER. Is the Senator accusing the President of that? Is the Senator saying that if the Congress does not restrict the President's power he is going to starve those men?

I want the Senator to answer that question if he will.

Mr. CONNALLY. The Senator wants me to answer which question—the one about the President, or his own question? Has the Senator got himself confused with the Presidency?

Mr. STEIWER. Not at all.

Mr. CONNALLY. What was the question? I shall answer it.

Mr. STEIWER. I know the Senator wants to be fair.

Mr. CONNALLY. I do. That is the reason why I am pausing to have the Senator state what the question was.

Mr. STEIWER. If the Senator's blood is not stirred too much with excitement in his declamation, I know he wants to be fair.

Mr. CONNALLY. I hope so.

Mr. STEIWER. The Senator has just said that if we do not succeed in passing some limitation, if we do not succeed in changing this law in some way so as to bind the hands of the President with respect to the curtailment in pensions, these men are going to starve anyway. What conclusion does the Senator want to draw from that statement?

Mr. CONNALLY. The Senator from Texas said that under the present Economy Act the men above 62 were guaranteed only $6 a month. I submit that no man can live on $6 a month. I want to give them more. Does not the Senator from Oregon?

Mr. STEIWER. I certainly do.

Mr. CONNALLY. I yield now to the Senator from Maryland.

Mr. TYDINGS. Mr. President, speaking for myself, I desire to say that I think the need clause in the pension bill is a very good one. It is a humane clause, because the less money is given to those who do not need it the more money can be given to those who do need it; and for non-service-connected disability I think the veteran should make out a case of need. In these times when the taxpayer is taxed on his moving pictures, his radio, his automobile, his gasoline, his automobile tires, his income tax, and hundreds of other taxes, and when 12,000,000 people are out of employment, and we are appropriating money to furnish them with employment, we ought not to give away money to non-service-connected disability veterans unless there is need for it.

Mr. CONNALLY. I thank the Senator for his illuminating contribution.

Mr. LA FOLLETTE. Mr. President, the Senator has told me what is in the Byrnes amendment to the House amendment, but I hope he is going to go on and tell us what is in the House text.

Mr. CONNALLY. All right; I shall tell the Senator. If he could not find out from reading it, I shall tell him.

In addition to what the veterans have now, they have the guaranty that a board will be appointed, and that these cases will be reviewed by a board not connected with the Veterans' Bureau, an impartial board which will pass upon these presumptive cases. That is not guaranteed at present.

Mr. LA FOLLETTE. What happens after the 31st of October?

Mr. CONNALLY. The Senator will not let me answer one question until he propounds another. Did not the Senator from Texas answer correctly? Is not that a guaranty that these men have not under the present law?

Mr. STEIWER. Mr. President——

Mr. CONNALLY. I want the Senator from Wisconsin to answer that.

Mr. LA FOLLETTE. Mr. President, these boards are set up, as I read the language under the law, with the task of reviewing all of these presumptive cases; and any case which is not acted upon or has not been disposed of by the 31st day of October goes off the roll.

Mr. CONNALLY. Yes; and on the other hand they go off the roll on the 1st day of July under present conditions, and yet the Senator cannot tell the difference between the House provision and the existing law!

Under the existing law and regulations all these presumptive cases go off the rolls on the 1st day of July. Under the House bill they are continued to the 31st day of October. In the meantime these boards are set up to review all cases. If that does not answer the Senator from Wisconsin, I do not know how to answer him. He challenged me, and said that the House provision gave no added benefits. If that does not reply to him, I cannot answer him.

Mr. LA FOLLETTE. I asked the Senator to show us the substantial benefits.

Mr. CONNALLY. Is not that a substantial benefit?

Mr. LA FOLLETTE. I do not so regard it.

Mr. CONNALLY. Oh well, I do not understand the word "substantial" if that is the case.

Mr. LA FOLLETTE. Will the Senator tell us what else is guaranteed to the soldier?

Mr. CONNALLY. If the Senator from Wisconsin, after reading the House provision a number of times, does not know what is in it, I cannot enlighten him now.

Mr. LA FOLLETTE. I just wanted to know if that one proposition in the House text was the thing upon which the Senator from Texas was basing his impassioned appeal to the Senate to capitulate and abandon its position.

Mr. CONNALLY. If the Senator from Wisconsin had been listening, and if he can gain any impression at all as to what the poor powers of the Senator from Texas were undertaking to convey, he would know the reasons that I have been urging. I have already consumed a great deal of time, and in order to answer the Senator I cannot go back and repeat my whole speech.

In conclusion, Mr. President——

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

Mr. CONNALLY. I am very anxious to close. I am anxious to conclude my remarks.

Mr. CUTTING. The Senator says that under the present regulations these presumptive veterans will be taken off the rolls on the 1st of July, but that under the House compromise they will remain on the rolls until the 31st of October. Will the Senator tell us whether it is not perfectly possible for the President's boards to act immediately? If he establishes them in sufficient number, and if they are instructed in such a way by the Veterans' Bureau and the Director of the Budget, are they not going to be able to take those men off the rolls perhaps by the 15th of July or the 1st of August?

Mr. CONNALLY. I shall answer the Senator. The Senator asks, "Can they not do it immediately?" They could not do it immediately unless they had a committee for each veteran. I do not believe, of course, and I do not think the Senator believes, that they can review this large number of cases within 2 weeks' time. That is impracticable. Of course, the Senator can imagine all sorts of things. If we are going to indulge in fancy, if we are going to indulge in bogies and ghost stories, of course, we could conjure up all sorts of things; but if they stay on only a month, that is more than they will stay on under the Economy Act.

Mr. CUTTING. Mr. President, if they are going to stay on the rolls only a month——

Mr. CONNALLY. The Senator did not say that. I said, "If they stay on only a month."

Mr. CUTTING. I am saying, "If they stay on only a month." [Laughter.] If they stay on only a month, then does not the Senator think that if we did not pass this House compromise the President would remove them on the 1st of July, and not let them stay on the rolls a month?

Mr. CONNALLY. Is it on that assumption that the Senator has been making all his speeches in favor of his amendment?

Mr. CUTTING. Mr. President, I have been trying to write something mandatory, something not dependent on the Director of the Budget.

Mr. CONNALLY. That is what we are doing now—writing something mandatory, so that they will have certain rights.

Mr. CUTTING. But the Senator has not shown anything mandatory.

Mr. CONNALLY. I will not argue with the Senator about that.

In conclusion, Mr. President, let me say to Senators that this is not the last session of Congress which will convene. The Senate and the House will be back here in January. We do not part with all of our legislative authority when we adjourn tonight. Our legislative functions do not become paralyzed because we wait until January. Let us adopt these substitutes. Let us try them out. Let us set up these boards. Let them examine these presumptive cases. Let us observe the results. Let us weigh the consequences. Then, when we come back here in January, if the Veterans' Bureau has not been honest in administering this act, if the President has not kept faith, the Congress then can do what some Senators want it to do now, but which it cannot do in the face of a veto. Two thirds can override a veto then just as well as now, and we shall have the added benefit of the experience and observation of the workings of this measure.

Mr. President, I dislike to part with the Senator from New Mexico and the Senator from Oregon. I pay tribute to their zeal and to their industry and to their sympathy for the soldier. I am just as anxious about the veterans as they are. I do not approve the House measure and the Byrnes amendment as being sufficient. If I were writing this amendment, I would make it more generous. But, as I view it, it is either accept this or have a veto, a veto to hope, a veto to the very guaranty which Senators have been pleading for; and, believing that, I am going to vote to accept this compromise, let the House adopt it, let the President sign it, and we shall go home having really done something for the veteran besides make him speeches.

Mr. TRAMMELL. Mr. President, except for the fact that we are considering a different amendment from the one we had before us about a week or 10 days ago, the Senator from Texas has repeated the speech, almost verbatim, he made at that time to persuade Senators not to vote for a 15-percent restriction. He pleaded just as earnestly at that time as he does at this time that if Senators would only vote against the 15-percent restriction and adopt the 25-percent restriction, as proposed by his amendment, then everything would be lovely, the soldiers would be protected, and everybody would be happy. But it seems his prediction and his forecast have not come true.

Again, when the Senator finds that it looks as though a certain number of the Senate, at least, believe in more liberal policy and consideration of the veterans he makes an appeal for the purpose of defeating the more liberal provision made for and in behalf of the veterans, as proposed by the other amendment. Had not the Senator, when we first had before us last week the matter under consideration, made that persuasive appeal—that is, persuasive to some—that we should then defeat the 15-percent restriction and take the 25-percent restriction, or that we would have no chance whatever, the 15-percent restriction would have been adopted. Everyone knows that last week it was a tie vote and that the question was decided only by the vote of the Vice President.

The Senator's [Mr. CONNALLY] appeal worked very successfully at that time. A number of us who were fighting for a reduction not to exceed 15 percent had fought up to the line and had practically won the victory; but by the very persuasive argument of the Senator and his assurance that nothing could be achieved unless it was achieved through a 25-percent restriction, some Senators, instead of holding the line, broke the line and voted with the Senator for his 25-percent proposal.

The same effort is again made to get those who believe in the more liberal treatment of the veterans, instead of holding the line to break loose and go with those who want to give the veterans the least possible they can get under the circumstances. I should like to remind Senators of that little incident and of this repetition of the argument made in the hope of catching some Senators, just as was done before.

If we could have had a vote without the argument of the Senator from Texas, which was persuasive, on the 15- and 25-percent amendments, we would have won by at least 8 or 10 votes for the 15-percent restriction. We would then have been in a much better position to have effected a compromise which would have meant something for the soldier.

As far as I am concerned, I am for something for the soldiers. There is a little to be gained in this proposition, it is true, but it is of minor consequence, and I imagine that all the rejoicing throughout the land which will go up, if the Senator from Texas and those with him win on this proposition at this time, will be on the part of the Economy League and those in sympathy with them; and, on the contrary, the soldiers of the country and those who believe in them, who believe that they should have fair treatment, will be bowed down in despair and in disappointment. I hope the Cutting-Steiwer amendment will be adopted.

Mr. NORRIS. Mr. President, I regret very much that I am compelled to part company with the Senator from Texas [Mr. CONNALLY] on this very important proposition. The Senator from Texas started out in his great oration by saying, in effect and substance, that the way to do something for the soldier was to stop talking, not have a lot of oratory, which he called "bunkum" or something of that kind, and then proceeded to talk for an hour and a half. [Laughter.] I would not have said a word, I had no intention of saying anything, because I did not want to be classified by my friend from Texas as one who would indulge in bunkum or useless talk; but after he has set the pace and the precedent I think I am justified in saying just a few words.

Mr. President, I am not criticising the Senator from South Carolina [Mr. BYRNES] or any of those who support the House amendment as amended by the amendment of the Senator from South Carolina. I am not criticising those who say we must take that or get nothing. They may be right. I do not believe they are. I have more confidence in the President of the United States than those who take that position.

It is said that if we agree to this substitute, known as the "Cutting-Steiwer amendment," we will meet a veto from the White House. I do not believe it; but if I knew that we would, I would still say of the President, as I say to Senators who are opposed to the Steiwer-Cutting amendment, "I concede your motives are high and pure, and that you are acting in the best of faith from the viewpoint which you take."

I see nothing in the House amendment as amended by the Senator from South Carolina. But I am not frightened now—I have never been frightened—by the threat of a veto, and for many years I have lived under that kind of a threat. I have my responsibilty, others have theirs, and the President of the United States has his. I am conceding that others are acting from motives which are pure, and that the President, from the way he looks at it, is doing the same, with the highest of patriotic motives and purposes. But that does not excuse me if I look at the matter from a different standpoint from his. I have my responsibility, others have their responsibility, and they cannot get away from theirs by trying to say that somebody else who has a responsibility of a different kind, of a more important kind, perhaps, looks at the matter differently from the way they do.

If we all carry out our responsibility as we see it, if we all follow the dictates of our consciences and do our duty as we see it, without fear and without favor, we will all feel better when we get through, regardless of the outcome.

I do not for a moment criticize those who favor the House amendment as amended by the Byrnes amendment. But as long as I know I cannot see anything in it, as long as I believe the Steiwer-Cutting amendment is a just and a fair compromise, it seems to me, though it does not go as far

as I should like to have it go, as long as I believe that I am going to vote for it, even though every friend I have criticizes me and says that I am wrong. I should be sorry to have the criticism, I should like to avoid it if I could, but I am not going to be scared away from what I believe to be my duty by a threat that somebody else higher in power will nullify what I do if I do not obey and do as I am told to do.

Mr. VANDENBERG. Mr. President, in addition to what the Senator lays down respecting the justice or the merits of the situation I suggest to him that, on a mathematical basis, the only difference remaining in dollars and cents between the House proposition and the Steiwer-Cutting proposition does not exceed $30,000,000, which is less than 1 percent of the amount appropriated in a bill which went through the Senate yesterday in half an hour with the administration's blessing. I do not believe that even the President of the United States will undertake to make a major issue of $30,000,000 under such circumstances.

Mr. NORRIS. Mr. President, perhaps I had better say that I am reminded by the suggestion made by the Senator from Michigan that the President's ideas are in conflict with mine and others here. There is not a man in the United States in whose sincerity, in whose honesty, and in whose courage I have greater faith than the man who now sits in the White House.

Mr. CONNALLY. Mr. President, feeling that way, if the President told the Senator that he was going to veto the bill, would he believe him?

Mr. NORRIS. Yes; I would believe him; of course I would, if he told me he was going to veto it; but I would vote for the amendment just the same if I believed it was right. I am not going to be driven from what I believe to be my duty by the threat of a veto, even if it comes from my own father. I do not mean to criticize the man who vetoes the bill. He has his right and he ought to follow his convictions. I am willing to take his advice, I am willing to compromise to meet his idea, but I will not go farther than it seems to me I am justified in going, and I am going to be the judge of that. Nobody else, however great, however good a friend, or however greatly I may be obligated to him, is going to control my conscientious convictions.

Mr. President, that does not mean any disrespect to my friends. If I had a friend I could lead around by the nose and tell what to do as I can my dog, I would not respect him any more than I do my dog, probably not as much, because there was a time in my life when I had a dog, and I loved him as dearly as anything I ever had, and I would have gone almost as far for him as for my own life.

I only want to say that it does not mean one lacks in loyalty to another Senator because he does not vote as the other one says. It does not mean one lacks in loyalty or friendship or confidence in the President of the United States if he does not agree with him on everything. We never had a President with whom we agreed on everything. There are no two men here who agree on everything.

There is not a married man in this Hall who always agrees with his own wife [laughter]; and usually in such a case he finds out after he has disagreed with her that he was wrong and she was right. [Laughter.] So we may find out afterward that we were wrong in these great questions of state; I concede that; but we can only go according to the light that God has given us, carry out the dictates of our consciences, and wherever they land us let us land there and maintain our own self-respect, and even the respect of our fellows who do not agree with us.

As I read the Cutting-Steiwer amendment, I am impressed with its fairness; I am impressed with its moderation and the way to compromise that it opens; the opportunity that it affords to clear the roll of those pensioners who ought not to be there by methods that will be controlled by the President himself.

As I look at the other proposal, I see nothing in it except the sop that comes in the way of the amendment of the Senator from South Carolina which is given to the soldiers of the Spanish-American War. I think when the Senator from Texas was pressed he practically admitted that, after all—at any rate, that is all I could find in analyzing what he said in his eloquent speech—its only advantage was that it gave to the soldiers of the Spanish-American War something which they would not have without it.

Mr. CONNALLY. Mr. President, will the Senator from Nebraska yield to me?

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

Mr. NORRIS. I yield.

Mr. CONNALLY. There is one other advantage that I might mention. I do not know that it is of any consequence to the Senator.

Mr. NORRIS. It will be, I will say to the Senator. I want to meet these questions in a fair way.

Mr. CONNALLY. Under the House bill a limitation of 25 percent is placed on the cut which may be made in all service-connected cases, with the exception of such presumptive cases as may be eliminated. In the economy law there is no such provision as that. Does the Senator not regard that as a substantial benefit to the veterans suffering from directly service-connected disabilities and to the presumptive veterans also?

Mr. NORRIS. I think——

Mr. CUTTING. Mr. President, will the Senator from Nebraska yield to me?

Mr. NORRIS. I yield.

Mr. CUTTING. I desire to say that I am sure the Senator from Texas does not mean to misstate the provisions of the House compromise. The only restriction on the cut in directly service-connected disability cases provided by the House amendment is in "the rates of compensation" made payable, not in "the compensation being paid" to the individual veterans; so that the individual veteran may have his rating cut down any extent, but the "rating schedules" of the Bureau cannot be cut down more than 25 percent. That is the main difference between the Steiwer-Cutting amendment and the amendment of the House.

Mr. NORRIS. I thank the Senator.

Mr. BYRNES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. NORRIS. I yield to the Senator from South Carolina, but I will say to the Senator that I am about ready to conclude. I will yield the floor in a very few minutes, but I yield to the Senator to ask me any question that I may be able to answer.

Mr. BYRNES. I merely wanted to say that the construction placed upon the language of the section is certainly not in accord with my construction or justified by the language itself. The words "rates of compensation" refer to the difference in ratings by the regulations. There was a rating different from that which existed prior to the economy law. I do not agree with the construction placed upon the language by the Senator from New Mexico.

Mr. BONE. Mr. President, may I ask the Senator from South Carolina a question?

Mr. BYRNES. The Senator from Nebraska has the floor.

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

Mr. BONE. The Senator from Michigan a moment ago made a most astounding statement. He said that there was involved in all of this controversy only the sum of approximately $30,000,000, and in a Congress that has been appropriating billions of dollars I wonder if we are now going to dismember our entire program over this little item of $30,000,000 which is less, as the Senator indicated, than 1 percent of the amount we appropriated the other day. Certainly all this controversy would not be justified if that is the amount involved. I should like to know whether that is true or not; and I wonder if the Senator from South Carolina could enlighten us on that subject?

Mr. BYRNES. There is no question as to the statement of the amount of money involved in this particular amendment. I think it was stated that approximately $50,000,000 would be added to the sum for veterans by the adoption of the House compromise plus the amendment which has been

adopted by the Senate today; that that is the amount of the additional appropriation that would be made available to the veterans. I have not attempted to secure from the Veterans' Administration an estimate of the cost of the Steiwer-Cutting amendment. The Senator from New Mexico said it could not be done, but the information I had at the time it was pending here before was that it would cost something over $100,000,000. There were various estimates, one running up to $130,000,000 at that time. The Senator from Oregon, as I recall, stated that his amendment would mean an expenditure of approximately thirty or forty million dollars less than the amendment of the Senator from Texas [Mr. CONNALLY]. I only state the estimate as to the House compromise, and that is the best information I could get as to that.

Mr. BONE. Mr. President, may I ask the Senator from Michigan to repeat his statement for the benefit of the Senate? It was so astonishing to me that I should like to have it repeated.

Mr. VANDENBERG. Mr. President, I will be happy to do so, if the Senator from Nebraska will yield.

Mr. NORRIS. Mr. President, I do not believe that Senators ought to take my time in having side discussions. The figures can come out in the time of the Senators who want to participate in the discussion. I should rather continue.

When interrupted I was about to discuss something to which I called the attention of the Senator from South Carolina in regard to his amendment to the House amendment. I wish to refer to the amendment of the Senator from South Carolina to the House amendment just briefly. The amendment provides:

> Notwithstanding any of the provisions of Public Law No. 2, Seventy-third Congress, any veteran of the Spanish-American War, including the Boxer rebellion and the Philippine insurrection, who served 90 days or more, was honorably discharged from the service, is 55 years of age or over, is 50 percent disabled, and in need as defined by the President shall be paid a pension of not less than $15 per month.

I think, Mr. President, by the time the soldier gets through proving all these things which are necessary and answering the questions that will be asked probably by an unfriendly Bureau—as I think we all know the Bureau has been unfriendly and technical, trying to require proof according to the technicalities of the law—when the soldier gets through with the Bureau in establishing all those facts he will be dead of old age.

He must show that he served 90 days; he must show that he was honorably discharged; he must show that he is 55 years of age; he must show that he is 50-percent disabled, and "in need as defined by the President."

Mr. STEIWER. Mr. President, will the Senator let me interrupt him there?

Mr. NORRIS. Yes.

Mr. STEIWER. It is rather eloquent, I think, that the amendment from which the Senator is reading does not define the disability; that is to say, it does not define the method of fixing the disability. That would be done by a construction made in the Veterans' Administration. The evaluations of different disabilities or injuries will be subject to their procedure, and I suggest to the Senator that it might be quite possible that they would make regulations under which practically no veteran of the Spanish-American War could ever qualify with a 50-percent disability.

Mr. NORRIS. The Senator has said in part what I was about to say, that under this proposal the question would arise as to what was a 50-percent disability as defined by the President. I know and you know, Mr. President, the Senate knows, and God knows that the President cannot write these definitions. He is going to and must delegate the duty to someone else, presumably to a bureau that has been, I think ever since I have dealt with it, as technical as possible in passing upon these claims, construing the doubt against the soldier in most cases that have come to my personal attention.

The soldier must not only prove that he is disabled according to that definition, but that he is in need according to the definition. What does that mean? It may mean anything. With an unfriendly bureau it will mean practically nothing to the soldier.

"In need." I do not believe in the history of Congress we have ever passed legislation that would afford a precedent for anything of this kind. What will constitute being "in need"? Will it apply to a man who has an income of $2,500 or $1,000 or $500? Will it make any difference whether he has a wife to support or not? Will it make any difference whether he has a mother dependent upon him or a sister or children? Who is going to decide what that means? We have left it wide open, as far as the proposed law is concerned, to make it a practical impossibility for this provision to do any good to the Spanish-American War veterans.

Why should we do that? Why enact that kind of a law? Why open that door and put on guard at it the Bureau that has always been technical in construing the claims of the veterans of our various wars?

Mr. President, we have laid the road wide open for a complete failure. It seems to me no man living can point out a thing that is unfair in the Cutting-Steiwer amendment. I have not heard anybody yet point to an error that is in it; anything that is in it that is unjust. Therefore, Mr. President, without fear and without hesitation, I am going to vote for the substitute, and I hope nobody will vote any other way, except according to his own convictions, on account of anything that may happen in the future. If it shall be vetoed, we will meet that situation when it arises. Let us not stop now until we have exhausted every resource to do justice to these thousands of men who, by this cruel order, have been put out upon the streets practically in suffering and in distress.

Mr. FESS. Mr. President, will the Senator yield to a question?

Mr. NORRIS. I yield.

Mr. FESS. The statement was made by the Senator from Texas that if this amendment were added the bill would be vetoed, which would force us to pass a continuing joint resolution.

Mr. NORRIS. That does not follow by any means.

Mr. FESS. I wanted to ask whether we could follow the Senator in that statement? If we were to meet that kind of a situation, and be forced to act upon a continuing resolution, if the sense of this body is that this thing ought to be done, could the resort to a continuing resolution prevent our doing this? Would not the way still be open?

Mr. NORRIS. Oh, yes; I think so.

Mr. FESS. I could not follow the Senator from Texas in that respect.

Mr. NORRIS. I could not, either. I think the Senator from Texas was wrong about it, without any idea of being wrong. I may be wrong and he may be right; I realize that; but there is not anything bad about that. If we put this amendment in the law and the President thinks it ought to be vetoed, he will veto it. When that time comes we will meet the situation. We will then have to perform our duty. He will then have performed his duty. There will be no suspicion that we acted from a bad motive, and I would be the last man in this body to intimate that the President had acted from any other than the very highest and noblest of motives. If it comes to that, and we can get nothing but what we have on the statute books now, we will have to take it. But that does not excuse us from not doing what we believe ought to be done, and that is to right this wrong.

Mr. ROBINSON of Indiana. Mr. President, I have just received a telegram from Mr. Vincent Bendix. As Members of this body know, Mr. Bendix is a very prominent and thoroughly representative business man of the United States. The telegram reads as follows:

CHICAGO, ILL., *June 14, 1933.*

Hon. ARTHUR R. ROBINSON,
Senate Office Building:

Regarding war debts, I strongly believe our country definitely cannot afford any substantial reduction or cancelation, especially when debtors are easily able to currently pay the interest and later can positively liquidate the principal with various kinds of tangible considerations. Foreign misleading and malicious propaganda is directed merely to cheat our country out of billions of

dollars and place the great burden on our citizens, and in the end will amount to a great penalty on American foreign business and a correspondingly great bonus to our foreign competitors. Debt discussions should not be entangled with the Economic Conference.

VINCENT BENDIX.

Mr. President, everybody knows, in fact, I think it has never been denied, that the House of Morgan and organized wealth of this country desire to unload Europe's debts on American taxpayers. That same group of individuals is doing everything in its power to take bread from the mouths of the disabled veterans of the United States. The record discloses that the National Economy League is recruited from Wall Street. The record shows also that the President of the United States, in submitting the indefensible so-called "Economy Act", followed the behest of Wall Street. The very program of the President with reference to veterans' legislation is the program of the National Economy League, many of whom have their names in the record here as beneficiaries of large gratuities from the House of Morgan.

Mr. President, I have just learned that the Chief Executive of the United States has accepted $10,000,000 from Great Britain in connection with the debts. The installment of Great Britain due tomorrow is something over $79,000,000. The entire installment should have been paid, or none. Yet the very Chief Executive who takes $400,000,000 from the veterans of the United States undertakes to accept today $10,000,000, following the program of the House of Morgan, Wall Street, and organized wealth, a little more than 10 percent of the amount that is due. Everybody understands perfectly well that if this President listens to Wall Street, that is all we will get of that installment. Thus we would donate $69,000,000 to Great Britain. Oh, that some of our American statesmen would think more of America and less of Europe!

In just a moment we are going to vote on this measure and I shall not detain the Senate. Understand, this great wrong has been done to the disabled veterans of America. Understand perfectly well, so far as the World War veterans are concerned, that if they were service connected under the former structure of the laws they had to show affirmatively 10-percent disability. If their disability was not connected directly with the war, it was up to them to show affirmatively 25-percent disability. So the injustice done to the World War veterans was done to disabled men all the way through.

So far as the Spanish-American War veterans are concerned, their benefits have been practically wiped out in the most cruel fashion by the dictator who has been placed over the destinies of the defenders of the Nation. All in the world the Steiwer-Cutting amendment undertakes to do is to bring some little measure of justice to the Spanish-American War veterans who served their country well and worthily more than 30 years ago when service records were not known. Whatever records were kept have been lost. Yet they are asked to show and to prove service connection. Is there anyone here who can refuse to vote for the small meed of justice contained in this amendment?

We are simply trying to bring some little measure of justice to the veterans; in other words, trying to right in some small way the great wrong that was done to all of them. I hope the Senate will show in its vote now on this question that it is at least as friendly to the defenders of the Nation as it is to Europe and the powers that owe this country billions of dollars, one of the largest of which has just offered approximately 10 percent of the installment due tomorrow, which has been accepted by the President of the United States.

Mr. ROBINSON of Arkansas. Mr. President, it will require only a brief time for me to express the thoughts in my mind in relation to this controversy. That the issue has become very tense, everyone in the Chamber must realize. Subjects closely akin to the one now under consideration have from time to time been brought forward and always there has been revealed very profound feeling.

During the course of today's debate, references have been made to subject matters which, in my humble judgment, are only remotely, if at all, connected with the issue here. It has been said that there should never have been the Spanish-American War, that the then President of the United States precipitated the country into a conflict with Spain without warrant and without right, simply yielding to public sentiment. The declaration has also been made that this Government should not have participated in the World War. I cannot see that the United States could have avoided engaging in that war.

Mr. President, as I see it, no advantage whatever is to be gained by entering into a debate here at this time on the merits or justice of the cause of the American people in the two conflicts to which reference has been made. I have never felt that President McKinley committed a crime against his country and against civilization or that the Congress committed an unpardonable error when it declared war against Spain in 1898; nor has it seemed to me that there was sound basis for the theory of those who supported the cause of the Central Empire; namely, that the United States sent her sons to danger and to battle in violation of the cause of justice and humanity, when this Congress recognized a state of war with Germany in 1917. Whatever may be the justice or injustice of the causes involved in those great conflicts, history must decide. No act of ours can relieve our people and our Government from the responsibilities and the duties that arise out of the conflict.

There is no Senator here who is not willing and anxious to respond to those sentiments of patriotism and manhood which inspire and prompt every local citizen of the country to do justice to the soldiers who wore our uniform in the Spanish-American War and to those who wore it in the world conflict; but it is not to be assumed that any Senator or group of Senators can monopolize for themselves the right and title to patriotism which may be claimed by public officials who differ from them and who yet perform their duty in accordance with their conception of justice to the living and the dead.

There is involved here today no question of war debts. There is involved here today no question of the success or failure of the London Economic Conference. Senators on this side of the Chamber may respond, if they choose, to the small, secret influences that are at work from other sources to prolong this session indefinitely, so that the opportunity may be afforded of using the Senate and the House of Representatives as a forum to impair the strength and break down the effectiveness of our representatives in the Economic Conference.

The Senator from Indiana [Mr. ROBINSON], who preceded me on the floor, declared that the acceptance of a partial payment on the war debts constitutes a yielding of the claim as to the balance, and that if 10 percent be paid now it means that no additional sum shall be received. On what authority, I inquire, is such a declaration made? Is it the purpose of the Senator from Indiana to weaken the arm of the President in his efforts to carry out the mandate of Congress respecting the subject of war debts? Does he believe that if the Constitution of the United States devolved upon him, rather than upon the President, the obligation of conducting our foreign relations, he would be able, by some magic process known only to his mind, to assure collection of the debts in full?

Let me say, for the benefit of those who are precipitating in advance of the 15th of June a debate on this subject, that while I have no authority to commit or to bind the President of the United States, it is my belief that he is acting strictly within the line of his duty; that he is not influenced in the slightest degree by the House of Morgan or any other financial interest in the United States; that he is prompted solely by a sense of weighty responsibility and of duty to the American public.

Yes; you can make it harder for him. Speeches like that of the Senator from Indiana may be regarded by some here and by others abroad as having some foundation in fact or circumstance. By raising that issue here and now, and declaring that the acceptance or receipt of a partial payment means the cancelation of the remainder, you may give encouragement, if you wish, to the forces which agitate in

favor of cancelation. What will be said in the debtor countries should they take note of the declaration of the Senator from Indiana? It will be said that a leader of the opposition to the administration stated, on his responsibility as a United States Senator, that the President, inspired by the House of Morgan, has yielded the substance and right of the people whom he represents and serves. Will not the advocates of cancelation take heart and courage?

Let it be understood that the President from the beginning has recognized that he has no authority to alter in the slightest degree the existing arrangement respecting war debts. Do you understand the significance of that declaration? No change can be made without approval by the Congress. It is not fair, it is not just, it is not patriotic, to indulge in expressions of suspicion here, particularly when they involve detrimentally the best interests of the United States.

In the next place, the President has proceeded throughout the discussions and negotiations on the theory that any payment tendered or received shall in no wise operate to effect a change in the debt settlements heretofore entered into.

The third principle in these important discussions having relation to the debt discussions conducted by the President is that the debtor making partial payment recognizes the validity of the obligation.

In the fourth place, it is believed that it is not sound policy to pursue a course that will prompt the obligor nations into the position of undeniable and decisive default, since this will bring the controversy to a point of disadvantage and insurmountable difficulty to the United States.

Again, who controverts the suggestion that a debtor claiming inability to meet his obligations is entitled to the privilege of discussing the subject with his creditor? The controlling principle that has guided the Executive has been, however, that no arrangement can be or will be entered into except upon the condition that it shall be submitted to the Congress and approved before it becomes effective.

Those who have not been directly concerned with a study of this problem, or with efforts to compose the disputes that revolve around it, may be unable to appreciate the many difficulties in the present situation. They may believe that they could conduct the negotiations more skillfully and more effectively than the President can conduct them. They are not at liberty, however, from any fair standpoint, to confuse the public mind by the statement of partial truths, or by giving expression to misinformation. In doing so, they assume a responsibility which they have neither the authority nor the intelligence to discharge.

I pass now to a consideration of the proposed substitute that has been offered by the Senators from Oregon and New Mexico.

As stated in the beginning, this controversy has been prolonged and somewhat intense. In the hope that practical help may be given in arriving at a conclusion, I am impelled to make these few remarks. I do not ask any Senator to yield his views, or to take a course which appears to him to be unjust, but I do ask that we all pursue a course which intelligent men may regard as practicable and fair.

We have an amendment proposed by the House of Representatives. To that amendment the Senator from South Carolina has proposed an amendment. The amendment of the Senator from South Carolina having been incorporated, the Senator from Oregon and the Senator from New Mexico offered their amendment as a substitute. I said 2 or 3 days ago, after we had debated these questions at some length, that in my opinion we had better take the vote then on the Steiwer-Cutting amendment; that time would be saved by doing so. It appears that that view has been supported by subsequent events.

The President will veto the independent offices appropriation bill if the Steiwer amendment is incorporated in it. I grant that the Senate has a perfect right to vote for the amendment notwithstanding that fact, but those favoring it also have the right, if they choose to do so, to place the responsibility on the Chief Executive, the announcement being made that the bill will be vetoed if the amendment is incorporated.

Yes; perhaps you can incorporate this amendment and send the bill to the President and have a veto of the independent offices appropriation bill, and then, as suggested by the Senator from Ohio, if a continuing resolution is offered, we can write the Steiwer amendment into the continuing resolution and have it vetoed again. But who here thinks any such course will be pursued?

The course that will be pursued is, in all probability, if we have a veto of the independent offices bill, that the veto will be sustained, because the vote on this amendment, whether the Steiwer amendment is carried or defeated, will disclose that there is not the two-thirds vote necessary to pass the bill over the President's veto. Then, after months of labor, and after weeks of discussion, we will demonstrate the fact that we have moved in a circle, and are right back at the position from which we started. If a continuing resolution is then presented, and the Senate sees fit to do so, by the same vote by which it incorporates the Steiwer amendment it can incorporate it in the continuing resolution.

Mr. CUTTING. Mr. President, I do not want to disturb the Senator's argument, but would it not be possible, under those circumstances, to write into the continuing resolution, not the Steiwer amendment, but the House amendment?

Mr. ROBINSON of Arkansas. Certainly it would be possible, but that is the very point; if the Senate is going to yield on it, and place the responsibility on the President, let us do it now, and end this session of Congress.

Mr. CUTTING. Mr. President, if the Senator will yield, then we would be in an entirely different situation, I think. We would know that we could not get what we wanted, and the responsibility would be exactly where it belongs.

Mr. ROBINSON of Arkansas. The Senator may be assured of it now. I make the statement on the authority of the President that this bill will be vetoed if the Steiwer amendment is incorporated in it, and that statement is not made with a view to intimidating Senators in their votes; it is made in order that the situation may be made known, and that the practical course may be clear. If, as the Senator from New Mexico implies, we will finally have to take the House amendment with the Byrnes amendment added to it, then the sensible thing to do is to do it now, without a week's delay, and thus make it possible to end the session.

Mr. ASHURST. Mr. President, would not the President be disingenuous if he failed to make that disclosure now?

Mr. ROBINSON of Arkansas. I think so. He has made the disclosure. I have discussed the matter with him repeatedly, and during the last 2 days have sought to find some way of composing this controversy. The President is perfectly willing to take the responsibility. He does not base his opposition to the amendment so much on the amount of money that is involved as upon what he designates "a principle."

The fundamental objection to the Steiwer amendment, according to the President, is that it would preserve the 6-year period of presumption and restore to the rolls practically all presumptive cases, regardless of the fact that their disabilities cannot be traced as a matter of fact or of medical knowledge to the military service. The American Medical Association has supported the presumption of 2 years which is contemplated by the President's regulation.

The second feature of the Steiwer amendment which the President regards as objectionable is that it would restore to the rolls more than 75,000 Spanish-American War veterans, quite irrespective of service connection or need or degree of disability.

Mr. President, a good deal has been said here today about the pauper's oath. No such thing is involved in this legislation. I wish to ask the Senate now to take into consideration the case stated yesterday by the Senator from Oklahoma [Mr. GORE] and answer to their consciences whether they wish to perpetuate such cases, a millionaire with an

enormous income drawing a pension of $30 a month, justifying his action on the ground that he uses it to pay his income tax!

Mr. President, that type of man is not entitled to receive a pension at the expense of the millions of people who live and toil in this country. There are thousands of men on the pension rolls now who have large incomes who pay little to the support of the Government, and there ought to be some means of eliminating them. No one would denounce the President as an enemy to the human race, as some have sought to do here today, if he removed from the pension rolls the millionaire in Oklahoma, who uses his $30 a month pension to pay his income tax.

I express the hope that the Steiwer amendment will be rejected and the House amendment agreed to.

THE LONDON ECONOMIC CONFERENCE

Mr. BORAH. Mr. President, I do not desire to intrude myself into the debate on this subject of debts, but in view of the fact that it has been discussed here I think it not inappropriate to say a word as to the view which I entertain with reference to what has taken place today between the President and the British Government.

My view is that the debt situation has not been changed in the slightest by reason of anything which has taken place, according to the reports which we have before us. The President has accepted $10,000,000 upon a debt due. He has not changed or sought to change the contractual relations between the debtor and the creditor; and so far as I understand from reading the report in a brief moment, he has not entered into any negotiations with reference to any change.

The British Government owes the balance due; in other words, in accordance with the express terms of the contract. It is true that the President has stated that he would not characterize the failure to pay as a default. I presume that had a reason or a justification; nevertheless, it does not change the contract or change the relationship of the debtor and the creditor in the least. I do not understand that the President has undertaken to do anything of that kind. I do not understand that he has accepted the $10,000,000 upon any condition which would affect the balance of it, either for collection or in the way of adjustment, cancelation, or reduction.

Let it be understood, if there is any misunderstanding upon the other side of the water, that the Congress of the United States alone can change the terms of this contract. The President has so announced, and before any reduction, any modification, or any cancelation, can possibly take place, the Congress must act upon the matter.

Although I do not know, I presume that the amount which was paid was all the debtor was willing to pay, but I find nothing here which gives the debtor any advantage of the situation whatever by reason of any communication between the President and the British Government.

We are now prepared to take what course we may, either in the way of reduction or cancelation or collection, as freely and as unhampered and as unembarrassed as if the $10,000,000 had not been received. In other words, we have $10,000,000, and the balance of it is precisely where it was before the $10,000,000 was paid. I am unwilling to find fault with mere expressions in these negotiations, since no change as to our substantial rights have been effected. A great and most momentous conference is in progress. I am as anxious as anyone to protect our rights, but I do not wish to embarrass negotiations, so long as those negotiations indicate no substantial forfeiture of the rights of the American people.

Mr. REED. Mr. President, I note the President's statement that, in view of the representations that were made to him by the British Government, and in view of the fact that they have paid about one eighth of the amount which they were obligated to pay tomorrow, he has no personal hesitation in saying that he does not characterize the resultant situation as a default.

I suppose a default by any other name will smell the same; but can it be anything else but a default? A definite agreement has been made between two nations that there should be paid some $79,000,000 on the 15th day of June. No one has power to change that definite agreement, so far as the United States is concerned, save the Congress of the United States. Congress has not changed it.

When the day for performance comes, the debtor turns over to the creditor about one eighth of that which he has promised to pay, and the Executive, charged with the execution of the law, soothes the debtor's feelings by saying that he personally does not regard this clear default as a default!

Mr. ROBINSON of Indiana. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. ROBINSON of Indiana. Let me suggest, right there, the foreign viewpoint as evidenced by a London dispatch of the Universal Service, written by William Hillman. I quote from the dispatch as follows:

> President Roosevelt, Washington denials to the contrary, is reported already to have agreed to accept a "token" or "goodwill" payment of 10 percent from Britain, and the present delay in announcement is understood to wait upon finding a formula by which to express the administration's solution of the debt dilemma.

Then the story concludes with this very significant statement referring to Mr. Neville Chamberlain. I hope that the speech of Mr. Chamberlain does not sour in him; he is expected to make it as soon as we adjourn.

> Chamberlain appeared before Commons in the afternoon and begged off his expected debts-policy statement by promising to announce the Government's intentions tonight. When he made a tardy appearance in Parliament at 10:10 p.m., he said he was still not in a position to make a complete statement, whereupon Commons adjourned. Chamberlain forecast an adjustment "satisfactory" to Britain and promised full disclosures at 10 o'clock tomorrow night.

It is hoped in some circles that by that time we shall have gotten rid of veterans matters and adjourned the Congress so that Mr. Chamberlain may make his speech.

Mr. KING. Mr. President, will the Senator from Pennsylvania yield for a question?

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

Mr. REED. I yield.

Mr. KING. Does the Senator mean to state that there is no difference in meaning between the word "regard" and the word "characterize"? The Senator stated that the President said that he did not "regard" it as a default. The President, as I understand, said that he did not "characterize" the partial payment as a default. There is a difference, I submit, between the words "characterize" and "regard." May I also suggest to the learned Senator to consider the fact that Congress alone has the right to change or modify the terms of the contract. The President would not have the right to change the terms, and therefore he may be entirely right in saying that he does not "characterize" the nature or quality of Great Britain's procedure. If there is any characterization—under a proper interpretation, if characterization is to be made, it would seem that Congress is to undertake the task.

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

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Louisiana?

Mr. REED. Yes.

Mr. LONG. I should like to inquire if the Senate has among its Membership an entomologist? [Laughter.]

Mr. REED. Did the Senator say "entomologist"?

Mr. LONG. Yes.

Mr. REED. Mr. President, quite seriously, the only security America has for the payment of its international debts is the good faith of the debtors. On that and on that alone we advanced this vast amount of wealth, borrowed from our taxpayers for the purpose. The only security for the payment is the good faith, the character, and the honesty of the debtor nations. What becomes of that good faith, of that character, of that honesty, and of the will to pay when the President of the United States says to all the world that a failure to pay is not characterized by him as a default? How can that good faith and that desire to

pay exist when the head of our Government issues a public statement such as this?

Remember, Mr. President, that in all the correspondence we are given which has passed between our Government and the British Government there is not the shadow of a suggestion of their inability to pay; there is no pretense that they have not the capacity to pay what they agreed to pay; there is no pretense that the debt is not just; there is no pretense that they did not enter into the debt settlement with their eyes wide open, gladly accepting the reductions we then made, with appreciation for the generosity we showed; there is no pretense about all that. There is merely an indisposition to pay; they do not want to pay. That is all that appears from the correspondence, and, almost as a contemptuous gesture, they hand us about 12 percent of what they had promised. Then, when through our President, we say, "Wo do not regard that as a default", what can lead us to think that any Briton will care to exert himself to pay anything of the December installment?

Mr. ROBINSON of Indiana. Mr. President——

Mr. REED. I yield to the Senator.

Mr. ROBINSON of Indiana. I should like to ask the very able Senator from Pennsylvania if it is not true that Great Britain at present has a larger supply of gold than ever before in her history?

Mr. REED. I do not know that to be a fact. I do know the fact with regard to France.

Mr. ROBINSON of Indiana. It is true of France, is it not?

Mr. REED. Yes; it is true of France.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Maryland?

Mr. REED. I yield.

Mr. TYDINGS. If the Senator had been in the President's place would he have accepted the 10 percent?

Mr. REED. I would have accepted it; I would accept a postage stamp; but I would have made it perfectly plain that as for the unpaid balance I regarded its nonpayment as a breach of faith, as a dishonorable thing, as a plain default.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. REED. Yes.

Mr. ROBINSON of Arkansas. Then, according to my information, they probably would not have paid anything, and would have actually been in complete default, and thus prevented the Government of the United States even from having an opportunity of getting anything at all.

Mr. REED. I differ with the Senator as to that.

Mr. ROBINSON of Arkansas. If the United States had stated to Great Britain, "Unless you pay all this debt, I denounce you as dishonest", as the Senator has implied he would have done, and declared, "You are in default", I think it is certain that nothing ever would have been paid and there would have been a default of all the indebtedness.

Mr. REED. We differ as to that. I should have said to Great Britain, "I depend upon your good faith as America depended upon your good faith when she advanced this money to you. We still depend upon it, and we believe, from past experience, that Great Britain honors her word." I believe, in that event, there would have been no default.

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

Mr. REED. Yes.

Mr. TYDINGS. I take it from the Senator's remarks that he is in favor of the President's addressing a note to France, through the Secretary of State, saying, in effect, "We, the Government of the United States, feel that the French Government is thoroughly dishonorable, that it is a defaulting Government and deserves no contact with us at all, and therefore your Ambassador should be recalled."

Mr. REED. Mr. President, I would suggest to the Senator that we are now engaged at the London Conference in the farcical performance of writing agreements with a number of governments, when right before our face lies the evidence that they do not regard their agreements as binding upon them. I think it is a silly thing to do. Why should we accept new promises from governments that dishonor their existing promises? Why should we have new debt negotiations with these governments if, as the President says, he is going to swap a dishonest promise for a new promise that probably will be no better?

Mr. ROBINSON of Indiana. And for the old promise we have their bonds.

Mr. REED. We have their bonds, but their bonds constitute merely promises, and now it is proposed that we surrender them and take other bonds based only on good faith where good faith does not exist.

Mr. GEORGE and Mr. VANDENBERG addressed the Chair.

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

Mr. REED. I will yield in just a moment. I said that unless America shall have gained by the experience, she has lost everything in this transaction, and what experience should teach us is to be very chary in accepting the promises of peoples whose promises are only good in fair weather. Now I yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I wanted to ask the Senator if my recollection is at fault when I recall that he very heartily approved the extension very generously granted about June a year ago by the then President of the United States when he assured us that there was a reason why insistence upon the payment of the installments then due by one of our sister nations could not be made?

Mr. REED. That is quite true. I approved the moratorium because under the facts as we were told them it looked as though it would avoid the bankruptcy of central Europe.

Mr. GEORGE. Does the Senator think that the world has so greatly improved at this time as to take away all justification for the President of the United States to accept a partial payment upon the maturing installment?

Mr. REED. I am not objecting to his accepting a partial payment; I am objecting to glossing over the default of seven eighths of that debt and his destroying the value of that debt for this country.

Mr. President, it seems to me that it comes——

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

Mr. REED. I will yield at the end of the sentence. It seems to me that it comes strangely from the President, who is cracking the whip over the Congress, to make drastic reductions in the compensation of our veterans who suffered from combat-incurred injuries at the same time he is, in effect, giving to one single country in Europe more than it would take to pay all the allowances about which we have been debating, for the Steiwer-Cutting amendment would not increase the pension roll by anything like the amount of money annually which this gracious gesture to Great Britain decreases our revenue. We lose more by this pretty gesture to Great Britain than we would lose by doing justice to the veterans who are suffering from injuries received in combat; and it is for them that the majority of the Senate is concerned.

Now I yield to the Senator from Alabama.

Mr. BLACK. As I understand, the Senator was objecting to glossing over an extension of seven eighths of this debt?

Mr. REED. It is not an extension; it is a default.

Mr. BLACK. Why does the Senator object to glossing that over and not glossing over the moratorium for the entire debt?

Mr. REED. In that case the payment was definitely extended by agreement between the countries that were in default.

Mr. BLACK. They did not pay the money, did they? They have not paid it as yet, have they?

Mr. REED. We agreed that payments should be extended in 10 annual payments.

Mr. BLACK. They defaulted, did they not?

Mr. REED. If the Senator does not see the difference between our agreeing to an extension and our not agreeing to an extension, I am afraid I cannot enlighten him.

Mr. BLACK. I do see this difference that now we get part of it while under the moratorium we received none and have received none yet.

Mr. REED. That may satisfy the Senator.

Mr. President, a word more about the pending bill and I have finished. It is quite true, doubtless, that the President will veto this bill if it shall contain the Cutting-Steiwer amendment. We are expected to vote against our own good judgment because the whip is cracked over our heads. We were not sent here to take orders from the White House; we were sent here to vote, according to our consciences, as we honestly think best; and it is a poor excuse for us to go back to our own States and say, "No; we did not believe in this. It is true that we had plain warning all the way that the Executive was going to use his power over the veterans; it is true we all thought that our confidence had been abused in the way the economy bill was applied, but when the chance came to us to rectify all that, although we believed it ought to be rectified, the President said he was going to veto the bill, and so we voted contrary to our belief." What will we say to those who call attention to our power to override a veto?

Last night we had a test vote on the question of the compensation of veterans. The Senator from Alabama [Mr. BLACK] moved to recommit this measure to conference, so that some such amendment as the Cutting-Steiwer amendment could be considered. The vote on that question was 48 yeas and 31 nays. Out of those 31 nays surely there must be 5 Senators who want to see justice done to the veterans who have been so brutally treated by the Executive order. There must be 5 out of that 31 who will vote for justice in spite of the telephone messages they have been getting and in spite of the cracking of the whip; and if 5 of them will change their votes, we will then have more than the two-thirds vote necessary to override a veto. But suppose they should not—suppose the veto should be sustained—it would be necessary to come back to us with either a continuing joint resolution or an appropriation bill; and it will then be within our power—and we have the votes, beyond peradventure—to put the Steiwer-Cutting amendment on that measure, whatever it may be. In the long run in this contest Congress will win.

We know that this is just and, knowing that it is just and knowing that if we exercise ordinary manly fortitude we will win, there is no excuse for our being terrified by the threat of a veto.

Mr. JOHNSON. Mr. President, I had no intention of discussing in any degree this matter at the present time. So much has been said, however, that I am very glad to have the opportunity to say to my fellow Senators a word or two of the position which I have occupied for some years in respect to it.

Great Britain could have paid and should have paid the installment that is due tomorrow. I have no criticism of the President in receiving, of course, a sum which has been paid on account. I have no criticism, indeed, if the statement has been plainly made that this particular matter of debt is within the Congress of the United States, in their jurisdiction alone, and that Congress has the right and the power to determine for the Nation whether there shall be cancelation or reduction in any of the debts subsisting.

This question, sir, with me has gone far beyond the question of dollars and cents. No financial idea—save, of course, the good faith that a debtor always owes to his creditor—have I now in speaking of it at all. Something else is involved in this debt situation besides the mere money that ought to be paid under the contracts that have been made.

I saw with amazement the other day, when the great Economic Conference opened at London, the Premier of Great Britain inject, notwithstanding the agenda of that great Conference, this controverted question. I read with astonishment yesterday that of all orators who addressed that conference, three of them berated the United States of America—three of them; indeed, one of them severely and bitterly criticizing our country.

This thing has gone beyond the mere payment, I repeat. Today our dignity and our honor and our self-respect are involved. It is silly to say to me that there has been no default in $69,000,000 of the amount that is yet due, because that is the indubitable fact. There are $79,000,000 due, $10,000,000 paid, accepted by the President, I assume, solely on account of the subsisting indebtedness, and $69,000,000 of that sum in default at the present time.

There was once a Democratic President, whose fame has lived during all the years, who, once confronted with a situation much more serious than any debt, expressed himself in no uncertain tones. He struck then what I believe is the keynote of the present situation. Grover Cleveland in his famous Venezuelan message wrote words that are written in the annals of the history of this country and that, as long as there are Americans and as long as we yet have a Republic, will be read by Democrats, Republicans, all Americans alike, with approval and with enthusiasm.

Senators will recall, I presume, that dispute which occurred many years ago. Then, in a concluding sentence in a splendid special message to the Congress of the United States, Grover Cleveland wrote these words:

> I am, nevertheless, firm in my conviction that while it is a grievous thing to contemplate the two great English speaking peoples of the world as being otherwise than friendly competitors in the onward march of civilization and strenuous and worthy rivals in all the arts of peace, there is no calamity which a great nation can invite which equals that which follows a supine submission to wrong and injustice and a consequent loss of national self-respect and honor beneath which are shielded and defended a people's safety and greatness.

When Mr. MacDonald on Monday last did a thing that in my opinion constituted not only bad manners, but bad sportsmanship, when other representatives in that Economic Conference yesterday spoke of the United States of America in tones of scorn for all the world to hear, then there was injected into the debt situation, concerning which they were speaking, an element that we cannot forget. Today, sir, the question of those debts becomes a matter of national self-respect. Today, sir, those debts become a matter of national dignity with us. I do not care whether we ever collect a penny from any nation on the face of the earth. There is the obligation written by them as they desired. There is the obligation witnessed by the bonds which they handed to us for the payment of those obligations. There is the agreement that we had, and we are berated because we yielded to their blandishments and to their importunities concerning those debts, and permitted settlements to be made for 50 percent, and less, save in one case, of the particular obligations. Then how different was their attitude.

Today, gratitude? Not a bit of it. To scorn our Nation is held up in a great world conference. In a world forum America is denounced. And the palpable combination of these nations owing us makes this matter of greater importance than the mere collection of any sum; the consequent loss of national self-respect and honor, which are, as Mr. Cleveland put it, after all the shield and the defender of a people's safety and a people's greatness, is after all far worse than the loss of the money due us. There are the debts, we can say. We do not ask any nation to pay that cannot pay. There they are. If they cannot be paid because of incapacity and poverty, well and good, but to observe our debtors berating and denouncing us in a world forum because as creditor we have treated them with unexampled generosity is something that makes my gorge rise. Because of the very circumstances of bad faith I would insist upon our obligations and leave those who can and will not meet their just obligations, to the obloquy which is the price of broken faith.

Mr. President, permit me now to say a word upon the pending bill. I have sat quietly these 3 days and had no intention whatsoever of speaking on it at all; but when, sir, the question is presented to us that we cannot adopt an amendment because of the possibility of a veto, I will not remain silent. I yield to no man upon this floor on the other side of the Chamber in my respect and my admiration, aye, in my affection for the present President of the

United States. I was willing to risk a political career in order to do my part in his election last year. But the man does not live, Mr. President, be he one sort or another, be he in one position of power or another, who can say to me that I must do something that I believe ought not be done and compel me then to act in defiance of my own judgment and my own conscience. And, of course, no such request has been made of me.

What ought we to do? Every man upon this floor has the same thing to say. Wrong has been done to the veterans of the United States, wrong that should be repaired. No man denies it. If he does let him say it upon this floor now. Wrong has been done. It ought to be repaired. The only reparation possible that is adequate is that which is accorded by the Steiwer-Cutting amendment. It is said that if we adopt it we get nothing. Not so! Not so! It goes to conference with the other House, as I understand the rule, and the other House determines what it will do in respect to it. The opportunity is presented when it goes to conference of having the conferees write into the bill that which they deem appropriate. It is the only opportunity for a compromise upon this vexed question. Vote against the Steiwer-Cutting amendment and the matter is ended, and we are utterly remediless. Vote for it, and it goes to conference, and subsequently, if it be necessary for us to yield or recede, that can be done and the possibility exists yet there in the conference for some action to be had.

Again it is asserted, and was asserted by my very dear friend from Texas [Mr. CONNALLY] today, that if we do not do as the House has done or as the amendment of the Senator from South Carolina [Mr. BYRNES] would have us do, we would be utterly unable to get anything for the veterans. I deny it! I deny it! That originally may have been the position that was taken when first this contest began. Oh, how short our memories. We were told, with the same authority with which we are told today, that if we adopted any such amendment we had to provide in the very amendment itself for the taxes to enforce that amendment. Better judgment prevailed subsequently and we hear no more of that.

We were told in the beginning of this contest that we could not practically alter a "t" or dot a single "i" in what became known as the economy bill, so far as veterans were concerned. Already the House has agreed upon another measure, another measure that was far from contemplation at the time this contest was initiated. Do not forget that. It is evidence of the wisdom and good faith of the President that he is willing to change his mind when he sees that he has been in error in any particular or in reference to any legislation.

I will not believe that when the President of the United States has decreed that what has been done by the House is the appropriate thing to be done; that thereafter, because some fanciful contract may not have been consummated by a vote in this body, the President will recant and retract his agreement in regard to what has already been agreed between him and the House, and would continue the cruelties we all know have occurred.

My opinion of the President is far different from that, Mr. President. When he agreed to that which was an advance in what had been done by the House, then no matter whether the House passes that bill or not, he will do just exactly what he said was just and right and proper, whether or not any amendment or bill be finally passed. To imagine that any other thing would be done would be, it seems to me, a reflection upon the President rather than a compliment to him.

So, by whichever mode we approach the reality—and my friend from Texas was speaking of realities, and realities alone, today—through whatever mode we approach the reality, this amendment, if we believe it to be right and just, should be adopted by the Senate, and the subsequent events then would give us the opportunity to act again if it were desired.

I do not intend to occupy time in speaking of the veterans. I looked the other day at the pictures that were presented here by one of the men sent from Fort Bayard in the custody, for a brief period, of the Senator from New Mexico [Mr. CUTTING]. It was a sight, indeed, to wring one's heart. Not only did it wring one's heart but the cruelty and the injustice of it roused our indignation.

There was a man with a total disability. There he was, receiving $100 a month, married, with one lung gone, with a heart that could be seen through the gaping wound in his back, reduced to $20 a month—an amount, of course, upon which he could not live, and which, unless it be rectified by the Government, means his death. But there was another point in connection with it that to me was all-important, too. He was put in this pitiful condition by a bureaucrat in this land; put in that pitiful condition where there was nothing for him to do but die; and then that same bureaucratic office reviewed his case. They reviewed it with all the wounds of the man before them, I assume; and then, in their generosity, they raised his stipend to $30 per month—a man living a living death, and two doctors of this body examined him with care and reported their findings, now a part of the record.

If you want to aid these men for whom every one of you has expressed heartfelt sympathy, if you want to do something that may be done for the people who bore the brunt of the battle in the days gone by and who proudly wore our uniform, if you want to respond as we ought to respond to those who require our aid and our help and who are entitled to comfort the rest of their days, there is only one way that you can act today, and that is by the adoption of the Cutting-Steiwer amendment.

Mr. GLASS. Mr. President, I do not intend to be drawn into a discussion of foreign debts owed to this Government, because I do not think such discussion has any appropriate place in the consideration of the pending question. I rise simply to say that at the appropriate time I do intend to enter upon that discussion, and I am going to enter upon it in full concurrence with the suggestion of the Senator from California that the honor and self-respect of this Nation are involved. I intend to enter upon it with a view to dissenting totally from some of the declarations and sentiments that have been expressed upon this floor within the last few months in respect to these debts.

All I care to say about the debts right now is that it is to be deplored that the attempt has been made here to make a partisan fight upon the matter, when I assert upon my own knowledge that the views entertained by the President of the United States today do not differ one whit from the views that were entertained by his predecessor, or that would be entertained by his predecessor had he been reelected to the Presidency.

I say upon my personal knowledge that Mr. Hoover entertained precisely the same views about the desirability of readjusting foreign debts that Mr. Roosevelt entertains today; and any attempt, in an effort to make a partisan matter of this debt question, to asperse or malign Mr. Roosevelt because, charged by the Constitution with the negotiation of foreign affairs, he might be willing to receive representations from foreign nations as to their attitude on the debt question, is unworthy of any Senator on the other side of this Chamber.

When the appropriate time comes I intend to show that our money was put against the blood of these nations, and that from the day we entered into a war that we declared was our righteous cause and the "cause of civilization" and the first American offensive, 106,000,000 of the boys of these debtor nations were killed in battle in the cause that we professed to be our cause. I should like to see the mother or father in America who would have been willing to have his or her son killed on the battlefield of Europe as these 106,000,000 boys were killed——

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

Mr. GLASS. Not yet.

Mr. REED. I should like to suggest to the Senator that the total male inhabitants of Great Britain, Italy, and France are not 106,000,000.

Mr. GLASS. Oh, well, the Senator knows what I mean. I mean 1,600,000. Are not they enough? Are not they enough? Would you have been willing for your boy to be killed rather than to lose a few paltry dollars?

Not only that, but for 3 years, before we realized that it was "a war for civilization", many millions more were killed. Not only that, but for 3 years and after we made fortunes—fabulous fortunes—out of the very money that we loaned these foreign nations, requiring them to spend every dollar that was loaned in this country, at extortionate prices, for our products; and the Federal Treasury collected alone in 4 years more than Great Britain owes to the United States now—collected it in excess-profits taxes from these fortunes made out of the expenditures of these millions of dollars in the United States.

Oh, no; there is no sentiment involved in the discussion; but when the time comes, standing upon the self-respect and honor of the United States, I intend to rise in my place in the Senate and discuss with any Senator who wants the contest the right at least of decent consideration of propositions that may be presented to us for the settlement of these debts and undertake to show that the talk about American "generosity" in their adjustment is a sham and a fraud, because we did not manifest any.

Moreover, I resent the suggestion of the Senator from Pennsylvania [Mr. REED] that those Senators who may exercise their right under their oaths and under their consciences to vote against the Steiwer-Cutting proposition are "under lash." I have seen the lash wielded, and I have known it to cover the back of the Senator from Pennsylvania, too.

Mr. REED. Perhaps the Senator will tell us when.

Mr. GLASS. Numerous times.

Mr. REED. Will the Senator name one time?

Mr. GLASS. Oh, yes; I could name numerous times. Can the Senator name one time whenever the "lash" was applied to my back? Can the Senator name one time whenever I have stood here in my place and failed to vote my convictions, regardless of White House influence?

Mr. REED. Of course I cannot.

Mr. GLASS. Then why does the Senator, pointing his finger here, talk about Senators on this side being "lashed" into a certain position?

Mr. REED. Because the Senator knows very well that the White House has been calling up Senators all day long.

Mr. GLASS. The Senator from Virginia attributes to other Senators the same self-respect and the same degree of courage that he claims for himself. I assume that any Senator who votes today will vote his convictions and not vote under lash; and I resent the suggestion of the Senator from Pennsylvania that the contrary is true. The Senator from Pennsylvania can be lashed just as well as any other Senator I know on this floor.

I intend to vote against the Cutting-Steiwer amendment. I have no doubt on earth that particular cases of great hardship may be presented pathetically, as one a while ago was presented by the Senator from California [Mr. JOHNSON]; but that does not constitute a system.

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

Mr. GLASS. I am going to vote against the proposed amendment because I feel that no man who will not fight for his own country is worth living in that country.

Mr. CUTTING. Will the Senator yield?

Mr. GLASS. When he comes out of the combat without wounds, without disability, he has no right to raid the Federal Treasury perpetually because he was called into the contest—called in under draft, too, when it was a question of being shot here or shot at abroad. [Laughter.]

Mr. CUTTING. Will the Senator yield?

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

Mr. GLASS. The first speech that ever I heard the Senator from Pennsylvania deliver when he came into this body was against the bonus. I voted against the bonus, and I never have apologized for it for a moment. I never cast a vote here of which I was prouder, and never expect to. I had two boys in the front-line trenches, one of them being nearly killed. I had a nephew there, who was gassed so badly that he will never recover. He was decorated by his country for extraordinary heroism. I had a sister in a hospital in France, and two daughters in the hospitals in this country, to relieve trained nurses. I would not want ever to speak to one of them if they would join in the raid upon the Federal Treasury made by people who have never suffered any disability. Thousands of those in the service got better treatment, better clothing, better food, better discipline, the only discipline they had ever gotten in their lives, after they went into the service.

I would empty the Federal Treasury for any man who was wounded in the war, or for those who had been dependent upon a man who was killed in the war, but I have not any respect for any man, whether he be a millionaire or a pauper, who, drafted into the service of his country to defend its honor and its security, would take a dollar for his services from the Treasury. It is commercializing patriotism, a word we roll under our tongues, and I am not one to condone that.

For the reasons I have given, I want it distinctly understood that when I vote against the Steiwer-Cutting amendment, I am not doing it under "lash", nor in fear of the votes at home.

Mr. REED. Mr. President, the Senator from Virginia tells us that he is going to discuss the debts at some time in the future.

Mr. GLASS. At an appropriate time; yes.

Mr. REED. At an appropriate time in the future; and he defies any Senator to dare to joust with him at that time and on that subject.

Mr. GLASS. Oh, no; I simply invite any Senator to do it.

Mr. REED. Very good. I accept the invitation, and I hope that I shall be here when the Senator makes his speech.

Mr. GLASS. I hope so. [Laughter.]

Mr. REED. Mr. President, I most cheerfully grant the courage, the independence of thought, the entire freedom of action now and always displayed by the Senator from Virginia. I am only sorry that he is so little charitable as not to be willing to make a similar allowance. Like him, but not with his courage, I opposed the bonus from that time in 1922 when it was first suggested down to the latest bonus proposal that has been put before us. I opposed it, although it meant flying directly in the face of the wishes of my own comrades in the Army.

Mr. GLASS. Yes; and that is when I thought the Senator was a great Senator.

Mr. REED. And I kept on opposing it right along until the present, and I hope that the Senator's opinion, or some small fragment of it, will remain.

Mr. GLASS. A good deal of it remains.

Mr. REED. That is very kind. Just a word more. I cannot sit quiet and allow the argument to be made that from 1914 down to Armistice Day in 1918 the Allies in Europe were fighting our cause for us. They were not doing anything of the sort; they were fighting their own war, and there was not a precious one of them who would have given a hair of the head of a single soldier for the United States or the interests of the United States. They were wholly selfish in all they did, and they were immeasurably lucky when Germany stupidly dragged us into the war in 1917. They held it as incredible luck, because the war was slipping, so far as they were concerned. At the time we were dragged in Russia was caving in, and their war was going to be lost, and would have been lost if we had not come in. They thanked their lucky stars for the support we were able to give them from the beginning. They thanked their lucky stars they were able to buy munitions here. They thanked their lucky stars that the American Battle Fleet went instantly to Scapa Flow to help hold the ocean in their control.

Talk about their fighting our war all that time! They were fighting their own war, and nobody else's. There was

not one single thought of our interest in all they did. They did not even want to give us credit for being in the war.

They demanded of us that we send no officer of a grade higher than captain, and that our enlisted men and line officers be fed as replacements into French and British regiments. Had they had their way, history would not have known that the United States was in the war. We would have had all the expense and a lot of casualties and not even the credit of participation.

I cannot sit still when it is said that we ought to cancel all these debts as our contribution for what they did for us. They did nothing for us before or after the armistice. They were selfish throughout.

Mr. HATFIELD. And they were amply rewarded under the Treaty of Versailles.

Mr. REED. Of course they were. They got what they were after in millions of square miles of territory, in dominion over millions and millions of human beings. They got all the booty of the war, and that was what most of them were fighting for. Talk about it being our war!

Mr. KEAN. Has the Senator even seen the place where the armistice was signed, and the monument that has been erected there, which does not mention the United States as being in the war at all?

Mr. REED. Yes; I have seen that. They give us no credit. In Great Britain today they are saying that we did nothing but make money out of the war; that we did not join in the fighting of it. Yet the fact is that the American Army on the western front, on the day of the armistice, was larger than the British Army, but there is not 1 Briton in 10,000 who knows that.

Talk of giving us credit! They regard us as "easy marks"; and I will debate that question with the Senator from Virginia at the appropriate time about which he speaks.

Mr. GLASS. Mr. President, if the Senator is not able to sit in his chair at what I have said today, he will not be able to sit down at all at what I will say when I discuss the question at the appropriate time. [Laughter.]

Mr. COPELAND. Mr. President, I never felt less like addressing the Senate than I do at this moment, but there are some things I feel it necessary to say to my colleagues on this question, so vital to the veterans of this Nation.

Mr. President, we are about to return to our respective constituencies. I say to my colleagues that we are going to face great groups of wronged veterans who are enraged by what we have done in this session of the Congress. I am not talking about non-service-connected damaged men; I am talking about those who suffered combat injuries, and who are suffering from broken bodies directly traceable to the war. I would not be true to great groups of men and women in my State if I did not face the wrath of a Senate anxious to adjourn, long enough certainly to say a few words on this subject.

I suppose that what I am going to say might more properly be said in the Democratic caucus of the Senate than to be said in the Senate proper. But I want to call the attention of my Democratic colleagues to the fact that there will be practically 100 percent vote for this amendment on the opposite side of the aisle.

Mr. President, if I may repeat, there will be practically 100 percent vote on the other side of the aisle in favor of the pending amendment. That will be accepted by the public as an evidence that the Republican Party is the party that befriends the soldier.

We have had here the threat of a veto, and the charge has been made that the lash is being applied to place the Democratic side in line. That, too, will be used throughout the country as an evidence that the Democratic Party is unfriendly to the soldier. It will still further consolidate the position of the Republican Party. I would not be true to my party if I did not say this much, even though it may be thought by some to be in bad taste.

Let me remind my friends in the Senate that we did not cut our own salaries 25 percent. We took a 15-percent cut. Fifteen percent off $10,000 is all we took.

I voted the other day against the Connally amendment. I did not think then, and I do not think now, that it would be decent for me, at least, to vote for a 25-percent cut in the veterans' compensation, when I took only a 15-percent cut in my own salary.

Mr. LONG. Mr. President, did not the President take a cut in his own salary? How much was that cut?

Mr. COPELAND. Mr. President, I did not yield for that particular question. I do not want to pass criticism on anybody. I am not going to criticize the President or any Senator. I voted for a 15-percent cut in my own salary, and it is not decent for me to vote for a 15-percent cut in my own salary and ask that there be a 25-percent cut in the compensation of veterans. That is the way I feel about it.

Mr. DILL. Mr. President, I call attention to the fact that the Steiwer amendment provides for a cut of 25 percent.

Mr. COPELAND. Not to exceed 25 percent.

Mr. President, I am not going to be diverted, and I am not going to split hairs.

Mr. LOGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. I yield.

Mr. LOGAN. I simply want to ask the Senator if he is not overlooking the fact that while we cut our salaries only 15 percent we increased the income tax very materially and cut our mileage 25 percent, and that the veterans, as I understand, do not pay any income tax on the amount they receive from the Government.

Mr. COPELAND. I heard today about one veteran—one veteran of the Spanish-American War—who used his pension to pay his income tax. That is the case of one swallow making a summer. There is not another case like it to be found in the history of our country; yet that was held up to us today as a reason why nobody should have a pension.

Why should we not pay our income taxes?

Mr. LOGAN. I think the Senator misunderstood what I had in mind when I suggested that there was more than 15 percent taken from our salary. The extra income tax amounts to $300 or $400; mileage was cut one fourth; and, adding the items together, I think the cut amounts to 20 percent instead of 15 percent.

Mr. COPELAND. Well, let us say the cut was 20 percent. But now we are being urged to provide that the veterans shall take 25 percent.

I remember very well that after the armistice I myself served upon a soldiers' reception committee in New York. On Fifth Avenue we erected benches along the park and in front of the public library. With the greatest of enthusiasm we welcomed back these boys. We were ready then to give them everything in the world. In the language of New York, "We promised them the Woolworth Building, and now we are giving them doughnuts." It is not fair; it is not just.

When we passed the economy bill we never dreamed that the things would happen that have happened; and I want the law written so definitely and so specifically that some veterans' administrator will not provide regulations to determine just how much these boys shall have. I want it written in language that the man who runs may read and understand.

I think the Steiwer-Cutting amendment is fair; it is clear-cut. It goes further in percentage than I would have it go, but it does not leave to administrative officers to say how much the cut shall be or how it shall be handled.

Mr. CUTTING. Mr. President——

The PRESIDING OFFICER (Mr. HAYDEN in the chair). Does the Senator from New York yield to the Senator from New Mexico?

Mr. COPELAND. I yield.

Mr. CUTTING. I hope the Senator from New York will make it clear when he says the percentage goes further than he would go that he means it cuts the veterans further than he would want to cut them.

Mr. COPELAND. Oh, yes. I thank the Senator. We ought not to cut these men 25 percent. I voted for the

Trammell amendment because it was, in my opinion, a fairer amendment. If we had adopted the Trammell amendment, we would have had something to present to the other House that would have had in it the opportunity for compromise. There would have been brought back in the compromise something which would be much more liberal than anything we may now adopt.

Mr. CLARK. Mr. President——

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

Mr. COPELAND. I yield.

Mr. CLARK. I have heard it stated here on the floor of the Senate repeatedly today in the debate on this subject that the economy bill would never have passed if any Member of the Senate or any Member of the House had had any idea that cuts of more than 25 percent were to be imposed on the veterans; and yet, Mr. President, it was repeatedly stated on the floor of the Senate during the debate on the economy bill that a saving of $400,000,000 was to be effected, and it is impossible to conceive of any way in which a saving of $400,000,000 could be effected without making cuts of more than 25 percent. The Senator will recall that on the floor of the Senate when I offered an amendment for a cut of 25 percent it was voted down, and I was not even able to get a roll call on it.

Mr. COPELAND. So far as I am concerned—I can speak for nobody else—I never dreamed that such cruelties would be perpetrated upon the men who fought for our country; I do not care whether they were drafted or they volunteered, they did go out, ready to give their lives to their country, and many of them did. I never voted believing that any such regulations could have been formulated by anybody who had a heart in his body.

I want to say something about the "pauper oath." We pride ourselves that we live in a democratic country. I do not want any American citizen to have to go to any official and make oath that his need is such that he must have relief. I want every soldier treated just like every other soldier. I do not want these veterans to have this money because we are extending charity.

We have always resisted the idea that this payment was anything except compensation for services rendered. These men went away, many of them under draft. Other men who had disabilities, but not enough to keep them from their ordinary activities, were permitted to stay at home and earn money—much money. When we passed the Adjusted Compensation Act it was with the idea of returning to these men some of the money they might have earned had they had physical disabilities and stayed at home.

Now, when we talk about giving them this compensation we demand that they shall take an oath that their poverty is such that they need this money and must have it.

Mr. HATFIELD. Mr. President——

The PRESIDING OFFICER (Mr. NEELY in the chair). Does the Senator from New York yield to the Senator from West Virginia?

Mr. COPELAND. I yield.

Mr. HATFIELD. There were 280,000 soldiers engaged in the battles of our country in the Spanish-American War. Fifty-seven thousand of those soldiers suffered from dysentery from either the amoebic form or the Shiga's infection. Twenty-one thousand of them suffered from typhoid fever due to the Eberth' bacillus or from paratyphoid, making altogether 30 percent of the 280,000 soldiers who were infected with either one of those maladies. What would the Senator say, from the standpoint of a physician, as to the percentage of those men who would acquire a permanent disability because of such infection?

Mr. COPELAND. I remember very well, Mr. President, that we sent an army down to Chickamauga Park, was it not? They went down there and died of typhoid fever like flies. I do not care whether the Spanish-American War veteran ever faced a volley or not; he faced death in a more terrible form than those men who faced the rifles on the battlefields.

Mr. HATFIELD. And the complications that followed.

Mr. COPELAND. And every man who suffered at Chickamauga and recovered some degree of health after having typhoid fever was a weakened man from that day forward and was not competent physically to do what a well man could do.

Mr. President, there is not any question at all that the Spanish-American War veterans faced disease and death in more terrible form than any soldiers who have since been in battle. Yet we know of such cases as the one to which I referred the other day, of a man who had been a major in the Spanish-American War, who was wounded during that war, who also suffered disease during his service, who now at 70 years of age is broken in health, and yet has had his pension reduced from $50 a month to $6 a month as a result of "regulations."

I do not want any regulations; I want the law written so that everybody may know exactly what it means. It should be understandable without the intervention of any Veterans' Administrator.

Finally, Mr. President—and I speak once more to my colleagues on this side—we render a disservice to our great President if we fail to guard him from the actions of cold-blooded officials. No man who has ever been elected to the Presidency had more friends than Mr. Roosevelt. I spent the day yesterday in my State. I had dinner last night with a great group of business men in one of the leading cities of my State, 90 percent of them, at least, being Republicans. Every man there had kind words to say for President Roosevelt. He has the respect, the regard, and the affection of the American people, and, so far as I am concerned, may I say to my Democratic colleagues, I want him to retain that respect and regard and affection. It is not right that we should menace his popularity by permitting the passage of any law which will impose unnecessary hardships upon any man in America.

My plea to you—and particularly because the threat of a veto has been made—my plea to you is to do what you think is right; what you think is right for the party, what you think is right for the President, and, above all, to do that which you think is right by the veterans.

Many of these veterans and their wives have made financial commitments; they have purchased homes, expecting that the contract made with the United States Government was a valid contract. Let us not, Senators, now take this step which will ruin them financially and break their hearts.

Let us not do that which will threaten the popularity of our President and hamper him in his great work.

He is doing a great work; our country recognizes it. The Congress during the past 3 months has done more than all the Congresses that have convened for 40 years past. If we can have a real recovery of business, as I believe we are going to have—and recovery is now on the way—let us not hamper it or interfere with it by any action which will impair the influence of the President.

So, Mr. President, my appeal, particularly to my own colleagues, but also to the entire Senate, is to do right by these men who fought for us.

Mr. WALSH. Mr. President, I can state very briefly and directly my position on the pending amendment. In a word, I am going to vote for the pending amendment because I have lost faith and confidence in the bureau of the Government entrusted by the Congress with making economies in veterans' compensations and pensions upon a liberal and just basis. That is a strong statement, but I submit that the facts justify it and lead to no other conclusion. Let us review them briefly.

Shortly after the 4th of March we enacted the economy law. The banks of the country were closed. The credit of the Government was threatened. The President asked Congress to give him the power to make drastic reductions in the expenses of the Government, to cut salaries, and to rewrite all legislation affecting the veterans of all wars. We gave him that power willingly. The country demanded and approved it. On the floor of the Senate I, myself, with other

Senators, pleaded that he be given that power, expressing my sincere confidence in the belief that he would administer with liberality and with justice the extraordinary powers granted. Because we all believed reasonable and not unfair regulations would be adopted, we voted for the bill. On that occasion I offered an amendment on the floor of the Senate. I said, whatever else we do in transmitting this power to the President, let us not leave the battle-casualty veterans to the whims of any Government bureau. I asked that they be protected from bureaucratic uncertainty and a definite policy toward them be declared, and that their rights, subject to reasonable reductions, be defined with certainty.

In fairness to the Government, I inserted in that amendment a provision which permitted the Government, in case a veteran's condition improved or he recovered, to readjust the compensation base. Had I offered on that occasion an amendment that no disabled veteran whose disability was service connected could be cut, undoubtedly and unquestionably such an amendment would have gone into the bill. But in fairness to the Government itself, so that it could not and ought not to pay veterans when they recovered from their disability the same compensation as before, I allowed a phrase to be inserted in the amendment giving the Government elasticity as to rates.

Now, let us consider how this amendment, declaring a congressional policy in behalf of disabled veterans with service connections, was distorted and perverted. Let us analyze the attitude of mind applied to interpret this amendment.

On April 20 regulations were promulgated under the power which we decreed in the economy law. That these regulations shocked all who had knowledge of veterans' legislation cannot be denied. I do not hesitate to say that I have not found anyone from the highest to the lowest official of the Government who has undertaken to justify or defend these regulations. Every strong adjective which could be found has been resorted to by conservative and informed Members of the Congress in order to describe the character of those regulations. "Inhuman", "unjust", "cruel", "brutal", have been the descriptive words. I have heard a Senator on this floor assert that these regulations were reasonable or just.

Even the National Economy League, which appeared before the special joint congressional committee studying veterans' legislation, asking to have the overgenerous benefits that the Congress had enacted in the days of prosperity repealed or modified, protested, and some of them denounced as too drastic the regulations which were issued by the Government. Even the very forces that appeared before the committee of this body trying to battle down, and in many cases remove, in view of the economic conditions in this country, the laws where we had been overindulgent and extravagant in our benefits to the veterans, protested vigorously against these regulations. Senators and Representatives protested. In the press and in public meetings protests were made, and day went after day until finally came the 20th of May, when we began talking about adjournment, when Congress was getting nervous and restless, and when Members of Congress felt that they could not go back to their constituents to defend these regulations after having voted this power to the President.

Mr. President, on the 20th of May, when rumblings were becoming widespread, when it was known that the Congress was becoming rebellious at the delay in correcting the generally admitted injustices, a new set of regulations containing slight modifications were issued. These regulations are before us. They do not meet with the approval of those who sought justice for the veterans, and yet were willing to accept and support the economy program of the administration.

What was the next concession? The House amendment. When it was found that the Senate had adopted the Connally amendment another concession through the House provision was proposed. Again, after the hospital amendment had been adopted, knowing the temper and spirit of this body, a further concession was made and today we received the additional Spanish-American War prospective benefits.

Mr. President, this is a story of hesitancy and indifference for which every Democrat will have to apologize.

It has been like getting blood out of a turnip, like getting blood out of a corpse, to get liberal regulations for the veterans of the World War.

The proposition now is to let that same Bureau continue to make regulations and dispense justice, when we have had to fight and fight to obtain the slightest concessions to deserving veterans and their dependents.

I am going back to my constituents for the first time since I have been in this Chamber with my party in power. I will go rejoicing, except for our record toward the veterans. I believe the record has been a glorious one on the whole. Even if we have differed in some few particulars, we can all agree that the President has shown mastership and leadership that has inspired us and that has commanded the approval of the country. Yes, in a few days I shall go home to a community in Massachusetts of 12,000 people with its factories closed and only 400 or 500 people out of the 12,000 employed. I can patiently listen to their tales. I can make some explanation and offer some hope to them because of the record this administration has made in their behalf, but when I see those wounded and diseased veterans, when I see those widows and orphans who are penniless by Governmental decree, I shall have no defense. When I see, as I will see, marching into my home, the unemployed, battle-scarred veterans, the insane and tubercular veterans, asking me to explain why my party repealed or reduced to a pittance their benefits, I must admit that I cannot defend many of the acts of injustice that I feel have been inflicted upon them. I should like to hear some Senator here make a defense. I should like to hear somebody say these regulations are fair and just and all that the veterans are entitled to because of the need of economy. What Senator, I inquire, can write in all honesty to a constituent of his and say, "I uphold and defend the veterans' regulations of the Government; they are just and fair to the veterans and to the taxpayer"?

Mr. President, look at the table inserted in the RECORD by the Senator from New Mexico [Mr. CUTTING] setting forth a few cases of what has been done, not to those who have benefits because of presumptions of disease contracted in the service, but those who received serious wounds in actual combat. Let me read only a few of them. Here is one with a gunshot wound whose old rating was $17 and new rating $8; gunshot wound, old rating $49, new rating $20; pleurisy $27, reduced to $8; heart $70, reduced to $40; gunshot wound, paralysis from discharge, $100, reduced to $20; three gunshot wounds $40, reduced to $20; amputation right leg $80, to $40; shrapnel wound in head and high explosive $77, reduced to $20; deafness in combat $39, to $18; gunshot wound $71, to $20.

Mr. President, the indefensible and extreme character of these regulations can be best understood by quoting some statistics furnished by the Veterans' Administration itself.

Prior to the Economy Act, the annual expenditure for disability compensation was $204,620,000. This includes disabled and diseased veterans of service connection origin, and also that class of veterans who are insane or diseased and have been compensated on the presumption that their diseases were the result of their military service.

The Economy League recommended reductions for this class so that the disbursement would be about $125,000,000. The regulations issued by the President reduced these allowances to $64,902,000 annually, which is $156,837,875 less than the appropriation made in the independent offices appropriation bill that passed the Congress prior to the 4th of March, but which was not signed by President Hoover. These figures show a total reduction of 70.72 percent in compensation to this class, which is a reduction which no one can or no one has defended.

It is a reduction that will bring misery, suffering, and destitution to many veterans injured in actual service, and also to their dependents.

A few more facts pointing out the extreme reductions that have been made are as follows: The compensation paid to widows and dependents of World War veterans has been reduced 34.60 percent. The pensions paid to Spanish War veterans have been reduced 66.61 percent. The reductions in both these classes of beneficiaries was greatly in excess of that recommended by the Economy League, who made an extensive study of the question of veterans' legislation, and recommended every possible reduction that they thought could be fairly made in justice to the veterans and to the taxpayers.

Were these awards originally just? If not, why should the officials be retained who fixed these rates? Are bureau officials expected to be honest with taxpayers only in periods of depression? If these are undeserving awards the fault is with the administration of the law and not in the law itself. That there may have been abuses and overratings is the fault of the administration and not Congress. What has been done to punish the responsible officials for these alleged discriminations and this favoritism that is alleged to have cost millions of dollars? These are not presumptive cases, not men reeking with tuberculosis, not men crazy mad and insane, not veterans who are unable to trace their disease to service, but men with battle wounds. Who can defend in the name of economy such cuts and slashes?

What is now proposed? We are asked to continue the same authority and the same discretion in that very Bureau where this record of extreme reductions has been written. As for me, I cannot do it. Mr. President, it seems to me there has been an atmosphere of indifference if not actual hostility to the veterans in these bureaus. No man that I know of who has believed in and urged economy, who has devoted his efforts to helping the soldiers, has been invited to make suggestions in regard to these regulations or in regard to changes that might right the errors made and the injustices done.

I repeat, I am convinced that there is an atmosphere of antagonism and hostility to veterans' petitions where pity and sympathy ought to go hand in hand with reductions and economy. I may be mistaken. I hope I do not do anybody an injustice, but the facts show, and the record shows that we have had to plead and fight from the day the economy bill was passed to this day, and only when the Congress was on the threshold of adjournment have we obtained, and grudgingly made, the slight and yet inadequate concessions that have been made here to remedy regulations no Member of the Senate defends.

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

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

Mr. WALSH. I yield.

Mr. CUTTING. Speaking of the atmosphere which has been going out from these quarters all over the country, may I quote a telegram which I received this morning, which is the direct result of that kind of propaganda? I do not know the author of the telegram. He lives in New York. The telegram reads:

> Go home. Stop stealing the taxpayers' money to pay pensions to men who never lost a finger nail in actual military service. Go home.

That is what we are faced with. People think we are fighting for men who do not deserve to be on the rolls—for grafters, for panhandlers. That is the result of the propaganda that is going out from Washington, and the Senator knows it.

Mr. WALSH. Mr. President, what is the present proposition? The proposition is to instill hope and confidence that justice will be done, but they must put their trust in the same bureau that presented a record of indifference to our obligations. It is a declaration that we must recognize economy, yes, but an economy that cuts all veterans and puts whole groups off the pension roll and reduces the widows and dependents of veterans to a mere pittance. I do not admit that our economic condition requires this extreme treatment.

On the other side, we have an amendment that will settle this issue, that will make the veterans feel that we have treated them fairly, and that can be defended both as an economy measure and as just to the veterans.

Mr. President, as between those two alternatives I have no hesitancy as to what I shall do.

Mr. President, one of the best definitions of justice I have ever heard is by the poet Whittier:

> Justice: The hope of all who do right, and the fear of all who do wrong.

Mr. President, if we have not hope of knowing that which we do is right, that it will be supported and sustained, then we will have at least our conscience to sustain us. But there is justice, and we are fighting injustice—3 months of injustice; 3 months of pleading and begging to change regulations that all concede are extreme, drastic, and unfair. Were the original regulations just? If so, why the modifications? If the other concessions made were just, why have we been continuously changing them?

I am for this amendment because it is just. It is fair to the country for it reduces benefits that should be reduced, in view of our economic condition. It is fair to the veteran. It protects the rights of service-connected disability veterans. I shall vote for it, and go back home, look my constituents in the face, and say to them, "Yes; I recognize that the economy law I voted for did you an injustice that I did not anticipate, but I took the first opportunity presented when I discovered it to try to restore the measure of justice to which all reasonable people think you are entitled. I insisted that you share in the economies necessitated by present conditions in America but I have tried to be reasonable and fair and not extreme, unjust, or unmindful of the debt of gratitude we owe you."

Mr. DILL. Mr. President, I have listened with so much interest to Senators here who grow enthusiastic over the Steiwer amendment, and attack with great vehemence the House provision with the Byrnes amendment attached, that I have secured the two amendments and tried to read them and understand them. Frankly, with the exception of the last paragraph of the Steiwer amendment, one is just as indefinite as the other, and just as hard for any ordinary man to understand; and I submit that it is just as impossible to tell what is going to happen under either one as it is under the other.

The vice of both of these propositions is that there is not a specific, definite, written statement in either with the exception of the last paragraph of the Steiwer amendment. Both of them create boards. Both of them give the right to overturn these pensions that are being paid. Neither of them does the thing that Senators talk about as the thing that should be done. One has tried to imitate the other. Worst of all, in my judgment, is the fact that the language of the last six lines of the Steiwer amendment will permit the cutting of the pensions of Civil War veterans to the extent of 25 percent. I do not think the Senator intended that. I maintain, however, that it is the only fair construction to put on that language.

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

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

Mr. STEIWER. The language was drawn in such a way that it would not cut the pensions of the Civil War veterans; and if the Senator will examine the Economy Act, and advise with the drafting bureau and our own lawyers, as I did, he will change his view upon that subject.

Mr. DILL. It may be that that is true.

Mr. STEIWER. It is true.

Mr. DILL. But the language is so simple that I do not see how any man who reads the English language can misunderstand it, because it wipes out any provision of the Economy Act, Public Law No. 2, that interferes with this. If the Senator wants to stand on it, he can do so; but I would not vote for anything that would by any possibility allow the pensions of Civil War veterans to be cut 25 percent.

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

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

Mr. TRAMMELL. The Senator from Washington said that this would interfere with the provisions of the Economy Act. The Senator supported the Connally amendment for a 25-percent reduction in order to defeat a limitation of 15 percent; and that amendment specifically provided that in the case of all wars preceding the World War, as well as those after the World War, a 25-percent reduction should be permitted. I called attention to that specifically on the floor of the Senate and asked Senators if they wanted to vote to reduce Civil War veterans' pensions 25 percent. In spite of my calling their attention to it, the Senator saw fit to take that in preference to the limitation of 15 percent.

Mr. DILL. I desire to say to the Senator that I never had any conception that the Connally amendment did that, and I do not believe it did it. Nevertheless, the point I make is that the Steiwer amendment as it is written here, with the exception of the last paragraph, does not differ enough from the House amendment to be worth fighting about.

There are two bad features of the last paragraph of the Steiwer amendment. One is that it opens the door to cutting the pensions of Civil War veterans 25 percent; and anyone who will read it cannot put any other meaning on it, regardless of drafting attorneys or anybody else. The second bad feature about it is that it places on exactly the same basis the men who have been placed upon the rolls because they are past 62 years of age and those who have not been placed on the rolls on that basis.

I desire to offer as an amendment to the House provision and in addition to the Byrnes amendment, an amendment that will provide that notwithstanding the provisions of Public Law No. 2, no Spanish-American War veteran or veteran of the Boxer rebellion or the Philippine insurrection who is past the age of 62 years and who was entitled to and receiving a pension under the laws existing prior to March 20, 1933, shall be reduced more than 25 percent.

If that amendment is adopted, the dollar-a-day men, the men who are on the rolls because they are past 62 years old, cannot be cut more than 25 percent. That was the intent of the Senate when my amendment was adopted to the Economy Act. Nobody ever dreamed that these men past 62 years would be cut below $20 a month at most.

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

Mr. DILL. I yield.

Mr. WHEELER. Do I understand that the Senator says that the language—

> Notwithstanding any of the provisions of Public Law No. 2, Seventy-third Congress, the pension paid to veterans of any war prior to the World War, or to any widow and/or dependent of such veterans shall not be reduced more than 25 percent of the amount being paid prior to March 20, 1933—

means that the Civil War veterans' pensions can be cut?

Mr. DILL. Why not?

Mr. WHEELER. Why, of course, it does not do anything of the kind.

Mr. DILL. Why not? Was not the Civil War before the World War?

Mr. WHEELER. Yes; but the public act referred to does not give any authority to cut the pensions of Civil War veterans. Consequently, this measure simply says that under any law that is previously passed giving the right to cut pensions, they shall not be cut more than 25 percent.

Mr. DILL. The Economy Act permits them to be cut 10 percent.

Mr. WHEELER. Yes.

Mr. DILL. Does not the Economy Act permit the Civil War veterans' pensions to be cut 10 percent?

Mr. WHEELER. What I am saying is that this amendment simply says that under any act under which they have previously been able to cut them more than 25 percent, they shall not under this provision be able to cut them more than 25 percent.

Mr. DILL. It does not say that. It says notwithstanding any provision of that act.

Mr. WHEELER. Of course, it says that.

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

Mr. DILL. I yield.

Mr. STEIWER. Let me remind the Senator from Washington, in order that he may be relieved of his distress, that the pension laws providing pensions for Civil War veterans were not repealed. The Economy Act repealed certain other pension laws, but did not repeal those laws; and those laws now stand unimpaired in every respect, except that in the Economy Act the rate for the fiscal year was cut down 10 percent.

Mr. DILL. Perhaps the Senator is right.

Mr. STEIWER. I know I am right. I do not like to be so sure about it, but I spent some hours in arriving at a conclusion concerning the matter.

Mr. DILL. At any rate, I should like to see the amendment written so that there cannot be any question about it.

The other point I desire to make against the Senator's amendment is that he puts the men who are not 62 years of age on the same basis as those who are past 62 years of age.

There has been for a considerable period of years in this country a pension law providing that when any man who was in the Spanish War reached the age of 62 years, he was entitled to a pension of $30 a month. Until that time he was entitled to a pension only on the basis of disability. I believe there should be a difference, and I believe there properly is a difference between those who have not been put on the roll because of age and those who have been put on because of disability.

For that reason I am offering this amendment to perfect the House amendment, in addition to the Byrnes amendment—not as a part of it but in addition to the Byrnes amendment. It will insure that every Spanish War veteran past the age of 62 years, now on the rolls, shall not be cut more than 25 percent, and then those who are between 55 and 62 will come under the provisions of the Byrnes amendment. With that change in it there is not enough difference between the two amendments to be worth fighting about so far as the language of the House section and the language of the Senator from Oregon is concerned.

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

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

Mr. DILL. I yield to the Senator.

Mr. CUTTING. For 4 hours on Monday the Senator from Oregon [Mr. STEIWER] and I stood on the floor of this Chamber explaining the differences between these two amendments. I am sorry the Senator from Washington does not agree with us that the differences amount to anything; but, if that is the case, will the Senator explain why one of these propositions is sure to be vetoed and the other one will be accepted?

Mr. DILL. The reason, I understand, is because of the difference in the amount that it will cost the Government. That is one of the reasons. Another is that it is claimed that there are included in this amendment certain presumptive cases that are not included in the other.

Mr. CUTTING. Then certainly there are some substantial differences.

Mr. DILL. But the trouble is that the language of both of them is so involved that a man would need to take 2 or 3 days to analyze them, sentence by sentence, to get the legal effect of them. I am always annoyed by language that is so written that the average man cannot understand it, to say nothing of a man who is familiar with legal terms.

I do not want to delay the Senate. I do want to offer this amendment, and have it read at the desk, and ask for a vote.

The PRESIDING OFFICER. The Senator from Washington offers an amendment, which will be stated.

The CHIEF CLERK. It is proposed to add a new paragraph after the amendment of Mr. BYRNES, as follows:

> Notwithstanding any of the provisions of the Public Law No. 2, Seventy-third Congress, no pension of any veteran of the Spanish-American War, the Boxer rebellion, and the Philippine insurrection who is past the age of 62 years and was entitled to a pension and

being paid under the laws existing prior to March 20, 1933, shall be reduced more than 25 percent.

Mr. LONG. Mr. President, a point of order.

The PRESIDING OFFICER. This is a perfecting amendment. It is in order and takes precedence over the substitute. The question is on the amendment offered by the Senator from Washington [Mr. DILL] to the amendment of the House to the amendment of the Senate No. 47, as amended. The Senator from Louisiana is recognized.

Mr. LONG. I just wanted to make that inquiry.

The amendment was agreed to.

Mr. CLARK. Mr. President, when the President of the United States announced this afternoon through his natural spokesman in this body, the Senator from Arkansas, that it was his intention to veto the independent offices appropriation bill if it should contain the Steiwer-Cutting amendment, he did so assuming the responsibility of his high office, under his own oath, performing his own duty as God gives him to see his duty. It now devolves on each individual Senator, under his individual oath of office, on his personal responsibility, to make up his own mind and to perform his duty according to the dictates of his own conscience.

Mr. President, the situation in which the Senate and the country find themselves today vividly illustrates the dangers and the vice of the Congress of the United States in abdicating its constitutional functions and granting to the Executive powers and duties imposed upon it by the Constitution of the United States. This situation does not arise today; it did not arise yesterday. This situation takes its origin in the month of March 1933, when the Congress of the United States deliberately abdicated its own functions, tied its own hands, and delegated to administrative officials appointed by the President of the United States powers and duties which the Constitution of the United States had imposed upon the Congress. We had a right to assume, and those of our number who are members of the Finance Committee were put on notice that what has been done would be done. I voted against the Economy Act; and, whatever may be its effects upon my personal political fortunes, that is one of the things which I wish to be written on my tombstone when I am dead.

It ill behooves anyone who deliberately signs a blank check to protest that the amount filled in is greater than the signer happened to expect. Under the powers conferred in the Economy Act, the administrative officials of the Veterans' Administration and of the Bureau of the Budget have made regulations which contain instance after instance of what is generally recognized on all sides as constituting most execrable cruelty. The men who prepared those regulations must have hearts of ice. So flagrant has been the situation that a demand has arisen on all sides for a liberalization of those regulations for the purpose of undoing some of the inequities and injustices therein contained.

When the independent offices appropriation bill came into the Senate, the Senator from New Mexico [Mr. CUTTING] and I collaborated in the preparation of an amendment which he offered in our joint names. That amendment at that time represented not what we should have liked to do in the way of removing the inequities and cruelties of the regulations promulgated by the Veterans' Administration, but it did represent the absolute maximum we had any hope at that time of being able to enact into law as an amendment on this legislation.

Mr. President, in the progress of the debate, in the exposition of the regulations, and in the consideration of instance after instance of gross unfairness and of gross cruelty wrought by those regulations, sentiment was created in this body which went far beyond the scope of the original Cutting amendment. I say frankly, as I said a moment ago, that the only reason why the Cutting amendment was originally limited as it was, was that we believed that to be the absolute maximum we had any opportunity of enacting. If I had any hope now, Mr. President, that affirmative Senate action on the Steiwer-Cutting amendment would contribute to the amelioration of the inequities of the regulations already promulgated, my vote would be cast for this amendment. My only purpose has been throughout to obtain the maximum consideration for those cases of disability of service origin and of those cases involving a presumption where the presumption amounts almost to a certainty that the disablement either originated in or was accentuated by military or naval service.

The Senate agreed to the Connally amendment, representing a still further advance over what the Senator from New Mexico and myself had originally contended for, a very much greater advance over the scope of the original Cutting amendment. The House of Representatives refused to accept the Connally amendment. The conference report came before us, and before its consideration was begun I joined in conference with the Senator from Oregon [Mr. STEIWER], the Senator from New Mexico [Mr. CUTTING], the Senator from Wisconsin [Mr. LA FOLLETTE], and others for the purpose of agreeing on a parliamentary procedure by which we would be able to insure a vote on the original Cutting amendment.

Mr. President, I favor the provisions of the Steiwer amendment with every fiber of my being. If I believed there was any chance of the Steiwer amendment's being enacted into law, I should unhesitatingly vote for it. If I believed that we could pass the bill over the President's veto, when he vetoes it, I should unhesitatingly vote to put the amendment in and vote to pass the bill over the President's veto. If the Steiwer amendment is adopted and the President vetoes the bill, as he has pledged himself to do, I will vote to pass the bill over his veto.

We are confronted with a practical situation in this matter, however. As an old colored man out in Missouri used to say, I would rather have part of something than all of nothing. [Laughter.]

The provision of the House amendment unquestionably represents a great advance in the liberalization of the regulations promulgated by the Veterans' Administration. It provides for payments of $50,000,000 in excess of those which would be provided for under present regulations. It provides for restoring to the roll 156,000 presumptive cases, not permanently, I grant, but it would restore 156,000 presumptive cases which are about to be stricken off. These men will be put back pending the time that there can be a complete review of the cases.

It contains substantially, although in somewhat different language, the provisions of the amendment which the Senator from New Mexico and I originally offered.

Mr. CUTTING. Mr. President, may I recall to the Senator the language of the amendment which he and I introduced?—

Nothing in this act shall authorize the President to reduce to a degree greater than 25 percent the compensation, pension, or allowance of any veteran or dependent of a veteran—

And so on. Those words "compensation, pension, or allowance", as I remember it, were insisted on by the Senator from Missouri in order that there might be no room for argument whatever.

Mr. CLARK. That is correct.

Mr. CUTTING. Will the Senator from Missouri compare those words with the words contained in the so-called "House amendment", "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", and so on, be reduced more than 25 percent. Does the Senator think those words mean the same thing, and if they do not, why should not the House compromise have adopted the word "compensation" instead of the words "rates of compensation"?

Mr. CLARK. So far as I am concerned, I much prefer the word "compensation" to the words "rates of compensation." On the other hand, it is perfectly obvious that the term "rates of compensation" was inserted in the amendment on the theory that to the extent to which a veteran's

condition was improved, his compensation should be correspondingly reduced, and it was for that reason that those words were used.

Mr. BYRNES. Mr. President, because this is the second or third time the statement has been made, I ask the Senator from Missouri to yield to me.

Mr. CLARK. I am glad to yield.

Mr. BYRNES. Under the contention of the Senator from New Mexico, if the amendment contains the statement that the compensation received by a veteran on the date mentioned should not be reduced more than 25 percent, the effect would be that if on that day there were a veteran who had been determined to be suffering from a disability of 50 percent, and upon a subsequent examination it should be found that he no longer suffered any disability, under the language for which the Senator from New Mexico contends, he would still have to be paid compensation upon the basis of what he was receiving in March less 25 percent.

Mr. CUTTING. Now, Mr. President——

Mr. BYRNES. I do not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. BYRNES. The language of the amendment provides that the rate of compensation shall be reduced not more than 25 percent. Therefore, if in March there were a veteran who was determined to be suffering with a disability of 50 percent, by this amendment the rate of his compensation could not be reduced more than 25 percent; but should a veteran, some individual, heretofore determined to be suffering with a disability of 50 or 75 percent, be cured, and no longer suffer with any disability, the administration would not be forced to pay him the disability allowance he was receiving last year less 25 percent. The words "rates of compensation" are essential to the intelligent administration of that provision.

Mr. CUTTING. Mr. President, it is quite obvious, from what the Senator from South Carolina has said, that he has not read the Steiwer-Cutting amendment, because beginning with line 14, page 4, it is provided:

> That in the event of a change in the degree of disability of any such veteran the amount of compensation payable shall be determined pursuant to the provisions of the World War Veterans' Act, 1924, as amended, and the rating schedule in effect prior to March 20, 1933, and such amount shall not be reduced by more than 25 percent.

It is perfectly clear, from that language, that the Veterans' Administration has complete ability to rerate the veteran.

Mr. BYRNES. Mr. President, I know that the Senator from New Mexico has made that statement, and because I know him, I know that he is sincere in it; but, at the same time, I am absolutely satisfied that there is no justification for the contention. It is never the intention, under this amendment, that anything should occur other than that which the Senator from New Mexico has said, but I contend that it is absolutely essential that the words "rates of compensation" should be included instead of "compensation." Otherwise, any man on the rolls in March would have to be paid the compensation he was then receiving, even if it were determined, and he admitted, he was suffering no disability at all.

Mr. CUTTING. Then what meaning does the Senator attach to the proviso beginning with line 14?

Mr. BYRNES. Mr. President, I have not before me the amendment of the Senator from New Mexico, but I know the language of the amendment offered by the Senator from New Mexico accomplishes the same result that will be accomplished, which is the only intent of the amendment which was adopted in the House, and which is offered here, and the ex-service men of the House, Mr. PATMAN, of Texas, Mr. BROWNING, of Tennessee, and others, who know this law as no other men know it, agreed to that, and they were right.

Mr. CUTTING. Mr. President, all I can say is that the Senator from South Carolina makes that statement on the same authority back of all the other statements made on this floor from the beginning of the debate on the Economy Act, and we have found again and again that in administering the act no attention whatever has been paid to the pledges which have been made on the floor of the Senate.

Mr. STEIWER. Mr. President, will the Senator from Missouri yield to me for one observation? I do not want to interrupt his remarks.

Mr. CLARK. I yield.

Mr. STEIWER. The position of the Senator from South Carolina has been most thoroughly considerate, but after the Senator from Missouri shall have concluded his remarks and I can be recognized I am sure those of us who are responsible for the language which appears in the Steiwer-Cutting amendment can make it entirely clear to the Senator that his contention is unfounded, that the language in the House proposal is utterly inadequate, and that language of the kind we have used is absolutely essential. I will not take time to make the explanation until later.

Mr. CLARK. Mr. President, as far as I am concerned, I much prefer the Steiwer amendment to the House substitute. I would gladly go much farther than the Senator from Oregon and the Senator from New Mexico go in their proposition, but what is the situation with which we are confronted? By the broad grant of power contained in the Economy Act we have created such a situation that there is no power on the face of the earth to interfere with the regulations promulgated by the Veterans' Administration without the consent of the President, except by a two-thirds majority of both bodies. As far as I am concerned, I am in absolute sympathy with the purposes of the Steiwer-Cutting amendment, and if it is inserted in the pending measure and the bill is later vetoed by the President and again comes before this body for consideration, I shall vote to override the veto. This, however, is not the situation which confronts the Senate today.

Mr. WHEELER. Mr. President, let me say to the Senator that I heard the statement of the Senator from Arkansas to the effect that the President would veto this bill if the Cutting-Steiwer amendment were agreed to. I am satisfied, however, that the reason why that statement is made is the fact that the President of the United States does not understand the full purport of the Cutting-Steiwer amendment. I am just as sure as that I am standing here that the President of the United States would not think of vetoing the bill if misrepresentations had not been made to him with reference to the exact meaning of it from the experts of the department.

What the Senator from South Carolina says with reference to the Cutting-Steiwer amendment convinces me that not only has the President been misled with reference to the matter but that the Senator from South Carolina has been because I do not see how anybody can read the language of that amendment and come to the conclusion to which the Senator from South Carolina has come, and I am sure that he has been given wrong information about it; and not only that, but the experts who have been advising the President from the Veterans' Administration have given him the wrong information.

It seems to me that it is too bad, if I may say so to the Senator from Missouri, that we should be quibbling about a matter that is due entirely, in my judgment, to the experts of the Veterans' Bureau who are desirous to have their way and to impose their will upon the Congress of the United States.

Mr. CLARK. Let me say to the Senator from Montana that I would not put anything past the officials of the Veterans' Bureau.

Mr. WHEELER. Mr. President, I am sure that they have given the wrong information and a misinterpretation. The trouble seems to be that the Senate is going to be forced to act because of the views of a few experts of the Veterans' Bureau, who have given the Senate misinformation, who have misled the President of the United States, and who have misled the Congress of the United States.

It is said we must go ahead and follow their judgment or the judgment of some one of these experts. I, for one, am

not willing to see the veterans of the Nation sacrificed because some little expert in the Veterans' Administration says that we have got to do this or we have got to do that. I wish the Senator from South Carolina, for whose judgment I have great respect, and who, I am sure, has worked zealously and faithfully in this matter, and the leader on this side of the House, for whose judgment I have great respect in legal matters, would take the time to sit down and analyze this proposal instead of taking the judgment of the experts and the judgment of somebody else. I am sure if they will do that they will come to the conclusion that the Steiwer amendment does not bind the hands of the President of the United States. It does not bind the Department if the desire is to do what is right.

Mr. BYRNES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from South Carolina?

Mr. CLARK. I yield.

Mr. BYRNES. I do not know about the Senator from Arkansas, but certainly, so far as the Senator from South Carolina is concerned, the statement he has made is based upon his reading of the language of the amendment. I have never had any doubt about the interpretation of it. It never was suggested until it was suggested by the Senator from New Mexico that the proposal could be interpreted in any other way. But if it be true, if the Senator be correct, and the Veterans' Administration has construed it as I have construed it, then the Senator from Montana, for once, is safe, and this language will be construed as we intend it to be construed.

If it be a fact that they have agreed with that construction, it makes certain that there will not be more than a 25-percent reduction in the rate of compensation that was received by any veteran on a given date in March. That is what the Senator from New Mexico wants; and if the Veterans' Administration is in accord with that construction, then we are all agreed that is what will happen and nothing more.

Mr. WHEELER. But how can the Senator say, with the proviso in his amendment, that it limits the cut to the compensation received on the given date in March, when it expressly says that there shall be a rerating? I am at a loss to understand how the Senator from South Carolina or anyone else can come to the conclusion that the veterans cannot be rerated in the event that their disability has been overcome, we will say, to the extent of 50 percent.

Mr. BYRNS. I concede that that could be done. If a man was 50 percent disabled in March, and was awarded a pension and since then has entirely recovered, would the Senator think that because he was disabled in March, but has now entirely recovered, he should receive compensation for 50-percent disability?

Mr. WHEELER. Of course not.

Mr. BYRNES. That is all that is provided.

Mr. WHEELER. I say that under the provisos in this amendment they can eliminate that man entirely from the roll of the Veterans' Bureau.

Mr. BYRNES. Undoubtedly under the House amendment that can be done; the rate of compensation cannot be changed, but if a man's disability has changed he is eliminated. If it be determined that a veteran is not disabled, he goes off the rolls; but if he stays on the rolls the rate of compensation for the disability remains the same; the rate of compensation remains the same though the rate of disability does not remain the same. If next year a man rerecovers and becomes entirely well, he goes off the rolls under either provision. If he stays on the rolls, under the House amendment, the rate of compensation cannot be reduced more than 25 percent. I am absolutely certain about that and absolutely sincere in the belief that the gentlemen who prepared the amendment are absolutely correct.

Mr. WHEELER. Perhaps I misunderstood the Senator, and if the Senator from Missouri will pardon me, I should like to ask another question.

Mr. CLARK. I yield to all Senators engaged, for I think this is a helpful colloquy.

Mr. WHEELER. Do I understand the Senator to contend that if a year ago a veteran was disabled 50 percent and today his disability has disappeared, that, under the Cutting amendment, he would not be removed from the rolls?

Mr. BYRNES. No; I say he would be; and I say that under the House amendment, if his disabilities disappear, he would also go off the rolls.

Mr. WHEELER. Of course.

Mr. BYRNES. All the House amendment provides is that the rate of compensation to be paid for disability, assuming the compensation is $50 a month, shall not be reduced more that 25 percent; that the veteran shall not be reduced more than 25 percent for a 50-percent disability; but if the veteran recovers, if his disability disappears, he goes off the rolls. The rate of compensation for the disability remains the same, but he no longer receives it because he is no longer disabled.

Mr. WHEELER. Well, of course——

Mr. BYRNES. That is what the words "rate of compensation", as framed by gentlemen of the House, mean, and that is what they are intended to mean. I think the Senator from New Mexico has identically the same object in mind, and it is accomplished by his amendment.

Mr. WHEELER. It is accomplished?

Mr. BYRNES. It is.

Mr. WHEELER. I understood the Senator from South Carolina to say that it was not accomplished.

Mr. BYRNES. No; I say the same thing is accomplished under either amendment.

Mr. CLARK. Mr. President, in response to what the Senator from Montana said a few moments ago, I will say to him that personally I very deeply regret the position taken by the President of the United States. I feel, as does the Senator from Montana, every confidence that if the President of the United States had the opportunity of studying this matter as some others have he would not act upon the advice of the officials of the Veterans' Bureau. But, Mr. President, we are confronted by the fact that the President of the United States has officially announced, through his spokesman in this body, that he will veto this bill if it contains the Steiwer-Cutting amendment. Personally I regret very much that a matter of $30,000,000—large as it is actually but small as it is in comparison with the vast sums we are appropriating—should be allowed to stand in the way of further justice to the veterans of our wars. I wish the $30,000,000 might be scaled off the huge sums being spent on reforestation camps and used for the purpose of carrying into effect the provisions of the Steiwer-Cutting amendment; but I do believe, Mr. President, that while the provisions of the House substitute, with the addition of the amendment of the Senator from South Carolina which was adopted this morning, fall short of the Steiwer-Cutting amendment, we are confronted with the necessity of taking the House substitute or running the danger of getting nothing, and that there will be no amelioration whatever of the effect of the regulations. For that reason——

Mr. McGILL. Mr. President——

Mr. CLARK. I will yield in just a moment. For that reason (and I can say, for the benefit of the Senator from Pennsylvania, that I am not one of the Senators who talked to the President or any Cabinet officer today) I am very reluctantly going to vote against the Steiwer amendment, in the hope of getting the utmost for the ex-service men that can now be secured. I now yield to the Senator from Kansas.

Mr. McGILL. Mr. President, in the event the Steiwer amendment should be adopted, and if the bill were vetoed, does the Senator see any way by which we could accomplish the same end as would be accomplished if the bill were passed with the Byrnes proposal adopted?

Mr. CLARK. I see no way except by overriding the President's veto in each House.

Mr. McGILL. In other words, if the Steiwer-Cutting amendment is adopted and then the bill be vetoed, the Sena-

tor takes the view that nothing can be done on behalf of the veterans?

Mr. CLARK. Under the powers granted by the Economy Act, the only way of which I know to change the regulations, without the consent of the President, would be by a two-thirds majority in each House. I do not believe that a two-thirds majority of each House could be obtained; and I am too much interested in the welfare of the veterans of this country to indulge in idle gestures; I am too much concerned about the welfare of the veterans of this country not to take what I can get, rather than to run the risk of losing everything that may be obtained.

So long as I may serve in this body I will never be willing to vote away the functions and duties imposed upon me by the Constitution and then to attempt to alibi myself to my constituents by idle gestures for political purposes.

Mr. LONG and Mr. STEIWER addressed the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. STEIWER] and the Senator from New Mexico [Mr. CUTTING], in the nature of a substitute for the amendment of the House to the amendment of the Senate numbered 47, as amended.

Mr. VANDENBERG and other Senators asked for the yeas and nays.

Mr. STEIWER. Mr. President, before the yeas and nays are ordered, I want to change one word in order to perfect the substitute. The Senator from New Mexico and I are under obligation to strike out the word "affirmative", on page 2, in line 22.

The PRESIDING OFFICER. Is there objection to the modification suggested by the Senator from Oregon?

Mr. STEIWER. Mr. President, the yeas and nays not having been ordered, I think the modification may be made. We desire to strike out the word "affirmative", in line 22, page 2, and substitute for it the word "the", so that the line will read:

> Unless the evidence clearly discloses—

And so forth.

This modification, Mr. President, requires but little explanation. It makes it easier for the Bureau to rebut the presumption of service connection and to remove the veteran from the rolls. It is a concession to the Veterans' Administration, or to the White House, as the case may be, and is against the veteran; but we deem it more appropriate.

Mr. President, I am not going to detain the Senate for longer than 2 or 3 minutes. I now address myself to the question that has been discussed here late this afternoon by the Senator from South Carolina [Mr. BYRNES], the Senator from New Mexico [Mr. CUTTING], and others, because in my opinion it is the crux of the whole situation. Correct understanding of that question may determine the vote of Members of this body.

It was said earlier in the afternoon by those opposed to the Cutting-Steiwer substitute that there is so little difference between the two proposals that we might as well accept the House amendment. The explanation I hope to make will have a bearing upon that proposition, and I submit that it will convince any Senator who will listen to me that there is a most vital difference between the two, and that that difference justifies the Cutting-Steiwer proposal and condemns the House proposal.

The difference chiefly is in line 7, on page 4. The House proposal reads, commencing in line 6—

> That in no event shall the rate of compensation payable for directly service-connected disabilities * * * be cut more than 25 percent—

While in the Cutting-Steiwer proposal the language is that—

> In no event shall the compensation being paid for directly service-connected disabilities * * * be reduced more than 25 percent.

What is the distinction between the two expressions? Let me explain.

The equation that makes up a veteran's compensation has two factors, as we all know. One is the rate of compensation which is provided by law or by regulation. That is the rate which stipulates the amount that shall be paid for a disability in any certain degree. The other is the rate or rating of the individual's disability, a thing personal to the veteran himself. In order to determine how much the pension shall be under the compensation law it is necessary to determine both the factors; that is to say, the rate or rating of his disability or how much he is hurt and to provide the rate of compensation, which is the figure that will be paid for that degree of disability or injury.

When it is recited, as it is in the House language, that the "rates of compensation payable shall not be cut", it means exactly this and nothing else, that even though the rates of compensation shall not be cut the rates of disability may be changed from time to time and rerated at the will and the pleasure of the Veterans' Administration. Therefore there is nothing in the House language that places any substantial restriction upon the Veterans' Administration in making drastic cuts in compensation. If we agree to the House language, the Veterans' Administration can proceed in the next 3 months, as they have in the last 3 months, to make such cuts as they wish. The President by regulation has cut the rate of compensation of total disability from $100 to $80, which is 20 per cent, but on the average throughout the whole Nation the Bureau has cut the rate of disability more than that.

The total resulting is something like 54 percent in the service-connected cases, and that is made up of 20 percent in cut of rate of compensation, and the other 34 percent is made up of the reduction in rates or rating of disability. So I assert most earnestly that the House language gives no protection, and from the statement made by the Senator from South Carolina [Mr. BYRNES] I think he does not regard it as giving protection except in the sense that it provides against cuts in the "rates of compensation payable * * *". The pending substitute does afford protection by restricting reductions in the amount of compensation being paid March 20, 1933.

The argument was made that because in the Cutting-Steiwer substitute we used the phrase "compensation being paid shall not be cut" it was inelastic, that it was not susceptible to review, and that if a man recovered he would still be on the rolls. That is manifestly untrue and in error, because, as pointed out by the Senator from New Mexico, it is provided in line 14:

> That in the event of change in the degree of disability of any such veteran, the amount of compensation payable shall be determined pursuant to the provisions of the World War Veterans' Act of 1924, as amended, and the rating schedule in effect prior to March 20, 1933, and such amount shall not be reduced more than 25 percent.

In other words, the Veterans' Administration, although they cannot change the compensation except where there is change in degree of disability, can review the case under the law and change the evaluation of the disability. With respect to this I will say, as I said about something else a little while ago, this language was carefully considered by the sponsors of the proposal. It was written for the purpose of providing elasticity and at the same time of preventing the application of an unfair and arbitrary rating schedule; making it possible to reduce the evaluation of disability in those cases in which recovery is had and incidentally to increase the evaluation of disability in those cases where the disability becomes more serious. But it was also written with the idea that by the language in line 7 we would place upon the Veterans' Administration a hard and fast restriction under which they could not, in the future as they have in the past, cut ruthlessly and indiscriminately in order to save money at the expense of crippled men.

Mr. President, I am not going back over the ground that has been covered so thoroughly this afternoon. Like the Senator from Louisiana [Mr. LONG], I am ready for a vote. When it is thought there is no difference between the two propositions and we find that one prevents a cut beyond 25 percent in direct service-connected cases, and the other does not prevent a cut beyond 25 percent, we are moved to ask what is the attitude of this body with respect to combat disabilities. That is all that is in the issue involved in this paragraph.

What is the attitude of this body with respect to the men wounded on the field of battle? What is the attitude of this body with respect to the men whose bodies are filled with shell fragments and shrapnel, the men with an arm or a leg gone, who are reduced in health and almost destroyed, living dead men upon the face of the earth? Are we going to protect them or are we going to permit the Veterans' Bureau to continue its pillage in these cases? We know the situation. We are not going to deceive anybody. We are not going to deceive ourselves. We are not going to deceive the veterans. The issue is clear cut and plain; we will protect the American veteran, or we will betray him. He who has fought the Nation's battles deserves better than betrayal.

Mr. GORE. Mr. President, the Senator from Oregon [Mr. STEIWER] asked, "Are we going to permit the Veterans' Bureau to continue its pillage in these cases?" There can be only one answer to that question. The junior Senator from Missouri [Mr. CLARK], himself a soldier, and a known friend and champion of the veterans, has just announced that he intends to vote against the Steiwer-Cutting amendment and intends to vote for the conference report. I shall follow his example.

The heart of every Senator must have been moved by the eloquent references to our battle-scarred veterans. I was particularly impressed by the eloquent remarks of the senior Senator from Massachusetts [Mr. WALSH]. He iterated and reiterated his devotion to the battle-scarred veterans of our various wars. I am sure that sentiment is shared by every Senator. I do not intend to weary the Senate by repeating that I have as deep a desire and as fixed a purpose as anyone on either side of the aisle, or at either end of the Capitol, to see that justice is done to our battle-scarred veterans and our disabled and deserving heroes.

Mr. President, I am equally concerned that justice should be done to the American soldier and the American citizen; that justice should be done to the American veteran and the American taxpayer. Each has a claim upon us. We are under obligation to both. We ought not to default either debt. Let us discharge our debts to the battle-scarred veterans. Let us discharge our debt to the battle-scarred taxpayers, to the overburdened taxpayers of the country.

Mr. President, I was not a member of the committee which handled this legislation up to the present parliamentary situation. I do not profess to be as familiar with its details as I ought to be or as I should like to be.

The junior Senator from Texas [Mr. CONNALLY], himself a Spanish War veteran, I know has the welfare of all the Spanish War veterans at heart. I know that he would not, here or elsewhere, sacrifice their interest. I find the Senator from Texas supporting the committee which has been charged with the responsibility of managing the legislation. I feel justified, therefore, in voting against the Steiwer-Cutting amendment and in voting for the committee report, sustaining the committee, when in doing so I am but treading in the steps of the Senator from Texas [Mr. CONNALLY] and the Senator from Missouri [Mr. CLARK].

Mr. President, the pending measure at least moderates some of the harsher provisions of the recent Executive order. I think some of them were too harsh. I supported the Walsh amendment when the economy bill was pending in this body in order to erect a safeguard against injustice; but the pending measure, at any rate, is a distinct gain as against the Executive order. The pending proposition moderates some of the harsher provisions of the Executive order with reference not only to the World War veterans but with reference to the Spanish War veterans. It has a double advantage. There is a distinct advantage to each class of those veterans. Shall we not avail ourselves of that advantage?

Two birds in the hand are better than none in the bush—better even than one; and, as suggested by the Senator from Missouri, it is better to have a part of something than to have all of nothing. I know that some of our soldiers feel that they are getting "nothing." Some of them naturally remember that when they set sail to the strains of martial music they were assured by eloquent orators that "nothing is too good for the soldier." Some now question the sense in which the word "nothing" was used in that assurance.

Mr. President, I can appreciate the reaction of Senators to the statement that a Presidential veto is impending if this measure passes the Congress. I do not know. Indeed, sir, I do not wish to know. Personally, I do not feel that I have any right to know. Under our Constitution all legislative power is vested in the Congress. Under our Constitution all executive power is vested in the President. The powers are distinct, vested in independent and distinct departments. I think they should be so. Under our Constitution the power to veto legislation is vested in the President. I think that power ought to have been vested in the President. I think that upon occasion it has been wisely exercised, although Thomas Jefferson never exercised the veto power one time during his occupancy of the White House.

But, sir, when the Congress passes a measure which the President regards as unconstitutional it is not only his right but his duty to veto it. When the Congress passes a measure which the President deems to be impolitic, fraught with danger to the public welfare, it is his right to exercise the veto power. Some Senators indicate that they shall be dissuaded from voting against the Steiwer amendment and supporting this legislation, which provides some measure of relief, on account of the statement made here concerning the pendency of the veto. I hardly think that justifies a deliberative body in changing its mind or its judgment concerning serious legislation such as that now pending. Our duty is our duty.

The VICE PRESIDENT. The question is on agreeing to the amendment, in the nature of a substitute, offered by the Senator from Oregon [Mr. STEIWER] and the Senator from New Mexico [Mr. CUTTING] to the House amendment to Senate amendment numbered 47, as amended.

Mr. STEIWER and other Senators called for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NEELY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NEELY. While the Vice President was absent from the Chamber, the Senator from Oregon [Mr. STEIWER] offered a perfecting amendment to what is commonly known as the main "Steiwer amendment."

The VICE PRESIDENT. The Senate is voting on the modified amendment now.

Mr. VANDENBERG. I call for the regular order.

The VICE PRESIDENT. The clerk will continue the calling of the roll.

The calling of the roll was resumed.

Mr. LEWIS (when Mr. COOLIDGE's name was called). At this moment may I announce the general pair of the Senator from Massachusetts [Mr. COOLIDGE] and the Senator from New Hampshire [Mr. KEYES].

Mr. WAGNER (when his name was called). I transfer my pair with the senior Senator from Missouri [Mr. PATTERSON] to the senior Senator from Nevada [Mr. PITTMAN], and will vote. Before voting, I wish to announce that if the senior Senator from Missouri were present he would vote "yea." I vote "nay."

The roll call was concluded.

Mr. HEBERT. The Senator from South Dakota [Mr. NORBECK] is unavoidably absent.

Mr. LEWIS. Will the Senator from Rhode Island be so kind as to announce the pairs, if any, that I have failed to announce?

Mr. HEBERT. I am informed that the Senator from Illinois has announced all of the pairs. I rose merely to announce that the Senator from South Dakota [Mr. NORBECK] is unavoidably absent. If present, he would vote "yea" on this question.

The result was announced—yeas 51, nays 39, as follows:

YEAS—51

Austin	Borah	Caraway	Cutting
Barbour	Brown	Carey	Dale
Black	Bulkley	Copeland	Davis
Bone	Capper	Costigan	Dickinson

Fess	Kean	Norris	Thomas, Okla.
Frazier	La Follette	Nye	Townsend
Goldsborough	Lonergan	Overton	Trammell
Hale	Long	Reed	Vandenberg
Hastings	McAdoo	Reynolds	Walcott
Hatfield	McCarran	Robinson, Ind.	Walsh
Hayden	McNary	Schall	Wheeler
Hebert	Metcalf	Shipstead	White
Johnson	Neely	Steiwer	

NAYS—39

Adams	Clark	Harrison	Russell
Ashurst	Connally	Kendrick	Sheppard
Bachman	Dieterich	King	Smith
Bailey	Dill	Lewis	Stephens
Bankhead	Duffy	Logan	Thomas, Utah
Barkley	Erickson	McGill	Thompson
Bratton	Fletcher	McKellar	Tydings
Bulow	George	Murphy	Van Nuys
Byrd	Glass	Pope	Wagner
Byrnes	Gore	Robinson, Ark.	

NOT VOTING—6

Coolidge	Keyes	Patterson	Pittman
Couzens	Norbeck		

So the modified amendment, in the nature of a substitute, offered by Mr. STEIWER and Mr. CUTTING to the House amendment to Senate amendment no. 47, as amended, was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the House amendment to Senate amendment no. 47, as amended.

The amendment, as amended, was agreed to.

The VICE PRESIDENT. May the Chair inquire whether the Senator from South Carolina [Mr. BYRNES] desires a further conference? Certain amendments having been rejected, the question is whether the Senator from South Caroline desires a further conference.

Mr. BYRNES. I do not think that is necessary.

FOURTH DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. BRATTON. Mr. President, I send forward the conference report on the fourth deficiency bill and ask unanimous consent for its immediate consideration.

Mr. McNARY. Mr. President, in view of the confusion and the lateness of the hour, and since the Senate is to be in session tomorrow, I shall object to the present consideration of the report on the deficiency bill.

The report submitted by Mr. BRATTON 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. 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, 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 8, 9, 11, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, and 10; and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$1,460"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 6, 7, 13, and 14.

SAM G. BRATTON,
CARTER GLASS,
KENNETH MCKELLAR,
FREDERICK HALE,
Managers on the part of the Senate.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
W. B. OLIVER,
W. A. AYRES,
Managers on the part of the House.

DEPRESSIONS AND CRISES, AND SO FORTH

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD, an editorial from the New York Herald Tribune; also an address by Dr. Benjamin M. Anderson, whom I regard as one of the greatest economists in this country; also an address by Dr. A. B. Adams, of the University of Oklahoma, who is an authority on depressions and crises; and two reports from Comptroller General McCarl.

The VICE PRESIDENT. Without objection, that order will be made.

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Dr. Benjamin M. Anderson, whom I regard as one of the greatest economists in this country; also an address by Dr. A. B. Adams, of the University of Oklahoma, who is an authority on depressions and crises, and an editorial which will appear in the New York Herald Tribune, June 15, 1933.

The addresses and editorial are as follows:

A PLANNED ECONOMY AND A PLANNED PRICE LEVEL

(An address by Benjamin M. Anderson, Jr., Ph.D., economist of the Chase National Bank of the City of New York, before the Pilgrims of the United States at a dinner given in honor of Sir Josiah Stamp on the evening of Thursday, June 8, 1933, at the Plaza Hotel, New York City)

ECONOMIC REVOLUTION OR ECONOMIC REVIVAL?

We must be clear as to our objectives. To my mind, the great and vital problem confronting the United States and the world today is that of getting many millions of men back to work, getting business going again, getting goods moving throughout the country and throughout the world, increasing enormously the volume of production in the world, so that the volume of consumption may also be greatly increased. But among the proposals which purport to have this economic revival for an objective there are not a few which really look toward different ends. There are, as usual, social revolutionaries who like to fish in troubled waters, who would seek radically to recast the whole economic system, to shatter the sorry scheme of things and "then remold it nearer to the heart's desire."

Whatever else measures of this sort might accomplish, they would not, in the near future, restore production and consumption in the world or set men to work. And there are many more moderate proposals which, while they might or might not be meritorious in themselves, if adopted in a tranquil time, when the general economic machinery is functioning well, would, none the less, interfere with economic revival if adopted today. There are schemes for the redistribution of wealth, which schemes may or may not have merit, considered as long-pull measures, but they certainly are not revival measures. There are other proposals, growing out of the righteous anger of honest men who have discovered iniquity, which are punitive in their nature, and which can easily go so far as to impair the efficiency of existing economic machinery which is necessary to facilitate revival. We must be clear as to our objectives. If, as an incident to revival measures, or if, as contributing to revival measures, we can end old abuses and can improve the general economic system, so much the better. But we must not permit the present unhappy state of the world and the present flux of bewildered political opinion to be capitalized by those who advocate new and untested economic theories in the making of hazardous experiments. This sick economic world of ours is a patient in a hospital, not a subject for experimentation in a laboratory. And if, as I believe is the case, we can cure this patient by tried and tested measures, surely we have no right to discard those tried and tested measures and to turn the patient over to a new school of physicians who have some theories that have never been known to work.

In medicine when radical new measures are proposed it is at least the common practice to try them out on animals first, and then, after long and careful experimentation, to try them out tentatively on human beings. We must certainly ask the new schools of economic practitioners to try things out on a small scale first, tentatively and cautiously, before they ask us to transform the whole economic system radically.

OLD ECONOMICS AND NEW ECONOMICS

We have heard a great deal about the failure of the so-called "old economics" and the need for new doctrines. I think it can safely be said that there has been no failure of the old economics in this post-war period, because so little of what the old-economics advocates has been done. The old economics taught and teaches that tariffs should not be unduly high and that goods should move with reasonable freedom across national borders. The post-war period has seen a steadily mounting body of tariffs and other trade barriers choking the flow of goods across national borders.

The old economics taught that excessive credit and artificially cheap money would generate great speculation and the piling up of unsound debts which could not be paid and which, in their qualitative deterioration and collapse, would create crisis and panic. But we spent the post-war years, especially from 1922 into 1928, in an altogether unprecedented expansion of credit at artificially low interest rates, with rediscount rates held below the

market instead of above the market, as the old rules prescribed, and we generated a credit bubble and a speculative bubble, the collapse of which has brought us untold disaster.

John Stuart Mill knew the dangers both of excessive tariffs and of excessive credit. No new economics was needed to avert them.

The old economics taught that international debts must be paid primarily with goods and services. It taught that the debtor country, in the period when it was borrowing, would have an import surplus, but that when it began to repay it must have an export surplus, sending out more goods than it consumed, and it taught that a creditor country, when the time came to receive payments, must receive an import surplus, a so-called "adverse balance of trade." But the old economics also knew what the new economics seems unwilling to admit, namely, that it was good for a creditor country to receive an excess of imports; that the term "adverse balance of trade" under these circumstances was a meaningless and misleading phrase. The old economics taught that when goods come into a country in payment of debts they do not reduce the ability of the country to buy the products of its own labor, but, rather, increase its total income and its total consumption. The foreign goods coming in in payment of debts are sold in the creditor country and the proceeds in money are not taken out, but, rather, are turned over as income to people within the creditor country, increasing their incomes by the same amount in money as the goods which come in in payment of the debts and leaving them with undiminished buying power for their domestic products. But the new economics seems to be returning to seventeenth and eighteenth century policies with respect to these matters, seems to be afraid of goods, afraid of production, afraid of income, and afraid of an abundance of goods for consumption.

The old economics knew very well that it was absurd to try to expect any definite equivalents in imports and exports as between two particular countries. It understood triangular and quadrangular trade. It knew that if a country's general balance of trade with the whole world was in proper adjustment to its creditor or debtor position things were going right, and that nothing need be done about it. The new economics seems to be veering strongly toward the notion that the volume of exports and imports with every particular country must be regulated, and that trade must be discouraged with every country which does not buy more from us than it sells to us. It is not pleasant to see this recrudescence of sixteenth- and seventeenth-century fallacies!

The old economics taught that there is no such thing as a general overproduction. It taught that the power to consume grows out of the power to produce, that consumption grows out of production. A man producing one commodity, as automobiles, contributes to the supply of automobiles, to be sure, but equally contributes to the demand for wheat, for silk, for cotton, and for other commodities which he wants. And the man producing cotton or cotton goods contributes to a supply of these things, but also to demand for silk, for sugar, for automobiles, and for other things which he wants. The old economics recognized that things could be produced in wrong proportions, some things too much, others too little, and that then great abnormalities and distortions would come. The old economics recognized that when you had overproduction of certain things and underproduction of other things, the terms of exchange between them could be so deranged that the buying power of the producers of the excessive commodities would sink very low, and then even the underproduced commodities would seem to be overproduced, because they could not be sold. But it sought the remedies in better balance and better proportion, and not in a general contraction of all production. The old economics saw purchasing power growing out of production, and it held that a good equilibrium among the various elements of production meant large aggregate purchasing power, which could take care of large aggregate production. The new economics separates production and buying power. It looks on goods on the one hand and buying power on the other hand as separate and independent things, and it proposes artificial increases of buying power through currency and credit manipulations.

A PLANNED ECONOMY

One of the most dangerous of the proposals of the new economics is that of a so-called "planned economy." Economic life as we have known it has been, in large measure, an unconscious thing, in the sense that no mind or no group of minds has seen the whole picture, and certainly no one mind or group of minds has directed the whole picture. Intelligence runs through it, but it is the intelligence of individuals or organizations seeking their own particular wages or their own particular profits, seeing their own sources of supply, seeing their own markets, but not seeing with any great clearness the movements of the system as a whole.

AUTOMATIC VERSUS CONSCIOUS CONTROL

In general it is not the function of government under the present system to produce goods or to perform economic services. The actual direction of industry, the decision whether more shoes shall be produced and less hats, is not made by the state or by collective society but is left to the choice of independent producers. These independent producers make their decisions with reference to the state of the markets. The up-and-down movements of prices and wages determine whether more or less of a given thing shall be produced. If prices are rising in a given industry and falling in another, the tendency is for labor and capital to flow from the industry where prices are falling to the industry where prices are rising. The tendency is, moreover, for consumers to consume less of those goods the prices of which are rising, and to consume more of those goods the prices of which are falling. Oversupply of any given commodity, accompanied by falling prices, thus tends to correct itself, since production declines and consumption increases, whereas the shortage of supply of another commodity, accompanied by rising prices, likewise tends to correct itself through an increase of production and a curtailment of consumption. Under this system of free, private enterprise with free movement of labor and capital from industry to industry, the tendency is for an automatic balance to be maintained and for goods and services to be supplied in right proportions. A social order is created, a social cooperation is worked out, largely unconscious and largely automatic, under the play of the impersonal forces of market prices and wages.

This system obviously predicates a sound money which men can trust. The success of this system, moreover, depends upon its flexibility and the quickness with which readjustments can be made, and this in turn depends largely upon the extent to which it is competitive and free from unified conscious control. If a government of a collective system undertakes to regulate the business of a country as a whole and to guide and control production, there is required a central brain of such vast power that no human being who has yet lived, or can be expected to live, can supply it. When millions of people are working, each at his own special problem, studying his own special market, making his readjustment piecemeal, under the guidance of market prices, the problem is manageable. If a central brain must do the thinking for all of them, chaos is inevitable. Great mistakes are made and these mistakes are carried much further than would be possible under the competitive system, controlled by free prices.

Here, then, is the central contrast between our present system and a planned economy—in the problem of coordinating the economic activities of men and making a social order. Our present system relies upon the unconscious, automatic functioning of the markets. A "controlled economy" must do it, if at all, by conscious public planning, a central brain guiding, controlling, and regimenting the masses of men, controlling production, controlling consumption, controlling the distribution of wealth, and in a large measure regulating the lives and activities of men.

The limits of economic theory and statistics

If we wish revival without an early relapse into chaos, I do not think we shall go far with the advocates of the planned economy. They cannot make a comprehensive plan. The ablest and best trained brains, given unlimited power, could not do it. The ablest students of economic theory can, for a little while, at times when their energies run high, see in theoretic outline, in schematic outline, an abstract picture of the economic order. The concatenation of prices and costs, the interrelation between the industries, the international interrelations, the relations of capital market, money market, securities market, and industry—there is a body of economic theory dealing with these matters sufficiently definite and sufficiently clear to enable us to reach some very important practical conclusions regarding public policy. But to put flesh and blood upon this abstract skeleton, so as to make it a thing adequate for conscious control of industrial life, is an impossibility. We have an immense mass of statistical detail regarding many phases of economic life, but not nearly enough for purposes of this sort, and not, moreover, in manageable form. Further, it cannot be assembled with sufficient speed to enable one central planning body or one central brain to use it in making day by day decisions. Neither economic theory nor statistics begins to supply the necessary foundation for dealing with such a problem. The best industrial and financial intelligence sees only a part of the picture with definite realism. The coordination of the multitudinous elements must be through the markets, and not through a central brain or central authority.

Economics must yield to politics in practical administration

But, further, no one supposes that if we are to have a planned economic order the matter would be turned over to the men who have trained themselves to see the whole economic picture. They would not be regarded as competent to handle the administrative problem—and they would not be. The thing would be turned over to practical administrators, chosen primarily with respect to their ability to get along with men, and with respect to their acceptability to controlling political groups, and instead of economic planning we should get political compromise. The plans that would be made would be only partially harmonious from the standpoint of economic consistency. They would be, in large part, a mere resultant of political pressures, contradictory in their economic implications.

The administrative problem would be an impossible problem, particularly difficult in the United States because of our conflicts of State and Federal jurisdictions and our constitutional limitations. With the control of industry, it would involve an immense bureaucracy—a bureaucracy so great that it might, indeed, go far in solving the problem of unemployment!

We used to have an immense respect for the power of the Federal Government to give us clean and efficient administration. In the old days, when the Federal Government had very limited functions, our Internal Revenue Service was extraordinarily clean and efficient (if one forgets the scandals of the seventies), there was immense respect for Federal law and its administration, and we made frequent contrasts between the efficiency of Federal administration and the inefficiency of State and local administration. But when we gave the Federal Government problems similar

to those of the States and municipalities, as in the case of prohibition, we saw the same evils creep in, the same abuses, the same corruption of Federal law-enforcement officers as we had had when the States and municipalities dealt alone with the liquor problem. The regulation of industry and the enforcement of regulation are increasingly impossible to the extent that it is thorough-going. Let Federal agents go about inspecting the affairs of business men, and you will have a multiplication of the evils and abuses, including bribery and blackmail, that we see in our municipalities enforcing building codes, tenement-house regulations, and so on.

War-time experience inapplicable

It is urged that we have an experience on which to build in this connection. During the war we did have a good deal of regulation and control of industry, and it is thought that this experience can be applied today. I believe that that war-time experience will be largely useless as applied to our present problem. The objectives in the war time were simple and clear. We were overstraining our productive capacity, and the problem was to produce essential goods. So-and-so many tons of steel were needed for such-and-such definite purposes. So-and-so much wheat was needed to go across the water. There was a definite military problem, and the big purpose of the war control was to hold down the production of nonessential commodities to provide resources for essential commodities. There was the definite further problem of holding prices down and limiting profits, along with the maximization of the production of specific needed goods. There was unlimited demand and limited supply, and the problem was to restrict demand and to direct supply.

The present problem is radically different. It is the problem of getting men to work producing goods that can be sold. No central brain can know which these goods are. The markets know. The individuals in charge of industries, each studying his own specific market, can know, but not even they can know how much demand can be increased as they and their fellows each increase production, each take on new employees, and generate new buying power for all other products.

Who will coordinate the trade associations?

I am particularly apprehensive regarding the proposal to allow trade associations on a great scale to get together, with the Sherman law waived, to raise prices and limit output, euphemistically called "adjusting supply to demand." If one industry alone does this, it may, if it does not overdo it, increase its profits, although even one doing it could easily mean less men at work. But if all of them do it, they will simply strangle one another.

Here there would not be one central plan, but merely a central validation of a multitude of conflicting special plans. The great and growing increase in demand which will come as men are steadily added to the pay rolls, and as more and more raw materials are used, increasing the buying power of producers of raw materials, will simply not materialize. There is no surer antirevival measure than a wide-spread application of this plan.

The plan would prevent the restoration of balance between manufactures and raw materials and foods

One of the great troubles in the present situation has been that manufacturing has curtailed output—"adjusting supply to demand", as the phrase goes—on a colossal scale, while agriculture and raw material production have gone on largely unchecked. There is an immense unbalance between extractive industries, on the one hand, and manufacturing on the other, manifest in the exceedingly low prices of raw materials and agricultural products as compared with the prices of manufactured goods.

We want this unbalance corrected, and the great correction will come through the expansion of manufacturing activity at home and abroad. The lowering of the tariffs, permitting manufactured goods to come in from abroad, but, much more important, enabling foreign countries to buy on a great scale the raw materials and foods in this country which they need, will restore this balance. It will lead to an almost explosive rise in the prices of foods and raw materials in the United States, and to an almost explosive expansion of manufacturing industry here and abroad. Our own factories, sharing an expanding market with reasonable foreign competition, will produce and sell vastly more goods than they can do with exclusive control of the depressed agricultural market and the depressed raw-material market.

I am not wholly hostile to some measure of cooperation under Government auspices, looking toward the restriction of output in certain raw-material lines, particularly where wasting natural resources are involved. We probably need it in the extraction of crude petroleum from the ground. Here supply is little influenced by price, but rather is governed by the discovery of new fields, and by the necessity which every producer faces of pumping oil if his neighbor is pumping, in order to protect his own oil from being drained away. Natural gas may present a similar case. Lumber possibly does. And the long-sick bituminous coal fields may well justify careful study and conscious public planning. But I know no case of manufacturing, refining, or processing industries where I should be willing to see trade associations get together with the Sherman law waived, to raise prices and restrict output. I should regard that as a measure tending to increase, rather than to diminish, the unbalance between raw-material production and manufacturing, and I should regard it as an antirevival measure.

Political conflicts and compromises

I have indicated that economic planning cannot be done on strict economic lines. It inevitably involves political compromises and the conflict of political purposes which will make the plan an economic disharmony. There will be conflicts among different trades—steel wanting higher prices, the railroads wanting lower steel-rail prices. There will be conflicts between labor and capital. There will be political maneuvers and pressures. Congressmen and Senators, under bombardment from their constituents, will be spending an ever-increasing amount of energy in putting political pressure upon the coordinator to favor this or that or the other special interest—and the Congressmen and Senators are sufficiently overburdened with private affairs at the present time not to welcome much more of this kind of thing. Let us hope that the Administration will use these vast new powers with the greatest caution, in the most tentative manner, try them out on a very small scale, and extend the application very gradually. A sudden sweeping application could create a fearful chaos.

Overburdening Washington

Let us bear in mind, too, the limitations upon nervous and physical energies in Washington, and let us have in mind that we must not put an unbearable burden upon the ultimate coordinator, the President of the United States, whose great abilities and high courage we recognize, and at whose immense social energies we marvel, but of whom we must not demand superhuman things.

Fortunately our economic system is not a closely fitted mechanism but, rather, a very loosely articulated and flexible organism. A closely dovetailed mechanism would break down in short order, if called upon to carry out all the conflicting purposes and if subject to all the conflicting control mechanisms which the different schools of economic theory and the different political forces are simultaneously applying to it. But a loose and flexible organism can stand a great deal of abuse and can respond to a great many contradictory purposes. If our administration can succeed in its main objectives at the London conference, we can stand a good deal of experimentation and even a good many unsound policies in domestic matters. They will do harm, but they won't be fatal.

Lower tariffs and a resumption of the gold standard essential

In the present state of world fear and apprehension, reciprocal tariff reduction seems to be about the only way that the matter is politically feasible. I believe that it is perfectly feasible and desirable, from the standpoint of economics, for us to lower our tariffs and restore our gold standard, whether other countries go along with us or not, and that we should speedily find ourselves with a rapidly growing trade, with our currency held in high esteem throughout the world, and with our position, both relatively and absolutely, enormously improved, if we were the only country that did it. We should get a greatly increased proportion of world trade, export and import, we should greatly strengthen our own internal economy, and we should stimulate the world as a whole. Other countries, moreover, would follow our example.

The view has been expressed that, if the London conference fails and we turn to the plan of controlled economy in the United States, we must then raise our tariffs in order to protect the rising costs which this would involve. This seems to me to be particularly erroneous. I think that in this case we should all the more need lower tariffs to protect our consumers against excessive price increases by trade associations, free from the operation of the Sherman law, and to protect the trade associations themselves from the strangling effect of one another's activities upon their markets.

I have in mind here a remark made to me several years ago by a British economist, that England didn't need to have a Sherman law because she had free trade, but that in the absence of free trade she, of course, would have to have one.

PLANNED ECONOMY VERSUS PLANNED PRICE LEVEL

There is another line of thought and body of proposals, in many ways different from that which I have just been describing, which would not seek to regulate prices, wages, and industrial activity bit by bit, but which feels that enough is accomplished if, by currency and credit manipulations, we control the general average of commodity prices, leaving general industrial decisions to individual enterprises. There are some minds capable of trying to combine price-fixing and industrial regimentation with the notion of currency and credit manipulation designed to make all prices rise, but I do not know any clear economic theorist who would do so, and I should say that the two general notions are economically contradictory, and that a scheme which combines them is a political rather than an economic synthesis.

It is very important that we should recognize that the vast powers which our Congress is giving the President, in legislation adopted or pending, do, in fact, represent political compromise rather than consistent economic planning, and that the simultaneous exercise of all these powers would get us into hopeless chaos. We must distinguish between the political legislation and the administrative economic program under the powers, if we are to see clearly or to hope for any good outcome. The President does not need to do all the things that he has authority to do, and there is every reason for believing that he intends to do only those things which he believes to be necessary to get the business machinery working. He has himself indicated very clearly, in connection with the agricultural legislation, that he regards it as experimental, intends to apply it experimentally, and, if it does not work well, to acknowledge it promptly. This experimental attitude is good, within limits. The danger comes if there are so many experiments that they breed un-

certainties, and if business men must be constantly altering their plans as the news from Washington varies from day to day.

Greater volume and more employment

There are those who believe that the way to start business going is to raise prices and wages by whatever method this could be accomplished, and that, in particular, a rise in the prices of manufactured goods and a rise in wage rates in factories should be the starting point. I think this view very definitely wrong. I think that what the factories need is greatly increased volume, and that what labor needs is, first of all, greatly increased employment. The price rises that we want to come first are in foodstuffs and in raw materials. Ultimately, as employment increases and as raw materials and foodstuffs rise, the aggregate of buying power in the country would be so greatly increased that the prices of manufactured goods and the wages of factory laborers can rise also, but this should be a later step, brought about by natural forces, by the markets, rather than a first step artificially forced. To get rising prices of manufactures, or even rising wage rates, before there is an increase in employment and an increase in volume of production, is merely to choke off demand, and to add to the misery of the millions of unemployed the additional burden of a rising cost of living.

PRICE LEVELS, DEBTORS, AND THE GENERAL ECONOMIC PICTURE

I want to say something about that school of economic thought which sees all our difficulties in terms of the price level, the general average of commodity prices, and which believes that if we could stabilize the general average of commodity prices, we should solve all our economic problems. They do not agree among themselves as to which price level is to be stabilized. Some wish to take the general average of commodity prices at wholesale, others would take the cost-of-living average, which would involve retail prices and rentals and perhaps wages of domestic servants, and should, of course, include physicians' fees and things of that sort.

Still others think in terms of a larger number of things which are bought and sold, including real estate itself and even stocks and bonds, and would make their price level wider than the commodity price level. But, in general, this school maintains that if we keep the price level stable, we should avoid all trouble. Rising prices generate speculation and unsound credits, falling prices rob debtors, and, if they go too far, make it difficult, and in many cases impossible, for debtors to pay their debts. The solution, from the standpoint of this school, is to strike at prices—not at particular prices, but at the general average.

Exclusive concentration upon the commodity price level as a criterion of credit and currency policy must necessarily lead to failure to use credit and currency policy properly with respect to other and at times much more important phases of the economic situation. Thus, in 1928 and 1929, after years of overexpansion of credit which had generated an absolutely wild stock-market boom, we were told by the advocates of commodity price stabilization, notably Professor Cassel, that we should not tighten money rates to check the stock-market boom because commodity prices had not risen, and that we should, in fact, increase the volume of credit because commodity prices had moved down moderately. Whatever may be said of commodity price stabilization, as one among several goals of credit policy, there are many other things also to be considered in the rest of the economic situation in determining credit policy. Exclusive preoccupation with commodity prices can lead only to disaster.

It is usual for adherents of this school to use the terms "value of money" and "general level of prices" as if the one were merely the opposite side of the other. When prices have risen they say that the value of money has fallen, and when prices have fallen they say that the value of money has risen. There is no harm in this if they are merely giving a definition of the value of money, though I don't think that such a definition is very useful. But there is great harm in this if they conclude from the fact that the general average of prices has risen or fallen that money is somehow or other to blame and that the remedy is to be found in currency manipulation.

It may or may not be true that the cause of a rise or fall in the average of prices is due to money. A rise in prices may be due to the fact that the world has increased its consumption of goods and decreased its production of goods, as was true during the war, so that goods become scarce and dear. It may be due, on the other hand, to money itself, as was the case from the middle nineties down to the war time, owing to the fact that the world's production of gold increased enormously, and that gold itself was cheapened. But the great fall in prices from 1929 to the present is, in my view, much more due to nonmonetary causes than to monetary causes, and I think that the remedy is to be found very much more in nonmonetary measures than in monetary measures. From the end of the war on, the world was busy in multiplying tariffs and other trade barriers which operated to prevent the marketing of goods. But, from 1922 on to 1929, we offset that by creating an unsound fabric of credit, which made it possible for lending countries to extend vast foreign loans to debtor countries, selling them goods without receiving goods in payment, and which enabled the debtor countries to consume far more goods than they could afford to consume on credit. Then, with the smash in 1929, these credits ceased, and repayments began to be demanded, and then the effect of the trade barriers, which prevented the normal marketing of goods, promptly manifested themselves, and the great international staples fell violently in price because they no longer had markets. Later, and more slowly, declines in other prices came, as the decline in the purchasing power of the producers of the great international staples made it impossible for them to absorb, in accustomed amount, the manufactured goods they were used to buying.

Price raising versus price stabilization

An interesting development of this school's line of thought is the doctrine, widely current today, that we should radically raise the level of commodity prices. In 1920 proposals were made that we should stabilize the prices then existing, and the doctrine was that it doesn't matter where prices are, so long as they are fixed, either a rise or a fall being regarded as an evil; but today we are being told that prices should be radically raised, and, in particular, that they should be raised to the level of 1926, this average being considered one that would be fair to debtors and creditors, or being considered one that somehow or other has a sacrosanct quality, for reasons not definitely stated.

Let me say that the effort to reach the 1926 level of commodity prices from the present level would involve a rise of about 66 percent, and that such a rise, put through by methods of currency manipulation in a short period of time, would involve all the evils against which the adherents of the price stabilization school have so eloquently warned us. It could come about only as the result of an immense speculative movement, in the course of which some prices would rise very much more than others. There would develop a new great unbalance in the price and cost system, and an immense instability in general economic life. There would develop also a great new group of speculative debtors. You cannot extend credit without creating debt. Credit and debt are opposite sides of the same shield. Every creditor has a debtor. Every debtor has a creditor. If we ease the burden of existing debtors by this method, it would only be to transfer that burden to another group, and we should have at that time the same kind of instability that we had in 1929, the same imminent disaster of violent reaction, and the same cry from ruined debtors for more credit and more currency manipulation. The adherents of the doctrine of relief from the present situation by currency and credit manipulation must set themselves much more modest objectives than the 1926 price level if we are to avoid disaster.

In the second place, however, while all of us would recognize that it is desirable to have a rising price level in the present situation, if it comes soundly, it is surely necessary to raise the question whether the desirable thing is to strike directly at the price level or to use indirect means for rectifying troubles that have led to the great fall in prices. A physician, dealing with a headache, does not usually rub the patient's head. He looks about to see if there is not a typhoid germ or something of that kind, or he considers whether there may not be a digestive upset. Even if we set a higher price level as an objective, we have still the question of whether we wish to strike directly at the price level or use indirect methods of reaching it. Moreover, the identification of the value of money with the reciprocal of the price level surely begs the whole question if it is to be made a premise in the argument. Is it money and currency that are at fault; is it gold that is at fault; or is it the strangling of the markets for goods and the disturbances in the balance among the different industries?

I am convinced that it is the latter primarily. I am convinced that it is, first of all, the excessive tariffs and other trade barriers which we have been so laboriously building up, year after year, and which we have so intensified since the great trouble began in 1929. I am convinced that if the London Conference is successful in getting these trade barriers down that there will come a great rise in commodity prices throughout the world. Each country will be able to dispose of those commodities which are most depressed in price, because produced in great excess within its borders, with an immense lift to the buying power of the producers of those things. The countries will balance one another, equilibrium will be restored, an immense wide-spread growth of employment will create additional pay rolls and additional buying power on the part of labor, an immense increase in the utilization of existing plant and equipment will create additional buying power for shareholders and partners in businesses, income growing out of increased production will support an immensely increased consumption, and prices will rise. We shall not need to force an expansion of credit. Expanding industry will invite an expansion of credit.

I should be greatly concerned if we set as our objective any particular level of prices. How far prices can safely rise without generating unreasonable speculation and unsound credits is not something we can tell about in advance. The tests of whether we have a wholesome situation are not to be found in any particular level of prices, but, rather, in whether there is a good balance among prices, full employment, and things of that kind.

Finally, I am very sure that no technique exists, even in theory, through which, by means of credit and currency manipulation, we could reach a particular price level and hold it. There are some to whom money is a very simple matter, and the question of monetary control is a very simple matter. They believe that by merely manipulating the quantity of money or the quantity of money and credit you can raise or lower prices as you please or you can hold them steady if you wish. It doesn't matter whether your money is sound gold money or irredeemable paper money. The question of quality makes no difference at all. It is purely a question of quantity. And the question of whether the credits are sound credits, based on moving goods for which markets exist, or whether they are unsound speculative credits based on fictitious values of real estate and securities or an unusable plant and equipment makes no difference.

To my mind, on the other hand, the question of the quality of money and the quality of credit is all important. I do not believe that sound money is possible which is not definitely linked to precious metal of fixed weight and fineness. I have no confidence whatever in the possibility of a managed paper currency divorced from gold. It has been a great satisfaction to me to see recent statements from Mr. Chamberlain in England to this same effect, and from President Roosevelt in his joint communiqué with the Italian representative, Signor Jung, that he, too, believes that gold must be restored as the standard of value.

Paper money, divorced from gold, without change in quantity, can fluctuate enormously in value, whether measured in the foreign exchanges or in the commodity price level at home I think that the worst possible state that the world could get into would be a welter of inconvertible paper in the main commercial countries, none of them anchored to gold, none trusted by the nationals of other countries, fluctuating in their relations day by day, introducing an incalculable speculative risk into every transaction, foreign or domestic.

We must get back to gold. One of the most important objectives of the London Economic Conference is precisely this.

There is likely to be, as a result of the unfortunate developments of recent years, and the unsound theories of recent years, a needless controversy between England and the United States in this London Conference over the particular rate at which the pound sterling and the dollar are finally stabilized. We have the feeling in this country that a high sterling is desirable, and our British friends have the feeling that a low sterling is desirable for them, each feeling that it has an advantage to gain by jockeying regarding this point. I am convinced that, from our point of view, the all-important thing is a strong and steady sterling, and that the particular rate is far less important than prompt settlement of the matter. We want a sterling which can bear its accustomed load in international commodity financing and in facilitating the flow of goods.

The notion that we must fix a price level which we desire and England a price level which she desires, and then try to adjust the gold stabilization rate to these price levels, seems to me a very dangerous notion, which can only lead to prolonged debate and interfere with the settlement. The fear that, if the rates are fixed too high for any particular country, that country may have to undergo some further downward price adjustment is not one which I should suppose need be considered, unless the rate were fixed very high indeed. Prompt settlement at London, including the lowering of tariffs and the stabilization of exchange, accompanied by a good modus vivendi regarding the interallied debts to be reached in separate negotiations, should cause such a radical upswing in general confidence and such a general rise in the level of world prices as to mean that the only difference for any country in a higher or lower rate of stabilization would be in the extent to which its prices rose rather than the fact of a rise itself.

The gold standard rules

In this London Conference questions will doubtless arise regarding the so-called "rules of the game" for the gold standard. I hope that our British friends will not ask us to repeat the errors which we made from 1922 to 1928 in generating an immense expansion of credit which, unneeded by commerce, went into securities, real estate, excessive foreign loans, and installment finance. I hope that they will put their emphasis upon the great fundamental that neither the gold standard nor any other monetary standard can work well if you have (a) excessive tariffs and trade barriers and (b) the gigantic creation of international debts. If only gold and securities are free to move across international borders, the securities turn bad after a while, and then there is not enough gold. That is quite true. But if trade barriers are moderated sufficiently so that there can be an adequate flow of goods throughout the world, so that countries which are in debt can increase their exports to the point necessary to pay their debts, then there is plenty of gold. The mobility of goods can supplement gold, and credits can be safely extended, because the goods against which they are extended can move from producer, through the markets, to consumer. In that case, a moderate revolving fund of credits can keep going a great volume of trade, while with the excessive trade barriers even a vast and growing body of long-term credits cannot permanently maintain trade.

GOVERNMENT CONTROL OVER BUSINESS

An address by Dean Arthur B. Adams

A new departure in our national policies in reference to the relationships of the Government to business is contained in most of the emergency legislation which has been put forth by the Roosevelt administration. The Inflation Act and the industrial-control measure in reality will mark the beginning of a new era in our national economic life as well as in our political policies. When the industrial control bill becomes a law this Nation will have abandoned, at least temporarily, the traditional policy of the preservation of competition and will have adopted one of forced elimination of competition. The provisions of the bill definitely limit the freedom of private initiative in business; when it passes, there will be enacted into law the policy of Government control over private business activities. As a result of this measure the Nation will have definitely abandoned the laissez-faire doctrine and will have adopted the policy of Government regulation of private business.

The industrial-control measure and the Inflation Act are complimentary acts, and so interwoven in their causes and effects that it is necessary to consider these acts together in order to understand the policies of the "new deal" in reference to the relationship of government to business.

The object of the Inflation Act is to raise artificially the general price level by deliberate reduction of the purchasing power of the dollar. The act provides that the President may cheapen the dollar through the use of one or the other of the following methods: (1) By reducing the gold content of the dollar; (2) by adopting bimetalism; (3) by a limited coinage of silver; (4) by issuing Government paper money; and (5) by forced inflation of bank credit. The President is given the power to use any or all of these means of cheapening the dollar in order to raise the general price level. Thus far he has declared the Nation off the gold standard and has used only the method of forced inflation of bank credit through the purchase of Government securities by the Federal Reserve banks in order to raise prices; but it is expected that he will use one or more of the other methods of cheapening the dollar as a result of agreements that may be reached at the forthcoming Economic Conference in London.

The industrial-control measure is designed, first, to maintain and to regulate prices by limiting industrial production through trade-association agreements in each industry. It is designed, secondly, to reduce and to regulate the number of hours of labor of each laborer in each industry, and thirdly, to raise real wages (purchasing power) of the mass of laborers of the country.

These three objectives are to be accomplished by the following methods: First, the bill permits all business enterprises in each industry to make joint agreements as to the volume of production, the hours of labor, and the rate of wages to be paid. These agreements are to be made through trade associations in each industry. Each agreement is to be subject to the approval of the Government and is to be administered under the supervision of the Government. In carrying out the provisions of the measure the Federal Government is to be given the power to force each business enterprise to cooperate with all other enterprises in the respective industries in making the trade agreements; the Government is to be given complete supervisory power over the carrying-out of all trade agreements. To make effective the power of the Government, each business enterprise is to operate under a Federal licensing system, and, in a case of violation of any of the provisions of the trade agreement, the license of any business enterprise may be canceled and the enterprise prevented from carrying on business. The industrial-control measure is truly an emergency measure if not a revolutionary one. Each business is to operate under Government supervision and control of its general business policies.

Why were these two drastic legislative measures decided upon by the administration? The main reason why they were decided upon was that private business demonstrated its inability to effect business recovery after more than 3 years of a disastrous business depression. There was a public demand that the Government do something about the business depression, and many business men and laborers requested that the Government present a plan to end the business depression. The depression became so bad that more than 12,000,000 workmen were unemployed and private charity was inadequate to support them. It looked as if the Nation would be forced to accept the dole system for the unemployed. Prices continued to fall and the burden of debts and taxes became so heavy that many debtors were unable to pay even the interest on their debts and taxpayers were unable to pay their taxes.

The natural course under the laissez-faire policy would have been to let business readjust itself on a lower price level, and to have forced debtors and creditors to agree to scale down the excess debts. A great number of people believed that such a method of readjusting business would have been too drastic, and that before the process would have been completed the majority of our business enterprises might be wrecked. Certainly, under the present circumstances, such a readjustment of business would have been a long-drawn-out one with little prospect of improvement in the unemployment situation. This was the view taken by the President; therefore his administration decided to force the price level up by the passage of the Inflation Act. As a result of the passage of the Inflation Act it became necessary that the administration also force a rise in real wages and a reduction in the hours of labor in order to maintain a balance between production and consumers' purchasing power under conditions of a rising price level. This was the immediate reason for the industrial-control measure.

Inflation of prices would not cure the fundamental problem of the inadequacy of real wages and consumers' purchasing power; the deficiency of consumers' purchasing power is the kingpin of our national economic jam. Inflation alone would produce only a national economic spree or jag which, when it ran its course, would leave the Nation in a worse economic condition than it now faces. Unquestionably inflation would increase prices temporarily and would cause a temporary increase in the volume of business and in the volume of production. Such a movement would slightly decrease unemployment. But, unless wages were increased more rapidly than prices, the beneficial results of price inflation would be temporary only.

In order to understand the heart of the economic impasse which confronted this Nation in March 1933, one must understand that our industrial system has passed from a state of a deficiency of capital and production to one of a surplus of capital and production; that the Nation has passed from a state where it was necessary for society to save all it could in order to increase the capital and production of the Nation, to one where it is neces-

sary for society to distribute a larger and larger proportion of the proceeds of production (or national money income) to wage earners so that the consumers of the Nation may have enough purchasing power to purchase the finished goods which are produced. Under the laissez-faire policy a smaller and a smaller percentage of the national money income went to labor. If industry is to operate again on a normal basis, a smaller percentage of the national money income must go to property owners in the form of interest and profits and a larger percentage of it must go to laborers and to small business men as wages and wages of management. Only by increasing the real purchasing power of consumers and decreasing the surplus funds for new investments can industry find a market for the goods which it is able to produce.

Under the laissez-faire policy, when prices go up the rise in wages lags behind the increase in prices. This lag of wages behind prices causes a decrease in the actual purchasing power of consumers; a shortage in consumers' purchasing power would bring about another business depression. In order to force wages up under conditions of rising prices it was necessary for the Government to assume control over the wage scales of industry. Also, because of the growth of mass production and the use of automatic machinery, there was an enormous amount of unemployment in this country in 1929 before the depression started. If we are to have business recovery, it is necessary to reduce the hours of labor of workers in order to increase the number of jobs for the unemployed; the natural tendency of competitive private industry is to increase the hours for employees when profits are low. Low wages and long hours are the fundamental reasons why the industrial-control measure was formulated.

Again many of our big business men have maintained that our antitrust acts which prohibit trade agreements among competitors made it impossible for industry to adjust production to the market demand. They take the position that under conditions of higher wages and shorter hours it will be necessary for the different business enterprises to agree upon the volume of production in order to keep down overproduction and ruinous prices. The production-control provision of the proposed law was a concession to the business interests on the part of the administration in return for the concession which business is to make in reference to the higher-wages and shorter-hours provision of the law.

We may summarize the reasons for the inflation and control acts as follows: The Inflation and Industrial Control Acts were decided upon because it was the opinion of the President and his advisers that it would be impossible to have an orderly business recovery without having an increase in the general price level. By the time the Inflation Act became a law it became evident to the administration that the ultimate success of inflation would depend upon an increase in the money income of the consumers of the Nation at least equal to the increase in the prices of consumers' goods. In other words, it became evident that if a balance between production and consumption was to be maintained, and that if the unemployed were to be reemployed with an improvement in business, the Government must force a rise in the wage level and a reduction in the hours of labor.

Will these acts prove to be successful and beneficial? Inflation will prove to be a benefit to the Nation if it can be and is controlled. Heretofore inflation has never been controlled, but the Inflation Act puts into the hands of the President of the United States the power to control the amount of inflation. It is the theory of the act that the Presiden will stabilize the general price level at somewhere near the 1926 price level and that he will succeed in getting other nations to do likewise. If he succeeds in this policy, inflation will not be a detriment to the Nation; but should he fail, the act may prove to be disastrous to our business edifice.

The administration of the control measure will be one of the most delicate and complicated problems that has been attempted by our Federal Government. Its administration will require the formulation of definite industrial plans for each industry affected by the law. To do this wisely and fairly will necessitate the employment of our most expert and most honest business managers and national economists as administrators of the act. The bill now provides for a 1-man administrator as the responsible head who will employ his advisors and assistants. The plan seems to be to have an advisory board of 10 experts—5 representing employers and 5 representing labor and the public.

In the formulation of trade agreements for each industry there will be the problem of deciding on the correct volume of output and the distribution of the quotas of production among the different enterprises. The decision on the exact wage scales and hours of labor in each industry will not only be difficult from the standpoint of social justice but decision on the questions will be a battle between immediate self-interest and public welfare and justice. The soundness of the decisions on each of these three great problems in each industry will depend more upon the public honesty than upon the technical wisdom of those making the decisions.

According to recent newspaper dispatches from Washington, the administration is planning on using several dollar-a-year men in the administration of the control measure. I question the advisability of such a policy. The dollar-a-year men were by no means entirely satisfactory as agents of the Government in administering war-regulatory measures. The principal functions of the wartime dollar-a-year employees was to stimulate production and to keep prices down and profits reasonable. They succeeded in stimulating production, but they did not succeed in keeping prices down and profits reasonable. The principal job of the administrators of the new control measure will be to regulate production (to limit it, but not too much) and to raise wages and shorten hours. I fear that the dollar-a-year men would not be disposed to materially raise wages and shorten hours, and I fear also that their control of production would be to unduly limit output in order to push prices up and to keep them high.

The great bulk of the dollar-a-year men in Washington during the war were really representatives of various industries—from which they received their incomes while in Washington—and as public officials the majority of them served their industries first and the public last or not at all. Would not the dollar-a-year men employed to administer the new control measure go to Washington to serve their particular industries specifically, rather than go there to serve the Government and the general public interest?

The success or failure of the industrial control measure will depend largely upon whether big business dominates the control policy in the interest of immediate profits or whether the Government dominates the policy in the interest of a permanent higher national money income and a balance between production and consumption. If the act is dominated by big business to serve its immediate ends, prices will be forced up and production will be limited unduly, but real wages will not be increased in proportion to the increase in the price level and there will result a shortage of consumers' purchasing power.

Should the control measure be administered by the Government to serve the ultimate interest of the Nation, profits would thereby be limited and big business might object to the administration of the measure and attempt to make it unpopular with the public. However, should the measure be administered in the interest of immediate profits to business, big business would cooperate with the Government, but an administration in the interest of immediate profits would result in a shortage of consumers' purchasing power, and another disastrous business depression would result. In other words, the act wisely and correctly administered may not be generally popular with big business, but if it is not wisely and correctly administered, it will ultimately bring disaster to both big business and the public.

[Editorial from the New York Herald Tribune]

THE GREAT EXPERIMENT BEGINS

The passage of the industrial recovery bill has been accompanied by statements from the president of the National Association of Manufacturers and the president of the Chamber of Commerce of the United States endorsing its main provisions and calling upon business to give its administration whole-hearted cooperation. This is the proper spirit. The vast experiment the new law launches in the governmental regimentation of industry must be undertaken with good will and forbearance on both sides. Only so can its risks be minimized and the country be spared the application of a dictatorship ruinous economically and socially.

Both of the spokesmen mentioned very naturally stress the advantage to business in the bill's relaxation of the antitrust laws. This, of course, is its compensatory feature. They also voice their confidence in its administrator, presumably Gen. Hugh S. Johnson, who has been organizing his staff and perfecting his plans to give the bill's provisions immediate effect. Here is the most hopeful note in the whole discussion. For on the administration of the statute, far more than on its terms, depends the success of the experiment.

All of which suggests that the real test of the Roosevelt regime is now at hand. Congress has given the President virtually every power he has asked for, comprising a greater authority than was ever wielded before by a peace-time Executive in the history of the country. The Nation's currency, its agriculture, industry, and transportation are all now subject to his control to a degree inconceivable a few months ago. With Congress out of the way, he must proceed at once to prove that he has the wisdom to exercise this prodigious trust in a way not only to solve the problem of the emergency but to preserve the national heritage. By the latter we mean, of course, that complex of institutions and customs, political, social, and moral, at the foundation of American life. There can be no victory that sacrifices or alters them.

Significant beyond measure, therefore, will be his choice of those to whom he must delegate his authority. If he continues to confide it to men like General Johnson, the country, while vigilant, will follow his leadership in the faith that his intention is not to remake but to restore America. On the other hand, should he begin picking for key positions political favorites or radical theorists, it will know that ahead of it lies not the United States of its dreams but the Union of Soviet Socialist Republics.

But let none of us anticipate this contingency. Every patriot today owes the President the benefit of the doubt and his full cooperation in making a success of the extraordinary program settled upon.

PRINTING OF NATIONAL INDUSTRIAL RECOVERY BILL (S.DOC. NO. 76)

Mr. HARRISON. Mr. President, I ask that House bill 5755, 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, as agreed to in conference, be printed as a Senate document. My reason for making this request is that it may be several days before the bill will be signed, and there is quite a request for copies of it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

BEDFORD COUNTY, TENN.—TRANSFER OF JUDICIAL DISTRICT

Mr. BORAH. Mr. President, from the Committee on the Judiciary I report favorably House bill 5909, to transfer Bedford County from the Nashville division to the Winchester division of the middle Tennessee judicial district, and I call the bill to the attention of the Senator from Tennessee [Mr. McKELLAR].

Mr. McKELLAR. Mr. President, this bill merely provides for the transfer of one county in Tennessee from one division of the middle district to another. I ask unanimous consent for the immediate consideration of the bill.

Mr. McNARY. I have no objection.

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Bedford County of the Nashville division of the middle district of the State of Tennessee is hereby detached from the Nashville division and attached to and made a part of the Winchester division of the middle district of such State.

CONFIRMATION OF J. ELLIOTT RIDDELL TO BE COLLECTOR OF CUSTOMS, KENTUCKY

Mr. BARKLEY. Mr. President, earlier in the day the President sent to the Senate the nomination of Mr. J. Elliott Riddell, of Kentucky, to be collector of customs. I have been authorized by the Committee on Finance to report the nomination favorably, and I so report it. I ask unanimous consent, as in executive session, that the nomination be confirmed.

The VICE PRESIDENT. The clerk will read the nomination.

The legislative clerk read the nomination of J. Elliott Riddell, of Kentucky, to be collector of customs for customs collection district no. 42, at Louisville, Ky.

The VICE PRESIDENT. The question is, Shall the Senate advise and consent to the nomination?

Mr. McNARY. Mr. President, is this the nomination of a collector of customs in Kentucky about which the Senator spoke to me?

Mr. BARKLEY. Yes; this is the nomination.

Mr. McNARY. I have no objection.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask unanimous consent that the President may be notified.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

NOTIFICATION OF THE PRESIDENT OF CONFIRMATION OF HERBERT J. DRANE

Mr. FLETCHER. Mr. President, I ask unanimous consent that the President may be notified of the confirmation of the nomination of Herbert J. Drane to be a member of the Federal Power Commission.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

REPORT OF JOINT COMMITTEE TO INVESTIGATE DIRIGIBLE DISASTERS (S.DOC. NO. 75)

Mr. WALSH. Mr. President, I present a report from the Joint Committee to Investigate Dirigible Disasters. I ask that the report be printed and referred to the Committee on Naval Affairs.

Mr. KING. Mr. President, does the Senator expect to have the report printed in the RECORD?

Mr. WALSH. No; I do not ask that it be printed in the RECORD. I should have said that this is a majority report, not a unanimous report.

Mr. KING. As a member of the joint committee, indeed the chairman of the committee, I was unable to participate in the closing hours of the hearing because, as a member of the Finance Committee, I was compelled to take part in the conferences upon the industrial recovery bill.

The report of the special committee on the *Akron* disaster was presented by the committee's attorney, and it was agreed to, I am advised, by the members of the committee, except the Senator from California [Mr. JOHNSON] and myself. I have had no opportunity to examine the report because of the multiplicity of my public duties, but I have been advised of the nature of it and the findings of those submitting the majority report. I do not agree with the majority report and desire to file a minority report as soon as time permits. I ask permission to submit a minority report as soon as possible after adjournment and request that it be printed with or following the majority report.

Mr. WALSH. The members of the joint special committee join in the request that that be done.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

RECESS

Mr. ROBINSON of Arkansas. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 47 minutes p.m.) the Senate took a recess until tomorrow, Thursday, June 15, 1933, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 14, 1933

COLLECTOR OF CUSTOMS

J. Elliott Riddell, of Louisville, Ky., to be collector of customs for customs collection district no. 42, with headquarters at Louisville, Ky., to fill an existing vacancy.

CONFIRMATION

Executive nomination confirmed by the Senate June 14, 1933

COLLECTOR OF CUSTOMS

J. Elliott Riddell to be collector of customs, district no. 42, Louisville, Ky.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 14, 1933

The House met at 12 o'clock noon, with the Speaker pro tempore [Mr. BANKHEAD] in the chair.

Rev. Edward P. McAdams, pastor of St. Joseph's Church, Washington, D.C., offered the following prayer:

God of our fathers, who has elected the people of these United States to be the torchbearers of Thy truth and of Thy knowledge in these days of distress among the nations, vouchsafe, we beseech Thee, to infuse into the minds and hearts of their assembled Representatives the spirit of Thy wisdom, knowledge, counsel, and understanding, and that in their deliberations and by their enactments they may be actuated to the perpetuation of Your ideals, the consummation of Your plans, the furtherance of Your will, the relief of distress among the nations of the earth, to the spiritual advancement and to the physical prosperity of the people of this country. 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 had passed without amendment a concurrent resolution of the House of the following title:

H.Con.Res. 23. Concurrent resolution authorizing the enrollment, with amendments, of H.R. 5661, the Banking Act of 1933.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, 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; that the Senate insists upon its amendments to said bill, requests a conference with the House thereon, and appoints Mr. BRATTON, Mr. GLASS, Mr. McKELLAR, Mr. HALE, and Mr. KEYES to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1869. An act relating to the manner of appointment of certain officers of the United States.

FOURTH DEFICIENCY APPROPRIATION, 1933

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table 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, with Senate amendments, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. BUCHANAN, TAYLOR of Colorado, AYRES of Kansas, OLIVER of Alabama, TABER, and THURSTON.

Mr. BUCHANAN. Mr. Speaker, for the information of the House, I think within 20 minutes we will have a conference report on this bill.

Mr. SNELL. I would say that is very fast work.

HOWARD UNIVERSITY—COMMUNISM

Mr. DE PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DE PRIEST. Mr. Speaker, at the session last night I happened to be absent when my colleague from North Carolina [Mr. BULWINKLE], made some remarks about Howard University. I am glad to see the gentleman on the floor today. I know nothing about the remarks made by Dr. Johnson, charged to him in the Chicago Defender, but I do know that every Member of Congress has been misquoted by newspapers. Every man in public life is usually misquoted by newspapers. If Dr. Johnson is guilty of teaching communism at Howard University, then it is about time Howard University had a new president. [Applause.]

I never have been in favor of communism. I think the Members on this floor know that. In every talk I have made I have been against it, but I am not willing to condemn Dr. Johnson by a report published in a newspaper. The Members of this Congress ought to know, since Congress is making liberal appropriations for that university, so I sent to Dr. Johnson this morning for a statement of his stand on communism. I think we are entitled to know the situation, but I also know the newspapers, and I know the Chicago Defender. It is in my district. I know it very well.

Mr. Speaker, I am going to ask unanimous consent that the Clerk read to the House Dr. Johnson's statement, so that you can hear for yourselves just what he has to say about it. This is a statement issued to the press, denying that he believed in communism, just after this article came out in the Chicago Defender. I ask unanimous consent that the Clerk may read this.

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, I should like to ask whether or not specific inquiry was made of the president of Howard University whether or not he made the statement attributed to him, that the gentleman from North Carolina [Mr. BULWINKLE] put into the RECORD last night? Was he asked whether or not he made those statements?

Mr. DE PRIEST. Dr. Johnson is not in the city. I asked his secretary to send me the release that he wrote immediately after the statement came out in the press.

Mr. BLANTON. Does this explanation come from the president of Howard University?

Mr. DE PRIEST. It comes from the secretary of the president of Howard University.

Mr. BLANTON. It does not come from the president, himself?

Mr. DE PRIEST. This is a statement that Dr. Johnson issued himself.

Mr. BLANTON. But we ought to know whether or not he made the statement attributed to him; not his general ideas about the matter but whether or not he made the statements that were attributed to him by the press and which were put into the RECORD last night. That is what we should like to know. I agree that if he did make those statements Howard University ought to have a new president.

Mr. DE PRIEST. We agree on that.

Mr. BLANTON. I do not think a statement from his secretary should be read.

Mr. DE PRIEST. No. This is a statement he issued himself.

Mr. BLANTON. Then we ought to follow that up and get a "yes" or "no" statement as to whether or not he used the language attributed to him.

Mr. DE PRIEST. I am willing to go farther than that. I am willing to have this Congress investigate the whole thing. We want to know what is going on. I do not think it is good Americanism to teach communism to the students of this country. [Applause.] We have had outbursts in several colleges lately. Some students have been suspended from school for spreading that kind of propaganda.

Mr. BLANTON. Unfortunately, it is not only Howard University that is involved. It is also some of the large white universities, and they ought to be cleaned up, and the American father should investigate and send his son only to institutions in the United States that do not teach communism. [Applause.]

Mr. DE PRIEST. I am happy to say that this is one time the gentleman from Texas and I agree on something. [Laughter.]

Mr. BLANTON. I, too, am gratified immensely that I can heartily endorse the patriotic American utterances which our colleague from Illinois has used so eloquently in denouncing un-American communism.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. DE PRIEST]?

There was no objection.

The Clerk read as follows:

BRIEF SUMMARY OF VIEWS ON COMMUNISM EXPRESSED BY PRESIDENT JOHNSON IN HIS BACCALAUREATE SERMON, JUNE 4, 1933

"I am not a Communist. I am always on my guard against any dogmatic panacea for the settlement of the complex difficulties which confront us in the modern world. On the other hand, I am not in accord with those who believe that the best way to deal with communism is to persecute those who believe in it. And I am not of the opinion that patriotism requires any thoughtful man to subscribe to the doctrine that there is nothing good to be found in the Russian experiment. The determination of the leaders of this movement to make use of modern scientific and technical resources to emancipate the masses of the people from poverty and its ills, including the disease of acquisitiveness, is a commanding undertaking which no modern nation can ignore. The enthusiasm and devotion with which they give themselves to their major purpose is suggestive of the kind of idealism which religion has always felt to be precious. The way to meet this new movement is not to persecute those who believe in it, or merely to focus attention upon the errors and perversities which may appear therein, but to beget on our own soil and in a manner consistent with the religious and political beliefs of our fathers, a movement which sets forth objectives no less splendid and which can arouse the whole-hearted allegiance of our citizens. Many men in America are trying to do this. Their work is timely, their patriotism is wise, and their following will increase."

Mr. COCHRAN of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DE PRIEST. I yield.

[Here the gavel fell.]

Mr. DE PRIEST. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COCHRAN of Missouri. I agree with the view expressed by the gentleman from Illinois. It is not only Howard University, but a few days ago the mother of a student in one of our public high schools in the District

of Columbia told me that her son had advised her that one of his teachers had a Soviet primer translated and had read it to the class in high school.

Now, the gentleman from Texas [Mr. BLANTON] is a member of the Appropriations Committee and is a member of the subcommittee on District of Columbia Appropriations. I have told the gentleman from Texas what this lady told me, and I am going to get that teacher's name and turn it over to the gentleman from Texas. Knowing the gentleman from Texas as I do, I am sure before he gets through with this teacher, if she read that primer as charged, she is going to find herself out of a job.

Mr. BLANTON. The difficulty about the matter is that the Committee on Appropriations acts merely as the servant of the House, and it cannot legislate. It can only appropriate. It has to appropriate according to legislation that is passed in the House. It cannot pass legislation itself.

Mr. COCHRAN of Missouri. But the gentleman can bring out information and knows how to do it.

Mr. BLANTON. I am in favor of cutting off all appropriations from any teacher who teaches communism in the United States.

Mr. COCHRAN of Missouri. I will have the information for the gentleman in a few days.

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

Mr. DE PRIEST. I yield.

Mr. SISSON. Will the gentleman from Illinois tell the House what occasioned this statement which has just been read into the RECORD from the president of Howard University?

Mr. DE PRIEST. It is an answer to newspaper charges that he preached communism.

Mr. SISSON. But he merely said in substance that he thinks there may possibly be something in the Russian experiment. Does the gentleman think that is objectionable?

Mr. DE PRIEST. I am not trying to defend Dr. Johnson.

Mr. SISSON. Would the gentleman deny the right of free speech in America?

Mr. DE PRIEST. I have presumed that in America the people had the right of free speech, but this involves a school sustained in large part by money appropriated by the Federal Government. I do not think this school or any other institution in America which teaches un-American doctrines should receive Federal aid. [Applause.]

Knowing Dr. Johnson as I do; knowing Dr. Johnson as a Baptist minister in favor of God and God's teachings, and knowing that communism is against the teachings of God, I cannot believe he is a Communist.

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

Mr. DE PRIEST. I yield.

Mr. BOYLAN. In the statement read by the Clerk I do not think there was a definite statement from the doctor. I think the matter should be looked into further and a more definite statement obtained from him as to his attitude on this question. Does the gentleman agree with this? I ask this question as a friend of Howard University and as a supporter of the appropriations for its maintenance.

Mr. DE PRIEST. Mr. Speaker, I may say for the benefit of the gentleman from New York that I will prepare a resolution this afternoon to investigate communism as taught in the American schools, all of them. Let us know what is going on in our school system. These long-haired communistic professors are ruining some of our children in many of our institutions. [Applause.]

Mr. BLANTON. Mr. Speaker, availing myself of the privilege the House accorded to Members to extend, I want to commend with all my heart the patriotic expressions against communism made by our colleague from Illinois. He demonstrates his fitness as a leader of his colored race. If such sound doctrine of patriotism were preached by all colored leaders it would be impossible for the destroying blight of the red flag of Russia ever to gain a foothold in the hearts of colored people.

In connection with what has been said today and yesterday about Dr. Johnson, president of Howard University, I received in my mail from New York this morning an issue of the New York Age, which carries at the top of its front page this slogan: "The national Negro weekly. Accurate and dependable." It was printed in New York on Saturday, May 27, 1933. This paper brought the information that on Thursday night, May 18, 1933, before a large audience at the Mount Olivet Baptist Church, One hundred and Twentieth Street and Lenox Avenue, this president of Howard University, Dr. Mordecai W. Johnson, dumbfounded his audience by saying that communism is a religion and that religion is not so much about God but about the nature of the world, and that he did not mind being called a Communist, as the day will come when "being called a Communist will be the highest honor that can be paid to an individual," and he further said that "that day is soon coming." This colored newspaper claimed that over a year ago this Dr. Johnson was severely criticized for similar statements.

This New York Age further asserted that Dr. Johnson seemed to be in hearty accord with the practice of the Soviet Union of putting all women to work, his claim being that women are still the slaves of men.

This colored newspaper, the New York Age, took the position that it was none of its business whether Dr. Johnson was a Democrat or Republican, or Socialist, Fascist or Communist, as he had a perfect right to his own opinions, but inasmuch as he is the president of Howard University, which is the largest institution of higher education in America for young Negro men and women, and that the funds for this university and his own salary are provided by the United States Government, it behooves him to exercise judgment and display discretion when speaking in public. And this colored newspaper expressed the fear that Dr. Johnson is not rendering any good service either to Howard University or to the young colored men and women of America.

I sincerely hope that our colleague from Illinois—who is in a most strategic position to do it—will carefully check up these alleged utterances of this president of Howard University, and if he has been quoted correctly, he should demand that as a menace to Americanism and good government, he should be removed from this institution. If the charges are untrue, he should be exonerated.

Mr. LAMBETH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

Mr. McFADDEN. Mr. Speaker, reserving the right to object, and I do not intend to, I should like to address the House for 10 minutes following the gentleman from North Carolina.

The SPEAKER pro tempore. The Chair will put the gentleman's request later.

Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. LAMBETH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks by appending to them a speech delivered by the Honorable Cordell Hull, Secretary of State, chairman of the American delegation, before the World Monetary and Economic Conference at London this morning.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina? The Chair hears none, and it is so ordered.

Mr. LAMBETH. Mr. Speaker, I have been striving diligently to secure the floor since Monday in order to avail myself of the first opportunity to reply briefly to the speeches delivered Saturday by the gentleman from New York [Mr. FISH], the gentleman from Massachusetts [Mr. TINKHAM], and the gentleman from Pennsylvania [Mr. McFADDEN].

At the outset I wish to make clear to them and to the House that what I say will be said in the utmost good spirit and good humor. With two of these gentlemen I have enjoyed a very pleasant association on the Foreign Affairs Committee and I am happy to count all three of them as my personal friends. However, the subject matter of their addresses of Saturday is of such importance not only to the

House and to our country but to the entire world that I am constrained to trespass briefly upon their indulgence and yours.

These gentlemen combined against the London Conference in an onslaught which was magnificent but not war.

It was not war, I say, because war implies an enemy. And these gentlemen were attacking their own Government, together with a project of that Government which even they would hardly condemn as in itself bad.

The fact is they did no more than exhibit pardonable, because uncontrollable, weakness common to all three. I mean that they did what they have been doing with various degrees of frenzy whenever the word "international" or anything like it was used.

Upon hearing read an appropriation item for the International Monetary and Economic Conference, the honorable and gallant gentleman from New York suffered such an eclipse of his ordinarily sound ethics that he persisted over the protest of his own leader and distinguished colleague [Mr. SNELL] in violating an agreement against points of order. And why? I can only guess what his modesty prevented him from saying with regard to a most conspicuous omission of which the President was guilty in appointing the delegates. Actually the President had left out the ranking minority member of the House Committee on Foreign Affairs, the honorable and gallant gentleman from New York.

I must add that the point of order was overruled as pointless and that this devoted effort to protect the country against the presidential blunder went awry. The objector "took nothing by his clamor", as the honorable and learned gentleman from Massachusetts might say.

By way of avoiding the slightest dispraise of him, I concede the natural effect when he learned who had and who had not been appointed delegates. He got wounded at the opposite end of the foot from where Achilles was. But I would have suggested consultation with a good chiropodist rather than exhibition of the injured member in any such way.

Hear the complaint: "Since 1920, under Republican administrations, such well-known and distinguished Democrats as Oscar Underwood, Owen Young, Bainbridge Colby, Joseph T. Robinson, and Claude A. Swanson have been appointed and have served as delegates at important international conferences." But in 1933 under a Democratic administration only Senator COUZENS, among Republicans, was appointed, not the ranking minority member of the House Foreign Affairs Committee, the honorable and gallant gentleman from New York.

Hear again: "None of the delegates has had any experience in international conferences or European affairs. None has any knowledge of foreign languages or has traveled extensively abroad or understands conditions there. In brief, the American delegation represents the 'new deal' at the International Conference, or 'innocents abroad', and naturally the London Conference is doomed to failure." So instead of considering the delegates eminently qualified by their supposed ignorance of anything foreign, as he should logically do, he only saw their inferiority in accomplishments to the ranking minority member of the House Foreign Affairs Committee, the gentleman from New York.

One of the delegates, Senator KEY PITTMAN, of Nevada, is from the least-populous State in the Union, we were told by the gentleman from the most populous State in the Union, who further reminded us that "the great States of New York, Pennsylvania, and Illinois are unrepresented, as is also New England."

Still another criticism was that all the American delegates are over 60 years of age. What a contrast with the youth of the gallant gentleman from New York!

Now, I want to ask what possible good the honorable and gallant gentleman and his two associates expect to accomplish by damning the American delegation and the Economic Conference in advance.

Surely the state of the country and of the world is such that even though we can expect little of disarmament conferences until peace has been made in Europe, the most jealous nationalist may well look toward increased economic cooperation with hopeful eyes. Probably not much can be done in lowering tariff barriers. The conference may not completely solve the problem of an international monetary yardstick or standard. Commodity prices may not receive any immediate boost. But what harm can it possibly do, assuming that the President knows his own mind and that our delegates are not imbeciles, for representatives of some 65 countries to discuss such things?

In this general connection it has been well pointed out that many of the common economic difficulties are not international at all, except in their universality; but really spring up within national areas. If Canada or Sweden or Argentina has found a good way of dealing with some trouble by no means confined to her, why should we not learn it? We have thus learned from others, as they have likewise learned from us, time and time again. The International Monetary and Economic Conference at London comes at a period when the exchange of counsel along many economic lines is more needed than ever before.

From any conceivable point of view, the Conference is one string to the country's bow. Even if it fails completely, it will have been worth trying. Then President Roosevelt and the rest of us will know what we can count upon and what we cannot count upon. A program of increased self-dependence, of more nationalism rather than less, will follow. Congress, with the hearty assent of the country, has just conferred upon the President most abundant powers. But few of us, and least of all such interests as our cotton and tobacco growers, can consent to look with actual indifference upon the question of foreign trade.

In our great enterprise at London we can regard our delegates with the fullest pride and faith. An unofficial commentator of recognized authority estimates them thus: "No American delegation has ever been more highly respected, or even feared, abroad. This is due to a realization of the hard practicability of the American position, though married to the usual American idealism. The delegation unfailingly emphasizes that business recovery is entirely possible within America's own borders, irrespective of international accords."

Mr. Speaker, I do not expect miracles from the London Conference. All of us recognize the vast difficulty in securing satisfactory agreements out of a conference of 60 different individuals, not to speak of all the nations. The hopes of a war-worn and depression-weary world have looked up to the London Conference under the leadership of such men as President Roosevelt, Ramsay MacDonald, and others. We do expect from the Conference at least an agreement to stabilize international exchange, so that foreign trade can be resumed. Without such an agreement, we can look forward only to chaos so far as trade relations with the rest of the world are concerned.

Secretary Hull, speaking for our Government, in London today said:

> If, which God forbid, any nation should obstruct and wreck this great Conference with the short-sighted notion that some of its favored interests might temporarily profit while thus indefinitely delaying aid for the distressed in every country, that nation will merit the execration of mankind.

In like manner, Mr. Speaker, any representative of the American people who is so hostile toward this conference as wantonly, gratuitously to prophesy its complete failure will bring down upon himself the execration of the American people.

Again, I ask, what possible good can the tactics of these three gentlemen do?

TEXT OF SPEECH DELIVERED BY THE HONORABLE CORDELL HULL, SECRETARY OF STATE, CHAIRMAN OF THE AMERICAN DELEGATION, BEFORE THE WORLD MONETARY AND ECONOMIC CONFERENCE, LONDON, JUNE 14, 1933

Mr. Chairman, it is appropriate that the nations should meet in this great capital to deal with the crisis which besets them all. The compelling necessity for the present meeting of chosen representatives from 65 nations has been demonstrated by disastrous experience. The whole panic-ridden world is looking to this Conference for leadership with a program of basic relief, and every participant here must realize at the outset that distressed peoples

in every land expect concord, cooperation, and constructive results from these proceedings. The success or failure of this Conference will mean the success or failure of statesmanship everywhere, and a failure at this crucial time would long be conspicuous in history.

It is universally agreed that economic calamity, with attendant losses, sufferings, and hardships unparalleled in our time, have for 3½ years afflicted each nation and the world in common. Depleted treasuries, collapsed price levels, a destroyed international finance and commerce, greatly diminished domestic production and consumption, 30,000,000 of unemployed wage earners, a prostrate agriculture, universal monetary and exchange instability, mountainous debt and tax burdens constitute some of the awful panic experiences of recent years. The people of all nations now realize that despite unbounded opportunities they are actually worse off and more insecure than they were 12 years ago and that the necessity for new policies and new leadership is obvious and urgent.

This is a conference of representatives of sovereign governments; I have absolute faith in its complete ability, power, and disposition to move the world, and this it will accomplish if it promulgates a program which, in conjunction with suitable domestic programs everywhere, will restore confidence, employment, and full and stable prosperity alike in every country. We would be false to the trust reposed in us by the anxious audience of humanity everywhere if this great tribunal were complacently to adjourn with the humiliating implication that we are incapable of providing new policies at all and that the same nation-destroying, world-wrecking economic policies that have been in operation since the war must continue.

If we are to succeed, narrow and self-defeating selfishness must be banished from every human heart within this council chamber. If, which God forbid, any nation should obstruct and wreck this great conference with the short-sighted notion that some of its favored interests might temporarily profit while thus indefinitely delaying aid for the distressed in every country, that nation will merit the execration of mankind.

Ignoring all realities all nations have strenuously pursued the policy of economic isolation, each futilely and foolishly striving to live a hermit's life.

The cherished idea of the extreme type of isolationist that each nation singly can, by boot-strap methods, lift itself out of the troubles that surround it has proven fruitless. Each nation by itself can to a moderate extent restore conditions by suitable fiscal, financial, and economic steps. Thus the administration of President Roosevelt has within 3 months adopted an effective domestic program to promote business improvement in the fullest possible measure. The equal necessity for an equally important international economic program of remedies is clear. A brief examination of existing problems and conditions and the underlying influences chiefly responsible for their creation sustains this conclusion.

When every nation is visited by disastrous panic it is for the isolationist a mere coincidence. For him no panic has an international character, cause, or cure. He credulously believes that the present depression just happened to come upon all countries at the same time and that, despite demonstrated failure to do so since 1929, each by its own local program can at will restore full prosperity.

Economic nationalism as practiced since the war comprises every known method of obstructing international capital and trade, such as high tariffs, quotas, embargoes, exchange restrictions, and depreciated currencies. Many governments, by manifesto, are constantly changing their tariff and other obstructions so that their utter lack of stability is seriously destructive of business. These trade barriers inevitably caused a disastrous reaction upon production, employment, prices, and distribution within the confines of every nation. Under the ravages of these combined methods of extremism uncounted millions of people are starving in some parts of the world while other parts are glutted with vast surpluses. Raw materials are fenced off from factories, factories from consumers, and consumers from foodstuffs.

How many nations can get along without world trade? The indispensable nature of international commerce is better understood when we recall that most Latin American countries ordinarily sell abroad from 30 to 85 percent of their total production of movable goods; England must sell 25 percent; Germany, 30 percent; Canada, 30 percent; Australia, 30 percent; New Zealand, 40 percent; and Japan, 45 to 60 percent. A serious decline of the international market can cause a severe impairment of the economic and financial life of these large exporting countries, and this in turn dislocates all foreign trade and, as has been demonstrated during this panic, cuts deeply into all production and throws tens of millions of wage earners out of employment.

The strangulation of international trade from more than $50,000,000,000, the amount it should be according to the prewar rate of annual increase, down to a rate less than $15,000,000,000 reveals a most tragic phase of this short-sighted and ruthless policy. An international transaction has become an exception rather than a rule. Each country proposes to sell but not to buy, to export but not to import, and to get rich at the expense of the other.

The inevitable effect of these contradictory practices has been to reduce to the lowest level all prices of primary commodities bought and sold in world markets with similar effects upon commodity prices back in each country. The inability of peoples in different countries to transfer goods in payment of balances strains all domestic financial structures. Currencies and exchanges become unstable. These practices, offensive and defensive, have forced business in every nation to an artificial basis and plunged the world into economic war.

The more extreme proponents of these disastrous policies in operation during the post-war period, in a spirit of mistaken selfishness or unreasoning fear, have insisted strenuously upon the very minimum of economic contacts with other nations. Their slogan has been the talismanic word "prosperity" and each nation living by itself was to grow rich and the people everywhere were to wax fat and be clothed in purple and fine linen. In their eyes it was unpatriotic not to buy home-made goods regardless of costs.

In the making of tariffs thought was given only to the safeguarding of the home market, even to the extent of protecting the more inefficient individual businesses, inefficient industries, and industries clearly not justifiable economically. No serious thought was given the disposition of surplus production through exchanges. The home market was to be kept separate from the world market and prices bearing no relation to those of other countries would be fixed arbitrarily within each nation.

Has not the time come for governments to cease erecting trade barriers with their excesses, rank discriminations, and hate-breeding reprisals and retaliations?

Honest intelligence now compels the admission that nations are substantially interrelated and interdependent in an economic sense with the result that international cooperation today is a fundamental necessity. The opposing policy of self-containment has demonstrated its inability either to avoid or arrest or cure the most destroying depression in all the annals of business.

This Conference should proclaim that economic nationalism as imposed upon the various nations is a discredited policy; and from those who insist that the world should continue in this discredited policy the Conference must turn aside. Many measures indispensable to full and satisfactory business recovery are beyond the powers of individual states. The extreme difficulty is manifest of one nation by itself undertaking largely to reduce its tariffs or to remove exchange restrictions or to stabilize its exchange and currency or to restore the international financial credit and trade structure.

It is equally true that mutually profitable markets could only be obtained by the liberalization of the commercial policies of other countries, and this is only possible by the simultaneous action of all governments stabilizing exchange and currencies and reducing to a reasonable extent trade barriers and other impediments to commerce between nations.

This Conference must formulate plans to deal effectively with these difficulties. Satisfactory conditions of peace and prosperity and human progress itself require the maintenance of a growing international commerce. The Conference must make clear whether civilized countries can ignore this economic fact and shirk the duties which such fact imposes.

Let me here reassert the principle that trade between nations does not mean the displacement of established home production and trade of one country by that of another. International trade is chiefly barter of a mutually profitable exchange of surpluses by different countries either directly or in a triangular manner. It specially contemplates too that an enterprising nation goes out into the world and locates and develops new markets for the goods it effectively produces. The gradual and careful readjustment of the excesses of tariff and other trade barriers to a moderate level would not contemplate either unreasonable or excessive competitive imports against efficient domestic industry operated under normal conditions on the one hand nor monopolistic price advantages at home on the other. This policy, if practiced generally among the nations, would insure healthier and more prosperous conditions in all industries at all efficient in every country. This broad program while disclaiming extreme economic internationalism on the one hand would challenge extreme economic nationalism on the other and launch every nation upon a sane, practical, middle course. It would reciprocally supplement efficient home markets with capacious foreign markets. In no others half so feasible can the present 30,000,000 of unemployed wage earners be returned to work nor bankrupt agriculture be restored to solvency nor famished industry be brought back to normal.

The world cannot longer go on as it is going at present. A successful meeting of this Conference in my judgment is the key to widespread business recovery. While it is true that at the present time there does not exist a sufficiently informed public opinion in support of a necessary program of international economic cooperation, it is my firm conviction that the losses and sufferings of peoples in every country have been so great that they can soon be aroused into aggressive support of such a program.

The first and greatest task at the present juncture is the development here in this hall of a will and a determination on the part of nations vigorously to advocate this course. Thereafter plans and methods will readily take form. My firm prayer, therefore, is for a spirit of cooperation necessary to create a unified leadership program in this Conference that will carry hope to the unnumbered millions in distress throughout the world. A preliminary step indicative of sincere purpose would be the immediate general adherence by all the participating governments to the tariff truce already agreed to by at least a dozen countries to continue to the end of this Conference. The full program should comprise a succession of methods and plans of international cooperation.

All excesses in the structure of trade barriers should be removed, all unfair trade methods and practices should be abandoned, the

nations should attack these conditions and problems simultaneously, and by as many effective methods as we can devise. In the monetary field suitable measures must be taken to provide for an immediate policy which will give the greatest possible measure of stability for the period during which the groundwork will be laid for enduring reform. Simultaneously all the nations must stimulate the natural sources of employment, restart the wheels of industry and commerce, and so build up consumer power that a rise of the price level will of necessity follow.

Then the Conference must face the vexing problem of a permanent international monetary standard and lay down the proper function of the metals, gold and silver, in the operations of such a standard in the future.

Coincident with the immediate and the ultimate monetary problems there is the necessity of taking measures for the removal of restrictions upon foreign-exchange dealings. This may involve a balance-sheet reorganization of certain countries. The American delegation is prepared to offer concrete suggestions in regard to all these questions.

The nations which sent us here are interested above all else in peace and prosperity, and the prerequisite of either is a wise readjustment of economic policies. Economic conflicts, with some exceptions, are the most serious and the most permanent of all the dangers which are likely to threaten the peace of the world. Let this great Conference therefore proceed to the herculean task of promoting and establishing economic peace, which is the fundamental basis of all peace.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McFADDEN. I have listened with a great deal of interest to the statements that have been made by our colleague the gentleman from North Carolina [Mr. LAMBETH], and I want to pay my respects to the delegation which President Roosevelt has sent to London, some of whom are our colleagues. We know them and we know they are the right sort. However, they are in an atmosphere of intrigue, European intrigue, and, as I have said to this House on several occasions when the proposal to send a delegation to London was pending, the Conference was for the purpose of dealing with the debts which the Allies owe the United States.

Confirmation of this was given day before yesterday by Premier MacDonald at the opening of the Economic Conference. When the appropriation bill providing for the expense of the Conference was up on the floor of this House the Chairman of the Foreign Affairs Committee, who is now in London as one of the delegates, denied that debts were to be discussed and everyone connected with the administration has made similar statements. I wonder now what our colleague [Mr. McREYNOLDS] thinks, and what he will do under the circumstances.

In this morning's paper we have this information, and I am quoting from the Philadelphia Ledger:

Warning halts British speech on debt policy. Congress still sitting. "Say nothing", Lindsay phones London.

Now, who is Lindsay? This is Sir Ronald Lindsay, who was negotiating this debt matter even before the present President took office. This is the same Lindsay that I referred to in a resolution which I presented to this House on February 25 last, in which I asked that he be recalled. My resolution was as follows:

Whereas on February 15, 1933, the Washington Star, in an article concerning the war debts, published the following statement in regard to the lobbying activities of the British Ambassador, Sir Ronald Lindsay, intimating that he had been able corruptly to influence Members of the House of Representatives in the interests of Great Britain:

"Sir Ronald Lindsay realized that, on the one hand, he had to deal here with a government which had no longer any authority from the country and, on the other hand, that every day public sentiment was changing from friendly to hostile toward Great Britain. All this, he thought, was due to a misunderstanding of America's problems on the part of the British cabinet. The public statements Chamberlain was making were a clear illustration of the lack of comprehension of the situation in America by a majority of the British Government.

"Lindsay decided to make a comprehensive survey of the situation himself. This was a difficult and delicate task for a foreign ambassador, who is supposed to deal exclusively with the State Department. He talked the situation over with Secretary Stimson and obtained the latter's approval to deal direct with the legislative body of the United States and eventually with the President-elect himself.

"Lindsay did good reporter's work. He talked to almost every Member of Congress who had any definite opinions on the debt question and whose voice was likely to influence the coming debates. After having gained a comprehensive picture of the attitude of the Congress he managed to obtain an invitation from the President-elect to come and visit him at Warm Springs on the eve of his departure to London to present his complete report.

"Roosevelt and Lindsay talked together for hours and, according to reliable reports, they surveyed not only the debt question but also the question of the Geneva Conference and the far-eastern conflict. He obtained a clear picture of the future foreign policies of the incoming administration."

And

Whereas the Government of the United States has never lost its authority, as falsely realized by Sir Ronald Lindsay, and the House of Representatives has never lost its authority; and

Whereas Sir Ronald Lindsay, Ambassador of Great Britain to the United States, has rendered himself obnoxious by publicly invading the Capitol of the United States and attempting to influence legislators in the interests of Great Britain; and

Whereas the said Sir Ronald Lindsay is conducting an extensive propaganda in the United States for the cancelation of the war debt owed to the United States by Great Britain, to the end that England may dishonor her signature without incurring too much the contempt of the world, and whereas the United States has had enough and to spare of British propaganda; and

Whereas Sir Ronald Lindsay, Ambassador of Great Britain, is required by law to confine his communications to the Secretary of State, and whereas it is a gross violation of United States rights for him to issue statements to the press in an attempt to defeat the measures of the United States Government, and whereas he has been guilty of such violations of United States rights and has given offense to the people of the United States; and

Whereas there is no authority in the United States which can confer upon a foreign functionary the right to interview any person, other than the Secretary of State, connected with the Government, and whereas the Secretary of State and his principal, the Executive, have no power to permit a foreign functionary to interfere with the Government of the United States by interviewing Members of Congress, and whereas it is an insinuation against Members of Congress to assert that they willingly permitted themselves to be interviewed by the British Ambassador in his violation of their right to freedom from molestation on the part of foreign functionaries, and whereas the said unlawful molestation of Members of Congress by the said Sir Ronald Lindsay and his attempt corruptly to influence them to defeat the measures of the United States Government in the interests of Great Britain constitutes an invasion of the rights and privileges of the House of Representatives; and

Whereas the Logan Act (U.S.C., Criminal Code, title 18, sec. 5) makes it a crime for a private citizen of the United States to have intercourse with a foreign functionary unless that private citizen has been duly authorized by the Government to have such intercourse, and whereas neither the Secretary of State nor the Executive has power to permit intercourse between a private citizen of the United States and a foreign functionary in regard to matters which have been or which may be the subject of legislation by Congress, when such matters affect the revenue of the United States; and

Whereas the lobbying activities of the said British Ambassador, Sir Ronald Lindsay, carried on in the halls of the Capitol, at the British Embassy, in the houses of citizens of the United States, in the offices of predatory international bankers, on shipboard, on trains, and elsewhere, have for their purpose the taking from the United States Treasury of assets which it is the sworn duty of this Government to protect by every means within its power, not stopping short of war, if need be; and whereas the said Lindsay's lobbying activities likewise have for their purpose the defeat of measures enacted into law by the Government of the United States to insure the repayment of moneys advanced to Great Britain on her written promise to repay them; and whereas the lobbying activities of Sir Ronald Lindsay likewise have for their object the overthrow of the Government of the United States and its reorganiaztion as a part of the British Empire: Therefore be it

Resolved, That it is the sense of the House of Representatives that its rights and privileges have been invaded by Sir Ronald Lindsay, British Ambassador to the United States, in his molestation of Members of Congress and private citizens in the interests of Great Britain, and by his subversive activities against the Government of the United States and his attempts to defeat the measures of the United State Government, and that his lobbying activities and utterances assail the honor and dignity of the House of Representatives and constitute an attack upon the integrity of its legislative proceedings, and that a copy of this resolution be sent to the President of the United States, the Secretary of State, and the Department of Justice.

This same gentleman now telephones to his Government in England warning England against permitting Neville Chamberlain, Chancellor of the Exchequer, making his speech before the Economic Conference and says nothing must be said until Congress adjourns. Twice during last evening in the House of Commons Mr. Chamberlain rose to speak and each time had to say he was sorry he could not give the promised information.

Reading further from the Philadelphia Public Ledger:

America placed on defensive in economic parley. Europe refuses to act until debts are settled. Hull revises speech.

These performances should show the American people why President Roosevelt has been so insistent that Congress adjourn before the opening of the London Economic Conference. Interpreted, it discloses complete cooperation between Premier MacDonald and President Roosevelt on the conduct of this Conference and on the conduct in the handling of the June 15 payments on war debts.

We all know that the Lausanne Conference provided for a cancelation of the reparations due the allied governments down to 10 percent of their value. We all know that the Lausanne agreement is not complete so far as the allied nations are concerned until they have persuaded the United States to likewise cancel the debts down to 10 percent, which means the taxpayers of the United States are to pay the debts owed by Europe.

We have other reports in the papers today indicating that tomorrow, when the payments are due, amounting to some $140,000,000, Great Britain, the leader of the united front against us, proposes to offer a token or something of the sort for 10 percent of the amount due us, and we know that in Washington today we have their ultimatum. This, I understand, the President will accept, with an apology. This is his second step toward cancelation of these debts.

Apparently the London Conference cannot function until Congress adjourns. Now, why should this be? Why should this Congress, which has the sole authority to deal with this debt question, not have full information before it today? Who has any authority to negotiate or to accept a token or a partial payment of the debt that is due tomorrow from Great Britain? Nobody but the Congress of the United States. Why does the President carry on these negotiations? Why does this House sit supinely by and permit this?

It is intimated that a token will be accepted and that then the President of the United States will enter into some treaty looking toward a revision downward, to 10 percent, of this debt later on, just as England and France and the other countries have decided—and we, the people's representatives, sit by and let them get away with it.

The Congress of the United States should beware of negotiations which are taking place relative to a further reconsideration of this debt question, because such a plan absolutely nullifies the wishes of the Congress and the people of the United States.

Mr. BYRNS. Will the gentleman yield?

Mr. McFADDEN. Yes; I yield.

Mr. BYRNS. I may be mistaken, but I understood the gentleman to say it had been admitted that an arrangement would be made by which the debt would be reduced.

Mr. McFADDEN. "Intimated", I said.

Mr. BYRNS. I thought the gentleman said "admitted."

Mr. McFADDEN. No.

Mr. BYRNS. I just want to remind the gentleman that the question of the debt settlement is not on the agenda and will not be taken up, so our delegation at the London Conference assures us.

Mr. McFADDEN. I hope that is the case, but I may say to the gentleman that during the sessions of this Economic Conference in London there is another meeting taking place in London. We were advised by reports from London last Sunday of the arrival of George L. Harrison, Governor of the Federal Reserve Bank of New York, and we were advised that accompanying him was Mr. Crane, the Deputy Governor, and James P. Warburg, of the Kuhn-Loeb banking family, of New York and Hamburg, Germany, and also Mr. O. M. W. Sprague, recently in the pay of Great Britain as chief economic and financial adviser of Mr. Norman, Governor of the Bank of England, and now supposed to represent our Treasury. These men landed in England and rushed to the Bank of England for a private conference, taking their luggage with them, before even going to their hotel. We know this conference has been taking place for the past 3 days behind closed doors in the Bank of England with these gentlemen meeting with the heads of the Bank of England and the Bank for International Settlements, of Basel, Switzerland, and the head of the Bank of France, Mr. Maret. They are discussing war debts; they are discussing stabilization of exchanges and the Federal Reserve System, I may say to the Members of the House.

The Federal Reserve System, headed by George L. Harrison, is our premier, who is dealing with debts behind the closed doors of the Bank of England; and the United States Treasury is there, represented by O. M. W. Sprague, who until the last 10 days was the representative of the Bank of England, and by Mr. James P. Warburg, who is the son of the principal author of the Federal Reserve Act. Many things are being settled behind the closed doors of the Bank of England by this group. No doubt this group were pleased to hear that yesterday the Congress passed amendments to the Federal Reserve Act and that the President signed the bill which turns over to the Federal Reserve System the complete total financial resources of money and credit in the United States. Apparently the domination and control of the international banking group is being strengthened.

Mr. BYRNS. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. BYRNS. I am sure the gentleman will agree with me that no composition of our foreign debts can be made without the consent of Congress, and I am reminded that the President made this statement yesterday.

Mr. McFADDEN. I am pleased to hear that the President is making that statement. The papers from London and New York and all over this country are stating that negotiathions are on dealing with the debts. As a matter of fact, it was determined at the London Conference of July 20, 1931, that this conference should be held following the Lausanne Conference. It follows a complete sequence of events: First, the Hoover moratorium of June 1931; then the London Conference of July 1931; then the standstill agreements and the conferences with the Bank for International Settlements on the German reparations matter; followed by the Lausanne Conference; and now the London Conference dealing with debts, international exchange, and trade. This conference is an international conference, and our participation should not be construed as a party proposition. It is international in every sense of the word. It was Hoover's plan, and it has been accepted by Roosevelt. We are being led by the international Jews operating through Great Britain and the Bank of England, and it is the purpose of those who are directing and cooperating that debts be reduced to 10 percent or canceled entirely.

Again I repeat—there can be no cancelation; there can only be the transference of the burden of payment from the backs of the foreigners to the back of the American taxpayer.

I want to say further that these people who control and dominate the Federal Reserve System are greatly exhilarated because you have taken into the Federal Reserve control the entire credit and money resources of the United States. You are forcing all of the State banks in the United States to become members of the Federal Reserve System under the penalty that if they do not join the new system they will have to close up, because their deposits are not guaranteed. No bank will be able to keep open whose deposits are not now guaranteed since the passage of this guaranty bill.

So you have these international bankers controlling this London Conference. There can be no question about that. They are, no doubt, gratified that all of our financial resources are now turned over to them.

I want to see an American banking system controlled by Americans, for the benefit of the 125,000,000 people, not dominated by foreigners.

The gentleman from North Carolina [Mr. LAMBETH] referred to the fact that our delegation to London have had no experience in international conferences, but I would call his attention to the fact that while they may be inexperienced in international conferences they have with them so-called "financial experts" who understand international economic and financial questions. Professor Sprague, to whom I have just referred, has had charge of the stabilization fund,

now amounting to $1,300,000,000, which, after all, is really the British treasury, and which, under Professor Sprague's direction, has been used to keep down prices in the United States and to speculate in the international exchange market principally in the control of the value of the pound and the dollar. The operation of this stabilization fund has been a great aid to England in tying up all of her trade agreements with the different countries of the world prior to the convening of the present London Economic Conference.

Then there is James P. Warburg, who was called in by the President and who has sat in on all of the conferences here in Washington participated in by the foreign representatives recently, and he is the financial adviser at the Economic Conference and at the conferences in the Bank of England to which I have referred. Mr. Warburg, you undoubtedly know, is the head of the international Jewish financial group who were largely responsible for the loaning abroad of the vast billions of dollars by the people of the United States and which loans are now frozen. We must not overlook the fact, however, that J. P. Morgan & Co. were close seconds in these transactions, and in connection with this I wish to point out that George L. Harrison, Governor of the Federal Reserve Bank of New York, is closely identified with the Morgan House in all of the undertakings internationally in which the Federal Reserve banks participated.

Such are the influences which are dominating and controlling that conference.

Mr. BYRNS. Will the gentleman yield for one more question?

Mr. McFADDEN. I yield.

Mr. BYRNS. I want to address this question to the gentleman and other Members of the House on both sides of the aisle. I shall ask the gentleman to reply to it. Does not the gentleman think that since the House of Representatives can take no action whatever, it would be infinitely better if we refrained from discussing newspaper reports of what may be or may not be done in London, thus running the risk of saying something that might in some way interfere with the efforts of the American representatives to that Conference?

Mr. McFADDEN. I will say that there is no one who would like to see the situation solved more than the gentleman now addressing you at this time.

[Here the gavel fell.]

Mr. McFADDEN. I ask unanimous consent for 5 minutes more.

The SPEAKER pro tempore. Is there objection?

Mr. O'CONNOR. Reserving the right to object, will the gentleman answer one question?

Mr. McFADDEN. I will.

Mr. O'CONNOR. What particular expert adviser would the gentleman recommend should be sent over there?

Mr. McFADDEN. I am not recommending anyone. That is not my business.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. O'CONNOR. Who would the gentleman suggest?

Mr. McFADDEN. I am not suggesting anyone.

Mr. O'CONNOR. The gentleman is interested in it, and he must know someone.

Mr. McFADDEN. Yes; there are many.

Mr. O'CONNOR. Who are they?

Mr. McFADDEN. There are plenty of them. I want to again call attention to the statement in the paper this morning of Mr. Neville Chamberlain's address being held up waiting for Congress to adjourn. We are told that the whole Conference is being held in abeyance. What is there that the American people should not know about this? It seems to me that Congress should remain in session. There is nothing that is indicated that is taking place over there for the benefit of our people that these matters should not be discussed here. Congress, if it adjourns today or tomorrow, will not reconvene of its own volition until next January, a period of over 6 months. It seems to me, during this important discussion, which is dealing with the future welfare of this country, so far as economics and finances are concerned, that this Congress should remain in session. I am willing to stay here for the next 3 months or the next 6 months, because it is the most serious condition that the people of this country have ever faced. There is no demand that Congress adjourn at this time except the demand that comes from the administration apparently to get rid of us.

I want to point out now that Great Britain's position is to dominate this Conference to the benefit of Great Britain, and not to help the people of the United States. It is the purpose, under the leadership of Great Britain, to cancel or reduce these war debts down to 10 percent. It is the purpose of these financial advisers who have gone over there, who are more interested in the cancelation of these debts than anything else—both Mr. Harrison and Mr. Warburg, for they are for cancelation, 100 percent. They also are to deal with the fixing of the ratio between the pound and the dollar. England is interested to see to it that the dollar becomes that fuzzy little piece on the end of the tail of the English lion; England wants to stabilize the pound sterling at 3.25 to 3.40 and keep the dollar stabilized where it has been, and if we do not look out that is just exactly what is going to happen. England is out to capture the world's trade and become the world's banker; she wants sterling to help her and the dollar not to interfere. There is involved in this that which I said in my first speech delivered before this House some 4 years ago, the enlargement of the facilities of the Bank for International Settlements, and possibly the moving of that bank from Basle, Switzerland, to London. Into that bank are to be deposited certain portions of the world's gold, or it may be done by process of earmarking our gold, but they are after control of the gold, and when they get control of the gold we will go back on the gold basis, but who will control? England will control the International Bank, and our participation will be by and through these international banking groups, J. P. Morgan & Co., and the Warburgs, of New York and Hamburg, Germany.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. McFADDEN] has expired.

AMENDING FEDERAL FARM LOAN ACT

Mr. DISNEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 3344) to amend section 14, subdivision 3, of the Federal Farm Loan Act.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. DISNEY]?

Mr. SNELL. Reserving the right to object, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. SNELL. Has this bill been considered by a committee?

Mr. DISNEY. Yes. The Banking and Currency Committee favorably reports the bill.

Mr. SNELL. And it has the unanimous support of the committee?

Mr. DISNEY. We have a majority report. It may not be a unanimous report. I do not know that all members of the committee were present.

Mr. SNELL. If there is some opposition, I wish the gentleman would wait until we can get in touch with them.

Mr. DISNEY. The gentleman from Massachusetts [Mr. LUCE] and the gentleman from Maine [Mr. BEEDY] were present and discussed the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That section 14, subdivision 3, of the Federal Farm Loan Act (39 Stat.L. 372) is hereby amended to read as follows:

"Third. To accept any mortgages on real estate except first mortgages created subject to all limitations imposed by section 12 of this act, and those taken as additional security for existing loans: *Provided*, That the first-mortgage loans shall be made without regard to the mineral rights therein."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. LAMNECK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. LAMNECK]?

Mr. BYRNS. Mr. Speaker, reserving the right to object, I want to ask the gentleman if he is going to discuss the International Conference?

Mr. LAMNECK. I am going to discuss war debts and the International Conference.

Mr. BYRNS. Then, Mr. Speaker, I object. I feel it is my duty to do this. We have had two speeches on this subject, one on each side, and I think we are making a mistake in undertaking to discuss something that is now being discussed by the Conference at London. We accomplish nothing by it, and it means nothing except an expression of our own individual opinions.

Mr. LAMNECK. It means a lot to the United States.

Mr. BYRNS. That may be; but I believe in leaving this matter to the conferees over there, confident that they are not going to discuss debt settlements because it is not on the agenda, and as such statements can only tend to provoke some opposition, I object. [Applause.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on the war debts.

Mr. BYRNS. I object.

Mr. LAMNECK. I object. There will be no more speeches here today.

Mr. MOTT. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, not on the subject of war debts.

The SPEAKER pro tempore. Is there objection?

Mr. LAMNECK. Mr. Speaker, I object.

Mr. MOTT. Will the gentleman withold his objection for a moment?

Mr. LAMNECK. There will be no more speeches today if I can stop it.

FOURTH DEFICIENCY APPROPRIATION BILL—CONFERENCE REPORT

Mr. BUCHANAN. Mr. Speaker, I present a conference 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, and ask unanimous consent for its present consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. BUCHANAN]?

There was no objection.

The SPEAKER pro tempore. The Clerk will read the report.

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 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, 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 8, 9, 11, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, and 10, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$1,460"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 6, 7, 13, and 14.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
W. B. OLIVER,
W. A. AYRES,
Managers on the part of the House.

SAM G. BRATTON,
CARTER GLASS,
KENNETH MCKELLAR,
FREDERICK HALE,
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. 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, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendment no. 1: Appropriates $100,000 for contingent expenses of the Senate for inquiries and investigations ordered by the Senate.

On amendments nos. 3 and 4: Provides for uniforms for the Capitol police.

On amendment no. 8: Strikes out the appropriation of $2,500, inserted by the Senate, to enable the Public Utilities Commission of the District of Columbia to make an investigation of rents.

On amendment no. 9: Strikes out the appropriation of $300,000, inserted by the Senate, for loans for grasshopper control or eradication.

On amendment no. 10: Inserts the appropriation of $232,086.80, proposed by the Senate, for payment of the liability of the United States to non-Indian claimants on Indian pueblo grants, as authorized by the act of May 31, 1933.

On amendment no. 11: Strikes out the appropriation of $10,000, inserted by the Senate, for expenses of the American group of the Interparliamentary Union.

On amendment no. 12: Strikes out the appropriation of $3,000 for the expenses of delegates from the United States to attend the Ninth Pan American Sanitary Conference.

The committee of conference report in disagreement on the following amendments:

On amendment no. 2: Providing for 12 additional privates for the Capitol Police.

On amendment no. 5: Providing for additional female attendants for the Senate Office Building.

On amendment no. 6: Providing for reimbursement of expenses in connection with the Tennessee Valley Authority incurred prior to the enactment of the appropriation therefor.

On amendment no. 7: Appropriating $250,000 additional for the George Rogers Clark Memorial.

On amendment no. 13: Appropriating $150,000,000 for payment for capital stock of the Federal Deposit Insurance Corporation.

On amendment no. 14: Increasing from $5,000,000 to $8,000,000 the amount which may be loaned by the Reconstruction Finance Corporation for the repair of damage to private property by earthquake, fire, or tornado.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
W. B. OLIVER,
W. A. AYRES,
Managers on the part of the House.

Mr. BUCHANAN. Mr. Speaker, I move the adoption of the report.

Mr. TABER. Will the gentleman yield me 5 minutes?

Mr. SNELL. I think the gentleman ought to make a statement. This increases the amount by a considerable sum, and I think the gentleman ought to tell the House what the increases are and why they have been agreed to.

Mr. BUCHANAN. I am willing to answer any question that the gentleman may propound to me.

Mr. SNELL. Unfortunately the gentleman from New York knows very little about it, but I see you have increased it some three or four hundred million dollars. I think the gentleman should at least tell the House what he is asking it to vote on.

Mr. BUCHANAN. The greatest increase is the $150,000,000 to carry into effect the recent Banking Act we passed day before yesterday.

Mr. SNELL. What provision has been made to raise the $150,000,000 appropriated for this purpose?

Mr. BUCHANAN. No provision is made in this bill. This is an appropriation bill, not a revenue bill.

Mr. SNELL. The President the other day said he would oppose any more large appropriations unless taxes were levied to provide the money appropriated.

Mr. BUCHANAN. The Congress of the United States passed the banking bill and that rendered the appropriation necessary.

Mr. SNELL. Is the President going to refuse to sign the bill because it carries $150,000,000 for the raising of which no provision is made?

Mr. BUCHANAN. We will leave that problem to the Ways and Means Committee. It does not concern the Appropriations Committee.

Mr. SNELL. I notice in the papers this morning a statement that during the last 102 days we spent $300,000 a day more than was spent in the preceding 102 days. I think the gentleman should tell us something about this money situation. I think the House is entitled to know by how much each one of these amendments increases the expenditures.

I notice there is an item for 12 additional Capitol Police, Will the gentleman tell us why we need them?

Mr. BUCHANAN. We did not allow the 12 additional Capitol Police. That was a Senate amendment. The House conferees succeeded in having the number cut down to eight.

The necessity for these additional police is that the new park of about 60 acres between the Capitol Building and the station will no longer be policed by the Police Department of the District of Columbia. That burden has been thrown on Congress, and the force of the Capitol Police will have to take care of it.

Mr. SNELL. I thought we increased our own force here a short time ago to take care of that situation.

Mr. BUCHANAN. No. That was for the New House Office Building.

Mr. SNELL. How many have we at present?

Mr. BUCHANAN. We had 33, and we increased it by 6, which makes it 39 for both House Office Buildings, whereas the Senate has 32 for just one building.

Mr. SNELL. I know; but how many have we altogether in the Office Buildings and on the Capitol Grounds.

Mr. BUCHANAN. I do not recall.

Mr. TABER. I think, if the gentleman will yield to me, I can supply the information. I think, after these 8 are added, the number will be 126.

Mr. BUCHANAN. That is not for the Capitol Grounds alone, I may say to the gentleman from New York, but that is the total number.

Mr. TABER. That is the total number.

Mr. SNELL. Why, under Democratic control, do we need so many more police to protect us?

Mr. BUCHANAN. I think my colleague will recall that a few years ago, by reason of these grounds being insufficiently policed, a young lady while passing through the grounds was assaulted and outraged and lay in the hospital for months and months. It almost killed her. It crippled her for life. We do not want such a thing to occur again.

Mr. BLANTON. And a murder was committed right here in the Capitol Grounds not over 3 years ago. That was under Republican control.

Mr. SNELL. Will the gentleman tell me what experience the men will have whom it is intended to put on this augmented force?

Mr. BUCHANAN. The ones we will put on will have exactly the same experience as the ones the Republicans put on when they were in control.

Mr. SNELL. We did not ask for any more, did we?

Mr. BUCHANAN. You had plenty of them.

Mr. SNELL. If we had plenty of them then, why have you not plenty of them now?

Mr. BUCHANAN. Because we have more grounds to patrol.

Mr. SNELL. Where is there any more ground to patrol?

Mr. BUCHANAN. The 60 acres between here and the station that you did not have. Then we have a new House Office Building and a new Senate wing which the Republicans did not have.

Mr. SNELL. Is it not a fact that you have more Congressmen to give patronage to and you must have more jobs?

Mr. BUCHANAN. I am glad to say we have more Congressmen, and I think we will continue to have more.

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

Mr. BUCHANAN. I yield.

Mr. KVALE. Can the chairman of the committee tell us why the President will permit $150,000,000 more to be expended here without demanding additional taxes, yet he sees fit to come to the Senate in person, as we understand he is doing this morning, and fight a compromise on veteran legislation that will involve but $40,000,000 or $50,000,000?

Mr. BUCHANAN. That is not a part of this bill.

Mr. BLANTON. Mr. Speaker, is the gentleman for or against the President?

Mr. KVALE. I am against the President if he insists on the veterans' cut without a compromise. Does that answer the gentleman?

Mr. TABER. Mr. Speaker, will the gentleman from Texas yield me 5 minutes?

Mr. BUCHANAN. Mr. Speaker, I yield the gentleman from New York 5 minutes.

Mr. TABER. Mr. Speaker, I think before the House goes on with this bill it ought to know what it is.

The first item of money is $100,000 for more Senate investigations.

The second item is for eight more police, $12,213.

The third item is for four additional female attendants for the Senate Office Building.

The fourth item is to complete the George Rogers Clark Memorial, which I supposed we had completed in the last appropriation bill, $250,000.

The fifth item is to pay to white squatters on Indian lands in Arizona, $232,000.

Out in our country if we go on our neighbor's land and build some buildings there and have not any title to it, when we get through we are just out of luck; but down in Arizona when they do this sort of thing, in the days of the new deal they get reimbursed by the Federal Government. [Laughter.]

The seventh item is $150,000,000 for the bank-guarantee bill.

The eighth item is $3,000,000——

Mr. BECK. Mr. Speaker, will the gentleman yield right there?

Mr. TABER. I yield.

Mr. BECK. Is there any reason why, as the bank insurance does not take effect for nearly a year, we should at this time appropriate $150,000,000?

Mr. TABER. Oh, no; but under the new deal we have to have all the money right now on everything, even though statements are presented to the committees which hold the hearings that not half of it can be used during the year for which the appropriation is made. This is the new deal.

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

Mr. TABER. I yield.

Mr. ANDREWS of New York. I should like to ask the Democratic leadership a question. For the last week or 10 days we have heard the President's statement that he is willing to stay here all summer to balance the Budget. Now, we are haggling in the Senate over a matter of $40,000,000 to be provided for in new taxes. I do not know what bookkeeping system the Democrats are using today, whether it is the double-entry system of this year or some new system they are going to have next year. I should like someone on the Democratic side to tell me how they are going to charge the $150,000,000 authorized in the branch-banking bill passed yesterday, or are we to believe that the President is not for the Glass-Steagall bill, since there is no provision as yet for raising this large sum of money through taxes? I have enough confidence in the President, based on his statement of last week that he is willing to stay here all summer to balance the Budget, to believe that he means what he says; but are we to assume now that he is against the Glass-Steagall bill, or what does he mean by balancing the Budget?

Mr. TABER. I cannot yield further on that point.

In addition to these items we have referred to, there is an additional $3,000,000 to be lent by the Reconstruction Finance Corporation, making a total to come out of the Public Treasury of $153,598,000, and the total of this bill as it will probably pass will be $3,613,079,167.74. I suppose the reason it is $153,598,000 more than as the House passed it is because the Senate is not willing to have the House outdo it in spending the people's money and it wanted to go a little further. If we stayed in session another 2 weeks, there would be no bottom in the Treasury, and I do not believe there is any now. It seems to me we are going to get our Government in such a position that it can never work out of the picture.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER of Alabama. Mr. Speaker, my good friend, the gentleman from New York, usually speaks for a purpose, and generally that purpose is to give information, but I submit that those of you who were here last week when this bill passed can find but little, if any, information in the speech just made by the gentleman from New York [Mr. TABER].

The bill which you passed last week, known as "the deficiency bill", carried all of the items included in this conference report except those which the gentleman from New York [Mr. SNELL] elicited full information about by questions asked of the chairman of the committee immediately before the speech was made by the gentleman from New York [Mr. TABER]. In other words, this House last week approved without a record vote all the items included in the conference report plus the items which Mr. SNELL, in his inquiry of the chairman, disclosed just a few minutes ago, one of which is $150,000,000 made necessary by the bank-deposit guaranty bill approved yesterday. This House, by an almost unanimous vote on yesterday, passed that bill, and if there be any on that side of the aisle who object to this item's being appropriated for, they should register their objection and reasons therefor.

Mr. BECK. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield to the gentleman from Pennsylvania.

Mr. BECK. My inquiry is not an unfriendly one. I was simply wondering when I addressed the same question to the gentleman from New York why the $150,000,000 could not wait until the next session of the Congress and thus save to some extent the burden falling this year.

Mr. OLIVER of Alabama. I think the membership of the House feel that the suspension of the date when this is to be effective will in a large measure be helped when the general public understands that Congress has appropriated the amount required to guarantee such deposits. [Applause.]

It is a very splendid encouragement to the American public, who approve this guaranty provision as passed yesterday almost without dissent—there were perhaps six voting against it—if they now understand that the Government's contribution to the fund has been appropriated to make effective this very wise legislation. [Applause.]

Mr. McGUGIN. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield to the gentleman from Kansas.

Mr. McGUGIN. In line with what the gentleman is saying and in spite of the fact that yesterday the bank guaranty bill was passed by 191 ayes and 6 noes, and those who were for the bill were not proud enough of it to go on record and vote for it, I will ask the gentleman if anyone in this House can seriously complain against this appropriation of $150,000,000 except those who stood up here yesterday and voted against the bank bill.

Mr. OLIVER of Alabama. If the six Members and the gentleman who now propounds the inquiry was one of the six, feel proud of their opposition to that bill, then it is their privilege to make it known in the proper way and let their constituents understand what their reasons were for opposing the legislation.

Mr. McGUGIN. I was proud of that opposition then and I am exceedingly proud of it today.

Mr. OLIVER of Alabama. On the other hand, those of us who favored it are well satisfied and feel that the people of this country will give full approval to what we did. [Applause.]

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

Mr. OLIVER of Alabama. I yield.

Mr. SNELL. I voted for the measure yesterday because I thought it was the best banking bill we could get at the present time, but the point I want to develop is what has been done to provide the money to pay this $150,000,000 appropriation. The President is quoted in the public press as saying that he would not sign a bill that provided an additional payment to soldiers of $170,000,000 because no provision had been made to finance the proposition. What provision has been made to finance this $150,000,000?

Mr. OLIVER of Alabama. The gentleman who is the leader of the minority is very familiar with all the legislation that has been passed at this session and knows what broad authority Congress has given the President to make the legislation effective. I have not time now to discuss those measures in detail, but since the President is not asking at this time, nor the Ways and Means Committee of the House suggesting the necessity of any further legislation, I respectfully submit that this is not the proper time to suggest we should postpone adjournment until legislation is passed for raising the funds that may be required. [Applause.]

Let me suggest to my distinguished friend from New York, who is usually very frank, that we understand, of course, the underlying purpose of his inquiries to the chairman of the committee, as well as other like inquiries he has made within the last week—and I think I am on safe ground in assuming that the gentleman is just a little fearful lest prosperity may return before we reconvene in January; and if so, that it would be very disastrous to his party. [Laughter and applause.] My belief is that the gentleman, rather than being anxious to suggest something constructive which he may have in mind, is entirely content to take up the time of the House in propounding mere futile inquiries in the chance hope that something may develop in the future to which he can later refer and then pose as an "I-told-you-so prophet." [Applause.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, the gentleman from New York [Mr. TABER] is one of the valuable Members of this House. It is only on very rare occasions that you hear a partisan speech from him, such as he delivered a few moments ago.

Mr. TABER. Does the gentleman approve of this item——

Mr. BLANTON. I am sorry, but I have not the time to yield to the gentleman. If the gentleman's party during the last 12 years had passed such a bill as the bank-deposits guarantee bill, against which the Republican leader from Kansas [Mr. McGUGIN] arrays himself, they would have saved the ruination of millions of families in the United States.

During the last 2 years there have been millions of families in the United States who for a lifetime have been scrimping and saving and denying themselves the ordinary necessities of life in order to put a little nest egg aside to use against the days of old age—amounting to $5,000, $6,000, or $7,000, stowed away in some bank that they thought was perfectly safe. If the gentleman's party had brought in such a bill as the guaranty bank deposits bill, which we Democrats have forced to be passed, no matter what it cost—if the little deposits of these families over the United States had been made safe—he would not have found the desolation and misery that now exist in so many millions of homes in the United States.

It is a great bill—the greatest bill that has been passed by Congress during the 17 years that I have served here.

I want to take my hat off to the men who have worked so hard to pass the bill, who have put their best services into it for its success, who have seen to it that Congress should not adjourn until the bill was signed and has become a law.

I have worked on committees with my friend from New York [Mr. TABER] and I think he has helped to save the Government many million dollars. He has been instrumental in helping us to save much money, but he has not been going along with his Republican Party very much, because during the last 12 years his party has been one of extravagance, one of money-spending, until it has been a scandal to the Nation.

Take this $20,000,000 Commerce Building on land that is worth $20,000,000 more. In order to construct it they had to tear down fine building after fine building, amounting in the aggregate to millions of dollars, in order that that great structure could be built there in honor—and I am glad to say they have it in big letters on the building—"Built under President Herbert Hoover and Secretary of the Treasury Andrew W. Mellon." We must never allow that inscription to be taken off that building, because it stands as an everlasting monument to the unprecedented extravagance of the Hoover Republican administration.

It takes an Indian guide every morning for the Secretary of Commerce to find his office by way of a secret elevator that was built especially for him and is daily run for him by its special operator. Very few Congressmen know how to find it. It is shut in and enclosed so that very few men in public life know where it is. The ordinary chiefs down there get lost trying to find their offices every morning. [Laughter.]

All these many other extravagant buildings, built and now under construction, are a part of the extravagant Republican regime.

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

Mr. BLANTON. Certainly. I yield to the new leader of the Republican Party, the gentleman whom the minority are training up here to get in action so frequently.

Mr. ANDREWS of New York. Do I understand correctly that the gentleman from Texas agrees with the President?

Mr. BLANTON. Well, so long as the President knows where I stand and is satisfied, I do not care how ignorant my friend is on the subject.

Mr. ANDREWS of New York. Possibly the gentleman can explain why the President refuses to pay forty or fifty million dollars additional to deserving disabled veterans unless we impose new taxation, and nothing is provided to meet the $150,000,000 authorized in the branch-banking bill.

Mr. BLANTON. The gentleman from New York has no authority to say that. He cannot speak for the President. I want to say that the veterans of the United States have more confidence in the present Democratic President of the United States than they have in the gentleman's whole Republican Party. It was the gentleman's Republican Party that refused to pay them an honest debt, a debt of honor that was owing to them since the day they came back from France, for they should have been paid in cash instead of adjusted-service certificates.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. BLANTON] has expired.

Mr. BUCHANAN. I yield the gentleman 2 additional minutes.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. BLANTON. I am sorry, but I have only 2 minutes. Why did not those men who carried our flag in France have a right to come to their Nation's Capital last year? Other people have the right. Why did President Hoover run them out? Why did they not have the right? Will you Republicans answer that? When they came here this very same Republican Party that now makes itself out as a friend of the soldier, as the only friend the veterans have—it was this very same Republican Party, this cold-blooded, cruel Republican Party, that set policemen on them and ran them out of their Nation's Capital as if they were a bunch of outcasts. They will not forget that. It is the soldiers of the United States today who have absolute confidence in their present President. They know they are being cut. They know it hurts. They know they are cut to the quick, but they know that Franklin Roosevelt, before he quits, will see to it that justice is done to every disabled veteran of the war, and they know, too, that he is saving this Republic for them.

Mr. MARTIN of Massachusetts. When will it be done?

Mr. BLANTON. I regret I have not the time. Oh, nothing would be done at all for the veterans, either as to pensions or the bonus, if the Republicans had it in charge; but, thank God, men have it in charge now, led and guided by President Franklin D. Roosevelt, who know how to do things, and justice will be done all veterans. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas has again expired.

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

Mr. BUCHANAN. I yield.

Mr. ARENS. I notice in the report the appropriation for $300,000 to fight grasshoppers is eliminated. Last year we had a plague in several of the Western States. Does the gentleman not think there should be funds available in case a plague occurs, if only for the purpose of protecting the Government's security? The Government has made a great many seed loans, and if the grasshoppers should appear again, as they did last year, the Government would lose its security. I should like to ask the gentleman whether there are any funds available in case of an emergency, or whether this eliminates all of them?

Mr. BUCHANAN. There are no funds available from the Federal Treasury now. I may say to the gentleman when this matter was considered last year there was a real threat, a real menace pending, when they found tens of thousands of eggs to the square foot, and even under those circumstances the Congress refused to appropriate.

This year there is no menace, or at least it has not appeared. The eggs are not there in the ground, and as far as I know there is no threat of any character whatever. So it would be foolish at this time of the year, at this late date when the grasshoppers would be hatching out, to appropriate money to fight them. When January comes along, if the Congress sees proper, it may, through a legislative bill, provide a permanent fund to meet these emergencies as they arise, and I commend that to the gentleman, if he wants to provide that fund to take care of these emergencies in connection with the pests that attack agriculture.

Mr. ARENS. It would not do any harm. If there was no plague, the money would not be used.

Mr. BUCHANAN. Well, I understand that, but it is too late now to do any good.

Mr. LEMKE. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. LEMKE. I think the gentleman is in error in his statement. There is not only an apparent menace but it exists now. In our State grasshoppers are hatching out by the millions and there is real danger of crop destruction.

Mr. BUCHANAN. Then it is too late for this appropriation to do any good.

Mr. LEMKE. I might state that for these same States, where the grasshopper menace exists, Congress last year appropriated $90,000,000 to make loans to the farmers to put in their crops, and now they are denying them $300,000 to protect the crops, after they appropriated $90,000,000 for loans with which to produce these crops, and your committee seems willing to permit these crops now to be destroyed by grasshoppers.

Mr. BUCHANAN. I may say to the gentleman that the only successful fight to be made against grasshoppers is at the time they are hatching out and while they are small. The Department could not get ready in time now to do any good. The money would be wasted.

Another thing, there is not one iota of testimony before our committee that there is any threat of any kind.

Mr. LEMKE. I appeared before the chairman's committee and I was sent to another committee—a legislative committee—by him. I went to the Chairman of the Agricultural Committee and he suggested that I get the amendment put on this bill in the Senate. I then went to the Senate, and the Senate added the Frazier amendment here in question.

This appropriation to prevent the grasshopper menace has the approval of the Secretary of Agriculture. There was plenty of evidence that I would have gladly presented to the conferees, and I know that Senator FRAZIER, the author of the amendment, had plenty of evidence. I feel that the House conferees deliberately closed their eyes to the evidence—apparently there was no attempt made by the conferees to get any information on the subject. I had plenty of information and testimony to give to the conferees and so did Senator FRAZIER.

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the motion to adopt the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 2: Page 2 of the printed bill, after line 22, insert "Salaries: Twelve privates at $1,620 per annum each, fiscal year 1934, $17,820; one half of such privates to be selected by the Sergeant at Arms of the Senate and one half by the Sergeant at Arms of the House."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment and concur in the same with an amendment.

The Clerk read as follows:

Mr. BUCHANAN moves that the House recede from its disagreement to Senate amendment no. 2 and concur in the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Salaries: Eight privates at $1,620 per annum each, fiscal year 1934, $11,880; one half of such privates to be selected by the Sergeant at Arms of the Senate and one half by the Sergeant at Arms of the House."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 5: On page 3, after line 10, insert:

"ARCHITECT OF THE CAPITOL

"Senate Office Building: For four female attendants, Senate Office Building, at $1,080 per annum each, fiscal year 1934, $3,960."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment no. 5 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 6: Page 4, after line 22, insert "including reimbursements for any expenses prior to the enactment of this appropriation incurred at the direction of the President."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment no. 6 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 7: Page 6, after line 7, insert:

"GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

"That there is hereby 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 sum shall be expended by the George Rogers Clark Sesquicentennial Commission in the manner provided in section 2 of such joint resolution, as amended."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment no. 7 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment no. 13: Page 15, after line 16, insert: "Payment for capital stock of the Federal Deposit Insurance Corporation: To enable the Secretary of the Treasury to make payment for capital stock of the Federal Deposit Insurance Corporation in accordance with the provisions of paragraph (c) of section 12B of the act entitled 'Banking Act of 1933', approved June —, 1933, $150,000,000, to be immediately available and to remain available until expended."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment no. 13 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 14: On page 25, after line 18, insert:

"SEC. 5. Section 8 of the act entitled 'An act to provide for the purchase by the Reconstruction Finance Corporation of preferred stock and/or bonds and/or debentures of insurance companies', approved June —, 1933, is hereby amended to read as follows:

"'SEC. 8. The seventh sentence of paragraph (6) of section 201 (a) of such act, as amended, is hereby amended to read as follows: "The aggregate of loans made under clause (a) shall not exceed $8,000,000, and the aggregate of loans made under clause (b) shall not exceed $12,000,000."'"

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment no. 14 and concur in the same.

The motion was agreed to.

On motion of Mr. BUCHANAN, a motion to reconsider the vote by which the several motions were agreed to was laid on the table.

DEPORTATION OF ALIENS AND SMUGGLING OF ALIENS

Mr. DICKSTEIN. Mr. Speaker, I move to suspend the rules and pass House Resolution 50, to provide for a select committee to investigate practices used in deportation of aliens, and to study extent of alien smuggling from Cuba, with an amendment.

Mr. GOSS. Mr. Speaker, I make the point of order there is not a quorum present.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 70]

Abernethy	Collins, Calif.	James	Perkins
Almon	Crosser	Kemp	Peterson
Andrew, Mass.	Crump	Kleberg	Reed, N.Y.
Ayers, Mont.	Culkin	Kramer	Reid, Ill.
Bacharach	Dingell	Kurtz	Robinson
Bacon	Douglass	Lee, Mo.	Sadowski
Bakewell	Doutrich	Lewis, Md.	Smith, W.Va.
Beedy	Fernandez	Lloyd	Snyder
Bolton	Frear	McGugin	Stubbs
Britten	Gavagan	McReynolds	Sullivan
Buckbee	Gifford	Mansfield	Sutphin
Burke, Calif.	Gillette	Martin, Oreg.	Terrell
Cannon, Mo.	Goldsborough	Montague	Tinkham
Cannon, Wis.	Harter	Montet	Treadway
Carpenter, Nebr.	Hill, Knute	Moynihan	Utterback
Chase	Hoeppel	Norton	Wadsworth
Claiborne	Hollister	O'Brien	Walter
Clarke, N.Y.	Hornor	O'Malley	Wilcox
Cochran, Pa.	Hughes	Peavey	Woodrum

The SPEAKER pro tempore. Three hundred and fifty-five Members are present, a quorum.

On motion of Mr. CULLEN, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The gentleman from New York moves to suspend the rules and pass House Resolution 50, with an amendment, which the Clerk will report.

The Clerk read as follows:

House Resolution 50

Resolved, That the Speaker appoint a select committee of five Members of the House, one of whom shall be designated as chairman, and such committee is directed to conduct an investigation into the procedure and practice, under the rules and regulations of the Department of Labor and/or the Bureau of Immigration, relating to deportations and/or affecting detentions pending conclusion of deportation proceedings, for the purpose of enabling Congress to ascertain whether or not any necessity exists for legislative measures to correct any unnecessary hardships to aliens against whom deportation proceedings are instituted under existing law and regulation; said committee is also directed to conduct an investigation into the extent of alien smuggling into the United States, especially from Cuba and other islands adjacent to the State of Florida, for the purpose of ascertaining what legislative measure under our immigration laws might tend to reduce the extent of these surreptitious entries to the United States.

SEC. 2. Such committee, or subcommittee thereof, is authorized to sit in Washington or elsewhere in the United States and, if deemed necessary, in the American consulate in Habana, Cuba, at the discretion of the chairman; to employ necessary stenographic, clerical, and other assistants and investigators; to have necessary printing and binding done; to require the attendance of witnesses and the production of necessary books, papers, records, documents, and other pertinent instruments of record, by subpena or otherwise; to make necessary traveling and other expenses, which shall be paid from the contingent fund of the House upon vouchers signed by the chairman and approved by the Committee on Accounts: *Provided*, That the total expenses under this section shall not exceed the amount authorized to be appropriated under section 4 of this resolution. Subpenas shall be issued over the signature of the chairman and served by persons designated by him. The chairman of the committee or any member of the committee may administer oaths to witnesses. Any person who, having been summoned as a witness by order of the committee, or subcommittee thereof, willingly makes default, or who, having appeared, fails to produce the necessary books, papers, records, documents, or other pertinent instruments of record required, or refuses to answer any question deemed pertinent to the subject then under consideration, shall be subject to the penalties provided by section 102 of the Revised Statutes of the United States. The committee shall report to the House with recommendations, by bill or otherwise, not later than the first day of the session of Congress convening on or about January 3, 1934.

SEC. 3. The Secretary of Labor and the Secretary of State are requested to issue such instructions as they may deem necessary to the personnel of their respective departments to insure to the committee or any subcommittee thereof the necessary cooperation in the conduct of this investigation and the appearance of desired employees for testimony and the production of desired books, papers, documents, and other pertinent instruments of record, whether the same be in Washington, elsewhere in the United States, or in the American consulate at Habana, Cuba.

SEC. 4. There is appropriated from the contingent fund of the House the sum of $2,000, or any necessary part thereof, for the use of this committee for the purpose of conducting this investigation, which amount shall be immediately available.

Mr. COCHRAN of Missouri. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Is the gentleman from Missouri opposed to the resolution as amended?

Mr. COCHRAN of Missouri. I am opposed to the resolution.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

Mr. JENKINS. Mr. Speaker, I object.

The SPEAKER pro tempore. The question is on ordering the second.

The Chair appointed as tellers Mr. DICKSTEIN and Mr. JENKINS.

The House divided, and the tellers reported that there were ayes 67, noes 35.

So a second was ordered.

The SPEAKER pro tempore. The gentleman from New York is recognized for 20 minutes and the gentleman from Missouri is recognized for 20 minutes.

Mr. DICKSTEIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, it was really surprising to see any opposition to this resolution, the purpose of which is to secure factual information, upon which to base legislation, by Members of this House and upon your authority to investigate into certain conditions which are alleged to exist.

What do we propose to do? The Committee on Immigration and Naturalization, after many years of public hearings, is still trying to find out where the leaks are, along the borders and with steamship companies, through which so many aliens are smuggled into this country.

I do not think either the Members on the Republican side or the other Members, who passed between the tellers in opposition, are really serious in trying to prevent an investigation to determine how so many Chinamen and other aliens get in here every day of the year through the operations of alleged smugglers' rings, and how best to correct the situation by legislation. I call your attention to one of the purposes for which this investigation is asked—line 3 to line 6, on page 2, I quote:

For the purpose of ascertaining what legislative measures under our immigration laws might tend to reduce the extent of these surreptitious entries to the United States.

I think those who passed through the tellers in opposition to consideration of this resolution have an erroneous idea of the objects of the investigation.

I suppose you do not want to know how so many Japanese, Mexicans, and other aliens come into this country illegally every day. You do not seem to be interested. While you, gentlemen, are raising technical objections to this resolution, our country is being flooded with oriental and other aliens by all kinds of rackets in the smuggling of aliens.

Did you see the picture "I Cover the Waterfront"? If you did, you will recall when that ship came in and the inspector was examining the ship and they opened up a whale there they found a Chinaman. Now, you may think this is impossible, but it is true. Suppose I tell you that some months ago they found a bale of hay on a boat that came from China that had traveled almost 4 weeks; when they opened up the bale they found six Chinamen in the hay. Suppose I tell you that there were over 22,000 smuggled across the Mexican and Canadian borders? Are you still prepared to prevent authorizing this committee to conduct these investigations to find out just exactly what is the trouble?

I am not trying to build up a case; I am appealing to your sense of Americanism, because this committee at no time has had an opportunity to get the facts and the information as to why we have so much smuggling into the United States.

Suppose I tell you—and the figures will bear me out from your own administration in 1932—that over 8,000 aliens were smuggled into this country by the steamship companies, and only 1 percent of them were caught, and when we got them we deported them without penalizing the companies so that they would be more careful in the examination of their ships.

Did you know it has been charged by the newspapers and the press generally of the country that this racket of smuggling aliens has brought a profit to these unscrupulous persons amounting to over $20,000,000? Did you know that it is alleged there is a list somewhere in Habana, Cuba, of over 21,000 aliens who have actually been smuggled into the

United States from Cuba and perhaps as many more on the lists waiting to be smuggled in?

Now, what are we trying to do? This committee can be given information about places where they can study the question of the smuggling of aliens so that they can come back to the Congress and present such recommendations as will stop the leaks through which these smuggling groups operate, so that we may present a constructive report of conditions as they exist and then submit to you recommendations for constructive legislation that will be beneficial to the country.

And what are we asking in the way of funds? We are asking $2,000.

The resolution further provides that the investigating committee would also ascertain at first-hand the facts upon which we can base legislative measures to correct alleged abuses against aliens who are held on technical grounds over unreasonable periods of confinement pending deportation proceedings and other alleged questionable practices which inflict what are claimed to be undue hardships upon aliens suspected as being subject to deportation.

I do not think the Department of Labor or the Department of Justice have the time nor, possibly, the authority to conduct an investigation such as I propose this select committee of the House shall conduct. This investigation is intended to assist the Committee on Immigration and Naturalization in the formulating of legislative measures designed to stop the side doors for illegal entry to the United States and to correct abuses to aliens charged with being here illegally.

Ever since I have been the Chairman of the Committee on Immigration and Naturalization my attention has been called to the great number of cases which indicate careful study at first hand should be made to ascertain the facts that result in long detention of aliens held on technical grounds pending their deportation.

Just about 2 years ago the Honorable George W. Wickersham submitted to the President of the United States the fifth report of the National Commission on Law Observance and Enforcement, which report treated the Enforcement of the Deportation Laws of the United States. It was an exhaustive report and much of its information will prove increasingly valuable as time goes on.

Through the text of the pages of this report reference is frequently made to the fact that under present immigration laws tremendous power is exercised by the field personnel in deportation cases whereby members of the same office locally make investigations, conduct preliminary examinations, decide whether or not an interpreter is needed, act as interpreters, act as stenographers, conduct warrant hearings, and make recommendations to Washington as to whether or not a suspected person should be deported; and the records sent to Washington generally contain only so much of what has been done as the inspector wishes.

In short, the same man or the same group of men, in a given case act as the inquisitor, interpreter, prosecutor, judge, and later follow through and become the agency for the execution of the sentence pronounced. All through the processes of deportation the same administrative Department of Labor control and execute the methods and determinations which sometimes involve possible interference of the gravest kind with rights of personal liberty.

I believe it is as important to American institutions that fundamental principles of fairness and justice be observed in the administration of the immigration laws as it is that aliens unlawfully here should be sent out of the United States.

The many complaints that have come to me, as the Chairman of the Committee on Immigration and Naturalization, coming as they do from all parts of the country, convinces me that many times those fundamental principles of justice and fairness may have been sacrificed by overardent employees in the interest of departmental efficiency or by erroneous interpretation of the relative values of facts.

I am more and more convinced that Members of Congress should be delegated by the House to investigate these conditions from the viewpoint of a legislator in the hope that as a result of their personal inquiry in the actual existing processes in deportations your committee may evaluate the necessity for legislative action to further minimize abuses of the judicial principle stated by several Federal courts, to wit, that aliens as well as citizens are entitled to the protection of the fourth amendment to the Constitution.

Many complaints have come to me of undue hardships imposed by officials upon aliens held for deportation. They are too numerous to give in detail here. I will simply illustrate by a few instances of importance.

[From the Buffalo (N.Y.) Times]

JAILED ALIENS USE GRAPEVINE TO ASK BETTER TREATMENT—PETITION SIGNED BY 15 BEHIND BARS HERE POINTS OUT THAT NONE ARE CRIMINALS

A plea for better treatment during their imprisonment emanated Saturday through the "grapevine" route from 15 aliens held in the county jail as Federal prisoners.

The aliens attached their names to a petition in which they urged that the authorities provide them with better food and the means of taking exercise.

"We, the immigration prisoners of the Erie County Jail", the petition stated, "are sending out this message hoping that you will find space in your paper for publication. We take these means as our only way of expressing our opinions to the public as to what we regard as inhuman treatment. Amongst us there are no criminals. We have committed no crimes worse than being in the country illegally.

"We are compelled in some cases to remain in here as long as 8 months. We understand that with the immigration laws it takes time all right, but what we cannot understand and what we are positive the public does not understand is why we should not be accorded a little better treatment than the criminal cases in here."

A postscript said: "This letter may come to you from a point outside of the city as it would hardly be passed through the office."

I have a letter from a frantic wife and mother who tells me her husband is threatened with deportation although he has lived a respectable life in this country for 17 years and he has been confined in jail for over 4 weeks charged with being an alien because he had not taken out naturalization papers. She said she had taken him supplies which have disappeared and were never received by him.

I have a letter sent me from the managing editor of the Buffalo Times under date of November 14, 1932, which calls attention to six specific charges of abuse.

The following editorial from one of the Buffalo papers of just recent date which would seem to show the need of an investigation was just as essential now as it is reported to have been in that letter of November 1932:

[From the Buffalo (N.Y.) Times]

SIX MONTHS FOR NOTHING

When Frances Perkins became Secretary of Labor, succeeding "Bill" Doak, of unsavory memory, it was widely assumed that we were going to have a new deal in immigration matters.

The good news apparently has failed to percolate down to the immigration bureaucrats of the Buffalo district.

Jose Diuski, native of the Argentine, was released from county jail Monday night after being held for 6 months while immigration officers were trying to "pin something on him." With Diuski's money gone and his clothing reduced to shreds, immigration officers refused to heed the request of Jailer Edward Tranter that they permit him to remain in jail another day until he could be provided with new clothing in which to face the world. He was sent from jail to the county lodging house.

One of the first official acts of Miss Perkins was to dismiss from the service the stool pigeons and spies used by Doak to harass aliens. The act, we had reason to believe, was meant to signalize an end of Doak terrorism. But apparently local officials have been proceeding under the old Doak theory that the country can somehow be made safe and prosperous by making things tough for immigrants. We hope Miss Perkins will soon get around to ending alien abuses on the Niagara frontier against which this newspaper has repeatedly protested.

It is pleasant to know that Diuski, guilty of nothing, is at last free. But how many more friendless aliens are being held in jail without charges? It is time for another accounting.

In my office I have similar complaints from over all the Nation, and I dare say many of you have similar complaints from your own congressional districts.

It is these things which a legislative group of Congress should look into personally so as to frame laws intended to correct these abuses.

The so-called "Wickersham Commission", in its report on this subject, suggested that in deportation cases the alien

be given the benefits to be secured by consideration of the facts and law in his case by an independent board of review outside of but correlating with the Department of Labor. Such a board having a sort of quasi-judicial authority to pass upon the facts and law as they affect the alien upon appeal from the field service of the Immigration Service.

I have in the course of preparation a bill to follow out those recommendations, but have delayed to introduce it in the House pending the results that I hope will follow from the investigations proposed in this resolution. The need of a study of the actual operations in the field at several of the immigration stations by members of this legislative body is more and more apparent as the sections of that proposed bill are looked into.

The following statement from the Cosmopolitan Association of Erie County, New York, which association is federated with the Buffalo Educational Council and the Buffalo Society of Natural Science, speaks for itself:

At a regulation meeting of the executive board of the Cosmopolitan Association of Erie County the following resolution was adopted:

"We have watched with much interest the efforts of the Buffalo Times and a group of Erie County lawyers in behalf of the alien men and women who have been summarily seized and held in prison on a claim that they are unlawfully in the country.

"We join with others in condemning the methods of the enforcing authorities in depriving these unfortunate and illiterate persons of legal advice and subjecting them to a long prison confinement. In regard to the absence of a full and lawful hearing before a responsible judge, this is a violation of one of the basic American principles.

"We therefore gladly join with the other agencies which are now engaged in an endeavor to correct these great evils, and to this end we sincerely pledge our support."

E. CLAUDIA HANDLEY, (Mrs. Jas. H.), *President*.
MRS. BURR H. NICHOLLS, *Secretary*.

Now, please understand me, I am not criticising former Secretary of Labor Hon. William N. Doak, nor am I condemning the subordinate officials and the employees under him. The trouble seems to be the system and the laws under which the immigration laws are enforced, rather than the persons who execute them. I may say further that the very capable woman who is the present Secretary of Labor is making a splendid record for herself in a very difficult position. I believe she is sincerely trying to carry on in a manner which will be a credit to herself and to the Democratic administration. However, the Madam Secretary is under the same handicaps that surrounded her immediate predecessor, and it is my honest belief that an investigation such as I propose in this resolution will result in clarification of several provisions of the immigration law by the enactment of measures which will strengthen the arm of the Secretary and her capable subordinates in the enforcement of the immigration law.

Now, to recur to the topic which I discussed at the beginning, namely, the question of investigating the loopholes through which smuggling gangs operate.

I just want to refer briefly to extracts in the last annual report of the Commissioner General of Immigration covering the operations of the Bureau of Immigration for the fiscal year ending June 30, 1932. In his report Hon. Harry E. Hull states, with regard to this smuggling situation, in part, as follows:

During the year the border-patrol service as a whole apprehended 21,579 aliens who had smuggled themselves or had been smuggled in by other persons across the Canadian and the Mexican borders. One hundred and forty-nine smugglers of aliens were caught during the year, as compared with 228 during the previous year.

The service was called upon to deport to their home country from the El Paso (Tex.) and the Los Angeles (Calif.) districts 2,256 Chinese at a cost of $288,650.

The airplane is a growing and favored method of travel, and smugglers have not been slow to seize upon this modern and comparatively secure means of bringing inadmissible aliens over. There was captured in Canada recently an airplane smuggler who had been carrying Chinese to the United States and others from this country to Canada.

The situation regarding seamen and aliens smuggled in by steamships is indicated by the following abbreviated table from Mr. Hull's report:

Alien seamen deserted, ordered held on board vessel, escaped, removed from vessel, certified for contagious disease, and removed to hospital for treatment, as specified

Deserted:	
Chinese	76
Japanese	12
Others	1,256
Total	1,344
Ordered held on board vessel:	
Under sec. 20, Immigration Act of 1924	3,087
Not on visaed crew list	8,036
Escaped after being ordered detained on vessel	25
Removed to immigration station or elsewhere for safekeeping pending departure of vessel	153
Certified for loathsome or dangerous contagious disease	827
Diseased and other seamen removed to hospital for treatment	842

I want to emphasize that the professional smuggler, who is connected with a national or international ring that operates to get into this country aliens who otherwise could not come here, seems to experience little or no difficulty in getting criminal aliens by the thousands through the side doors left open by our immigration laws, while on the other hand honest, law-abiding citizens of the United States and upstanding aliens lawfully here for permanent residence are met with all kinds of obstacles when they try to bring into this country near relatives which the law entitles them to bring in to join the family circle here. Furthermore, certain smuggled aliens whose records are none too savory travel about with what sometimes appears to be immunity from immigration inspection, while on the other hand husbands of law-abiding American citizens with wife and American-born children are subjected to long detention in prisons and immigrant stations without bond pending a determination of their status here. These inequitable operations of the law and regulations promulgated under the law are subjects for investigation by this committee, as proposed by this resolution.

Now, in closing let me call the attention of the Members of this House who voted against the adoption of House Resolution 50 to the fact that by your action—that is, by your vote—I dare say you have extended aid and comfort to every person engaged in the nefarious profession of alien smuggling; they are watching the course of this resolution perhaps as carefully as you are, and I dare say that history will prove that your vote against this resolution providing for an investigation into these smuggling practices will bounce back to vex you among your own constituents. You restrictionists who voted against House Resolution 50 are not consistent.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker, the gentleman was very eloquent about the second proposition authorizing a select committee to investigate with respect to immigration smuggling, but he did not say one single word about the first purpose of the investigation, which is to inquire into the hardships concerning the deportation of undesirable or smuggled aliens in order to recommend legislation to soften our deportation procedure.

As to the smuggling of aliens into this country, what on earth can a select committee of five Members of this House ascertain in the way of facts that the special investigators of the Immigration Service or the agents of the Department of Justice cannot much better ascertain?

What legislation can be recommended after such an investigation concerning the guarding of our 3,000 miles of border between Canada and the United States and our many miles of border between Mexico and the United States and the coast line of the two oceans?

Mr. DICKSTEIN. Will the gentleman yield for one question?

Mr. LEHLBACH. No; I have only 5 minutes.

The Department of Labor has studied this question and time after time has fully covered it in its reports. The physical difficulties admit of this smuggling rather than any lack

of knowledge or any lack of recommendations by any special committee as to how to proceed to stop it, but the most important objection I have to the resolution is this: This resolution was referred to the Committee on Rules and the Committee on Rules, after a hearing and after consideration, refused to report it. This is, in effect, to discharge the Committee on Rules from the consideration of this investigation resolution, and my recollection is that in the 20 years of service I have had in this House, not a single resolution to investigate anything has been adopted by the House of Representatives without first a favorable report from the Committee on Rules. In order to check my recollection I wish to appeal to the gentleman from New York, whose time of service coincides with mine, whether my recollection is correct.

Mr. SNELL. I think the gentleman is absolutely correct. I have never known of such procedure as this with regard to any investigation.

Mr. LEHLBACH. I think this proposition to spend $2,000 to send five Members of the House to Habana, Cuba, on a vacation, where they can accomplish nothing and where they can bring back nothing of value in the line of information to this Congress is little short of outrageous.

Mr. Speaker, I yield back the balance of my time.

Mr. COCHRAN of Missouri. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we now have about seven investigations ordered by the House. This resolution, which comes in the closing hours, has been considered by the Committee on Rules, as the gentleman from New Jersey [Mr. LEHLBACH] told you, and it has not been reported by the Committee on Rules. Seldom are we asked to vote on resolutions not reported favorably by the Rules Committee.

The resolution provides for the expenditure of $2,000, and in section 2 it gives the special committee the power to employ stenographic, clerical, and other assistants and investigators; to have necessary printing and binding done; to require the attendance of witnesses, which costs money, requires the production of necessary books, papers, and so forth; and to pay necessary travel and other expenses, which will be paid from the contingent fund of the House.

Just imagine for 1 minute how far you can go on $2,000. This is a little bait. If you start this investigation, before you get through it will cost fifteen or twenty thousand dollars.

We had a little experience in the last Congress when we investigated government in business. I forget how much it ultimately cost, but somewhere around $15,000.

Why does not the gentleman go to the Department of Justice and require them to enforce the law?

I know the gentleman will say we cannot get action from the Department of Justice or the Immigration Service. Remember, my friends, you have a new deal, and if you cannot get results you will probably be able to get new officials who will get results. Give the Democrats a chance before you start investigating. You know the former Secretary of Labor appointed a crook as special investigator at a very large salary, and the first official action of the new Secretary was to discharge him. Such a man should never be on the Government pay roll. They said it took a racketeer to catch racketeers; that was their only excuse for making the appointment. He only lasted a few hours after the Madam Secretary took office.

I want to repeat that if you have any information relative to the violations of law, why not go to the proper Government authorities who are ordered by law to make these investigations that should result in sending people to jail who violate the laws. That is what we appropriate hundreds of thousands of dollars for, and if they do not stop the practices you complain of, then get new officials who will.

So far as enacting legislation making it easier for those who have been ordered deported, that is a joke. Who wants to make it soft for aliens who violate our laws? Would you put them up in the best hotels while awaiting deportation? The place for them is in jail until the hour arrives to put them on the ship and send them back to their native country. I would rather spend this $2,000 to send crooked aliens back home rather than to do work that Government officials are charged by law to do. Aliens are being deported by the hundreds monthly. Aliens convicted of felonies must be deported under the law, and just as soon as they serve their time they are being sent back home. The State authorities are cooperating with the Government. I know this to be a fact.

I want to say in conclusion that we are operating now under a Presidential order that practically prevents any immigration. Some few people are still coming in. I am willing to vote for a resolution that will stop immigration entirely until the American people out of jobs get jobs. [Applause.]

I am not going to vote for this resolution to spend money when you have agencies in the Government for which you appropriate large sums of money to enforce the law—enforcement agents who are supposed to do what this resolution seeks to do. As far as I am concerned, I am opposed to a resolution of this kind until the Government authorities that are being paid for doing work of this kind shall fail to do their duty.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. DICKSTEIN. That is just what we are trying to do. The former President by his order is keeping out immigration, but the back door is open. We are trying to get hold of the international gang of crooks who are operating between certain ports. The Department is now apparently unable to obtain information. The committee could get that information under authority of this resolution to bring in books and papers and require the attendance of witnesses.

Mr. COCHRAN of Missouri. You have the Bureau of Investigation of the Department of Justice, and if they are not doing their duty, go to the Attorney General and show him they are not apprehending criminals, and he will get men who will bring them to court, for he is just that kind of a man. Give him a chance. If you know anything, go place the evidence on his desk, and see how quick he will get men on the job who will bring in this so-called "international gang of crooks" you refer to. That is part of his Department's duty. Do you tell me you have no confidence in the lady Secretary of Labor from your own city? Why not see her, and if you give her information that there is an international gang of crooks operating, she will soon have every inspector in the Immigration Service on the job. Give her what leads you have, and I am sure she will respond, for she is part of the new deal. You do not have one but two agencies you can appeal to—the immigration officials and the investigating division of the Department of Justice. I advise my friend from New York to get in touch with them.

The Attorney General announced a few days after he took office that America was no place for rackets and racketeers. Smuggling aliens over our borders is a racket. If it exists, it is a racket the Attorney General will break up; so go to him with what information you have and give him a chance.

Mr. DICKSTEIN. They are powerless. The committee would have the power to investigate where the Department cannot. The authority of Congress to its own committee would permit the finding of information which will enable constructive legislation to cure these evils when we come back here for next session.

Mr. COCHRAN of Missouri. A congressional committee can go no further than a Government enforcement officer. A Government enforcement officer can go into any part of the country, and he can go to other countries if necessary. I can see no need for this investigation when we have Government officials being paid to do just what you propose to do by this resolution.

Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER of Alabama. Mr. Speaker, I have been a member of the subcommittee handling appropriations for the Department of Labor for many years, and regret that I cannot support this resolution which the Chairman of the

Immigration Committee has brought before the House. In my opinion, it would be a useless expenditure of money. I concur in the statement just made by the gentleman from Missouri [Mr. COCHRAN] when he suggested that there was no need for this inquiry, because if the gentleman from New York [Mr. DICKSTEIN] has knowledge of facts which he feels justifies legislation at this time, he should report that legislation to the House. Several times before I have called the attention of the gentleman from New York to the importance of reporting to the House some legislation that will correct the evils which do exist and which he claims to have knowledge of. It is not convincing to argue that $2,000 will enable a committee of five Members of the House by the inquiry here proposed to obtain information which may furnish the basis for needed legislation.

If the gentleman from New York will do what he now states he is willing to do, in reply to a question put to him by the gentleman from Missouri [Mr. COCHRAN]—namely, prohibit all immigration for the time being—and which he says, I repeat, he wants to do, and if he will go further and require the registration of all aliens and pass a law making it unlawful to employ in gainful employment anyone who cannot show that he is an American citizen, he will go far toward driving out of this country all aliens now unlawfully here and will at the same time remove the chief incentive for their coming here.

The Committee on Immigration is clothed with full authority to bring in legislation which will correct all of the secret wrongs and violations to which the gentleman from New York calls attention, and while he seems to have very full information as to what is going on, yet apparently he feels unable to draft legislation to correct the wrongs. I submit it would establish a bad precedent for the House to appropriate $2,000 to enable a select committee, which admits it now has much information of violations and wrongdoing, to make an inquiry for the purpose of recommending needed legislation.

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

Mr. OLIVER of Alabama. Yes.

Mr. SNELL. Is there any information that could be available anywhere that is not in the Department of Labor at the present time?

Mr. OLIVER of Alabama. I feel sure there is not.

Mr. SNELL. That Department has made a number of investigations of exactly this same proposition.

Mr. OLIVER of Alabama. And they are earnestly endeavoring to enforce our immigration laws. We now have a very capable and active Secretary of Labor, so why, just as she is taking charge of the Department, should this committee feel that it is incumbent on them to make an inquiry which the Department is not requesting? Would it not by implication express lack of confidence in the Department?

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

Mr. OLIVER of Alabama. Yes.

Mr. DICKSTEIN. I want the gentleman and the House to know that I am not aiming to criticize or seeking to embarrass anybody, the Secretary of Labor, past or present, or any other official. The committee is simply trying to obtain some information at the source for constructive legislation. How does the gentleman from Alabama explain that in the last fiscal year, according to the report of the Commissioner General of Immigration, over 8,000 were smuggled in on ordinary boats, and over 100,000 across the borders? Someone is at the head of that smuggling ring across the borders from Cuba and Canada.

Mr. OLIVER of Alabama. It so happens that the gentleman was himself partly responsible for increasing the amount that might be expended out of the regular appropriations in employing special agents to look up violations, and I was very glad to learn that the new Secretary of Labor had discharged them, because there was brought to the attention of certain Members of this House, in connection with the work of such special agents, some things which in my judgment were hurtful to the morale of the regular personnel and reflected no credit on the Department.

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired.

Mr. DICKSTEIN. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. SCHULTE].

Mr. SCHULTE. Mr. Speaker, there has been a resolution presented here proposing to spend $2,000 for investigating the smuggling of Mexicans and Chinese coolies into this country. I believe that is the sole purpose of this resolution.

I am in hearty accord with this proposition, as I represent, in all probability, one of the largest manufacturing districts in this country. I represent the Calumet district, described by captains of industry as the "greatest industrial region in the world", "the workshop of the universe", and I stand here to protest against the invasion of this type of worker into my district and to fight for the rights of the citizens of the region I represent. The men and women of my territory, those who pay the taxes and work at honest toil to help pay their share of the cost of this Government—a cost, gentlemen, that is necessary in order that we can come down here and make laws for the protection of the people we represent and for their general welfare—are demanding to know for what reason these Mexicans are being brought into this territory and why they are allowed to cross the border unhampered. Not that I bear any ill will toward the Mexican or have any ill feeling toward him or his race, but I certainly do object to his being smuggled across the border and then being brought into my district and there replace the workingman who has lived in my territory for a number of years, only to find that when he goes to his place of employment that his job has been taken by one of these men who has been smuggled in and who is holding down his job at a lower rate of pay.

In times of depression the man or woman who has saved up a little money to purchase a home is now faced with the task of paying a heavier tax than before, owing to the fact that it is costing my district more than $100,000 a month, because of the large number of Mexicans who have found their way into the territory to take the jobs of the taxpaying citizen, and who are now dependent upon charity. So you see, it is not only unfair to the working man and woman of this country, but also unfair to the Mexican himself, as he becomes an object of charity in slack times. So, Mr. Speaker, I am in accord with this investigation as I believe that by going into the situation, and this committee being sent to the border where they may obtain first-hand information of just how the smuggling is taking place, we can come back here next January and pass a law that will be so airtight that never again will this situation prevail.

I hope that I am not misunderstood in the plea that I am making here today. I have no score against law-abiding citizens—whether they be Mexicans or whatever nationality—who have lived in my district for many years and who have done everything possible to keep the respect of their fellow man; nor have I any malice toward residents of my district who, although they have shown no inclination to become naturalized citizens, have lived in our territory long enough to pass the status of being classified as "floaters." I am pleading for a square deal for residents and citizens of my district who have shown by their faith, by their hope, and by their charity that they mean to live up to the laws of their Government and the wishes of their fellow man. I am pleading for these people regardless of color, creed, and nationality, against the outlawry of those who might stoop to gain a pittance from smuggling in undesirable aliens who, once within the confines of such thickly populated manufacturing districts such as I represent, take the daily bread from the widow and her orphan, the industry from the father and his family, and deprive the Government of the just tax to pay for the protection of law and order.

I hope that all of my colleagues in Congress will see the situation in the same light as we, the Members of Congress who come from the heavy populated or manufacturing districts of this great Nation. The thing that is uppermost in

my mind is for the protection of the workingmen in this country whether they be foreign born or American, and whether or not they are fully naturalized citizens of this great Nation. It is my ambition to help my people to again build up this country to the standard which it attained in 1921, when the price of labor was adequate enough so that the worker had a bank account and could enjoy not only the necessities of life but also some of the pleasures. And last, but not least, to send his children to school to receive a fair education, which would equip them mentally to combat some of the situations in this life and better equip them for good positions.

In my closing remarks I hope this bill will pass unanimously. I thank you.

Mr. DICKSTEIN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, I must protest against the vicious attack which was just made by the gentleman from Alabama [Mr. OLIVER] on the distinguished Chairman of the Committee on Immigration, Mr. DICKSTEIN. There is no more patriotic or conscientious Member of this House. If the gentleman from Alabama wants to leave those remarks in the RECORD, I shall be content. I trust he will not revise them.

The gentleman from New York [Mr. DICKSTEIN], as Chairman of the Committee on Immigration, has probably done more to prevent the improper entry of aliens into the United States than any Member who has an obsession on the immigration question. As for myself, I have never favored immigration restriction bills, because I came to the conclusion many years ago that the spirit behind most immigration bills is antiforeigner and un-American. It is the same spirit that prevailed in the election of 1928. However, after we have passed immigration bills and kept honest, legitimate immigrants and aliens out of this country—men, women, and children who would contribute to our Nation—if there is smuggling of undesirable aliens, we surely should keep those people who are being smuggled in from coming into our country. When the Italians and natives of Poland are barred, principally because of their religions, we should be concerned about the smuggling of Chinese and other undesirables.

Everybody knows what interest is lobbying against this bill. It is the steamship companies who profit by this smuggling.

Mr. LEHLBACH. Will the gentleman yield?

Mr. O'CONNOR. Yes; and you cannot laugh it off either.

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

Mr. O'CONNOR. Yes; I yield for a question.

Mr. LEHLBACH. Has the gentleman spoken to any representative of steamship companies or any other interests on this question?

Mr. O'CONNOR. Oh, they would not come to me. I would be the last person they would approach. If the statements we heard before the Rules Committee are only partly true, if these aliens are being smuggled in from Canada, from Cuba, and from Mexico, anybody here who believes in upholding the immigration laws of our country should take greater pleasure in voting for this bill than all the immigration bills that have ever been presented to this House.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. O'CONNOR] has expired.

Mr. DICKSTEIN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. KRAMER].

Mr. KRAMER. Mr. Speaker, in California and on the entire Pacific coast, the Japanese, the Chinese, and the Mexicans perform most of the common labor. After the border was closed at San Diego there still seems to be a hole in the fence. For some years I have been trying to find out how it is that Mexicans, Chinese, and Japs come in through those holes. The purpose of this is not to investigate the Department of Labor. It is to investigate where the leak is. Who is it down on the Mexican border or on the Pacific coast that is permitting these immigrants to come in illegally? I believe if this resolution provided for $50,000 it would be worth that to the Pacific coast alone, and I hope all of the Members of the House, and particularly the Members from the Pacific coast, will support this important resolution. Our inspection is entirely too easy and too loose and needs teeth in the examination of all those who seek entrance into the States.

Mr. COCHRAN of Missouri. Mr. Speaker, I yield the balance of my time, 6 minutes, to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I should dislike very much for any of the new Congressmen to find themselves lined up today on the wrong side. In other words, if they are restrictionists, if they are men who believe in restricting immigration——

Mr. KRAMER. Is the gentleman referring to me as a new Congressman?

Mr. JENKINS. No. I did not have the gentleman in mind.

Mr. KRAMER. I have been on this side ever since I have been here, and I am very happy about it.

Mr. JENKINS. I did not have the gentleman in mind. I never thought about the gentleman.

What I started to say was that if there are any new Members here who have come to Congress with the idea that they wanted to be restrictionists they had better be on the side of the men who have been restrictionists here for years. Do not be misled by somebody who has failed in all his experience in this Congress to vote for any restrictive measure, and who has always voted against every restrictive measure. Let us not be fooled about Mexicans coming up to Chicago and places like that. When I was a member of the Committee on Immigration I visited every immigration station from Boston to San Francisco.

I know the conditions intimately. I think I know the Mexican situation. We have gone into that in times past, as the older Members know, extensively. The gentleman from Texas and the gentleman from El Paso know this.

Let us not be misled by this thing. Here is a measly little resolution calling for $2,000. What for? For no other purpose than to give somebody a little vacation, just a little junket. That is all it means. Let me say that the Department of Labor has not asked for this. The Department of State has not asked for this. They do not want this. Why? Because the State Department has a Consular Service of which it is proud. They know conditions. They are well posted. They do not need to be investigated.

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

Mr. JENKINS. I am sorry, but I cannot yield.

They know exactly what they are talking about.

The Department of Labor does not need this at all, because they have at these stations many fine men, men of great natural ability; men who love their work and who are devoted to the cause that they represent.

The border patrol is a great organization. I wish you could all see the border patrol—fine young men, most of them ex-service men. They know their business. They do not need to be told where these leaks are. Two or three years ago some of these district directors testified before our committee. They know what is going on. There are large numbers of the people illegally in this country already apprehended. What the Departments need is money. The Departments need money to send back the hundreds and thousands of people that have been apprehended. Why arrest any more when we cannot handle those we have apprehended?

What do you want to spend $2,000 on this for? Let us appropriate $200,000, $300,000, or $1,000,000, if you want to, and send these people back; but if you spend $3,000,000 or even $5,000,000, you cannot send them all back. Do not do a vain, foolish thing; do not do it simply because somebody wants to do it. Do what your good Democratic brethren want you to do—uphold the hands of the new Secretary of Labor.

Let me say I have had occasion to deal with the Secretaries of Labor for a long time. We had two Republican Secretaries of Labor, and they rendered fine service. I think from the way the new Secretary of Labor has started out

and the way she is handling this situation, if she continues, she will prove the equal of any of her predecessors.

She did not ask for this. Why? I will tell you why she did not. She had these fine men of the service here in Washington last week. There were called in from points throughout the United States chiefs from every station. They were called here and talked with the officials. These chiefs are men who draw $5,000 or $5,500 a year. They are competent men, men of education and experience. Many of them have two or three hundred assistants under them. They know more about this than a little committee would know. If this committee wants to go around and investigate conditions, why do they not do like old Judge Box did when he was a prominent member of the committee, make the trips and pay his own expenses, or, like Mr. Johnson did, make the circuit and pay his own expenses, or like I did, make such trip as they wish and pay their own expenses. They will find the same thing we found.

Mr. SABATH. When was it these gentlemen paid their own expenses?

Mr. JENKINS. I made the statement that they did. That is all I know about it. I do not wish to yield further.

Now, Mr. Speaker, I want to be serious about this matter. If you want to make an investigation, make an adequate one. Call up the Immigration Service and ask them what help they need. Talk to the Democrats in the Labor Department and ask what they need from the standpoint of immigration, and they will tell you that what they need first is to recodify the law. Time after time they have sent to the Immigration Committee requests for assistance to recodify the law and rewrite the law so it will be clear and understandable, but never since I have been here has anybody asked for any money for anything like this. The bill should be defeated. [Applause.]

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, after the House had by a decisive vote stricken out the enacting clause and killed the McReynolds resolution that sought to spend $48,500 on attending a so-called "Institute of Agriculture" in Rome, Italy, which, after all, was a junket proposition pure and simple, and then after the Senate had placed this $48,500 junket as a rider on an appropriation bill, and the House last Saturday, June 10, 1933, reversed its former position and voted this Rome (Italy) junket of $48,500 by a vote of 150 to 118, I lost confidence on what might happen in a vote on this Dickstein resolution; hence, in the interest of the taxpayers of the United States, I made a horse trade with our colleague from New York [Mr. DICKSTEIN].

I agreed with him that if he would offer an amendment to his resolution providing that no more than $2,000 could be expended on the investigation it provided for, and that if he would promptly on the convening of next session give us a hearing and a vote on my bill to suspend all immigration to the United States for 5 years, I would vote for his investigation of the smuggling of aliens into the United States that has been going on for so long.

Under the provisions of his resolution, unless safeguarded by the amendment I demanded, there could have been spent on his investigation $100,000 or $200,000 or even $500,000, so I thought it was wise, to begin with, to cut off its fangs and to circumscribe it with a safe and sound limitation, so that not more than $2,000 could be spent under it. And the gentleman from New York accepted my proposition and has placed the amendment I demanded in his resolution, so that only $2,000 may be spent under it.

And the horse trade I made was an excellent one for the people. Because the gentleman from New York is Chairman of the Committee on Immigration. Without his help we are not going to get any bill favorably reported out of his committee to suspend all immigration. For years I have had a bill pending before the Committee on Immigration to suspend all immigration to the United States. During one year and another I have been able to get a hearing on the measure, and I have in each instance presented to the committee unanswerable evidence showing the justice and absolute necessity of such a measure, and that American heads of families would never be properly protected, and that there would never be sufficient jobs for Americans, until we stopped all immigration for at least a sufficient number of years for us to assimilate the foreigners we already have here, but it was always impossible to get such a bill reported to the House by such committee. The former chairman of the committee made many protestations of being in favor of stopping immigration, but he would never allow such a bill to be reported.

Again, on December 8, 1931, I introduced in the last Congress a bill (H.R. 4514) to prohibit the immigration of all aliens into the United States. Although I made endeavor after endeavor, I was never able to get such a measure reported. During the previous year I had, on December 12, 1930, introduced a similar bill, H.R. 15075, but could not get it reported, although I had promise after promise from the then chairman of the committee that he was in favor of stopping immigration, and that some day he would report such a measure and pass it.

Just as soon as this special session of the Seventy-third Congress convened, I introduced, on March 9, 1933, the bill (H.R. 109) to prohibit the immigration of all aliens into the United States for a period of 10 years, and that bill was referred to the Committee on Immigration and Naturalization, of which the gentleman from New York [Mr. DICKSTEIN] is chairman. As a part of the consideration for my horse trade, he has promised that as soon as we meet in the regular session next January he will give us a hearing on this bill, and that he will give the Members of the House a chance to vote on it. I know that the Congress will pass this measure if we can get it out of the committee. I also know that we will never get it out of the committee unless it is the wish of the chairman. And I know that every laboring man in the United States is vitally affected and interested in stopping all immigration for at least a period of 10 years.

So by making this trade with the chairman of the committee, we gain two very important and most valuable advantages for the American people, the first being to limit the expenses of this investigation to $2,000, by having the resolution thus amended so that not more than $2,000 can ever be spent under it, and the second advantage being that in January we will get a hearing before the committee and a chance for the Membership of this House to vote to stop all immigration of aliens into the United States for 10 years.

For years, also, I have been trying to get a law passed to require all aliens in the United States to be registered, and to force the undesirables and all others who refused to be naturalized to leave the United States, and to severely penalize all ships and companies engaging in smuggling, denying to them the privilege of docking at our ports.

I wish it were so that at this very hour we could prevail upon the chairman of this committee [Mr. DICKSTEIN] to call up and pass, under suspension of all rules, the bill to stop the immigration of all aliens into the United States for at least 10 years. Such a bill ought to be passed at this session before we adjourn.

There ought not to be an alien permitted to enter this country for the next 10 years, and especially until we put every American back to normal work. [Applause.]

Mr. McDUFFIE. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. McDUFFIE. Does the gentleman think the passage of this resolution will get his bill out of the gentleman's committee? [Laughter.]

Mr. BLANTON. The gentleman has promised me that he will bring in such a measure and allow the House to vote on it at the next session, but I am urging him to do it now. Before we adjourn we ought to stop all aliens from coming here.

Mr. McDUFFIE. I am surprised at the watchdog of the Treasury being willing to pay $2,000 to get his bill out of the committee. [Laughter.]

Mr. BLANTON. It would be worth $2,000,000,000 to American laborers and their families if we could stop immediately all aliens from coming here.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. BLANTON. In just a minute. I will tell you exactly what I had in mind when I made my trade with the Chairman of the Immigration Committee. My purpose was to stop an expensive junket. Every Member here knows that I am against all junkets. I have been fighting against all junkets here for the past 17 years. I have never yet been on a junket. I have never yet spent one dollar out of the Treasury on any kind of a trip. I have been over much of the United States, and have checked up Government business in many parts of this Nation, and even over in old Mexico, but I paid every dollar of the expense out of my own pocket, and it did not cost the Government one cent. And it was to stop a possible expensive junket that I made the trade with the author of this resolution. It, under its provisions, authorizes this proposed committee to make investigations not only all over the United States but also in Cuba and the other islands adjacent to Florida. It also gives this committee authority to employ stenographic and clerical help, and assistants and investigators, with no limitation as to the number of each, but that is left entirely to the discretion of the committee, which also is given the power and authority to pay all of such employees unlimited salaries as large as it desires, and to have printing and binding done, and to require the attendance of witnesses, who have to be paid so much per day with mileage allowance, and to pay all traveling and "other" expenses.

Under such provisions contracts could have been made morally obligating the Congress to pay out huge sums of money, and there could have been spent, if we had not limited it with my amendment, as much as $100,000 or $200,000 or even $500,000, as other investigating committees have spent heretofore, in past history of the Congress. So I felt that it was safe and sound and absolutely necessary to have a limitation placed on the amount that could be spent, so I made the agreement with Chairman DICKSTEIN, that he would amend the resolution, as he did, providing that not more than $2,000 could be spent under it. So whether or not the resolution passes it is properly safeguarded, and I have secured rights most valuable to the people, and I am going to keep faith with the chairman and am going to vote for this $2,000 investigation.

As to these Chinese that have been smuggled into the United States, I am not in favor of paying out the tremendous expense it has cost us to deport them. I am in favor of stopping it in another way. Why, the Department of Labor spent $288,000 to deport 2,200 Chinese (in round numbers). That ought to stop.

I will tell you how I would stop it. I would penalize severely every ship that engaged in smuggling, and deny it the right to dock at our ports. Then I would send these smuggled Chinese out to Occoquan and put them to work and make them do gratis all of the laundering for Washington and the Government, so that our Government and the people here would not be robbed any more by these laundry monopolies that daily overcharge people here. Laundries charge more in Washington than in any other city in the United States. For an ordinary plain shirt with soft cuffs and no collar Washington laundries charge 20 cents, when practically everywhere else in the United States only 15 cents is charged.

I would send the smuggled Japs out to Occoquan and put them in a chain gang making ice, so that the poor people of Washington would no longer be robbed by the ice monopolies of Washington which charge 2½ times as much for ice in Washington as ice is sold for in Waco, Tex., and in Austin, the capital of Texas.

And I would put the smuggled Mexicans to work on the highways in the United States and make them wish a thousand times that they had not violated our immigration laws by crossing the Rio Grande unlawfully. As one Member I have all the information I want. I am ready now to pass proper laws to keep all aliens out.

And if we cannot do it before then, we can pass a law in the next session to stop all immigration for 10 years. Every Member here ought to do what I am going to do in the next session with the chairman of this committee. I am going to be after him continually; I am going to be dingdonging him from morning until night, every day and every week and every month until he brings a bill in here and passes it into law to stop all immigration to this country. I am going to worry the very life out of him until he brings in a bill that will make all aliens register, and until he brings in a bill that instead of spending money to send them back, will put all smuggled aliens to work here in a chain gang until they will want to go back home, and go at their own expense.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. BLANTON. I yield to my friend from Missouri.

Mr. COCHRAN of Missouri. The gentleman enumerates many requirements he will exact from the chairman of the committee——

Mr. BLANTON. Yes.

Mr. COCHRAN of Missouri. Naturally, the chairman must be in good physical condition to do everything that the gentleman from Texas is going to ask him to do, and in order to be sure that he is in good physical condition, the gentleman wants him to have a joy ride to Cuba. [Laughter.]

Mr. BLANTON. I am against all junkets and against all joy rides. And I have succeeded in getting a most valuable amendment on this bill.

Mr. COCHRAN of Missouri. But now the gentleman is voting for one.

Mr. BLANTON. I am not objecting to the gentleman from Missouri or others voting against this bill. But I must keep faith with the chairman, who has assured us of valuable rights for the people. And I have a limitation on this bill that properly safeguards it, and I say that it is a valuable right secured for the people when you can put such a limitation on the bill. For I know from experience that such bills as this do pass here in this House, and I have fixed this measure so that if it does pass it will be as harmless as possible, for not more than $2,000 can ever be spent under it. And the gentleman from Missouri must not forget that on last Saturday, June 10, 1933, this House by a vote of 150 to 118 passed a junket measure to spend $48,500 on a useless and valueless most foolish junket to Rome, Italy, in the name of farmers, when the farmers of America would like to have that $48,500 kept in their Treasury. And in thus passing that $48,500 junket to Rome, Italy, this House reversed itself; because not long before, by a record vote, it had struck out the enacting claims and killed that bill. And this $48,500 junket to Rome, Italy, was placed back in an appropriation bill by the Senate, and we took a separate vote on that item here in the House last Saturday when I tried hard to kill it the second time.

Mr. DICKSTEIN. Mr. Speaker, I yield the balance of the time, 3 minutes, to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Speaker, every time a resolution to investigate comes before the House we find a conflict of opinion such as has developed in this debate. Some men take the floor and attack every resolution of this nature as a wasteful, extravagant raid upon the Treasury of the United States. Then, too, there are Members who explain the many advantages resulting from work of this nature.

Every committee of the Congress would be in a better position to pass on legislation if he were familiar with the work of the department of government involved. When the subject is important, when legislation is required, when Members are willing to offer their service without cost, then such resolutions as we now have before us should be considered.

Look at the splendid work that has been accomplished throughout the history of Congress, particularly the work

of investigating committees. I ask you to look up the record. Look at the investigation that turned the searchlight of public opinion on the great oil scandals. Where was the bureaucrat you talk about? The Department of Justice, the Bureau of Investigation, what did they do? It was the Senate investigation committee created by act of Congress that developed that situation and brought the offenders to justice.

Read your history. Never since the administration of Andrew Jackson has there been courage surpassing that of the Senate committee now investigating the investment bankers of America.

They dared to investigate the greatest money power in the world. Today, by reason of the passage of a resolution, the Senate of the United States is investigating the powerful House of Morgan, and the saving of billions of dollars will, I dare say, result to the people of the United States.

Better banking laws, more severe tax laws will be enacted because of this investigation.

I want to say to you it is all right to condemn resolutions of this kind, but in some of the foreign countries representatives of the people are allowed to go from one end of the land to the other during the recess of Parliament in order that they might observe the results of the enforcement and application of the law. It is a question of whether you want to place your faith in bureaucrats or trust to the integrity and honor of legislators. Surely you will agree with me when I say the cooperation of both will bring about better results. We want this committee to come to Buffalo. We want them to come and investigate the deportation situation there. We want them to observe the rigid application of the Canadian immigration laws which forbid American workers to enter Canada, while Canadian citizens are employed in large numbers in our country. The Department in the past has not been able to remedy these conditions. Give this committee an opportunity, and I feel certain that much good will result. When there is sufficient reason for the investigation and the cost is both nominal and limited we can well afford to support resolutions of this kind.

The SPEAKER pro tempore. All time has expired, and the question is, Shall the rules be suspended and the bill passed.

The question was taken; and on a division (demanded by Mr. SNELL) there were 77 ayes and 57 noes.

Mr. SABATH. Mr. Speaker, I object to the vote on the ground that no quorum is present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and eighty-one Members are present, not a quorum. This is an automatic call. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members.

The question was taken; and there were—yeas 194, nays 134, answered "present" 1, not voting, 101, as follows:

[Roll No. 71]

YEAS—194

Adair	Colden	Durgan, Ind.	Healey
Adams	Collins, Miss.	Eagle	Henney
Andrews, N.Y.	Colmer	Edmonds	Higgins
Auf der Heide	Condon	Eicher	Hildebrandt
Ayres, Kans.	Connery	Elzey, Miss.	Hill, Ala.
Bailey	Connolly	Faddis	Hill, Knute
Beam	Corning	Fiesinger	Hill, Samuel B.
Beiter	Cox	Fitzgibbons	Hoidale
Black	Cravens	Fitzpatrick	Hughes
Bland	Crosby	Flannagan	Jeffers
Blanton	Cross	Fletcher	Johnson, Minn.
Bloom	Crowe	Focht	Johnson, Okla.
Boileau	Crowther	Ford	Johnson, Tex.
Boylan	Cullen	Foulkes	Jones
Brennan	Deen	Frear	Kee
Brown, Ky.	Delaney	Gibson	Kelly, Ill.
Brown, Mich.	De Priest	Gillespie	Kelly, Pa.
Brunner	Dickstein	Glover	Kennedy, N.Y.
Byrns	Dies	Goodwin	Kenney
Caldwell	Dirksen	Granfield	Kloeb
Carden	Disney	Green	Kocialkowski
Carley	Dobbins	Greenwood	Kopplemann
Cartwright	Doughton	Griffin	Kramer
Celler	Doxey	Griswold	Kvale
Chavez	Drewry	Haines	Lambeth
Church	Duffey	Harlan	Lanham
Clark, N.C.	Duncan, Mo.	Hartley	Lanzetta
Coffin	Dunn	Hastings	Larrabee
Lea, Calif.	Monaghan	Sandlin	Taylor, Tenn.
Lee, Mo.	Murdock	Schaefer	Thom
Lehr	Nesbit	Schuetz	Thompson, Ill.
Lesinski	O'Connell	Schulte	Underwood
Lindsay	O'Connor	Scrugham	Waldron
Lozier	Oliver, N.Y.	Shannon	Wallgren
Lundeen	Parsons	Shoemaker	Wearin
McCarthy	Peyser	Simpson	Weaver
McClintic	Pierce	Sirovich	Weideman
McCormack	Pou	Sisson	Welch
McGrath	Prall	Smith, Wash.	Werner
McKeown	Randolph	Snyder	West, Tex.
McMillan	Rankin	Somers, N.Y.	Whitley
McSwain	Ransley	Spence	Whittington
Major	Richards	Stalker	Wilcox
Maloney, Conn.	Richardson	Steagall	Wolfenden
Marland	Robertson	Strong, Tex.	Wolverton
Martin, Colo.	Rogers, Okla.	Studley	Woodrum
Mead	Rudd	Sumners, Tex.	Zioncheck
Millard	Sabath	Sutphin	
Miller	Sadowski	Sweeney	

NAYS—134

Allen	Dear	Lambertson	Rogers, Mass.
Allgood	Ditter	Lamneck	Rogers, N.H.
Arens	Dondero	Lehlbach	Ruffin
Arnold	Dowell	Lemke	Sanders
Bakewell	Eaton	Luce	Sears
Beck	Eltse, Calif.	Ludlow	Secrest
Beedy	Englebright	McFadden	Seger
Biermann	Evans	McFarlane	Smith, Va.
Blanchard	Farley	McGugin	Snell
Bolton	Foss	McLean	Strong, Pa.
Britten	Fulmer	McLeod	Swank
Browning	Gambrill	Maloney, La.	Swick
Brumm	Gasque	Mapes	Taber
Buck	Gilchrist	Marshall	Tarver
Bulwinkle	Gillette	Martin, Mass.	Taylor, Colo.
Burke, Nebr.	Goldsborough	Martin, Oreg.	Thomason, Tex.
Burnham	Goss	Merritt	Tinkham
Busby	Gray	Milligan	Tobey
Cady	Gregory	Mitchell	Traeger
Cannon, Mo.	Guyer	Montet	Truax
Carpenter, Kans.	Hamilton	Moran	Turner
Carter, Calif.	Hancock, N.Y.	Morehead	Turpin
Carter, Wyo.	Hancock, N.C.	Mott	Umstead
Cary	Hess	Muldowney	Vinson, Ga.
Cavicchia	Holmes	Musselwhite	Vinson, Ky.
Chapman	Hooper	Oliver, Ala.	Watson
Christianson	Hope	Parker, N.Y.	West, Ohio
Cochran, Mo.	Huddleston	Parks	Wigglesworth
Cole	Imhoff	Polk	Williams
Cooper, Ohio	Jenkins	Powers	Withrow
Cooper, Tenn.	Kahn	Ramsay	Wolcott
Culkin	Kinzer	Ramspeck	Young
Darden	Kniffin	Rich	
Darrow	Knutson	Robinson	

ANSWERED "PRESENT"—1

McDuffie

NOT VOTING—101

Abernethy	DeRouen	Kleberg	Reid, Ill.
Almon	Dickinson	Kurtz	Reilly
Andrew, Mass.	Dingell	Lewis, Colo.	Romjue
Ayers, Mont.	Dockweiler	Lewis, Md.	Shallenberger
Bacharach	Douglass	Lloyd	Sinclair
Bacon	Doutrich	McReynolds	Smith, W.Va.
Bankhead	Driver	Mansfield	Stokes
Berlin	Fernandez	May	Stubbs
Boehne	Fish	Meeks	Sullivan
Boland	Fuller	Montague	Taylor, S.C.
Brooks	Gavagan	Moynihan	Terrell
Buchanan	Gifford	Norton	Thurston
Buckbee	Hart	O'Brien	Treadway
Burch	Harter	O'Malley	Utterback
Burke, Calif.	Hoeppel	Owen	Wadsworth
Cannon, Wis.	Hollister	Palmisano	Walter
Carpenter, Nebr.	Hornor	Parker, Ga.	Warren
Castellow	Howard	Patman	White
Chase	Jacobsen	Peavey	Willford
Claiborne	James	Perkins	Wilson
Clarke, N.Y.	Jenckes	Peterson	Wood, Ga.
Cochran, Pa.	Johnson, W.Va.	Pettengill	Wood, Mo.
Collins, Calif.	Keller	Ragon	Woodruff
Crosser	Kemp	Rayburn	
Crump	Kennedy, Md.	Reece	
Cummings	Kerr	Reed, N.Y.	

So (two thirds not having voted in favor thereof) the motion to suspend the rules and pass the bill was rejected.

The Clerk announced the following pairs:

On the vote:

Mr. Keller and Mr. Gavagan (for) with Mr. Bacon (against).
Mr. Boland and Mr. Sullivan (for) with Mr. Hollister (against).
Mr. Douglass and Mrs. Norton (for) with Mr. McDuffie (against).

General pairs:

Mr. Abernethy with Mr. Treadway.
Mr. Warren with Mr. Wadsworth.
Mr. McReynolds with Mr. Bacharach.
Mr. Crosser with Mr. Gifford.
Mr. Buchanan with Mr. Perkins.
Mr. Almon with Mr. Woodruff.
Mr. Parker of Georgia with Mr. Kurtz.

Mr. Rayburn with Mr. Andrew of Massachusetts.
Mr. Kleberg with Mr. Doutrich.
Mr. Ragon with Mr. Buckbee.
Mr. Shallenberger with Mr. Fish.
Mr. Lewis of Maryland with Mr. Chase.
Mr. Montague with Mr. Moynihan.
Mr. Fernandez with Mr. Reed of New York.
Mr. Mansfield with Mr. Cochran of Pennsylvania.
Mr. Driver with Mr. Stokes.
Mr. Crump with Mr. Clarke of New York.
Mr. Kerr with Mr. James.
Mr. Dickinson with Mr. Collins of California.
Mr. Patman with Mr. Peavey.
Mr. Boehne with Mr. Reece.
Mr. Palmisano with Mr. Sinclair.
Mr. Howard with Mr. Thurston.
Mr. Burch with Mr. Reid of Illinois.
Mr. Hart with Mr. Wood of Missouri.
Mr. Reilly with Mr. Meeks.
Mr. Kemp with Mr. Walter.
Mr. DeRouen with Mr. Terrell.
Mr. Wood of Georgia with Mr. Stubbs.
Mr. Smith of West Virginia with Mr. Peterson.
Mr. Romjue with Mr. Harter.
Mr. Jacobsen with Mr. Berlin.
Mr. Burke of California with Mr. Carpenter of Nebraska.
Mrs Jenckes with Mr. Cannon of Wisconsin.
Mr. Claiborne with Mr. Lloyd.
Mr. Utterback with Mr. Castellow.
Mr. Willford with Mr. Dingell.
Mr. Fuller with Mr. Owen.
Mr. Wilson with Mr. O'Malley.
Mr. Taylor of South Carolina with Mr. Dockweiler.
Mr. May with Mr. Cummings.
Mr. Hornor with Mr. Lewis of Colorado.
Mr. Ayers of Montana with Mr. Johnson of West Virginia.
Mr. Kennedy of Maryland with Mr. Brooks.
Mr. White with Mr. Pettengill.

Mr. McDUFFIE. Mr. Speaker, I have a pair with the gentleman from Massachusetts, Mr. DOUGLASS, who, if present, would have voted "aye." I voted "no", and I withdraw my vote of "no" and ask to be recorded "present."

The result of the vote was announced as above recorded.

AIRSHIP "AKRON" DISASTER

Mr. DELANEY. Mr. Speaker, by the direction of the committee appointed by the House and the Senate to investigate the *Akron* disaster and the need for dirigibles, I present the following report, which I send to the desk.

The SPEAKER pro tempore. The gentleman from New York presents a report on the *Akron* destruction, and the report will be referred to the Committee on Naval Affairs and ordered printed.

Mr. DELANEY. Mr. Speaker, I ask unanimous consent to have these recommendations printed in full in the RECORD.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to have the report of his committee printed in full in the RECORD. Is there objection?

Mr. McCLINTIC. Mr. Speaker, I reserve the right to object. Inasmuch as this report is not a unanimous one, and that it is to be referred to the Committee on Naval Affairs, until that committee takes some action I think it should not be printed in the RECORD, for the reason that the report might be changed by the Committee on Naval Affairs, which has jurisdiction in the matter.

Mr. DELANEY. May I suggest for the benefit of the gentleman from Oklahoma that 5 of the Members of the House have signed the report, 3 Members of the Senate have signed it, 1 Member of the Senate has agreed to the report as given by this committee, and 1 of the Senators has indicated that he desires to file minority views. It seems to me, in view of the fact that Members are interested in this report, that it can do no harm to have it printed in the RECORD for their information. I am very glad to have it referred to the Committee on Naval Affairs for their future consideration.

Mr. FISH. Mr. Speaker, I reserve the right to object, to ask the gentleman from New York whether the report of those two investigators from the Department of Justice who investigated the alleged sabotage on the *Akron* has been made public?

Mr. DELANEY. The report, as far as we could without going into the secrets of this investigation, is contained in the report which I have filed.

Mr. VINSON of Georgia. What the gentleman from New York has in mind will probably be in the testimony and hearings and would not be in the report.

Mr. DELANEY. It will be in the hearings, which will be printed very shortly. All that will be carried out in full.

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

Mr. DELANEY. Yes.

Mr. SNELL. What is the object of having this printed in the RECORD? Is it not very long?

Mr. DELANEY. These are the recommendations to which I refer. The report itself is quite voluminous.

Mr. SNELL. Then the gentleman intends to ask only that the recommendations be printed?

Mr. DELANEY. Yes.

Mr. SNELL. And those are short?

Mr. DELANEY. About a page and a half. I do not ask to have the whole report printed.

Mr. McCLINTIC. Mr. Speaker, I reserve the right to object. In view of the fact that all the major nations, with the exception of one, according to the information which I have, in the interest of safety and to prevent the loss of life, have stopped constructing ships of this type and magnitude, and also in view of the fact that the consensus of opinion on the part of the public is not favorable to them, I think the report ought to go to some committee where it can be thoroughly examined. Then, if that committee wants to take action, it ought to be taken, but I do not think that we ought to give publicity to a report when we know the source from which it emanated.

The SPEAKER pro tempore. The report has already been referred to the Committee on Naval Affairs. Is there objection to the request of the gentleman from New York?

Mr. McCLINTIC. Mr. Speaker, I object.

REPEAL OF THE EIGHTEENTH AMENDMENT

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD upon the subject of the repeal of the eighteenth amendment, and to include therein a statement made by myself to an organization in this city several week ago.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McDUFFIE. Mr. Speaker, under leave recently granted me for extension of remarks in the RECORD upon the subject of the repeal of the eighteenth amendment, I am submitting herewith my remarks to the National Organization of Women for Prohibition Reform, delivered upon the occasion of their annual banquet at the Mayflower Hotel, in the city of Washington, on April 4, 1933.

For 14 years since I became a Member of Congress I have voted for every measure designed to carry out the provisions of the eighteenth amendment. The result of the efforts to enforce this provision of the Constitution, as I have learned them throughout the Nation, has convinced me that the problem of liquor control in this country is essentially one that must be solved by the States. Statutory national prohibition has been declared a failure by both the Democratic and Republican Parties, by the American Legion, the American Federation of Labor, the American Medical Association, and the American Bar Association. Every fair-minded citizen must therefore recognize the eighteenth amendment as a Nation-wide remedy must be supplanted by some other method. Already 14 States have voted for repeal since the twenty-first amendment was submitted by the Congress, and no doubt 36 States, the required number to amend the Constitution, will likewise vote for repeal.

The measure of enforcement has grown less as the years have passed, even though we have had many changes in the personnel of the executive branches of both Federal and State Governments, from county sheriff to President—each sworn to uphold the law—since its adoption. Assuming for the sake of argument that as many as 13 States will not vote for repeal, who can predict future success for the eighteenth amendment? If it cannot be enforced, is it not only unwise but a waste of public funds to retain the eighteenth amendment as a part of our Constitution?

REPEAL OR NULLIFICATION

A very positive and decided sentiment for repeal means nonenforcement, because no law can be enforced without the

support of strong, healthy, public sentiment. The American people now recognize that they are presented with the question of repeal or nullification. Every good citizen desires to see the provisions of the Constitution of the United States carried out in full. The people of America infinitely prefer the repeal of the eighteenth amendment rather than have it nullified. If an overwhelming majority of the American people are opposed to the eighteenth amendment, it follows that the interests of good government demand its repeal.

No one can claim that the eighteenth amendment has been reasonably successful even in the Southern and so-called "dry States", but assuming it has been successful, the people of those States may continue any prohibition laws they desire and at the same time vote for repeal of the eighteenth amendment with perfect consistency. The Federal Government will continue to aid in preventing the shipment of liquor from wet to dry States, and this is as far as the Federal authorities should be called upon to go.

IT IS A QUESTION OF LOCAL SELF-GOVERNMENT

The people of my State are a thoughtful and tolerant people. They believe their police regulations should not be interfered with by any other State. They believe the views of the people of Illinois, for example, involving the police regulations of that State should not be enforced upon Alabama against its will. They must likewise feel that the rule of conduct of their own personal life, habits, and tastes as involved in the question of prohibition or any other similar question, should not be enforced upon the people of Illinois. The question, after all, is one involving the rights and dignity of the governments of our sovereign States.

NATIONAL TEMPERANCE DEMANDS REPEAL

Everyone respects the views of a sincere and practical prohibitionist, the type of men and women who are really concerned with the promotion of temperance. The American people, however, are sick and tired of the professional reformer, who for selfish or political purposes, is advocating the retention of the eighteenth amendment in the Constitution. I do not advocate the return of the saloon to my State, nor am I predicting what might happen in that State after the repeal of the eighteenth amendment, but I know my people have the intelligence and the capacity to deal with the liquor traffic in the most effective way.

I believe they do not wish to continue the annual expenditures of millions of dollars of the taxpayers' money in continuing a futile effort, but will, without emotion, without prejudice, and with a view of regaining the lost ground in the cause of temperance, vote to strike from our fundamental law a provision which has brought on confusion, added much to lawlessness in the Nation, and made hypocrites of millions of our best citizens. Such conditions are unworthy of the American people. As between repeal and nullification, I stand for repeal. Temperance in America demands repeal.

I submit below the remarks above referred to:

Madam Toastmaster, ladies and gentlemen, coming from the heart of the South and from a State which more than 25 years ago banned the sale of liquor, I venture the prediction that a majority of Southern States, if not all of them, will join Michigan and Wisconsin in a veritable procession of the States of this Union in their onward march to the repeal of the eighteenth amendment. The people are ready now to correct the grievous error of its adoption.

With characteristic idealism, impulsiveness, and oftentimes boldness, the American people have startled the world with their attainments. We must confess, however, that we have not always acted with calmness and prudence in our efforts to settle all our social, economic, and political problems. Our failure to deal in a practical way with the evils of the liquor traffic, a practical problem, is the outstanding example of recent years, and probably of all time, of a lack of matured deliberation in an effort to settle one of the serious problems of our day and generation. We have failed to deal temperately with temperance.

PEOPLE THINKING MORE ABOUT GOVERNMENT WILL CORRECT THEIR MISTAKES

The American people are ready to correct the social and economic evils of the past and guard against those of the future. These days of distress are challenging the best thought of the Nation, and men and women everywhere are taking more interest in their Government. They are scrutinizing the acts of men in public life, analyzing as never before the "whys and wherefores" of legislation and demanding more than ever that public office shall be a public trust. The American people are determined to rid the country of conditions growing out of those sumptuary laws which have encouraged graft and corruption in high place, given both financial and political power to a criminal class, enlarged the boundaries of the underworld, added strength to the strangle hold of organized crime, and made of good citizens hypocrites and criminals. These are some of the results of Nation-wide prohibition statutes growing out of the effort of those good men and women who seemingly believed that we could legislate out of man his taste, or legislate into him a code of morals.

EIGHTEENTH AMENDMENT LEGISLATIVE INTEMPERANCE

Nation-wide prohibition sentiment reached its peak from 1917 to 1919, and the moral phases of the question gained emphasis under the mental stress of war and the aftermath of war. The lines of divided sentiment were tautly drawn in 1919, and for years thereafter the chief issue throughout the Nation became that of "wet or dry." Believing the National Government could enforce any law applying uniformly to 120,000,000 people in 48 States, with their varied habits and tastes, many good people urged that the final chapter in a successful struggle for temperance in America could be written into an amendment to the Constitution. Then for the first time in our history a mere police regulation became a part of the fundamental law of the land. The adoption of that amendment was the severest blow ever dealt to the rights and dignity of the States of this Union. With due deference to those then clothed with authority and who thought they were serving their country best, the adoption of the eighteenth amendment was not farsighted statesmanship—it was legislative intemperance.

AMENDMENT CANNOT BE ENFORCED AND SHOULD BE REPEALED

Despite harsher and more restrictive laws, such as the "5- and 10-year law" and the extension of the 3-mile limit to 12 miles, and so forth, the more such laws we have passed, the more money we have spent for enforcement, the more difficult the problem has grown. Since the adoption of the eighteenth amendment we have had four Presidents, while in every State the executive and enforcement agencies from constable to governor have changed many times, each official charged with enforcing the law and all sworn to uphold the Constitution. Yet no statutes have ever been so flagrantly violated as those designed to prohibit the sale of alcoholic beverages. It is not surprising that today millions of people, including many total abstainers, who have studied conditions impartially, believe that as a Nation-wide remedy for the evils of the liquor traffic, the eighteenth amendment is a failure and can never be enforced. In the name of decency, honesty, and economy in government, as well as in the name of temperance, the eighteenth amendment should be repealed.

Admitting that in certain States the prohibition laws have been reasonably enforced, the fact remains that State laws in those sections, evidently supported by healthy public sentiment, would have been enforced equally as well and much more successfully without aid of the Federal statutes. The question is whether better results for real temperance can be obtained by the continuation of the present system of national enforcement or by the return of this problem to each State where it properly belongs and should have remained under our theory of a democratic form of government. This is the question which addressed itself to the intelligent membership of your organization as well as the other mothers, wives, sisters, and sweethearts throughout the Nation who are urging a "new deal", if you please, in our laws designed for the promotion of temperance.

TEMPERANCE CAUSE SET BACK MANY YEARS

Before the adoption of the eighteenth amendment advocates of temperance, after a century's struggle, met with much success as the years passed dealing with that question through the constituted agencies of the various States. There were, of course, violations of the laws; but many States, either by referendum or by legislative enactment, had actually banned the liquor traffic, and in every State there were laws further restricting the sale of liquor. Upon the adoption of the amendment and its auxiliary statutes much of the ground gained in the battle against the liquor evil was lost and the cause of temperance set back many years. In 14 of our sovereign States by an actual vote of the people enforcement laws have recently been discarded, to say nothing of the deliberate refusal on the part of other States to cooperate in Federal enforcement.

FAILURE IN ITS PROMISES TO PROTECT OUR YOUTH

The limitations of this hour will not permit a rehearsal of all the impractical and uneconomical phases of Federal enforcement, together with the evils which have grown out of it. An impartial investigation of actual conditions throughout the Nation today will disclose, instead of a sober youth with no taste for liquor, not only young men but, more appalling, young women have turned to the drink habit, one of the social evils practically unknown before the adoption of the eighteenth amendment. The cost in dollars of the experiment would have been justified, had it protected, as promised, the youth of America; but millions of our youth resent the eighteenth amendment and all the hypocrisy which has grown out of it.

MILLIONS OF GOOD WOMEN DISSATISFIED WITH CONDITIONS

It is no wonder that you were aroused, and with those leading spirits, such excellent women as Mrs. Sabin and her coworkers, threw yourselves into the front lines of the fight for prohibition reform. You saw, despite the vast expenditure of public funds for enforcement, conditions under which so many of those high

and low, sworn to uphold the Constitution, were "winking" at its violations. You saw liquor consumed in the home, in the presence of children who knew the laws of their land were being violated, even around the hearthstone, the very place where our youth must be taught the real meaning of temperance. You saw the "speak-easy" with its "stolen sweets" environment not only supplanting, but outnumbering the old barroom. You saw conditions under which one criminal and his gang plied his illicit liquor trade to the extent of $70,000,000 in 1 year, without the slightest hindrance from the hand of the law. He paid $30,000,000 for protection. That criminal finally went to the penitentiary, not because of violation of the liquor law, but because he failed to pay his income tax. You saw conditions under which the lives of innocent men, women, and children, ranging from the life of a United States Senator to those in humbler life, including two little children at play on the streets of New York, ruthlessly snuffed out, in this scheme of enforcement of the eighteenth amendment. Despite the congestion of our United States courts, the construction of bigger and better jails, crowded to overflowing, a constant flow and consumption of alcoholic liquor continues generally throughout the land. Yet we find many good citizens in our Nation still maintaining that the eighteenth amendment and its auxiliary statutes constitute the only solution to the liquor problem.

DISTRESSED FEDERAL TREASURY DENIED REVENUES, YET EXPENDING MILLIONS FOR ENFORCEMENT

The revenues from taxes on alcoholic beverages have been denied the Public Treasury, and have gone into the pockets of the beer baron, the bootlegger, and the racketeer by the hundreds of millions of dollars annually, while we spend from the Treasury millions annually to carry on a futile experiment. This money is needed today for balancing the National Budget, for the employment of good men, able and willing to work, but forced to beg bread for their little children. Visualizing these untoward conditions, the members of this organization, following the injunction of the great Apostle, "Be ye temperate in all things", banded themselves together as missionaries to preach and teach true temperance, and as militant patriots to strike down the withering hand of hypocrisy that is sapping American morals and undermining the forces of law and order.

TASK INCOMPLETE AND NEVER-ENDING

While felicitations and congratulations are in order, my dear ladies, upon the duties already performed, your task is but one third completed. The second step is to carry your fight for reform to the various States in an effort to see that the eighteenth amendment is repealed under the orderly processes of the laws provided, rather than continue to face a deliberate refusal to enforce the amendment, which means its nullification. The enforcement of any law depends upon public sentiment. Do not forget the pendulum of public sentiment swings rapidly in America, and should our people disregard the evils incident to the sale and consumption of alcoholic liquors, and fail to prevent them, we may return to conditions in the future equally as bad as those of today. You must continue your crusade for temperance in America.

DEMOCRATIC PARTY PLEDGED TO RETURN PROBLEM TO STATES

I would not violate the proprieties of this occasion by discussing politics before a nonpolitical organization. I hope you will pardon me, however, for feeling some pride in the fact that the Democratic Party, through its platform and its candidate for the Presidency, declared itself in favor of the repeal of the eighteenth amendment. The leadership in both parties, realizing the futility of enforcement, declared for repeal, and many Republicans, like my friend Senator WADSWORTH, have advocated and voted for a direct repeal, but no other construction can be placed upon the attitude of the Democratic Party and its pledges than that of urging the return of the temperance problem to the sovereign States of the Union, where, I repeat, it properly belongs, and should have remained, fighting in each State a return of the evils of the old saloon.

No citizen, wet or dry, should object to a submission of this question to the people of his State, and wherever a majority of the citizens of that State decide to remain dry, they are entitled to and should have the united support of every other State, as well as the National Government—in interstate shipment—in their effort to enforce State laws. Likewise, in those States where public sentiment is against the national prohibition law, which means no enforcement, the majority of the people of such States should assume the responsibility and deal with the liquor problem in their own way.

SUBMISSION TO CONVENTIONS SECURE MORE DIRECT EXPRESSION OF PEOPLE'S WILL

Both political parties declared for the submission of the question to conventions in each State rather than to legislatures. For the first time in the Nation's history such a method of amending the Constitution is being adopted. Such a method in its last analysis is more of a referendum and is desirable because it will more nearly secure the direct expression of the people better than the old method of submission to legislatures chosen in many instances upon issues in nowise related to the question submitted by the Congress involving an amendment to the Federal Constitution. If the submission of the proposed new amendment to conventions in the States, in preference to the legislatures of the States, should prove in actual practice as effective as it seems in theory, there is good reason to believe that hereafter other proposed changes in the organic law of our Republic will be considered by State conventions. The plan of submission is unique and, in many respects, a far-reaching experiment. Irrespective of our views for or against the national prohibition amendment it appears incumbent on all of us to afford this system of ratification by conventions the most thorough and eminently fair trial.

BACK TO FUNDAMENTALS

In our effort to repeal the eighteenth amendment, we are but seeking to return to the first principles of democratic government. We are seeking to have the citizens of my State and your State accord to the citizens of every other State the right to administer their own affairs and attend to their own business while we enjoy the same privilege. The eighteenth amendment was a great mistake. Let us continue our efforts to correct it. "Keep the faith; fight the good fight", and your reward will be found in a better and happier America.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an address made by the Secretary of State, Hon. Cordell Hull, today before the Economic Conference in London.

The SPEAKER pro tempore. The Chair will call the attention of the gentleman to the fact that unanimous consent was given to the gentleman from North Carolina [Mr. LAMBETH] to incorporate that same address.

Mr. RANKIN. If so, I will withdraw my request, Mr. Speaker.

EXPLANATION OF VOTE

Mr. PARKER of Georgia. Mr. Speaker, on the roll call that was just concluded I desire to state I was detained from the Chamber on official business pertaining to my district. Had I been present, I would have voted "no."

FLAG DAY

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1½ minutes.

Mr. LAMNECK. Reserving the right to object, I should like to know what the gentleman is going to talk about? Is it the International Conference or war debts?

Mr. RANDOLPH. Mr. Speaker, this is June 14, and I want to put in the RECORD a few remarks, and a very few, relative to Flag Day, something that I believe has a deeper meaning in America.

Mr. LAMNECK. I do not object.

Mr. SNELL. Reserving the right to object, I should like to ask the majority leader what is the program for the balance of the afternoon?

Mr. BYRNS. It is the purpose to take a recess, subject to the call of the Chair, as soon as these unanimous-consent requests are acted upon.

Mr. SNELL. Are there going to be any more speeches?

Mr. BYRNS. Not on one subject, at any rate. [Laughter.]

Mr. SNELL. I wish the gentleman would make his motion immediately.

Mr. BYRNS. I will as soon as these requests are taken care of.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. HARLAN. Reserving the right to object, pending that I should like to ask unanimous consent to address the House for 7 minutes at the conclusion of the remarks of the gentleman from West Virginia.

The SPEAKER pro tempore. The Chair will state that only one unanimous-consent request may be pending at one time.

Is there objection to the request of the gentleman from West Virginia?

Mr. GOSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GOSS. What is the regular order?

The SPEAKER pro tempore. The regular order is, Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH] to address the House for 1½ minutes? Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, today being June 14 there is in the National Capital and throughout all sections of this country, official observance of Flag Day. In connection with the observance of this day I should like to call

to the serious consideration of the Members of this House the fact that there is in America at this very hour an organization known as "The Young Pioneers of America", sponsored by the Communist Party of Red Russia, and each morning little boys the size of this youngster who sits beside me this afternoon place their hands to their foreheads and pledge allegiance to the red flag, not to the American flag. I believe it is worthy of the attention of the Members of this House today to say to all America and to the world that there are lying tongues abroad in this land; that there are false prophets walking up and down America, telling us that the interests of the home, the church, and the school, which you have fostered and which you believe to have made this country great, are not right. As one Member of this House speaking to the others, I want to see that American flag continue to wave from every public building in this land, with not a stripe erased nor a star obscured. I thank you. [Applause.]

Mr. GOSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GOSS. May I inquire what the regular order is right now?

The SPEAKER pro tempore. The regular order is a motion by the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS. I am prepared to make it.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

Mr. BYRNS. Reserving the right to object, on what subject?

Mr. FISH. To extend my own remarks.

Mr. BYRNS. On what subject, may I ask the gentleman?

Mr. FISH. My own remarks.

Mr. BYRNS. I object if I cannot get the information I have asked.

The SPEAKER pro tempore. The Chair will call the attention of the gentleman from Tennessee [Mr. BYRNS] to the fact that unanimous consent has been granted all Members to extend their own remarks.

Mr. BYRNS. That is true, Mr. Speaker, as to a previous order; but I object to this request unless I know the subject matter which the gentleman wishes to discuss. I do not think the gentleman should refuse to answer the question that I asked.

The SPEAKER pro tempore. Does the gentleman ask unanimous consent to extend his own remarks?

Mr. FISH. I certainly do.

The SPEAKER pro tempore. The Chair will rule that the gentleman from New York, under a previous order of the House, has that permission.

Mr. BYRNS. Mr. Speaker, may I submit this: The gentleman has that right under a previous order, but the gentleman is making a second request now, to which I undoubtedly have the right to object. The gentleman is asking unanimous consent, and I object to the request.

The SPEAKER pro tempore. Is the gentleman from New York making an additional request to that already granted?

Mr. FISH. Well, I already have that. I am willing to make the additional request.

The SPEAKER pro tempore. Then the gentleman has the right to object.

Mr. BYRNS. Reserving the right to object, upon what subject does the gentleman wish to extend his own remarks?

Mr. FISH. I am going to extend my remarks on the Republican attitude and viewpoint on this International Conference.

Mr. BYRNS. Then, Mr. Speaker, I object.

Mr. HARLAN. Mr. Speaker, I ask unanimous consent to address the House for 7 minutes on the question of industrial allotment and foreign trade.

Mr. GOSS. Mr. Speaker, I object and demand the regular order.

Mr. BYRNS. Mr. Speaker, I move that the House stand in recess subject to the call of the Chair.

Mr. TAYLOR of Colorado. Will the gentleman withhold his motion for a moment?

Mr. BYRNS. I withhold it for a moment, Mr. Speaker.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks on my own bill and my own remarks before the Public Lands Committee and to add to them the reports of the Secretary of the Interior and the Secretary of Agriculture on that bill.

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

Mr. FISH. Mr. Speaker, I am constrained, regretfully and reluctantly, to object.

RECESS

Mr. BYRNS. Mr. Speaker, I move that the House stand in recess subject to the call of the Chair.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p.m.) the House stood in recess at the call of the Speaker.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8:15 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 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. 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, further insists upon its amendments nos. 7, 10, 11, 13, 14, 15, 16, 17, 18, 19, 21, 30, 34, 43, 44, 45, and 46, and agrees to the amendment of the House to the amendment of the Senate no. 47, with an amendment.

Mr. BYRNS. Mr. Speaker, personally I had hoped very much that we could dispose of this matter tonight. I believe it would have been to the best interest of the country and the Congress if we could have voted on it tonight and then sent the bill to the President for such action as he may choose to take, dispose of the matter tomorrow and adjourn tomorrow sine die.

I do not know whether the failure to vote is going to delay the Congress for another day or two or not, but I am going to say this, that every possible influence I can exert is going to be put forth tomorrow to keep down debate and not get into a general discussion upon this matter which has already been liberally discussed.

I take it every Member of this House will come here tomorrow to vote one way or the other and fairness demands they have an opportunity to read the amendment of the Senate, which has been adopted within the last hour. Under these circumstances I think we had better, since there seems to be almost a unanimous demand for it, take an adjournment.

I do not want to see any Member taken advantage of, and some feel that if an adjournment is not had they will not have an opportunity to think it over. I am sure we want to be fair with everybody. Therefore, Mr. Speaker, I move that the House take a recess until 10 o'clock tomorrow.

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

Mr. BYRNS. I yield.

Mr. McDUFFIE. I do not want to be in the attitude of opposing any move my leader makes. I think every gentleman on this floor has his mind made up as to what he is going to do. I shall follow my leader.

Mr. BYRNS. I may say to the gentleman from Alabama that several of us in an informal conference agreed that we would vote tonight, but when we came in on the floor the sentiment seemed to be almost unanimous that we adjourn over and we changed our plan to meet their wishes.

Mr. BLANTON. Move to take a recess until 10 o'clock tomorrow.

Mr. BYRNS. Mr. Speaker, I want to repeat that there are many, many Members who say that it is only fair to them that they have an opportunity to read in the RECORD tomorrow the amendment of the Senate upon the subject of veterans' compensation. I think, in justice to so many of

these gentlemen who have expressed this wish, the House should not refuse to give them the few hours necessary to think it over.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. BYRNS. I yield.

Mr. O'CONNOR. An hour or two hours ago a number of Members of the House felt pretty well assured that there would be no business tonight, that there would be no vote. This will be one of the most important votes they will be called upon to cast.

Mr. BYRNES. Mr. Speaker, I move that the House recess until 10 o'clock tomorrow.

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. 5091. An act to amend section 289 of the Criminal Code; and

H.R. 5661. An act to provide for the safer and more effective use of the assets of banks, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 554. An act providing for per capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury;

S. 1650. An act amending section 74 of the Judicial Code, as amended (U.S.C., Annotated, title 28, sec. 147);

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; and

S. 1872. An act to extend the times of 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.

BILL 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, a bill of the House of the following title:

H.R. 5755. 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.

CONFERENCE REPORT—INDEPENDENT OFFICES APPROPRIATION BILL, 1934

Mr. WOODRUM presented the conference report on 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.

Mr. WOODRUM. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. BYRNS. I yield.

Mr. WOODRUM. Mr. Speaker, this conference report, as the Membership of the House understands, has, even within the last hour, been acted on by the Senate.

Mr. BUSBY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BUSBY. What is the regular order?

The SPEAKER. The regular order is that the gentleman from Tennessee has yielded to the gentleman from Virginia.

Mr. BUSBY. I think all the debate has been on one side on this question. I think the regular order ought to be demanded and these speeches cut out, that the Members ought to go home or vote on the proposition.

Mr. Speaker, I demand the regular order, strictly.

Mr. BYRNS. I am making this motion in the interest of orderly procedure.

Mr. BUSBY. Mr. Speaker, I demand the regular order.

Mr. BYRNS. Mr. Speaker, I move that the House stand in recess until tomorrow morning at 10 o'clock.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GAVAGAN (at the request of Mr. KENNEDY of New York), indefinitely, on account of illness of mother.

To Mr. KEMP, indefinitely, on account of illness.

ORDER OF BUSINESS

The SPEAKER. The question is on the motion of the gentleman from Tennessee [Mr. BYRNS].

Mr. TABER. Mr. Speaker, upon that motion I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BANKHEAD. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. BANKHEAD. Mr. Speaker, I make the point of order that the conference report has not been printed, and, therefore, cannot be considered tonight.

The SPEAKER. The gentleman is correct.

Mr. GOSS. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. GOSS. I make the point of order that the gentleman's point comes too late.

The SPEAKER. No; the point can be raised at any time.

Mr. GOSS. A roll call cannot be interrupted.

The SPEAKER. The yeas and nays have been ordered, but the roll call has not commenced.

The question is on the motion of the gentleman from Tennessee.

The question was taken; and there were—yeas 231, nays 125, not voting 74, as follows:

[Roll No. 72]

YEAS—231

Adair	Deen	Keller	Reilly
Adams	Delaney	Kelly, Ill.	Richards
Allgood	DeRouen	Kennedy, Md.	Richardson
Arnold	Dickinson	Kenney	Robertson
Auf der Heide	Dickstein	Kerr	Rogers, N.H.
Ayres, Kans.	Dies	Kloeb	Rogers, Okla.
Bailey	Dingell	Kniffin	Romjue
Bankhead	Disney	Kocialkowski	Rudd
Beam	Dobbins	Kopplemann	Ruffin
Beiter	Dockweiler	Kramer	Sabath
Berlin	Doughton	Lambeth	Sadowski
Biermann	Doxey	Lamneck	Sanders
Black	Drewry	Lanham	Sandlin
Bland	Duffey	Lanzetta	Schaefer
Blanton	Duncan, Mo.	Larrabee	Shuetz
Bloom	Durgan, Ind.	Lea, Calif.	Schulte
Boylan	Eagle	Lee, Mo.	Sears
Brennan	Eicher	Lehr	Secrest
Brooks	Ellzey, Miss.	Lesinski	Shallenberger
Brown, Ky.	Faddis	Lewis, Colo.	Shannon
Brown, Mich.	Farley	Lindsay	Sirovich
Browning	Fiesinger	Lozier	Sisson
Brunner	Fitzgibbons	Ludlow	Smith, Va.
Buchanan	Fitzpatrick	McCarthy	Smith, Wash.
Buck	Flannagan	McClintic	Snyder
Bulwinkle	Foulkes	McGrath	Somers, N.Y.
Burch	Fulmer	McKeown	Spence
Burke, Nebr.	Gasque	Major	Steagall
Byrns	Gillette	Maloney, La.	Strong, Tex.
Cady	Glover	Marland	Studley
Caldwell	Goldsborough	Martin, Colo.	Sutphin
Cannon, Mo.	Green	Mead	Swank
Carden	Greenwood	Mitchell	Tarver
Carley	Gregory	Montet	Taylor, Colo.
Carpenter, Kans.	Griffin	Moran	Taylor, S.C.
Carpenter, Nebr.	Haines	Morehead	Thom
Cartwright	Hancock, N.C.	Musselwhite	Thomason, Tex.
Cary	Harlan	Nesbit	Thompson, Ill.
Castellow	Hart	O'Connell	Turner
Chapman	Hastings	O'Connor	Umstead
Chavez	Henney	Oliver, N.Y.	Underwood
Church	Hildebrandt	Owen	Vinson, Ga.
Clark, N.C.	Hill, Ala.	Palmisano	Waligren
Cochran, Mo.	Hill, Knute	Parker, Ga.	Walter
Coffin	Hill, Samuel B.	Parks	Warren
Colden	Hoidale	Parsons	Wearin
Cole	Howard	Patman	Weaver
Collins, Miss.	Huddleston	Pettengill	Werner
Colmer	Hughes	Peyser	West, Ohio
Cooper, Tenn.	Imhoff	Pierce	West, Tex.
Corning	Jacobsen	Polk	Whittington
Cravens	Jeffers	Pou	Williford
Crosby	Jenckes	Prall	Williams
Cross	Johnson, Okla.	Ragon	Wilson
Crowe	Johnson, Tex.	Ramsey	Wood, Ga.
Cullen	Johnson, W.Va.	Ramspeck	Wood, Mo.
Cummings	Jones	Randolph	Woodrum
Dear	Kee	Rayburn	

NAYS—125

Allen	Englebright	Lehlbach	Shoemaker
Andrews, N.Y.	Fish	Lemke	Simpson
Arens	Fletcher	Luce	Sinclair
Bakewell	Focht	Lundeen	Snell
Beedy	Foss	McCormack	Stalker
Blanchard	Gibson	McDuffie	Stokes
Boileau	Gilchrist	McFadden	Strong, Pa.
Bolton	Gillespie	McFarlane	Swick
Brumm	Goodwin	McGugin	Taber
Burnham	Goss	McLean	Taylor, Tenn.
Busby	Granfield	McLeod	Thurston
Carter, Calif.	Gray	Maloney, Conn.	Tinkham
Carter, Wyo.	Griswold	Mapes	Tobey
Cavicchia	Guyer	Marshall	Traeger
Christianson	Hancock, N.Y.	Martin, Mass.	Truax
Cochran, Pa.	Hartley	May	Turpin
Condon	Healey	Meeks	Vinson, Ky.
Connery	Hess	Millard	Waldron
Connolly	Higgins	Miller	Watson
Cooper, Ohio	Holmes	Milligan	Weideman
Crowther	Hooper	Monaghan	Welch
Culkin	Hope	Mott	Whitley
Darrow	James	Muldowney	Wigglesworth
De Priest	Jenkins	Murdock	Withrow
Dirksen	Johnson, Minn.	Oliver, Ala.	Wolcott
Ditter	Kahn	Parker, N.Y.	Wolfenden
Dondero	Kelly, Pa.	Rankin	Wolverton
Dowell	Kinzer	Ransley	Woodruff
Dunn	Knutson	Reece	Zioncheck
Eaton	Kurtz	Rich	
Edmonds	Kvale	Rogers, Mass.	
Eltse, Calif.	Lambertson	Seger	

NOT VOTING—74

Abernethy	Crosser	Kemp	Powers
Almon	Crump	Kennedy, N.Y.	Reed, N.Y.
Andrew, Mass.	Darden	Kleberg	Reid, Ill.
Ayers, Mont.	Douglass	Lewis, Md.	Robinson
Bacharach	Doutrich	Lloyd	Scrugham
Bacon	Driver	McMillan	Smith, W.Va.
Beck	Evans	McReynolds	Stubbs
Boehne	Fernandez	McSwain	Sullivan
Boland	Ford	Mansfield	Sumners, Tex.
Britten	Frear	Martin, Oreg.	Sweeney
Buckbee	Fuller	Merritt	Terrell
Burke, Calif.	Gambrill	Montague	Treadway
Cannon, Wis.	Gavagan	Moynihan	Utterback
Celler	Gifford	Norton	Wadsworth
Chase	Hamilton	O'Brien	White
Claiborne	Harter	O'Malley	Wilcox
Clarke, N.Y.	Hoeppel	Peavey	Young
Collins, Calif.	Hollister	Perkins	
Cox	Hornor	Peterson	

So the motion was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Abernethy with Mr. Beck.
Mr. Douglass with Mr. Treadway.
Mr. Martin of Oregon with Mr. Frear.
Mr. Sumners of Texas with Mr. Evans.
Mr. Kennedy of New York with Mr. Britten.
Mr. Sullivan with Mr. Doutrich.
Mr. Driver with Mr. Bacharach.
Mr. Crump with Mr. Clarke of New York.
Mr. Cox with Mr. Merritt.
Mr. McSwain with Mr. Bacon.
Mr. Crosser with Mr. Hollister.
Mr. Mansfield with Mr. Powers.
Mr. Boehne with Mr. Wadsworth.
Mr. McReynolds with Mr. Reed of New York.
Mrs. Norton with Mr. Perkins.
Mr. McMillan with Mr. Moynihan.
Mr. Almon with Mr. Reid of Illinois.
Mr. Fernandez with Mr. Gifford.
Mr. Sweeney with Mr. Buckbee.
Mr. Fuller with Mr. Chase.
Mr. Kemp with Mr. Andrew of Massachusetts.
Mr. Gambrill with Mr. Collins of California.
Mr. Kleberg with Mr. Peavey.
Mr. Montague with Mr. Cannon of Wisconsin.
Mr. Gavagan with Mr. Peterson.
Mr. Lewis of Maryland with Mr. Stubbs.
Mr. Celler with Mr. Ayers of Montana.
Mr. Boland with Mr. Lloyd.
Mr. Wilcox with Mr. Darden.
Mr. Hamilton with Mr. Claiborne.
Mr. Smith of West Virginia with Mr. Burke of California.
Mr. O'Brien wih Mr. Harter.
Mr. Scrugham with Mr. White.
Mr. Ford with Mr. Robertson.
Mr. Terrell with Mr. Utterback.
Mr. O'Malley with Mr. Young.

The result of the vote was announced as above recorded.

EXTENSION OF REMARKS

HOUSE JOINT RESOLUTION 207

Mr. MONTET. Mr. Speaker, on yesterday I introduced Joint Resolution 207. I am sorry that under the present parliamentary situation growing out of the short time remaining before the adjournment of Congress it will be impossible to have this resolution considered.

The resolution is sufficiently self-explanatory in purpose and needs little elucidation. Last week the chairman of the Reconstruction Finance Corporation announced that his body had extended a $50,000,000 credit to China, $40,000,000 of which will be used to buy cotton and $10,000,000 to buy wheat. The statement said, "Shipment will be largely in American-flag vessels." But inquiry discloses that such a statement is uncertain in meaning and extent, if not actually misleading. A contract has been made between the Reconstruction Corporation and the Republic of China, acting through her Minister of Finance, T. V. Soong, and her American economic adviser, Dr. Arthur Young, formerly of the American State Department. The contract does specify that one half of the tonnage shall be shipped in American ships and, I believe, that all of it shall be thus shipped, if American ship operators will tender the same price as foreign tramp operators. As to the one half which is supposedly guaranteed to American ships, nothing is said as to rate; and as American rates necessarily are higher than foreign tramps, it may easily develop that the "one-half guaranty" is somewhat of a 'joker", if the getting of this one half is dependent on the Americans' meeting prices of their cheaply operated foreign competitors.

Mr. Speaker, I apprehend, from such inquiry as I have been able to make, that it was not without difficulty that our Government officers managed to get a promise from their Chinese borrowers that one half of the tonnage should go American. Our oriental friends seemingly felt that as they were to pay the freight bill additional to their $50,000,000 loan there should be no restriction on the means of shipment; that they should buy their freight space wherever it is cheapest, which we all know would not and cannot be American ships. It may well be that our American representatives did their best in this matter, according to their viewpoint, especially as the law does not mandate them to require American ships. I do not undertake to unfairly criticize them. But I do propose, to the best of my ability, that there shall be no repetition of such a situation, and that, so far as may prove possible or practicable, American shipping shall be protected in the Chinese deal more fully than is now the case.

Mr. Speaker, we have been striving for many years to advance our merchant marine. We have lines of ships, most of them now in private hands, encircling the globe, and we are providing assistance by the Government to maintain and improve these lines. It is axiomatic, and a fact frequently shouted by the ship operators, that what they need above all forms of assistance, is patronage by shippers and travelers. In plain patriotism, our exporters, importers, bankers, and others in international trade should extend a friendly preference to American ships, where they are rendering equal service; and, in most cases, they are rendering equal or even superior service. If it is the decent duty of private citizens thus to support the merchant marine, most assuredly it is the solemn duty of the Government itself to bend backward in doing so. Yet it is little short of amazing that in not one but three instances involving Government financing in the export or import market the leverage which the Government could employ to force the tonnage into American ships is not availed of. Sometime ago the Farm Board or its agencies exchanged American wheat for Brazilian coffee. No provision was made for the utilizing of American ships, and I understand that not 1 pound was carried in either direction excepting in foreign ships. Later the Farm Board disposed of about 25,000,000 bushels of wheat and flour to China, more than one half million tons, at a time when famine and disaster confronted her. Did American ships get this movement? No; that friendly preference which a borrower in distress might easily extend was totally ignored; the American agencies likewise ignored the control which they might, and, I think, should have exercised. The Chinese impersonally called for world-wide bids on the transportation; and, of course, it went to a bidder who let the tonnage out to foreign cheaply operated ships. Now, we have this

deal with the Chinese, where it appears they have condescendingly agreed, in uncertain language, to let us have one half the tonnage. If China operated a merchant marine, I think I should cheerfully concur that she should have the other half in her own ships. But she has little or no overseas shipping; and I submit that it is passing strange that she should struggle for, and insist upon, the right to pass one half, or perhaps more, along to ships of countries other than the United States.

I believe there is no one anywhere who reasonably could contradict this thought: That neither England nor any other country in the world would for one instant extend Government resources to facilitate a trade with another country, excepting upon the condition that her own vessels be used. I submit that any country in like situation, failing to make such provision, is recreant and negligent.

In the present deal with China I think there will be about one half million tons of wheat. That, I suppose, is likely to move through Pacific ports, so that our friends from the West who have been diligent in building up their shipping should have a natural interest in seeing that American ships capture all this movement. I understand the cotton will amount to about a quarter million tons, which normally would move out of Gulf ports. A splendid American line of freighters to the Orient has just been taken over by private interests, and they are entitled to the great support which this tonnage would give them. I believe that the total freight bill of both the cotton and wheat, at present American rates, would approximate less than 5 percent of the amount of the loan, and it seems not unreasonable to expect and to demand that the borrowers give the American merchant marine the benefit of this patronage. The amount of the freight bill is not so great that there is much chance for a big saving through use of cheap foreign ships, yet it is of material consequence to the American lines, who are required to maintain their scheduled sailings under all conditions. They should not be handicapped by competition from foreign tramps who render no regular service and, in fact, are interlopers.

There is also this important point to remember: This is not strictly a private type of commercial transaction. The 1932 law especially stipulated that the Reconstruction Finance Corporation might make loans such as these, only when such transactions could not be financed "in the normal course of commerce." The Government here is clearly doing something to aid China in procuring her needs, which China cannot facilitate through normal channels. If it is proper for China to seek out and accept the help and cooperation of the United States, it is equally fair and proper for the United States to demand and obtain China's consent that our shipping exclusively shall benefit. It will be noted that in my proposed resolution there is provision that exception be made as to American ships whenever the Shipping Board shall certify that conditions justify such exceptions. Certainly China—and other borrowers—may rely upon our Shipping Board for fair treatment in determining these points.

Mr. Speaker, may I say that several days ago the Chairman of the Senate Commerce Committee introduced in the other branch a bill (S. 1845) covering this same general situation, especially as to China. But it appears that that bill will not be pressed, since it was found that the Chinese contract had been signed. My resolution should convey to all concerned the emphatic feeling by Congress that there must be none of these loans made unless they specify American ships; and while, of course, we cannot do anything legally affecting the Chinese contract, I think the expressions of Congress may influence both the Reconstruction Finance Corporation and the Chinese representatives toward amending their contract so as to insure American ships as the resolution outlines. China has come twice to the United States for help and cooperation, and no doubt will come again. Let us acquaint her definitely of the feeling by Congress as to the spirit which should govern her transactions, and those of any other country.

FOLLOWING THE PRESIDENT

Mr. CHRISTIANSON. Mr. Speaker, there are two things that stand out in bold relief when one contemplates the session of Congress now approaching its end: First, the willingness of the legislative branch of the Government to grant broad powers to the Executive; second, the cooperation given to the party in power by members of the minority. Both are indicative of a new attitude, which may mark a basic change in governmental practice just as vital as the changes brought about from time to time by constitutional amendment.

In the past it has been the practice in this country for legislatures to guard their prerogatives jealously. The word jealously is used advisedly, for often the reason for the reluctance of the Congress to trust the Executive with power has been not so much fear that the Executive would abuse the power given as apprehension lest increase in the power of the Executive would result in diminution of its own importance in the scheme of government.

The centering of power in an individual, or in a compact group dominated by an individual, has always been deemed necessary in time of war. It is perhaps because it is generally acknowledged that the present economic situation presents a crisis no less serious than has attended any period of armed conflict that there is a willingness just now to "let the President do it." Similar situations abroad have resulted in the establishment of dictatorships in Italy, Germany, and other lands. The success of Mussolini gave the idea of centralized government a tremendous impetus.

There has been no dictatorship set up in America. But there has been a recognition that in solving the problem of the depression, conditions change so quickly that there must be lodged somewhere the power to adopt new expedients almost overnight, and that, obviously, no Congress, of two Houses, with a total Membership of 531 men, representing conflicting interests and differing ideas, even if in session continuously, could meet such a situation adequately. When the country is in danger, when it is attacked on many fronts, there is no time to await the decision of a debating society. There must be no haggling about details. There must be action—prompt, vigorous, and decisive.

Is there danger to our democratic institutions in the present practice of giving the Executive wide discretionary powers? I can see no such danger. Certainly, there is none when such powers are granted by a Congress which reconvenes automatically at definite intervals, without having to await being convoked by the Executive. Certainly, there is none when those powers are granted for a brief and fixed period, and cease absolutely at its expiration. Certainly, there is none when the Executive, and the Members of the legislative department as well, serve for short terms, their successors being chosen in elections conducted by and in the various States, over which the Federal Government exercises no control.

It is the peculiar genius of our dual system of government that it affords a double protection against usurpation. The Federal Government guarantees to each State a republican form of government, and the States in turn have complete control over the elections, the very holding of which insures the maintenance of the Federal Republic. The scuttling of democracy, which is comparatively easy in a country where the sovereignty of the people is expressed through one national government, therefore, could not be accomplished here except by armed revolution, unless the States acquiesced.

There is nothing, then, that need cause apprehension in the most loyal supporter of the Constitution that the grants of power in broad and general terms, instead of by minute direction, in the legislation passed by the present Congress constitute an impairment of the Constitution. Rather they strengthen the Constitution by proving its adequacy, by demonstrating that it is a living thing—not like the framework of a house, which must be torn down when the house is outgrown, but rather like the framework of an organism, which grows with and accommodates itself to the growing structure of which it is a part.

I have said that the present session has also been unique in the generous liberality with which the members of the minority have supported the party in power. It is perhaps idle to speculate as to the reasons for this almost unprecedented exhibition of political generosity. In fact, I suspect it is error to call it generosity. Certainly there was nothing in the attitude of the Democratic Members when they withheld from the late Republican administration support of some of the very policies which the present Democratic President has espoused to cause Republican Members of the present Congress to feel cooperative.

However gratifying it would be to one who still clings to the theory of perfectionism to believe that we have arrived at the time when political parties work together because they love each other, I fear that to say so would too much strain the credulity of a people who have long despaired of seeing miracles happen again. If political spears are ever beaten into hooks, they will not be pruning hooks.

It is something else than good will that explains the present disposition of Republicans in Congress to go along with the Democrats. First, so much of what the Democrats have advanced was recommended by a former Republican administration that Republicans in Congress would stultify themselves if they refused to support it.

The last Republican President sought to balance the Budget; the Democrats said it could not be done. Now, with the help of the Republican minority, they are doing it.

He sought to reduce pensions moderately; they said it must not be done. Now they are doing it drastically.

He asked legislation to protect the public against reckless and dishonest banking; they evinced only passive interest. Now, with Republican help, they are passing belated banking legislation.

He wanted to reorganize the structure of the Federal Government; they vetoed his recommendations. Now, without objection from Republican Congressmen, a Democratic President is effecting the reorganization.

He proposed unemployment relief through the adoption of a program of self-liquidating public works; they checkmated his effort by sponsoring instead a pork-barrel measure that would have placed a palatial post-office building in every crossroads village. Now, supported by Republican votes, the Democrats are starting a well-conceived and intelligent public-works campaign.

One reason, then, why the Republicans have gone along with the Democrats is that the latter have adopted so much of what until March 4 was a Republican program.

Another and perhaps more compelling reason is that the Republicans have realized the need for a unified and cohesive Government during the period of emergency, and have been willing to submerge party considerations in order to safeguard national interests. A man may love both his party and his country, but he would be a poor patriot if he did not love his country more than his party. Even although the Democrats did not in the last 2 years always show a disposition to distinguish carefully between partisanship and patriotism, the Republicans must show that they can subordinate party to country now; for if they do not, we may all finally find ourselves without either party or country.

The people have confidence in Franklin D. Roosevelt. He is a virile, forceful Executive; a leader with power to stir the people's imagination. As President, he belongs no less to the Republicans than to the Democrats. Good Republicans will not lag behind loyal Democrats in supporting him. They owe this duty, for in him the faith and hope of a stricken, suffering people are centered. If he fails, the reconstructive forces in the Nation lose their place of focus. If he is ever discredited those who are striving to rebuild America lose their rallying point. So we of the minority party are willing to follow the leader, not as whipped slaves in cringing obedience, but as free men who cherish individual opinions and convictions, but are willing, temporarily, to subordinate lesser things in order to attain the major objective, which is to bring back those conditions of living without which there can be no assurance of permanence for the free institutions of our country.

THE CIVIL SERVICE

Mr. HASTINGS. Mr. Speaker, I want to call the attention of the Members of the House to Senate amendment 33 on page 59 of the independent offices appropriation bill as it passed the House.

It will be recalled that section 8 of this bill is the so-called "retirement section" and deals with separations from the service.

Paragraph (b) contains the language as passed by the House, and is as follows:

> In making reductions of personnel due regard shall be given to the apportionment of appointments as provided in the Civil Service Act.

The Senate amended it by striking out paragraph (b) and inserting the following language:

> Reductions of personnel shall be made with regard both to efficiency and to apportionment of appointments by States as now provided by law, but when new appointments are made hereafter under Civil Service regulations, and there are persons on the eligible list who are residents of States which at the time are below the quota of Civil Service appointments allotted such States by law, preference in selection and appointment shall be given to those eligible persons who are residents of States having less than their Civil Service quota.

It will be noted that the original paragraph (b) as it passed the House only dealt with reductions of personnel in the Government service. I sponsored and favored that amendment. It should have been retained in the bill. Now, the first part of the Senate amendment to paragraph (b) deals with reductions of personnel but adds "efficiency", and by adding this word really nullifies paragraph (b) and makes it ineffective.

Civil Service status is determined by the Civil Service Commission, whereas efficiency is determined by the heads of bureaus and departments, and if the word "efficiency" is added to paragraph "b", as provided in the Senate amendment, it would render the paragraph entirely ineffective.

The new language in the Senate amendment deals with new appointments and is intended to modify and amend the third paragraph of section 2 of the act of Congress of January 16, 1883. The language is as follows:

> But when new appointments are made hereafter under Civil Service regulations, and there are persons on the eligible list who are residents of States which at the time are below the quota of Civil Service appointments allotted such States by law, preference in selection and appointment shall be given to those eligible persons who are residents of States having less than their Civil Service quota.

This is an effort to amend the act of Congress of January 16, 1883. Let us again examine the third paragraph of section 2 of the act of Congress approved January 16, 1883, which is as follows:

> Third, appointments to the public service aforesaid in the departments at Washington shall be apportioned among the several States and Territories and the District of Columbia upon the basis of population as ascertained at the last preceding census.

This act requires that appointments shall be apportioned among the several States and Territories upon the basis of population as ascertained by the last preceding census, whereas the Senate amendment above referred to carries out the act of January 16, 1883, only when and if there are persons on the eligible lists who are residents of States which at the time are below the quota of Civil Service appointments allotted such States by law. In other words, if the Civil Service Commission fails and refuses to hold examinations and there is no eligible list from the several States, then the Commission is not required to follow the act of January 16, 1883. It gives the Commission an excuse not to follow this act.

I made every effort as one of the conferees to retain the House provision and strike out the Senate amendment. When I found this could not be done, being outvoted, the conferees agreed to eliminate both the House and Senate provisions from the bill. Now what is the situation? It leaves the act of January 16, 1883, above referred to, in

force. This act is mandatory. It requires all appointments to be made in the Federal service in the District of Columbia in proportion to the population of the several States. The House provision, as contained in paragraph (b), only applied to reductions in Federal employees in the District of Columbia. However, the Senate amendment would have nullified paragraph (b) by inserting the word "efficiency." The Senate amendment also had the effect of amending the act of January 16, 1883, with reference to new appointments.

It is the duty of the Civil Service Commission to keep lists of eligibles from which selections may be made at any time. There are approximately 33,000 Federal employees in the District of Columbia. Three or four nearby States have always had more than their allowance. I have inserted this list in the RECORD several times. This list shows that the act of January 16, 1883, has not been complied with. In the last few days the Washington newspapers, having received information that paragraph (b), inserted by the House was eliminated, are elated and seem to indicate that a victory has been won. However, let me remind the Members of the House and the people of the country that a House resolution has been passed authorizing and directing the House Committee on the Civil Service to make a thorough investigation of this entire question. This committee has met and is perfecting plans for the investigation. You may rest assured as to future appointments that the Members of the House will be alert and will see to it that the other States shall have their full quota of Federal appointments in the District of Columbia. Not only will the Civil Service Commission be investigated by the House Committee but each year when the Commission comes to Congress for its appropriation this investigation will be renewed and it will result in the act of January 16, 1883, being enforced.

While, of course, I favored paragraph (b), which was the House provision, let me repeat that it only applied to reductions in the number of Federal employees. The most important thing is the retention of the third paragraph of section 2 of the act of January 16, 1883, with reference to new appointments. While we regret that the House amendment was not retained, the Washington press may not be so elated by the striking out of both House and Senate provisions, because when the Committee on the Civil Service of the House is through making the investigation recently authorized, and when this question is kept fresh during each session of Congress, you may rest assured that the Members of the House will not be content if this provision of the Civil Service law is not complied with.

The District of Columbia, Virginia, Maryland, Iowa, and Vermont are together entitled to 2,005 appointments. They have 16,033, an excess of 14,026, or approximately one half of the 33,000 Federal employees in the District of Columbia.

With the permission of the House, I am again inserting the table showing the quota to which each State is entitled:

Figures based on United States Civil Service Commission's late report on condition of the apportionment, 1933

States	Entitled to	Received	Excess appointments
QUOTAS IN EXCESS			
District of Columbia	132	10,778	10,644
Virginia	659	2,273	1,614
Maryland	444	2,112	1,668
Iowa	672	745	73
Vermont	98	125	27
Total	2,005	16,033	14,026
QUOTAS FILLED			
Delaware	74	74	----------
New Hampshire	145	145	----------

Present condition of the apportionment detailed by States

States	Entitled to	Received	In arrears	Percent filled
Puerto Rico	482	24	458	5
Hawaii	115	13	102	11
California	1,544	342	1,202	22

Present condition of the apportionment detailed by States—Con.

States	Entitled to	Received	In arrears	Percent filled
Arizona	118	33	85	28
Alaska	18	5	13	27
Texas	1,584	433	1,151	27
Oklahoma	651	196	455	30
Michigan	1,317	442	875	33
Louisiana	571	207	364	36
Arkansas	504	180	324	36
New Jersey	1,099	408	691	37
Alabama	719	313	406	44
Mississippi	546	272	274	50
Georgia	791	384	407	48
South Carolina	473	228	245	48
Wisconsin	799	405	394	50
New Mexico	119	58	61	50
Ohio	1,807	925	882	51
Illinois	2,075	1,121	954	51
Oregon	259	125	134	48
Nevada	25	15	10	60
New York	3,423	1,868	1,555	54
Washington	425	240	185	56
North Carolina	862	485	377	56
North Dakota	185	130	55	70
Connecticut	437	254	183	58
Tennessee	711	438	273	61
Kentucky	711	481	230	68
Florida	399	276	123	69
Montana	146	90	56	61
Wyoming	61	41	20	67
Idaho	121	85	26	78
Colorado	282	215	67	76
Pennsylvania	2,619	1,976	643	75
Minnesota	697	543	154	77
Indiana	881	710	171	80
Nebraska	375	305	70	80
Missouri	987	780	207	79
South Dakota	188	160	28	85
Kansas	511	409	102	80
Utah	138	123	15	89
Rhode Island	187	173	14	92
Massachusetts	1,155	1,103	52	96
West Virginia	470	467	3	99
Maine	217	213	4	98

THE ECONOMY BILL AND ITS EFFECT ON THE VETERANS

Mr. RICHARDS. Mr. Speaker, before the Seventy-third Congress adjourns and passes into history, I wish to make a statement concerning the so-called "economy bill" passed in the early days of this session, its effects on the disabled veterans, and my reasons for voting against it.

Since the passage of this bill and the development of the injustices that it imposes upon many veterans of this country, under the new rules and regulations issued by the Veterans' Bureau, the rights of the disabled American war veterans have been discussed all over this country. In some quarters his patriotism has been impugned. I resent these implications. It is true there are some veterans, as there are always some in every group, who try to take advantage of the generosity of their Government, but it is my opinion from contact and personal knowledge that the veterans of this country as a group ask only for justice.

I readily admit that some have received and are receiving now benefits that they are not entitled to. But should vicious propaganda because of this condition be allowed to poison our minds against deserving cases? Should those who were disabled be caused to suffer therefor? In this hour of financial distress in our country the pendulum influenced by poison and propaganda has swung too far the other way, and the disabled veteran is unjustly paying for it.

This bill was presented to Congress on the heels of the most vicious propaganda ever circulated against the ex-soldier of any country. The Economy League and the United States Chamber of Commerce, supported mainly by subscriptions from the immensely wealthy, had saturated the American public with the general idea that the rank and file of American veterans were trying to fleece their Government. It was these same interests that yelled loudest that the boys of America be sent to Europe in 1917. They called those boys heroes then, because they were being sent to foreign soil to help secure the private debts that England and France and other foreign countries owed to them. They profited in millions then. They do not wish to pay anything now to the disabled veterans who secured their millions for them. When the war was won they still called them heroes for a day, but now they spend part of their ill-gotten gains by advertisement and propaganda to do a grave injustice to those who have come back wounded or

afflicted and to rob the dependents of those who died in the service of this country and the dependents of those whose bones rest on foreign soil.

No one has greater admiration for President Roosevelt than I. It has been and is now my desire and intention to uphold his hand in his efforts to restore this country to prosperity. It has been my pleasure, with rare exception, to vote for the entire program that he has presented to Congress in an effort to place this country again on an even keel; but, feeling as I do, I could not conscientiously vote for the economy bill as it was without amendments. I for one have never doubted the sincerity of the President in his statements that he would not do injury to any deserving veteran. I know that his heart beats to help all phases of physical suffering and sorrow. I have never for one moment thought that the President would knowingly and voluntarily do an injustice to an American war veteran; but I also know that the multiplicity of the duties confronting him in the crisis facing our country, with all the problems of relieving unemployment, with his plans for farm relief and the relief of the home owner, with all of his reorganization plans for our Government, with his honest desire to balance the Budget, and with every nerve and every faculty busy every day in consideration of the many problems facing our people, it is impossible for him or any other man under the sun to consider and to study the effect of this legislation as it applies to every disabled veteran. If it were possible for this matter to be settled by his individual hand and heart, I believe that justice would be done the disabled American veteran. However, this will not be done. It will be necessary for the President to delegate this authority to the Director of the Veterans' Bureau, advised by the Director of the Budget, and events have shown that their sympathy does not lie on the side of the disabled veteran. I believe the time will come when it will be my pleasure to defend the President's sincerity of purpose against the charges of some of those who are supporting this measure today and who will tomorrow be placing the blame upon the President with the claim that they did not know what the effects of this act would be.

It is true that this country is facing a great financial crisis. I am one of those who think that the expenses of every department of this Government must be cut in order that the Budget may be balanced. I am one of those who think that the American war veteran should take his cut, along with all other beneficiaries of the generosity of our country; but I am not one of those who think that the Budget should be balanced by the taking away of compensation granted by a grateful Government for disabilities received by soldiers in the service of their country.

The Democratic caucus itself decided by a majority vote that the veterans' appropriation should not be cut over 25 percent, with a view to placing the cuts where they should be without placing them where, in justice, they should not be placed. The law, as it was passed, in many instances cut the benefits now being received by actually service-connected disabilities as much as 50 percent. It places a great hardship also upon the dependents of those who died in the service. It denies hospitalization to many disabled veterans, when the hospitals to provide this treatment have already been provided by a grateful Government. It will place upon the shoulders of the States and the municipalities the expense of providing care for many disabled and incompetent veterans who should by right be wards of the Federal Government.

Heretofore legislation had taken a charitable view toward that class of disability known as "presumptive service-connected." In many of these cases, on account of the nature of the disability, absolute proof could not be shown that the disability was suffered in the service, due to the fact that tuberculosis, nervous disorders, and certain other ailments as a rule did not develop noticeably until some time after the inception of the ailment. The veterans therefore were allowed a presumptive period of service connection for a few years. Now in most cases this presumption will only be allowed for 1 year, and the result is that, since the war ended 14 years ago, the veteran is now not able to prove service connection.

As for the Spanish-American War veterans who served in a war when no service records were kept, when medical protection was not provided, when the services of supply were inadequate, this act practically places that veteran in the position that he will, 30 or 35 years after the war, be forced to present proof that his disability was incurred in the service, long after the possibility of providing this proof has disappeared with the years and failing memory. That is not justice.

For the reasons I have stated, and for many others I have not the time nor the ability to express, I voted against this bill and also voted for the two liberalizing amendments which came from the Senate and which were presented to the House later in the independent offices appropriation bill.

In my race for Congress last summer I promised the war veterans of my district nothing except a fair deal. That I intend to give to them insofar as my ability extends—no more, no less. I do not hesitate to credit those who voted for this bill with honesty and sincerity of purpose; but if I had voted for this bill, feeling as I do about its unjust effects upon disabled war veterans of our country, I would be a traitor to them and to my own conscience.

REPUBLICANS PREDOMINATE ON MORGAN LISTS

Mr. SABATH. Mr. Speaker, my attention has frequently been attracted recently to statements in Republican newspapers which have been so worded as to give the impression to readers that Democrats, rather than Republicans, predominated in the lists of the "preferred customers" of J. P. Morgan & Co., recently made public by the Senate investigating committee.

Because this is exactly the reverse of the truth, Mr. Speaker, I desire to make a few comments on the subject. Of all the hundreds of names contained in these lists, no less than 90 percent were those of pronounced Republicans! Let us keep the record straight in this matter.

In striking contrast to the publication of the name of a former Republican President—the late Calvin Coolidge—the name of our great Democratic President—Franklin D. Roosevelt—was conspicuous by its absence. Absent from the list also was the name of the previous Democratic nominee, Al Smith.

Prominent, however, in the list of Republicans were the names of a member of President Hoover's Cabinet—Charles F. Adams, former Secretary of the Navy; the late Senator Dwight W. Morrow, a former Hoover amassador to Mexico; United States Senator Hamilton F. Kean, of New Jersey; former Senator George Wharton Pepper, of Pennsylvania, and R. B. Mellon, a brother of Andrew W. Mellon, the former Hoover Secretary of the Treasury and later ambassador to Great Britain.

The number of Republicans on the bench whose names adorn the now famous "preferred-customers" lists of the Morgan company is little short of amazing. If the large city Republican newspapers had been fair, they would have emphasized this.

The Republican judiciary was represented on the Morgan lists, among others by Owen Roberts, Associate Justice of the United States Supreme Court; Robert von Moschzisker, chief justice of the Pennsylvania State Supreme Court; and John W. Kephart, also a justice on the Pennsylvania Supreme Court. The Morgan interests must have felt rather "secure" so far as any possible litigation before this Supreme court of Pennsylvania was concerned.

Two former Assistant Secretaries of the Treasury, both Republicans, who were listed, were S. Parker Gilbert and Charles D. Hilles.

The Republican National Committee was conspicuously represented in the list by the names of Joseph R. Nutt, its treasurer, Charles D. Hilles, former chairman and member of the executive committee of the same organization; Daniel Pomeroy, of New Jersey, a vice chairman; and Henry Roraback, Republican national committeeman for Connecticut.

Names of others in the lists who are Republicans and also identified with the greatest corporations of the Nation, are: W. C. Teagle, president of the Standard Oil Co. of New Jersey; W. W. Atterbury, president of the Pennsylvania Railroad; Samuel M. Vauclain, president of the Baldwin Locomotive Works; Walter S. Gifford, president of the American Telephone & Telegraph Co.; Clarence H. Mackay, president of the Postal Telegraph Co.; C. E. Mitchell, former president of the National City Bank of New York; Myron C. Taylor, chairman of the United States Steel Corporation; A. H. Wiggin, former president of the Chase National Bank; George F. Baker, Jr., director of the United States Steel Corporation; Guggenheim Brothers, the copper magnates; Anthony D. Biddle and D. Graham Craig, Morgan's Philadelphia representatives; Silas Strawn, former president of the United States Chamber of Commerce; and Marshall Field, Chicago merchant. Still others of the Republican faith included in the lists were Gerard Winston, Robert E. Olds, E. Edmund Machold, Edgar Rickard, former Republican State chairman from New York, Thomas S. and Thomas W. Lamont, George F. Allen, Arthur M. Andersen, Dominick & Dominick, Claude K. Boettcher, and so forth, and so forth, the whole number of Republicans running up into the hundreds.

Of the very, very few Democrats appearing in the long lists of names, let us consider that of John J. Raskob, former chairman of the National Democratic Committee. It is well known that Mr. Raskob has financial holdings in many American business enterprises; that he never pretended otherwise, and that it would be but natural that the Morgan company would include him among its favored customers. But in view of the fact that all his life he has kept his political and financial affairs as two separate and distinct interests, that he has frequently advocated policies not in alinement with those of the House of Morgan, it is perfectly apparent that the inclusion of his name on the preferred lists certainly did not influence him to alter his views on public questions.

The same is true as regards W. H. Woodin, the Democrat who is making such a fine record as Secretary of the Treasury. His firm had large business dealings with the Morgan Company, and at the time these lists were prepared no one had the slightest idea—Mr. Woodin himself perhaps least of all—that he would ever hold a public office. So it is obvious that his name was not included with any idea of influencing him as a public official but only for purely business reasons.

In all events the number of Democrats as compared to Republicans in these Morgan lists was as 1 to 10, or, more likely, 1 to 25. Yet some of the large city Republican newspapers, with the brazen effrontery that is so often characteristic of them where politics are involved, have sought to make it appear that it was principally Democrats that were named.

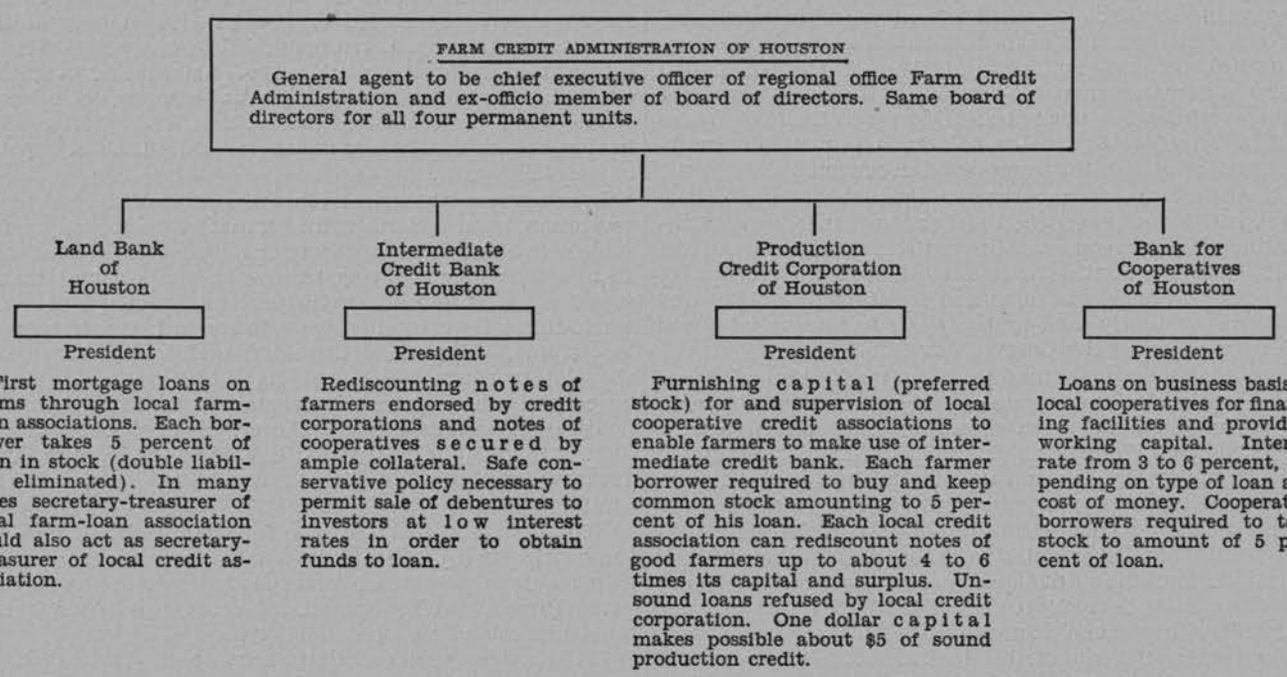
This misrepresentation has been so deliberate and willful that I have felt it should be pointed out and publicly condemned.

It is and always has been a historical and arithmetical fact that the Republican Party is the party of Wall Street and special privilege, and that the Democratic Party is the party of the masses, standing squarely for equal rights for all and special privileges for none. The Morgan lists proved conclusively the preponderant affection of the Wall Street crowd for Republicans.

REGIONAL SET-UP OF FARM CREDIT ADMINISTRATION

Mr. JONES. Mr. Speaker, under leave to extend my remarks, in accordance with the request of several Members of the House, I wish to have printed in the RECORD a brief chart of draft outlining the regional set-up of the Farm Credit Administration. This chart was prepared by one of the officers of the Administration. Similar organizations are provided for each of the land-bank cities.

REGIONAL SET-UP OF FARM CREDIT ADMINISTRATION



All regional banks where feasible to use same field force for appraisals, supervision, inspection, and collection. Field force under administrative supervision of general agent. Costs of field force allocated over all units on equitable basis. Entire system ultimately expected to be on self-supporting cooperative basis. All borrowers required to be stockholders in lending agency, but no double liability on any stock in the system.

TAINTING AMERICAN PUBLIC OPINION—ACTIVE HITLER PROPAGANDA IN THE HALLS OF CONGRESS DISTORTS FACTS

Mr. CELLER. Mr. Speaker, under the general leave granted Members for extension of remarks at the close of the session, I desire to place in the RECORD the following. The contents of this article has been prepared for me by Mr. Walter Hart Blumenthal, associate editor of the American Hebrew and Jewish Tribune, a scholarly gentleman and a fierce champion of the truth, one whose writings I have always enjoyed and whose works I have always admired.

When the gentleman from Pennsylvania [Mr. McFADDEN] a few weeks ago, on the floor of the House, quoted from the

Protocols of the Elders of Zion, everyone was too astounded at his ignorance of the facts to reply. Everyone; that is, except myself, since I subsequently took occasion to point out the "aberrations of the gentleman from Pennsylvania."

The debate into which Mr. McFADDEN interjected his bigotries had to do with the currency question and gold repeal. He asserted that the legislation was "foretold by a writer in the Dearborn Independent several years ago when that paper published the so-called 'Protocols of Zion.'"

He quoted at some length from the "Protocols" which among other things, according to the Pennsylvanian, predicted that—

> When the crash comes the Gentiles will have the paper and the Jews the gold.
>
> Is it not true—

Asked Mr. McFADDEN—

> that in the United States today the gentiles have the slips of paper while the Jews have the gold and the lawful money? And is not this repudiation bill a bill specifically designed and written by the Jewish international money changers in order to perpetuate their power?

It would seem unbelievable that these forgeries known as the Protocols of Zion should still be cited in one of the great parliamentary bodies of the world—cited and believed in by the citer. Yet not only is this so—years after the fabrication of the so-called "Protocols" was proved—but this alleged plot of the Jews of the world is still reprinted and circulated in booklet form.

Especially in Germany, editions continue to be circulated. For years the book has been distributed, especially in Germany, in enormous numbers, and translations which had appeared in many languages previous to the conclusive proof of forgery are still handed about. Moreover, the fake "sages of Zion" are quoted by Jew-baiters in innumerable writings, just as though they were valid documents.

Although 12 years have passed since the falsity of the "protocols" was proven in the London Times by its Constantinople correspondent (in articles published August 16–18, 1921), a ninth German edition of the Secrets of the Sages of Zion was published in Munich in 1929 and has been constantly used by the Nazis to foment falsehood and hatred against the German Jews.

As a matter of fact, that this bogus collection of documents consisted of unmitigated falsehoods and that it was a plain concoction had been shown by the eminent Jewish scholar, Lucien Wolf, in an article in the London Spectator in 1920, and by Dr. Salomon Reinach in the Jewish Tribune of Paris of the same year.

The gentleman from Pennsylvania [Mr. McFADDEN], perhaps could not be expected to know this, although it is difficult to understand his ignorance of the fact that Henry Ford, in a letter dated November 1, 1927, addressed to Louis Marshall, of New York, as president of the American Jewish Committee, apologized to the Jewish people and retracted all the anti-Jewish falsehoods that had been published in his paper, the Dearborn Independent, and in his book, The International Jew. Ford sought to have withdrawn all foreign editions and translations, but new German editions of his book and of the forged protocols on which his book was based, are still being circulated.

Not only were the articles of Lucien Wolf and Salomon Reinach reprinted in current issues of the American Hebrew of New York, but leading newspapers of that day quoted releases from that publication.

The protocols were alleged to be the secret plans of the Zionist Congress held in Basle in 1897. They first came to the attention of the English-speaking world by a pamphlet called "The Jewish Peril", which was soon seen to be a political tract like many others that had appeared in the seventeenth and eighteenth centuries. The alleged author of the Russian original of The Jewish Peril was Prof. Sergyei Nilus. It was a rehash of several earlier works, chiefly a fanatical screed by a German named Hermann Goedsche, who, in 1868, had been dismissed from the Prussian postal service for forgery.

At that time there was considerable agitation against the Freemasons, and Goedsche fabricated a booklet which held Masonry and Judaism accountable for the ills of the world, and more particularly set forth the alleged designs and machinations of the Jews to secure domination over all the nations of the earth. In order to make his fantastic notions seem realistic, he introduced the public to a supposed secret assembly of the "elect of Israel", which he said was held once in every century around the tomb of a mythical "Grand Master Caleb, the Holy Rabbi Simeon ben Jehudah."

Goedsche's document describes a sort of protocol, which is addressed by a chief rabbi (really a fictitious character), who expounds the plan of Simeon, handed down from generation to generation, by which the Jews are to work with gold and the press for the subversion of monarchy and Christianity. They are to act, as Goedsche's forgery has it, as a universally disturbing and demoralizing force, and, in particular, they are to seduce and stir up the proletariat to political revolution, so that eventually they may establish the Jewish universal monarchy on the ruins of Christian society.

This fantastic document, which passed almost unnoticed at the time it appeared, was seized upon in the early eighties by the more irresponsible elements of the anti-Semetic movement then in process of formation by Trietschke and Stöcker and widely circulated as a broadside. It was reprinted in France as late as 1911, in connection with similar forged material concocted by Jew baiters. A copy of this was used by the repudiated monk, Nilus, who added some of his own brew to the cauldron of hatred and amplified Goedsche's handiwork. Nilus also had a motive of his own, for he was a participant in the Russian Revolution of 1905, having been a Czarist henchman for some time in a police bureau in Moscow.

In denouncing the Jews as the instigators of the Bolshevist revolution, itself a slander, the Czarist Party cooked up this fable with Nilus as the unsavory chef. He bolstered his story with details about having discovered the original manuscript of the protocols in Switzerland or elsewhere. The whole thing, from the first word to the last, is utterly baseless, stupid, and clumsy; the elders of Zion are imaginary; the plot to conquer the world is a silly device, conceived by certain crack-brained individuals to advance their own political ends. The so-called "protocols of the wise men of Zion" are unadulterated forgeries used as the basis for anti-Jewish propaganda in Europe and—alas—in the United States.

Nilus, the perpetrator of the fake protocols, as cited by the gentleman from Pennsylvania, was commonly regarded as a madman. He was a brain-clotted mystic, a well-educated Russian, whose pronounced eccentricities made him what alienists call a borderland type.

Let it not be supposed that such literary fabrications as the Protocols of the Elders of Zion are few. On the contrary, they were quite common in times now happily gone. In Europe false literature was a weapon commonly used in the seventeenth and eighteenth centuries in political and religious controversies. Even in our own country there have been instances, such as the pamphlet largely circulated during the Civil War, which purported to have been an authentic vision of George Washington in 1777 in which he saw and set down the vista of American history for a century ahead. Its purpose was to encourage the people to resist the Confederacy, and it was accepted as veracious by many readers. It narrates how the country is to be imperiled by the black demon—slavery—divided by the powers of darkness—war—triumph over these powers, and so forth. In fact, it was reprinted as authentic in the New York Magazine of Mysteries for 1910.

So numerous have been such impostures that an entire work, entitled "Literary Forgeries" by Farrer, appeared in London in 1907. Mr. Walter Hart Blumenthal, in two extended articles in the American Hebrew, January 21–28, 1921, gave a presentation of such forgeries other than the so-

called "protocols" that were then being circulated by foes of the Jews.

Anti-Semitism, however, has not depended on exploded fulminations such as this absurd concoction of a splenetic brain. Distortions of fact are rife with regard to the Jews of Germany. It is asserted on the one hand that they are capitalists controlling German industry. It is alleged on the other hand that they are Communists desirous of Sovietizing the Reich. These two assertions are mutually contradictory. Capitalists are usually content with a status quo; Communists are usually an impecunious lot who desire to get a share of things by a redistribution of wealth. The truth is, of course, that there are some Jewish capitalists and some Jewish Communists, just as there are some Christian capitalists and some Christian Communists.

German Jew baiters declare that it was the Jews who made Germany lose the war. As a matter of fact, 12,000 and more German Jews were war casualties in the ranks of the Reich. Nothing could more clearly destroy the nonsensical idea that the Jews of the world are banded together than the fact that in the Great War they fought and died in the armies of every country—fought and killed one another—just as in the Civil War in the United States Jews fought on the Confederate side and on the Union side, and in more instances than one were actually brothers. That does not look like a conspiracy to dominate the world.

What is more insidious than any cooked-up charges against alleged Jewish conspiracies is the underhanded propaganda now going on by Hitler agents in America, who presumably are not devoting themselves to their dubious cause out of sheer rancor against the Jews. Public opinion in America is being corrupted by these propagandists; even the Halls of Congress are not immune. Every Senator and Congressman recently received an 11-page mimeographed article, that was prepared by one T. St. John Gaffney, and was labeled "The facts in the case of the German National Socialists Against German Jewry and its political and economic control of the country."

Gaffney's confidential assignment is to contact American Federal officeholders, particularly Members of Congress, and if he can it is his job to hoodwink the State Department. It is easy enough to point out the conceded forgery of the stale and silly protocols of the Elders of Zion which the gentleman from Pennsylvania [Mr. McFADDEN] cited from the floor of Congress on May 29. But it is not so simple a task to show up the falsities of a cleverly presented document such as Gaffney put into the hands of every Member of the Senate and House not long ago. It would require as much space to analyze and answer Gaffney's distortions as he takes for his Nazi propaganda.

However, it would suffice if Members of Congress were familiar with the fact that Gaffney was long ago discredited, and under President Wilson was removed as American consul general to Germany. Although it cannot be shown that Gaffney is a paid German agent, the inference, in the light of his record, is plain.

According to the New York Sun of September 26, 1915, Americans caught in Germany at the outbreak of the war had complained to the State Department of Gaffney's partisan attitude. It was said that he showed such intense sympathy with the German cause as to make him offensive to many British subjects in Germany whom he was officially required to aid, the United States having taken over the consular and diplomatic interests of Great Britain.

In the New York Times of September 29, 1915, it was stated that the State Department had decided to ask for the resignation of T. St. John Gaffney, United States consul general at Munich.

From the New York Times of August 30, 1916, it appears that Gaffney went back to Munich after spending some time in the United States and returned to the country in August 1916, when he gained a great deal of notoriety by attacking the United States Government's policies on shipboard. To the disgust of a number of passengers, he openly approved the Zeppelin raids and the sinking of the *Lusitania*.

A year later, according to the New York Tribune of February 19, 1918, Gaffney was dropped from membership in a Republican club in New York City, ostensibly for nonpayment of dues. A member of the war committee of the club, however, said that the club was satisfied that since April 1917 Gaffney had been traveling between Berlin and Stockholm as a German propagandist.

As was pointed out in the columns of the American Hebrew in the issue of June 16, the gentleman from Illinois [Mr. SABATH] stated:

> It is clear that Gaffney 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.

Unfortunately, sinister propaganda such as Gaffney's cannot be so lightly dismissed. To say that "it is not worthy of any consideration" overlooks the influence it may have with some of the Senators and Congressmen to whom it was sent and who may not be in a position to refute its fallacies and distortions. It sounds plausible, on the face of it, to point out, as does Gaffney, that while the 564,379 Jews of Germany, according to the latest 1925 census, constitute less than 1 percent of the population, this small element dominates German commercial and artistic life in what is alleged to be a sort of parasitic control and contamination, and the falsity of the statement must be shown.

Gaffney asserts that what has occurred under the Nazi terrorism is merely a "political housecleaning not a religious or racial persecution." It is almost incredible that this henchman of the double cross should have the audacity to state in his screed that "Hitlerism as an anti-Semitic force is one of the fictions of our day." In answer to that, one merely needs to refer to the National Socialist official program, which specifically disenfranchises German Jews as non-Aryans. The factual record of the persecution of Jews in Nazi Germany was set forth in the "White Book", which has just been issued by the American Jewish Committee, and which is documented in a manner to convince any fair-minded American. Even those unfamiliar with the facts must be given pause by allegations of this unsavory spokesman of Hitlerism when he declares "the revolution in Bavaria was entirely Jew-made."

He does not point out that whereas there are 564,379 Jews in Germany today, there were, in 1910, 603,811 German Jews. He does not point out the remarkable fact that, of this number, 96,000 Jews served in the German Army. His contention that the Jews dominate Germany does not point out that the last Reichstag had only 1 Jewish member among 608 deputies, with 12 others of Jewish descent; that the last Prussian Diet had 2 Jews and 2 others of Semitic descent out of a total of 423 members.

In every paragraph of the Gaffney statement lurk misstatements and manipulations of fact. Fortunately, the German census of 1925, which is the latest, refutes most of the figures of Gaffney, and other authoritative sources are available, such as the Statistisches Jahrbuch for 1932. Indeed, the willful distortions of Hitler hirelings such as Gaffney can be dismissed by the well-informed with a single brief quotation. The core of his contention that the Nazi policy and enactments are "not a religious and racial persecution but a political shake-up" is refuted by an unimpeachable American source. The Foreign Policy Association, in a bulletin published as long ago as January 21, 1931, stated that—

> Hitler's anti-Semitism forms the connecting factor and fundamental basis of his whole program.

This unassailable fact is borne out by the Nazi official platform of 25 points that preceded Hitler's elevation to the chancellorship, and by the official decrees and measures against the Jews that have followed his coming to power. These are printed in the newly released White Book issued by the American Jewish Committee and are literal translations of the statutes now in force.

The American spirit is revolted by injustice and religious persecution whenever and wherever these occur. American leadership and enlightened groups of American clergy, physicians, attorneys, and other civic figures have manifested their detestation of the abhorrent acts of the present German regime. It is well, however, that they be informed of the growing insidious propaganda—so un-American in its nature—that is now infesting our shores. Based on a spurious so-called "Aryanism", which will not pass muster with any unbiased anthropologist, the present Teutonic cult will vainly seek to sway American opinion to sympathy with the benighted policy that now prevails in the German Reich. The hard-won liberties of mankind are imperiled by the medieval tyranny that has been enthroned in a Hitlerized Germany. It behooves American leadership to be on its guard against the poison of propaganda that is seeking to taint American public opinion.

PERSECUTION OF JEWISH PEOPLE BY HITLER AFFRONTS LIBERTY-LOVING PEOPLE EVERYWHERE

Mr. YOUNG. Mr. Speaker, as Congressman at large from Ohio, I protest against Hitler's persecution of Jews in Germany. This is not a matter of concern to the Jewish people of Ohio only, nor is it a matter of concern only to the Jewish people of our country. This senseless and cruel persecution of Jews by the present Nazi regime in Germany concerns the entire world. It is an affront to liberty-loving people everywhere. I say no word of reproach to the German people as a people, but I desire to protest, with all the vigor I am able to command, this unwarranted, cruel, senseless, and stupid persecution and oppression of peaceable and law-abiding citizens of Germany. Persecution of Jewish people by Hitler and his Nazi followers tramples underfoot principles of racial, religious, and economic liberties for which our forefathers fought.

The American delegates to the World Economic Conference should absolutely refuse to enter into any arrangements or agreements with the present Government of Germany until and unless it makes a radical change in its treatment of its Jewish citizens.

If you say we should not interfere in the internal affairs of an independent and sovereign nation, I answer that there are millions of loyal and worthy Jews who are citizens of this country who have contributed and are contributing to our present supremacy as a nation. These people pay taxes and help maintain our Government by their resources. It is wrong for our Government to help the Hitler government financially, or in any manner, even remotely, under such circumstances. Our Government was founded by people in search for religious liberty. We should, in the Halls of Congress and elsewhere, fight those insidious forces that seek to substitute prejudices for liberty. Unreasoning prejudice is a most serious menace. The very first amendment to our Constitution, written on the demand of men who won the war for independence, asserts that the Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof. We should still fight on for a principle so dear to all lovers of liberty. Any distinction among peoples because of religions is intolerable.

It seems unbelievable that in any nation termed civilized and enlightened such persecutions could be tolerated. An outraged world should hale Hitler before the bar of public opinion and to the oblivion he deserves. Present persecution of Jews in Germany is an indictment of civilization itself. In this twentieth century of civilization, so-called, we behold a dictator rampant and mad with power in Germany—that land of culture, art, science, music, and statesmanship. In that country, the home of Ludwig, Remarque, Prof. Albert Einstein, the well beloved, and so many others whose names are household words, Hitler, the autocrat and dictator, has astounded the world by his cowardly persecution of Jews.

Liberty-loving people should oppose intolerance in whatever form it raises its hideous head, and whether clothed in a white sheet or a brown shirt. In Spain and in Mexico, Catholics are mistreated. In Germany, Hitler seeks to make Jews third-rate citizens or to drive them out altogether. The Jewish people as citizens of Germany for a thousand years helped build the Empire, and have been helping to rehabilitate Germany since the peace of Versailles. Hitler, the Austrian, became a citizen of Germany but a year ago.

I am a friend of the German people. No racial group, no people anywhere in the world properly have a quarrel with the German people. Our protest is against Hitler and his regime which has betrayed and cowed into submission law-abiding men and women of Germany. If Jews of Germany are doomed, then Germany as a great nation is doomed.

It is a great moral wrong for our country, until this situation has been changed, to give any help to the Hitler government of Germany, directly or indirectly, in any manner. By doing so, our Government, through its taxing power upon all our people, including the Jewish peope, would be compelling the Jews of this country to help support and maintain the Hitler regime. In the event economic agreements are entered into by our delegates to the World Economic Conference, to have those agreements effective, the people of our country, through our Government, must give to them sanction and support. We must not even indirectly or remotely help carry on persecutions in Germany, which are of an economic nature, using religion as an excuse.

The followers of Hitler, under his leadership and with his sanction, have been systematically taking from the public libraries books of Jewish authors and burning them. This is stupid, disgraceful, and outrageous. The Hitlerites, in their arrogance, stupidity, and brutality, are boycoting and mistreating a racial group of 600,000 men, women, and children. Of this racial group, 12,000 of the flower of their young manhood laid down their lives for their fatherland in the World War. In addition to 12,000 Jews in the German Army who were killed in the World War, many thousands more were wounded in action fighting for the fatherland. Ninety-six thousand Jews served in the German Army during the World War, offering their lives as sacrifices for Germany.

The lessons of history are that in every nation where intolerance raged and where Jewish people were systematically persecuted, that country has fallen into decay. We speak of the glory that was Greece, and of the empire that was Spain.

America should not be silent in the face of the outrages and persecutions of Hitler. This inexcusable degradation of a patriotic and law-abiding group excites the indignation and horror of fair-minded people everywhere. It pushes the German nation down into the depths and darkness of the Middle Ages. It violates the feeling of brotherhood and justice that peoples of the world have patiently and painfully built up.

Throughout the world, wherever Jewish people have made their homes, they have been loyal to that country and devoted to its institutions. In America, as in Germany, they have contributed their full part to make our Nation great and glorious. The Revolutionary patriots went to Leviticus when they inscribed on the Liberty Bell, "Ye shall proclaim liberty throughout the land and to all the inhabitants thereof."

In our own time, 300,000 young men of Jewish faith left their comfortable homes and loved ones in America in response to a grave national duty and joined the glorious crusade for the safety of the world, and in 1917 and 1918 took their proper and prominent part as members of the grandest Army ever gathered together under the bending sky of God. They were my comrades in arms.

As a Member of Congress, I add my protest against the acts of Hitler and his regime in persecuting enlightened, patriotic, and loyal Jewish citizens who ask nothing except to continue to serve devotedly, patriotically, and sincerely the country in which they live.

RECESS

Accordingly (at 8 o'clock and 58 minutes p.m.) the House stood in recess until Thursday, June 15, 1933, at 10 o'clock a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. STEAGALL: Committee on Banking and Currency. H.R. 3344. A bill to amend section 14, subdivision 3, of the Federal Farm Loan Act; without amendment (Rept. No. 264). Referred to the Committee of the Whole House on the state of the Union.

Mr. DELANEY: Joint Committee to Investigate Dirigible Disasters. House Concurrent Resolution 15. Providing for an investigation of the cause or causes of the wrecking of the *Akron* and other dirigibles; without amendment (Rept. No. 266). Referred to the Committee on Naval Affairs.

Mr. CHAVEZ: Committee on the Public Lands. S. 1774. An act to provide for extension of time for making deferred payments on homestead entries in the abandoned Fort Lowell Military Reservation, Ariz.; without amendment (Rept. No. 267). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULLER: Committee on the Public Lands. H.R. 2837. A bill to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; with amendment (Rept. No. 268). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H.R. 1951) granting an increase of pension to Claudia V. Hester; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H.R. 4623) granting a pension to George E. Hilgert; Committee on Invalid Pensions discharged, and referred to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WALDRON: A bill (H.R. 6114) to permit any person doing business within the United States to obtain loans from the Reconstruction Finance Corporation for an amount not in excess of 60 percent of the value of the real-estate holdings of such person; to the Committee on Banking and Currency.

By Mr. SIROVICH: A bill (H.R. 6118) to provide for the truthful labeling of drugs and the attachment of trade marks to the containers and packages of drugs; to the Committee on Patents.

By Mr. DUNN: A bill (H.R. 6119) to provide pensions for ex-service men and the widows of ex-service men; to the Committee on Pensions.

By Mr. DE PRIEST: Resolution (H.Res. 194) to investigate the spread of communism; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KENNEY: A bill (H.R. 6115) granting compensation to the estate of Thomas Peraglia, deceased; to the Committee on Claims.

By Mr. AUF DER HEIDE: A bill (H.R. 6116) to provide for the reimbursement of former Second Lt. William F. Upton, Jr., for loss of equipment; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H.R. 6117) granting an increase of pension to Carrie A. Groce; to the Committee on Invalid Pensions.

Also, a bill (H.R. 6120) granting an increase of pension to Phoebe A. Kimes; to the Committee on Invalid Pensions.

By Mr. LINDSAY: A bill (H.R. 6121) for the relief of Archie J. McKee; to the Committee on Military Affairs.

By Mr. MULDOWNEY: A bill (H.R. 6122) to refund to Mary Wilkins Ogden income tax erroneously and illegally collected for the calendar year 1928; 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:

1385. By Mr. McFARLANE: Petition of the Senate of Texas, recommending Senator Margie E. Neal, of Texas, for a position of trust and honor with the Federal Government; to the Committee on Ways and Means.

1386. By Mr. RUDD: Petition of David J. O'Connel Post, No. 2264, of Ozone Park, N.Y., Veterans of Foreign Wars of the United States, favoring the Bone plan; to the Committee on World War Veterans' Legislation.

SENATE

THURSDAY, JUNE 15, 1933

(Legislative day of Wednesday, June 14, 1933)

The Senate met at 12 o'clock noon, 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:

Ashurst	Davis	King	Thomas, Okla.
Austin	Duffy	La Follette	Thomas, Utah
Bachman	Fletcher	Long	Thompson
Barbour	Frazier	McCarran	Townsend
Borah	Glass	Nye	Vandenberg
Bratton	Hale	Overton	Walsh
Caraway	Johnson	Pope	
Clark	Kean	Robinson, Ark.	
Costigan	Kendrick	Sheppard	

Mr. ROBINSON of Arkansas. I wish to announce that the senior Senator from Nevada [Mr. PITTMAN] is absent on official business in attendance upon the London Economic Conference.

I also wish to announce that the Senator from Massachusetts [Mr. COOLIDGE] is detained from the Senate on official business and that the Senator from Georgia [Mr. GEORGE] is unavoidably absent.

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

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

The legislative clerk called the names of the absent Senators, and Mr. BLACK, Mr. HARRISON, Mr. LONERGAN, Mr. McKELLAR, Mr. McNARY, Mr. NEELY, Mr. NORRIS, Mr. ROBINSON of Indiana, Mr. RUSSELL, Mr. STEPHENS, Mr. TRAMMELL, Mr. TYDINGS, and Mr. VAN NUYS answered to their names when called.

Mr. ADAMS, Mr. BAILEY, Mr. BANKHEAD, Mr. BARKLEY, Mr. BONE, Mr. BROWN, Mr. BULKLEY, Mr. BULOW, Mr. BYRD, Mr. BYRNES, Mr. CAPPER, Mr. CAREY, Mr. CONNALLY, Mr. COPELAND, Mr. CUTTING, Mr. DALE, Mr. DICKINSON, Mr. DIETERICH, Mr. DILL, Mr. ERICKSON, Mr. GOLDSBOROUGH, Mr. GORE, Mr. HATFIELD, Mr. HAYDEN, Mr. HEBERT, Mr. LEWIS, Mr. LOGAN, Mr. McADOO, Mr. McGILL, Mr. METCALF, Mr. MURPHY, Mr. PATTERSON, Mr. REED, Mr. REYNOLDS, Mr. SCHALL, Mr. SHIPSTEAD, Mr. SMITH, Mr. STEIWER, Mr. WAGNER, Mr. WHEELER, and Mr. WHITE entered the Chamber and answered to their names.

Mr. HEBERT. I wish to announce that the Senator from New Hampshire [Mr. KEYES], the Senator from South Dakota [Mr. NORBECK], and the Senator from Missouri [Mr. PATTERSON] are unavoidably absent from the Senate.

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