

By Mr. SANDERS of Texas: A bill (H. R. 2969) granting death compensation benefits to Lena Klotz; to the Committee on Claims.

Also, a bill (H. R. 2970) for the relief of Jose Munden; to the Committee on Claims.

Also, a bill (H. R. 2971) for the relief of Mrs. Dave Richmond; to the Committee on Claims.

Also, a bill (H. R. 2972) for the relief of Willie B. White-side; to the Committee on Military Affairs.

Also, a bill (H. R. 2973) for the relief of the Farmers & Merchants National Bank, of Gilmer, Tex.; to the Committee on Claims.

Also, a bill (H. R. 2974) for the relief of Frank W. Childress; to the Committee on Claims.

By Mr. SCHAEFER: A bill (H. R. 2975) granting an increase of pension to Katharina Reis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2976) granting an increase of pension to Mary E. Straube; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2977) granting a pension to Antonia Kuehn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2978) for the relief of Eustace Parks; to the Committee on Claims.

Also, a bill (H. R. 2979) granting a pension to Martha Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2980) for the relief of Earl Choat; to the Committee on Naval Affairs.

Also, a bill (H. R. 2981) for the relief of Malcolm Bennett; to the Committee on Naval Affairs.

Also, a bill (H. R. 2982) for the relief of Sarah Shelton; to the Committee on Claims.

Also, a bill (H. R. 2983) granting a pension to Sarah E. Linder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2984) granting a pension to Nettie E. Campbell; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 2985) granting an increase of pension to Elmira J. Earhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2986) granting a pension to Milton Warner; to the Committee on Invalid Pensions.

By Mr. SOUTH: A bill (H. R. 2987) for the relief of E. W. Tarrence; to the Committee on Claims.

By Mr. SUTPHIN: A bill (H. R. 2988) for the relief of Charles W. Morgan; to the Committee on the Civil Service.

By Mr. WELCH: A bill (H. R. 2989) for the relief of Ernst Nussbaum; to the Committee on Claims.

Also, a bill (H. R. 2990) granting a pension to Julius Hansen; to the Committee on Pensions.

Also, a bill (H. R. 2991) for the relief of Mark D. Moad; to the Committee on Military Affairs.

By Mr. ZIONCHECK: A bill (H. R. 2992) for the relief of John E. Meehan; to the Committee on Military Affairs.

Also, a bill (H. R. 2993) granting a pension to Nellie Haag; to the Committee on Pensions.

Also, a bill (H. R. 2994) granting a pension to Adah C. Seed; to the Committee on Pensions.

Also, a bill (H. R. 2995) granting an annuity to John O. Jones; to the Committee on the Civil Service.

Also, a bill (H. R. 2996) for the relief of Raymond H. Weller; to the Committee on Military Affairs.

Also, a bill (H. R. 2997) granting a pension to Harriett Ware; to the Committee on Pensions.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

34. By Mr. PFEIFER: Petition of the National Association of Letter Carriers, favoring repeal of the salary reduction; to the Committee on Appropriations.

35. By Mr. SANDERS of Texas: Petition of citizens of Smith County, Tex., urging passage of legislation providing for an old-age pension; to the Committee on Labor.

36. Also, resolution of the Independent Petroleum Association of America, adopted at annual meeting in Fort Worth, December 7, 1934, asking for continuance of present excise taxes on foreign petroleum and its products, and also pro-

posed increase on certain of these taxes and a new excise tax on imported asphalt; to the Committee on Ways and Means.

37. Also, petition of J. H. Warren and numerous other citizens of Thomas, Tex., urging passage of an old-age pension; to the Committee on Labor.

38. By Mr. WOODRUFF: Petition of John R. Gardner and residents of Coleman, Mich., favoring adoption of the Townsend old-age-pension bill; to the Committee on Labor.

39. By Mr. TREADWAY: Petition of employees of T. Morey & Son, book manufacturers, of Greenfield, Mass., protesting against the enactment of a 30-hour-labor law; to the Committee on Labor.

## SENATE

MONDAY, JANUARY 7, 1935

(Legislative day of Thursday, Jan. 3, 1935)

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

HUEY P. LONG, a Senator from the State of Louisiana; PATRICK A. MCCARRAN, a Senator from the State of Nevada; and LOUIS MURPHY, a Senator from the State of Iowa, appeared in their seats today.

#### THE JOURNAL

On motion of Mr. ROBINSON, and by unanimous consent, the reading of the Journal for the calendar day of Friday, January 4, was dispensed with, and the Journal was approved.

#### SENATOR FROM NEW MEXICO

The VICE PRESIDENT laid before the Senate the credentials of CARL A. HATCH, chosen a Senator from the State of New Mexico to fill the vacancy in the term ending January 3, 1937, caused by the resignation of Sam G. Bratton, which were ordered to be placed on file and to be printed in the RECORD, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 CARL A. HATCH was duly chosen by the qualified electors of the State of New Mexico a Senator from said State to fill the vacancy in the term ending January 3, 1937, caused by the resignation of Sam G. Bratton.

Done at the executive office this 2d day of January 1935.

Witness my hand and the great seal of the State of New Mexico.  
CLYDE TINGLEY, Governor.

Attest:  
[SEAL]

ELIZABETH F. GONZALES,  
Secretary of State.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

#### ELECTION OF PRESIDENT PRO TEMPORE

Mr. ROBINSON. Mr. President, I move that the Senate proceed to the election of a President pro tempore.

Mr. McNARY. Mr. President, may we not have a call of the Senate before the motion is submitted?

Mr. ROBINSON. Very well. 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	Copeland	Johnson	Pope
Ashurst	Costigan	Keyes	Radcliffe
Austin	Couzens	King	Reynolds
Bachman	Cutting	Lewis	Robinson
Bailey	Davis	Logan	Russell
Bankhead	Dickinson	Loneragan	Schall
Barkley	Dieterich	Long	Schwellenbach
Bilbo	Donahey	Maloney	Sheppard
Black	Duffy	McCarran	Shipstead
Bone	Fletcher	McGill	Smith
Borah	George	McNary	Steiwer
Brown	Gerry	Metcalf	Thomas, Okla.
Bulkley	Glass	Minton	Thomas, Utah
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrnes	Hale	Murray	Vandenberg
Capper	Harrison	Neely	Van Nuys
Caraway	Hastings	Norris	Wagner
Connally	Hatch	O'Mahoney	Wheeler
Coolidge	Hayden	Pittman	White

Mr. LEWIS. I have been requested by the Senator from Missouri [Mr. CLARK] to announce his absence today, occasioned by illness, and to say that he will be present tomorrow to carry out his intention of addressing the Senate as contemplated.

I announce the absence of the Senator from California [Mr. McADOO], the Senator-elect from Tennessee [Mr. McKELLAR], and the Senator from Maryland [Mr. TYDINGS], all being engaged on a Philippine commission.

I announce the absence of the junior Senator from Louisiana [Mr. OVERTON] occasioned by illness.

I also announce the absence of the Senator from Massachusetts [Mr. WALSH], who is detained in his home State on official business.

The junior Senator from Virginia [Mr. BYRD] is unavoidably detained from the Senate.

Mr. AUSTIN. My colleague [Mr. GIBSON] is necessarily absent in the Philippine Islands on the business of the Senate.

I also desire to announce the unavoidable absence of the Senator from South Dakota [Mr. NORBECK], the Senator from North Dakota [Mr. FRAZIER], the Senator from New Jersey [Mr. BARBOUR], the Senator from North Dakota [Mr. NYE], and the Senator from Delaware [Mr. TOWNSEND].

The Senator from Wyoming [Mr. CAREY] is necessarily absent on account of a death in his family.

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

The motion of the Senator from Arkansas [Mr. ROBINSON] to proceed to the election of the President pro tempore is the pending question.

The motion was agreed to.

Mr. ROBINSON. Mr. President, I submit a privileged resolution and ask for its immediate consideration.

The resolution (S. Res. 12) was read, as follows:

*Resolved*, That Hon. KEY PITTMAN, a Senator from the State of Nevada, be, and he hereby is, elected President of the Senate pro tempore, to hold office during the pleasure of the Senate, in accordance with the resolution of the Senate adopted on the 12th day of March 1890 on the subject.

Mr. McNARY. Mr. President, I move to amend the resolution by striking out the name of Senator PITTMAN and substituting therefor the name of Senator VANDENBERG.

Mr. ROBINSON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. AUSTIN (when Mr. GIBSON's name was called). I have heretofore announced the necessary absence of my colleague [Mr. GIBSON], which announcement I should like to have stand for the day. My colleague has a general pair with the Senator from California [Mr. McADOO]. If my colleague were present, he would vote "yea."

Mr. HASTINGS (when Mr. TOWNSEND's name was called). I desire to announce the necessary absence of my colleague [Mr. TOWNSEND], and to state that if present he would vote "yea."

The roll call was concluded.

Mr. BULKLEY. I have a general pair with the Senator from Wyoming [Mr. CAREY], which I transfer to the Senator from Missouri [Mr. CLARK], and will vote. I vote "nay."

Mr. LEWIS. I have been requested to state that the Senator from Virginia [Mr. BYRD], the Senator from Missouri [Mr. CLARK], the Senator from Massachusetts [Mr. WALSH], the Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. McADOO], the Senator from Louisiana [Mr. OVERTON], and the Senator-elect from Tennessee [Mr. McKELLAR] are all necessarily absent; and if present, would vote "nay."

Mr. METCALF (after having voted in the affirmative). I transfer my general pair with the Senator from Maryland [Mr. TYDINGS] to the Senator from New Jersey [Mr. BARBOUR], and will let my vote stand.

The result was announced—yeas 15, nays 63, as follows:

## YEAS—15

Austin	Davis	Keyes	Schall
Capper	Dickinson	McNary	Steiwer
Couzens	Hale	Metcalf	White
Cutting	Hastings	Norris	

## NAYS—63

Adams	Connally	Johnson	Radcliffe
Ashurst	Coolidge	King	Reynolds
Bachman	Copeland	Lewis	Robinson
Bailey	Costigan	Logan	Russell
Bankhead	Dieterich	Loneragan	Schwellenbach
Barkley	Donahay	Long	Sheppard
Bilbo	Duffy	Maloney	Shipstead
Black	Fletcher	McCarran	Smith
Bone	George	McGill	Thomas, Okla.
Borah	Gerry	Minton	Thomas, Utah
Brown	Glass	Moore	Trammell
Bulkley	Gore	Murphy	Truman
Bulow	Guffey	Murray	Van Nuys
Burke	Harrison	Neely	Wagner
Byrnes	Hatch	O'Mahoney	Wheeler
Caraway	Hayden	Pope	

## NOT VOTING—16

Barbour	Frazier	Norbeck	Townsend
Byrd	Gibson	Nye	Tydings
Carey	La Follette	Overtown	Vandenberg
Clark	McAdoo	Pittman	Walsh

So Mr. McNARY's amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the resolution offered by the Senator from Arkansas [Mr. ROBINSON].

The resolution was agreed to.

Mr. PITTMAN, escorted by Mr. ROBINSON, advanced to the Vice President's desk, and the oath of office was administered to him.

## NOTIFICATION TO THE PRESIDENT

Mr. ROBINSON submitted a resolution (S. Res. 13), which was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That the President of the United States be notified of the election of Hon. KEY PITTMAN, a Senator from the State of Nevada, as President of the Senate pro tempore.

## NOTIFICATION TO HOUSE OF REPRESENTATIVES

Mr. ROBINSON submitted a resolution (S. Res. 14), which was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That the House of Representatives be notified of the election of Hon. KEY PITTMAN, a Senator from the State of Nevada, as President of the Senate pro tempore.

## STANDING COMMITTEES OF THE SENATE

Mr. ROBINSON. Mr. President, I offer a privileged resolution, and ask that it be read and considered at this time.

The VICE PRESIDENT. The resolution will be read.

The legislative clerk read the resolution (S. Res. 15), as follows:

*Resolved*, That paragraph 1 of rule XXV of the standing rules of the Senate be, and it is hereby, amended so as to read as follows:

"1. The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise:

"Committee on Agriculture and Forestry, to consist of 19 Senators.

"Committee on Appropriations, to consist of 24 Senators.

"Committee to Audit and Control the Contingent Expenses of the Senate, to consist of four Senators, to which shall be referred all resolutions directing the payment of money out of the contingent fund of the Senate or creating a charge upon the same: *Provided*, That any such resolution relating to substantive matter within the jurisdiction of any other standing committee of the Senate shall be first referred to such committee.

"Committee on Banking and Currency, to consist of 20 Senators.

"Committee on Civil Service, to consist of 10 Senators.

"Committee on Claims, to consist of 13 Senators.

"Committee on Commerce, to consist of 20 Senators.

"Committee on the District of Columbia, to consist of 15 Senators.

"Committee on Education and Labor, to consist of 13 Senators.

"Committee on Enrolled Bills, to consist of three Senators, who shall examine all bills, amendments, and joint resolutions before they go out of the possession of the Senate, and which shall have power to act jointly with the same committee of the House of Representatives, and which, or some one of which, shall examine all bills or joint resolutions which shall have passed both Houses, to see that the same are correctly enrolled, and, when signed by the Speaker of the House and President of the Senate, shall forthwith present the same, when they shall have originated in the Senate, to the President of the United States in person, and report the fact and date of such presentation to the Senate.

"Committee on Expenditures in the Executive Departments, to consist of seven Senators.

"Committee on Finance, to consist of 21 Senators.

"Committee on Foreign Relations, to consist of 23 Senators.

"Committee on Immigration, to consist of 14 Senators.







FILLING OF VACANCIES IN CERTAIN BRANCHES OF THE GOVERNMENT  
(S. DOC. NO. 9)

The VICE PRESIDENT laid before the Senate a letter from the Acting Director of the Bureau of the Budget, transmitting, pursuant to law, a statement of the reports submitted by the executive departments and independent establishments and the municipal government of the District of Columbia showing the number of vacant positions therein, the number thereof filled, and the amounts unexpended from the period between July 1, 1934, and October 31, 1934, under the provisions of law, which, with the accompanying statement, was referred to the Committee on Appropriations and ordered to be printed.

DISTRIBUTION OF GOVERNMENT-OWNED WHEAT AND COTTON

The VICE PRESIDENT laid before the Senate a letter from the chairman of the American Red Cross, transmitting the official report of the American National Red Cross covering the distribution of 85,000,000 bushels of wheat and 844,063 bales of cotton, as authorized by Congress for distribution to the needy throughout the United States, which, with the accompanying report, was ordered to lie on the table.

ANNUAL REPORT OF THE ATTORNEY GENERAL

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, the annual report of the Department of Justice for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on the Judiciary.

SUITS ARISING UNDER PUBLIC VESSEL ACT

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the Public Vessel Act of March 3, 1925, in which final decrees were entered, exclusive of cases on appeal, which was referred to the Committee on the Judiciary.

SUITS IN ADMIRALTY AGAINST THE UNITED STATES

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the act of March 9, 1920, authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal, which was referred to the Committee on the Judiciary.

SPECIAL ASSISTANT ATTORNEYS, DEPARTMENT OF JUSTICE

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a report showing the special assistants employed under the appropriation "Pay of special assistant attorneys", contained in the Department of Justice Appropriation Act, 1935, together with the rates of compensation, the amounts paid, and a description of their duties, which, with the accompanying report, was referred to the Committee on the Judiciary.

FINAL VALUATIONS OF CERTAIN RAILROAD PROPERTIES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, final valuations of properties of the Illinois Central Railroad Co. and 34 other railway companies, which, with the accompanying documents, was referred to the Committee on Interstate Commerce.

ANNUAL REPORT OF THE INTERSTATE COMMERCE COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the annual report of the Commission for the year ended October 31, 1934, except as otherwise noted, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

REPORT OF AMERICAN INSTRUCTORS OF THE DEAF

The VICE PRESIDENT laid before the Senate a letter from the president of the Columbia Institution for the Deaf, transmitting, pursuant to law, a report of the proceedings of the Twenty-eighth Meeting of the Convention of Ameri-

can Instructors of the Deaf, held at West Trenton, N. J., June 18 to 23, 1933, which, with the accompanying report, was referred to the Committee on Printing.

ANNUAL REPORT OF ADMINISTRATOR OF VETERANS' AFFAIRS

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting, pursuant to law, a report of the activities of the Veterans' Administration for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on Finance.

ANNUAL REPORT OF BOARD OF MEDIATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the National Mediation Board, transmitting, pursuant to law, the eighth annual report of the Board of Mediation for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY

The VICE PRESIDENT laid before the Senate the annual report of the Secretary of the Treasury on the state of the finances for the fiscal year ended June 30, 1934, which was referred to the Committee on Finance.

USELESS PAPERS IN THE TREASURY DEPARTMENT

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, transmitting, pursuant to law, schedules and lists of papers, documents, etc., on the files of the Treasury Department which are not needed in the transaction of the current business of the Department and have no permanent value or historical interest, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. HARRISON and Mr. COUZENS the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a petition from J. Howard Fore, of Bunkie, La., praying that a hearing be given the women of Louisiana in connection with the election and service of the senior Senator from Louisiana [Mr. LONG], which was referred to the Committee on Privileges and Elections.

He also laid before the Senate a letter in the nature of a petition from a citizen of the State of New Mexico praying for the adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Pensions.

He also laid before the Senate resolutions adopted by the annual convention of the Beauty and Barber Supply Institute, at Chicago, Ill., protesting against the 10-percent tax on cosmetics and toilet articles, which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the annual convention of the Beauty and Barber Supply Institute, at Chicago, Ill., favoring certain amendments to the so-called "pure food and drug bill", which was referred to the Committee on Commerce.

He also laid before the Senate a letter in the nature of a petition from Oliver O. St. Johns, Sr., of Franchetown, N. H., praying for the adoption of an old-age-pension system, which was referred to the Committee on Pensions.

He also laid before the Senate a letter in the nature of a petition from a citizen of the State of Pennsylvania praying for the prompt payment of adjusted-service certificates, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Eleanor Roosevelt League of Women assembled in convention at Saginaw, Mich., favoring the enactment of legislation providing for unemployment insurance, health insurance, and national old-age pensions, which were referred to the Committee on Education and Labor.

Mr. COPELAND presented resolutions adopted by Padraic Pearse Council, American Association for Recognition of the Irish Republic, Rochester, N. Y., protesting against certain



alleged utterances of Hon. Robert W. Bingham, American Ambassador at London, and favoring a policy of no entangling alliances, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by branches of the Czechoslovak Society of America in the State of New York, favoring the enactment of legislation to establish unemployment and social insurance, which were referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of Elmira, N. Y., praying for the granting of old-age pensions, which was referred to the Committee on Pensions.

He also presented a resolution adopted by the Women's Civic Club, of Flushing, N. Y., favoring continuance of the investigation of munitions manufacturers, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also presented a memorial of sundry citizens of the State of New York protesting against certain alleged anti-religious conditions in the Republic of Mexico, and favoring the recall of the American Ambassador from that Republic, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by Branch No. 215, Lithuanian Alliance of America, of Poolville, N. Y., favoring the prompt enactment of workers' unemployment- and social-insurance legislation, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by Over-the-Top Council, No. 2, Daughters of America, of Otisville, N. Y., favoring the further restriction of immigration, which were referred to the Committee on Immigration.

He also presented resolutions adopted by the Third Annual Conference of the American Veterans' Association held at New York City, N. Y., relative to veterans' benefits and degrees of disability, etc., which were referred to the Committee on Finance.

He also presented resolutions adopted by the Association of Lithuanian Workers, Inc., Branch No. 25, of Poolville, N. Y., endorsing workers' unemployment- and social-insurance legislation, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Ridgewood-Metropolitan Civic Association in the State of New York, favoring the enactment of legislation fixing the legal rate of interest at 4 percent instead of 6 percent, which were referred to the Committee on Banking and Currency.

Mr. ASHURST presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Agriculture and Forestry.

STATE OF ARIZONA,  
ELEVENTH LEGISLATURE,  
HOUSE OF REPRESENTATIVES,  
THIRD SPECIAL SESSION.

House Memorial 4

To the President and Congress of the United States of America:  
Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

We commend the earnest and sincere efforts of the administration to overcome the economic depression which for 5 years has held this Nation in its grip; which has paralyzed industry, destroyed commerce, deprived citizens of their homes, left workers without employment and reduced millions of producers from reasonable comfort and independence to penury and want.

But while we commend these efforts and the vision that conceived them, we must respectfully direct attention to the distressing fact that a deserving section of the Nation's citizenry which needs help most of all—the small farmer, the small dairyman, and the small stock raiser—has not been effectively aided.

Elaborate steps have been taken, through the medium of the Agricultural Adjustment Act and the Bankhead cotton-control bill to relieve the distress occasioned by mortgaged farms, and to finance farming operations, to systematize production, effect orderly marketing, and raise the prices of farm products. These legislative devices have no doubt been effective, but either the laws themselves or the rules and regulations under which they are administered have proven impotent to bring within the scope of their beneficent influence in the class to which reference is here made.

The terms under which the Government extends help to the farmer appear to be well adapted to the needs of the man who

farms on a large scale. He can furnish a financial statement, show low-cost operation with modern equipment, often purchased out of the proceeds of his Government loan, and otherwise comply with the requirements of the lending agency. But the small farmer cannot meet the conditions imposed. He is unable to make the financial and technical showing required of him. He cannot furnish what might be termed a "bank set-up." He cannot show the low-cost production of the large operator. If he wishes to grow cotton or to participate in the benefit or rental provisions of the Bankhead Act, he is often unable to furnish the accurate records of production for previous years that are required of him. For these and other reasons beyond his control he is found to be ineligible for the assistance which goes to those who need it less. What is here said of the small farmer is true of the small dairyman and the small hog raiser. They, too, find it difficult if not impossible, to secure assistance, and continue to market their products at less than cost, while the prices of everything they buy have practically doubled.

As a consequence of this situation, hundreds of thousands of acres of fertile small farms are not being tilled. Many of their former owners or tenants, unable to secure financial aid to continue their farming and maintain their homes, have perforce moved with their families to the cities, where they are living at the cost of the public-welfare agencies. In numerous instances they have been dispossessed of their land, which has been added to the holdings of the large operators who are able to get Government aid.

It cannot be believed that such results were contemplated when the agricultural relief acts were written. It is believed that when the situation described is brought to the attention of the national administration and the Nation's lawmakers, corrective steps will be promptly taken.

Wherefore your memorialist prays that steps may be speedily taken to afford urgently needed relief to the small farmer, dairyman, and stock raiser, steps which will enable him to enjoy a measure of the assistance accorded to the large operators; which will make it possible for him to refinance himself under a practical amortization plan such as is embodied in the Frazier-Lemke bill, and, in addition, will enable the producer to realize at least cost on his product, while limiting the middleman, who to date is the chief beneficiary of the price-raising devices, to a reasonable profit, and afford protection to the consumer.

And your memorialist will ever pray.

Adopted by house December 6, 1934.

W. G. ROSENBAUM,  
Speaker of the House.  
LALLAH RUTH,  
Chief Clerk of the House.

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Banking and Currency:

STATE OF ARIZONA,  
ELEVENTH LEGISLATURE,  
HOUSE OF REPRESENTATIVES,  
THIRD SPECIAL SESSION.

House Memorial 3

To the President and Congress of the United States of America:

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

The operation of the Home Owners' Loan Corporation has been of inestimable value to the State of Arizona by helping worthy citizens to avoid the loss of their homes, relieving creditors of their frozen assets, making possible the payment of delinquent taxes, creating employment and trade through the making of necessary repairs to home buildings, and stimulating many lines of industry. This activity of the Federal Government has proven to be a most constructive phase of the recovery program.

There are still many worthy Arizona home owners who require assistance of the sort which it is the function of the Home Owners' Loan Corporation to extend if their homes are to be saved. Some eleven hundred legitimate applications for loans have been filed with the local office of this Corporation, but have received no consideration on account of the exhaustion of the funds provided for use by the Home Owners' Loan Corporation. Reports indicate that a similar condition exists in other States.

The situation is a critical one in this State, for private lending agencies have not yet seen fit to extend their operations to this field or to make loans on terms with which the distressed home owner can comply.

Wherefore, your memorialist prays that legislation be enacted at the approaching session of the Congress extending the operation of the Home Owners' Loan Corporation and providing funds for the making of legitimate loans to worthy citizens whose homes are imperiled.

And your memorialist will ever pray.

Adopted by house December 4, 1934.

W. G. ROSENBAUM,  
Speaker of the House.  
LALLAH RUTH,  
Chief Clerk of the House.

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Foreign Relations:



STATE OF ARIZONA,  
HOUSE OF REPRESENTATIVES,  
ELEVENTH LEGISLATURE,  
THIRD SPECIAL SESSION.

House Memorial 5

*To the President and the Congress of the United States of America:*  
Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

Development of the vast resources of this Nation's waterways, to the country's enrichment, is an outstanding feature of the national administration's policy which commands our unstinted praise as a permanent policy no less than as an effective means of giving work in the existing emergency to many thousands of unemployed men.

The development of the lower Colorado River through the dredging of a deep-water channel from the head of the Gulf of California to the city of Yuma is a project which, since the earliest days of Arizona's existence as a Territory, has commanded the interest and excited the imagination of engineers.

This mammoth project, which would give to Arizona a deep-sea port, would be of inestimable importance to the Southwest and to the Nation, giving life, as it would, to the industries and multiplying the commerce of one of the richest parts of the country, and during the period of its construction affording employment to an army of engineers, artisans, and laborers.

It would appear that there could be no more auspicious time than the present, when progressive policies distinguish the attitude of a liberal Mexican Government, to approach the subject of an understanding by which that nation would consent to or cooperate in the construction of this waterway—an understanding which would be in full sympathy with the spirit of the Gadsden Treaty, signed December 30, 1853, which declares that "the vessels and citizens of the United States shall, in all time, have free and uninterrupted passage through the Gulf of California, to and from their possession situated north of the boundary line of the two countries, it being understood that this passage is to be by navigation in the Gulf of California and the River Colorado."

Wherefore, your memorialist prays that the subject of this mammoth development be given your earnest consideration, and that the Department of State be instructed to initiate negotiations with the Government of the Republic of Mexico looking to the consent of the said Government for the construction of the said project over Mexican territory, or to its actual cooperation in such construction.

And your memorialist will ever pray.

Adopted by house, December 7, 1934.

W. G. ROSENBAUM,  
Speaker of the House.  
LALLAH RUTH,  
Chief Clerk of the House.

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Pensions:

STATE OF ARIZONA,  
HOUSE OF REPRESENTATIVES,  
ELEVENTH LEGISLATURE,  
THIRD SPECIAL SESSION.

House Memorial 1

*To the President and the Congress of the United States of America:*  
Your memorialist, the house of representatives of the Eleventh Legislature of the State of Arizona, in third special session, respectfully represents:

Our Nation as a whole, and our people as individual units of the Nation, are suffering from and because of a general paralysis of business, industry, and trade. The normal flow of all branches of commerce is obstructed and many marts of trade partially or wholly suspended, thus preventing them from rendering their usual services to the public at large and to the people of the United States as individuals.

This stagnation in business, from whatever cause or causes originated, has and still is causing enormous loss, everywhere, equally to concentrated capital engaged in the basic industries of our country and also to the individual citizenry of our Nation, carrying with it on the crest of its foremost waves misery, suffering, and want, to those of limited means, who, because of this depression in industry and trade, are deprived of the privilege of earning their daily wage, in order that they might relieve the gnawing pangs of hunger or clothe the weakening body against the rigors of winter's chilling blasts.

These deplorable conditions are so wide-spread and universal in the extent to which they affect the citizenry of the Nation that it is breeding a dangerous discontent, fostering socialism, instilling the idea of communism, and is wholly destructive of the morale of a large and growing number of people to such extent as to give the gravest warning and apprehension for the safety of the general government.

It is clearly apparent that so long as the general populace of the Nation has no buying power, nor the opportunity to create a buying power, that any effort to stimulate either trade or industry must of necessity be sporadic in its nature and in the end a failure as has been repeatedly proven.

All efforts so far in the giving of relief have been either local in character or applied for the relief of certain classes of citizens or to stabilize or stimulate certain trades or industries, and that

all like proposals made by financial and industrial leaders and by many Members of the Congress of the United States are of a like character and, as your memorialists fully believe, must in the end also fail to meet the Nation's needs.

Without decrying the potential local or class benefits to be derived from such measures so sponsored, we would call your attention to a measure of proposed legislation which we believe would meet the Nation's needs and give immediate relief to all who need. The proposed legislation to which reference is made is known as the Townsend old-age revolving pension plan, which is simple, self-executing, self-liquidating, and Nation-wide in its application. It does not contemplate any changes in the set-up of our Government or the establishment of any new departments. We represent the plan to be substantially as follows:

The payment to each citizen of the United States, both men and women, who have led clean, law-abiding lives and shall have attained the age of 60 years, the sum of \$200 per month, under the express condition that the money so received shall be spent within the calendar month that it is received and for commodities only. No part of it may be expended for investments of any kind. That the recipient shall retire from a remunerative position.

In support of this constructive plan, we submit the following:  
First. It is a primary duty of all civilized governments to provide its subjects and citizens with a flexible, liquid, rapid-moving medium of exchange, whose value must be kept fairly constant and whose flow through channels of trade and commerce must be constant and uninterrupted.

Second. That whenever basic industries unite or individuals combine to disturb the steady flow of this exchange medium or to unreasonably depress its value, it is the duty and a proper function of the National Government to place a restraining hand upon their activities so as to restore and preserve its exchange value.

Third. Available records indicate the following burdens now borne by citizens of the United States, to wit:

In 28 States, cost and upkeep of poorhouses	
with 775,000 inmates	\$2,500,000,000
All forms of relief work	36,000,000,000
Cost of all forms of crime	18,000,000,000
Cost to labor by reason of lower wages and loss of time (1932)	25,000,000,000

Loss by strikes (1927), 37,800,000 days.

Loss to trade and industry unknown but appalling.

1930 census gives 10,300,000 citizens who by reason of age would be entitled to this pension, with a probable 2,300,000 whose income is in excess of the \$200 per month pension.

That with the retirement of 5,000,000 of the remaining 8,000,000 from gainful occupations, there would at once be created openings for approximately 5,000,000 men. That the regular expenditure of \$200 per month throughout the year creates a new job; with 8,000,000 men expended regularly \$200 per month, there would be 8,000,000 more new jobs created, which would absorb 13,000,000 of the 15,000,000 and thus practically reestablish normal employment. That this whole condition could be brought about in 90 days' time. That this reemployment of labor would greatly reduce the amount now being expended for relief. It would also reduce crime and would wipe out the entire loss to labor by reason of unemployment.

Fourth. That the aged persons of the country are quite evenly distributed, and that a regular payment to them of \$200 under the proposed restrictions of the Townsend old-age revolving-pension plan places buying power in every community; that it distributes and redistributes an exchange medium throughout the length and breadth of the land, whose steady and regular flow cannot be interrupted by any economic condition, save a general public disaster, and whose exchange value can be maintained by governmental regulation, thus preventing its becoming frozen.

Wherefore, your memorialist prays that you examine carefully into all merits of the aforesaid Townsend old-age-pension plan and that you devote to it your most searching analysis of its merits, and if you find, as we believe you will, that this plan has to its credit all the merit that we claim for it, that your honorable body will at once enact it into law, to the end that industry and trade may be placed at normal, that labor may have a chance to earn its wage, that the general morale of the country may be restored, and want and suffering be driven from our land.

Wherefore, your memorialist further prays that the Congress make a direct appropriation for the initial sum necessary to meet the expense of the first payment, and that a sales tax upon commodities and commercial transactions be levied in such an amount and at a rate that will provide a fund to meet all future monthly payments, all funds derived from such a tax levy to be earmarked for that specific purpose.

And your memorialist will ever pray.

Adopted by house December 3, 1934.

W. G. ROSENBAUM,  
Speaker of the House.  
LALLAH RUTH,  
Chief Clerk of the House.

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Post Offices and Post Roads:



STATE OF ARIZONA,  
ELEVENTH LEGISLATURE,  
HOUSE OF REPRESENTATIVES,  
THIRD SPECIAL SESSION.

House Memorial 7

To the Federal Bureau of Public Roads:

Your memorialist, the Eleventh Legislature of the State of Arizona, in third special session, respectfully represents:

That certain highway, locally known as the "Sunset route", which extends across Cochise County, Ariz., from Steins Pass, near the New Mexican boundary, through the towns of San Simon, Bowie, Willcox, Cochise, and Dragoon, to Benson, is one of the principally traveled thoroughfares in the State of Arizona.

Although this highway, over most of its length, is only a county highway and has not been permanently improved, the desirability of its location and its other natural advantages are such that a large part of its heavy traffic is represented by interstate tourists, who prefer it to better improved but less desirably located highways.

Wherefore your memorialist suggests the advisability of a thorough investigation by engineers of the Bureau of Public Roads of the advantages possessed by this route, with a view to determining its feasibility as a military highway and otherwise as a permanent Federal route across the eastern part of Arizona, and earnestly requests that such investigation be made at the earliest practicable time.

And your memorialist will ever pray.

Adopted by house December 11, 1934.

W. G. ROSENBAUM,  
Speaker of the House.  
LALLAH RUTH,  
Chief Clerk of the House.

Mr. ASHURST also presented resolutions adopted by the State Land Board of the State of Arizona, at Phoenix, Ariz., which were referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

Resolution to the Senate and House of Representatives of the Congress of the United States of America, in Congress assembled, to enact legislation to grant to the State of Arizona four additional sections of land in each township, specifically for the further support and maintenance of the common schools in the State of Arizona, and further to urge upon the properly authorized agencies the suggestion that the Secretary of the Interior be requested to rescind or modify his order withdrawing potentially irrigable land of the Lower Gila Basin in the State of Arizona.

Your memorialist, the State Land Department of the State of Arizona, in regular meeting duly convened, respectfully represents: Whereas Arizona has a pure, dry, healing climate which has attracted, and continues to attract, large numbers of individuals suffering chronic disabilities and who come to this State because of the restorative qualities of the climate; and

Whereas this continued increment and influx of citizens, many of whom are physically incapacitated for making a living for their families or themselves by virtue of such chronic disabilities, and/or advanced old age, and/or who find such opportunities as might be suited to their conditions all too rare, places upon this State a constantly growing responsibility, necessitating increased relief expenditures, and adding to the already heavy burdens upon the humanitarian organizations and the people generally; and

Whereas Arizona is the youngest State in the Union, with its potential resources and taxable wealth as yet largely undeveloped, while its productive capacity is tremendously restricted by vast withdrawals of land for Indian reservations, national forest, and other Federal projects, circumstances which entitle the State to the utmost consideration, assistance, and cooperation of the Federal Government; and

Whereas the grants of land for various purposes made to the State of Arizona under the terms of the Enabling Act, and particularly the grant of four sections in each township for the benefit of the public schools, have by no means effected the full measure of their purpose for reasons beyond the State's control; and

Whereas among the causes for this unsatisfactory result may be mentioned the average low value of the granted lands, owing to the withdrawal of all timber land and of the major part of agricultural land within the State; the burdensome restriction, later rescinded, disallowing school sections having mineral in place; and the inability of the State, by reason of insufficient base, to properly block out and thus render of highest economic value the range lands owned by the State; and

Whereas during the year 1929 the Federal Government withdrew from all forms of entry, which includes selection by the State, the land embraced within the area known as the "Lower Gila Basin", thereby denying to the State the ownership of any share of this now largely undeveloped but potentially irrigable area; and

Whereas in view of these facts and conditions it is felt that in justice and equity, in some measure to compensate the State for the handicaps under which it has been forced to labor and to assist it in carrying the burden referred to in the second and third paragraphs above, there should be an additional grant of land to Arizona: Now, therefore, be it

Resolved, That the State Land Department of the State of Arizona request and urge that the Congress of the United States enact any legislation which may be necessary to effect to Arizona an additional grant of four sections out of each township in the State

specifically for the support and maintenance of the common school system of the State, and incidentally to measurably compensate the State for the great losses in taxable wealth it has sustained through vast Federal withdrawals, as well as to enable it to round out and make valuable its range holdings; and

Resolved, That the Secretary of the Interior be requested to rescind or modify his order withdrawing the potentially irrigable land of the Lower Gila Basin in order that the State may select a proper and proportionate share thereof; and be it further

Resolved, That certified copies of this resolution be forwarded to the Hon. Harold L. Ickes, Secretary of the Interior, and to Arizona's representatives in Congress, Senator HENRY F. ASHURST, Hon. CARL HAYDEN, and Hon. ISABELLA GREENWAY, with the request that they exert their utmost endeavor and influence to effectuate its objects.

THE STATE LAND BOARD OF THE STATE OF ARIZONA,  
B. B. MOEUR, Governor,  
JAMES H. KERBY, Secretary of State,  
ARTHUR T. LA PRADE, Attorney General,  
W. M. COX, State Treasurer,  
ANA FROHMILLER, State Auditor.

I, Howard J. Smith, State land commissioner of the State of Arizona, do hereby certify that the above is a true and complete copy of the resolution passed at the meeting of the State Land Board, held on the 5th day of October 1934, as shown by the records on file in the office of the State Land Department.

Done at the capitol, Phoenix, Ariz., this 10th day of December 1934.

[SEAL]

HOWARD J. SMITH,  
State Land Commissioner, State of Arizona.

Mr. CAPPER presented a resolution adopted by Local No. 259 of the International Association of Oil Field, Gas Well, and Refinery Workers of America, of Arkansas City, Kans., favoring the enactment of legislation to establish a minimum wage scale of \$5 per day for common labor, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Chambers of Commerce of Ellsworth, Salina, Junction City, and Abilene, all in the State of Kansas, favoring the enactment of legislation placing all classes of public carriers under the control and supervision of the Interstate Commerce Commission, which were referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by the Chambers of Commerce of Ellsworth and Abilene, in the State of Kansas, favoring the repeal of section 4 of the Interstate Commerce Act, known as the "long- and short-haul clause", which were referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a petition from T. A. Fry, receiver of the Wichita Northwestern Railway Co., Hutchinson, Kans., favoring the passage of legislation, first, to place all commercial transportation on the highways under the same measure of regulation that is applied to railroads, so far as the nature of that transportation justifies; second, to regulate the rates, service, and practices of carriers by water operating between points in the United States in interstate commerce; third, to amend paragraphs (3) and (4) of section 15 of the Interstate Commerce Act so as to permit the Interstate Commerce Commission to establish through routes and joint rates found by the Commission to be necessary or desirable in the public interest; and, fourth, to restore the long- and short-haul clause of the Interstate Commerce Act to its original form, which was referred to the Committee on Interstate Commerce.

THE WORLD COURT

Mr. CAPPER. Mr. President, I ask to have printed in the CONGRESSIONAL RECORD a brief resolution from 147 women's organizations of Kansas, asking that the Senate Committee on Foreign Relations take early action on the World Court protocols. I ask also that the names of these organizations be printed and that the resolutions themselves be referred to the Committee on Foreign Relations. The resolution follows:

Whereas opinion in our organization has never faltered in its devotion to the campaign to make the United States a member of the World Court:

Resolved, That we urge that the World Court protocols be voted out of committee and laid before the United States Senate for immediate action.

Mr. President, I wish to add that the women's organizations represented here are from practically every county in

Kansas, and that they represent almost every class and every religious creed. Included are scores of local Woman's Christian Temperance Union organizations, the State Federation of Women's Clubs, business and professional women's clubs, religious organizations, study clubs, and various others.

I hope we may get early action as prayed for in these resolutions. I send the resolutions to the desk for notation in the RECORD and appropriate reference.

The resolutions were referred to the Committee on Foreign Relations.

The names of the various organizations, all in the State of Kansas, favoring the prompt ratification of the World Court protocols are as follows:

The Ladies' Reading Club of Girard.  
 The Presbyterian Church of Oswego.  
 Eastern Star Chapter of Randall.  
 Methodist Episcopal Ladies' Aid of Randall.  
 Progressive Study Club of Randall.  
 Friendly Circle Sunday School Class, of Randall.  
 Community Club of Oswego.  
 Oswego Rotary Club, of Oswego.  
 Oswego Christian Church, of Oswego.  
 Library Club of Clay Center.  
 First Baptist Church of Oswego.  
 Oswego Women's Club, of Oswego.  
 The Monday Study Club of Osawatimie.  
 The What Not Club of Lyndon.  
 The Athenaeum Club of Coffeyville.  
 Seneca Woman's Club, of Seneca.  
 Presbyterian Sunday School of Altamont.  
 Altamont Culture Club, of Altamont.  
 Fairmount Library, of Wichita.  
 City Federation Women's Clubs, of Pittsburg.  
 Kansas Federation Women's Clubs, of Pleasanton.  
 Colley County Federation of Woman's Clubs, of Winfield.  
 Colley County Woman's Christian Temperance Union, of Winfield.  
 American Association of University Women of Parsons.  
 Hutchinson Mothers' Club, of Hutchinson.  
 Woman's Christian Temperance Union of Yates Center.  
 Woman's Christian Temperance Union of Caldwell.  
 Woman's Christian Temperance Union of Ness City.  
 Woman's Christian Temperance Union of Delphas.  
 River Rio Woman's Christian Temperance Union, of Osborne.  
 Woman's Christian Temperance Union of Alden.  
 Woman's Christian Temperance Union of Anthony.  
 Woman's Christian Temperance Union of Argonia.  
 Woman's Christian Temperance Union of Arnold.  
 Woman's Christian Temperance Union of Athol.  
 Woman's Christian Temperance Union of Augusta.  
 Woman's Christian Temperance Union of Baxter Springs.  
 Woman's Christian Temperance Union of Dronson.  
 Woman's Christian Temperance Union of Broughton.  
 Woman's Christian Temperance Union of Barclay.  
 Woman's Christian Temperance Union of Brownell.  
 Woman's Christian Temperance Union of Buckeye.  
 Woman's Christian Temperance Union of Burdick.  
 Woman's Christian Temperance Union of Burroak.  
 Woman's Christian Temperance Union of Clay Center.  
 Woman's Christian Temperance Union of Council Grove.  
 Woman's Christian Temperance Union of Downs.  
 Woman's Christian Temperance Union of Gardner.  
 Woman's Christian Temperance Union of Garnett.  
 Woman's Christian Temperance Union of Goodland.  
 Woman's Christian Temperance Union of Great Bend.  
 Woman's Christian Temperance Union of Hanston.  
 Woman's Christian Temperance Union of Hazelton.  
 Woman's Christian Temperance Union of Hill City.  
 The Hutchinson Woman's Christian Temperance Union, of Hutchinson.  
 Women's Society of Universalist Church of Hutchinson.  
 Woman's Christian Temperance Union of Portis.  
 Woman's Christian Temperance Union of Osborne County.  
 Redfield Woman's Christian Temperance Union, of Redfield.

Woman's Christian Temperance Union and Women's Foreign Missionary Society of Rose Hill Friends' Church of Rose Hill.

Woman's Christian Temperance Union of Scott City.  
 Woman's Christian Temperance Union of Solomon.  
 Woman's Christian Temperance Union of Sterling.  
 Woman's Christian Temperance Union of Stockton.  
 Woman's Christian Temperance Union of Syracuse.  
 Woman's Christian Temperance Union of Talmage.  
 Woman's Christian Temperance Union of Tongasopie.  
 Woman's Christian Temperance Union of Tyro.  
 Woman's Christian Temperance Union of Utica.  
 Woman's Christian Temperance Union of White City.  
 College Hill Woman's Christian Temperance Union, of Wichita.  
 The Sibbit Woman's Christian Temperance Union, of Wichita.  
 Woman's Christian Temperance Union of Wichita.  
 Stephens Union of the Woman's Christian Temperance Union, of Wichita.  
 Woodston Woman's Christian Temperance Union, of Woodston.  
 Young Women's Christian Associations of Salina, Topeka, Wichita, Lawrence, and Manhattan.  
 The Methodist Episcopal Church of Oswego.  
 Helianthus Club of Sabetha.  
 Clio Club of Columbus.  
 Council of Church Women of Winfield.  
 Culture Club of Coffeyville.  
 Travelers' Club of Coffeyville.  
 Research Club of Coffeyville.  
 Business and Professional Women's Club of Oswego.  
 College Hill Women's Christian Union, of Wichita.  
 Searchlight Club of Coffeyville.  
 Portia Club of Wanego.  
 Woman's Home Missionary Society of Oswego.  
 Third District Kansas Federation Women's Clubs.  
 Ladies of Grand Army of the Republic of Thayer.  
 Friday Reading Club of Thayer.  
 American Association of University Women of Independence.  
 Sunflower Club of Thayer.  
 City Federation of Women's Clubs of Independence.  
 Business and Professional Women's Club, Independence.  
 The Athenaeum, Parsons.  
 Ruskin Club, Parsons.  
 Alpha Club, Parsons.  
 Parsons City Federation, of Parsons.  
 Young Women's Christian Association, Independence.  
 Women's Foreign Missionary Society of Clay Center.  
 Presbyterian Church of Oswego.  
 D. D. Club of Randall.  
 Woman's Christian Temperance Union of Randall.  
 Woman's Christian Temperance Union of Clay Center.  
 Woman's Christian Temperance Union of Independence.  
 The West Brown Woman's Christian Temperance Union, of Jefferson.  
 Woman's Christian Temperance Union of Getmore.  
 Woman's Christian Temperance Union of Kansas City (Wyandotte Local).  
 Jennie M. Combs Woman's Christian Temperance Union, of Kansas City.  
 Grandview Woman's Christian Temperance Union, of Kansas City.  
 Ebenflur Woman's Christian Temperance Union, of Hamilton County.  
 Larned Woman's Christian Temperance Union, of Larned.  
 Hope Union Woman's Christian Temperance Union, of Leavenworth.  
 Woman's Christian Temperance Union of Lecompton.  
 Woman's Christian Temperance Union, Liberal.  
 The Vincent Woman's Christian Temperance Union, of Luray.  
 West End Woman's Christian Temperance Union, Manhattan.  
 Woman's Christian Temperance Union of McLouth.



Woman's Christian Temperance Union of Medicine Lodge.  
 Woman's Christian Temperance Union of Morrill.  
 Woman's Christian Temperance Union of Manchester.  
 Woman's Christian Temperance Union of Newton.  
 Woman's Christian Temperance Union of Nickerson.  
 Woman's Christian Temperance Union of North Branch.  
 Woman's Christian Temperance Union of Norton.  
 Woman's Christian Temperance Union of Nortonville.  
 Woman's Christian Temperance Union of Osawatomie.  
 Woman's Christian Temperance Union of Otego.  
 Woman's Christian Temperance Union of Ottawa.  
 Woman's Christian Temperance Union of Plevna.

Anna Gordon Woman's Christian Temperance Union, of Palco.

Woman's Christian Temperance Union of Penokee.  
 Woman's Christian Temperance Union of Plainville.  
 Woman's Christian Temperance Union of Arlington.  
 Woman's Christian Temperance Union of Plevna.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. NEELY:

A bill (S. 250) authorizing the Brookewell Bridge Co. to construct, maintain, and operate a toll bridge across the Ohio River at or near Wellsburg, W. Va.; to the Committee on Commerce.

A bill (S. 251) granting an increase of pension to Frank Deloe;

A bill (S. 252) granting a pension to Joseph J. McNeal;

A bill (S. 253) granting a pension to Rebecca Swisher Boyd; and

A bill (S. 254) granting an increase of pension to Robert Blake; to the Committee on Pensions.

By Mr. AUSTIN:

A bill (S. 255) for the relief of Margaret L. Carleton; to the Committee on Foreign Relations.

By Mr. HARRISON:

A bill (S. 256) for the relief of Orville E. Clark; to the Committee on Military Affairs.

A bill (S. 257) for the relief of the owners of the late American schooner *Three Marys*;

A bill (S. 258) for the relief of the heirs or legal representatives of Charls Johnson and Kate Johnson;

A bill (S. 259) for the relief of Robert A. Bowers and Mary E. Bowers;

A bill (S. 260) for the relief of John G. Sessions; and

A bill (S. 261) for the relief of E. L. Trenholm; to the Committee on Claims.

A bill (S. 262) granting a pension to Harvey E. Barron;

A bill (S. 263) granting a pension to Vivian C. Bogle; and

A bill (S. 264) granting a pension to Emmerline Valentine; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 265) to amend sections 3 and 4 of the act of July 3, 1930, entitled "An act for the rehabilitation of the Bitter Root irrigation project, Montana"; to the Committee on Irrigation and Reclamation.

A bill (S. 266) to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.; to the Committee on Military Affairs.

By Mr. BULKLEY:

A bill (S. 267) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature; to the Committee on Foreign Relations.

A bill (S. 268) extending the benefits of the Emergency Officers' Retirement Act to Lem C. Brown; and

A bill (S. 269) granting an annuity to Samuel R. Stone; to the Committee on Finance.

A bill (S. 270) for the relief of Junius A. Bandy; and

A bill (S. 271) for the relief of James Foy; to the Committee on Naval Affairs.

A bill (S. 272) for the relief of William Frank Lipps;  
 A bill (S. 273) for the relief of John F. Hatfield; and  
 A bill (S. 274) for the relief of Charles C. Floyd; to the Committee on Military Affairs.

A bill (S. 275) for the relief of Henry A. Taylor;

A bill (S. 276) for the relief of Harry Layman;

A bill (S. 277) for the relief of the Perkins-Campbell Co.;

A bill (S. 278) for the relief of George W. Allison;

A bill (S. 279) to extend the time for the refunding of certain taxes erroneously collected from certain building and loan associations;

A bill (S. 280) for the relief of Hazel B. Lowe, Tess H. Johnston, and Esther L. Teckmeyer;

A bill (S. 281) for the relief of the Fred G. Clark Co.;

A bill (S. 282) for the relief of William Kemper;

A bill (S. 283) for the relief of Beatrice I. Manges;

A bill (S. 284) for the relief of the Peerless Motor Car Co.;

A bill (S. 285) to reimburse the estate of Mary Agnes Roden;

A bill (S. 286) for the relief of the Champion Rivet Co., of Cleveland, Ohio; and

A bill (S. 287) for the relief of Fred C. Blenkner; to the Committee on Claims.

A bill (S. 288) granting an increase of pension to Mary C. Brant;

A bill (S. 289) granting a pension to Mary Ida Cox;

A bill (S. 290) granting a pension to Edward Brennenstuhli;

A bill (S. 291) granting a pension to Richard R. Denton;

A bill (S. 292) granting an increase of pension to Letha C. Durlfinger;

A bill (S. 293) granting an increase of pension to Polly Fuller;

A bill (S. 294) granting a pension to Fannie S. Greene;

A bill (S. 295) granting a pension to Helen M. Harvey;

A bill (S. 296) granting an increase of pension to Rachel Heizeman;

A bill (S. 297) granting an increase of pension to Alice V. Keeler;

A bill (S. 298) granting an increase of pension to Margaret Jane Loar;

A bill (S. 299) granting an increase of pension to Lucy Montgomery;

A bill (S. 300) granting an increase of pension to Georgette M. Perkins;

A bill (S. 301) granting an increase of pension to Anna Robinson;

A bill (S. 302) granting a pension to Florella Roe;

A bill (S. 303) granting a pension to Chester Shartzler;

A bill (S. 304) granting an increase of pension to Amelia Shultz;

A bill (S. 305) granting a pension to Mary C. Smith;

A bill (S. 306) granting a pension to Hazel A. Snyder and minor children;

A bill (S. 307) granting a pension to Laura F. Helm;

A bill (S. 308) granting a pension to Hanna Lewis;

A bill (S. 309) granting an increase of pension to Melise Wise;

A bill (S. 310) granting a pension to Catherine Ott (with accompanying papers); and

A bill (S. 311) granting a pension to Lena Ungerbuhler (with accompanying papers); to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 312) for the relief of Lillian G. Frost;

A bill (S. 313) to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.; and

A bill (S. 314) for the relief of Vito Valentino; to the Committee on Claims.

A bill (S. 315) granting a pension to Annie Coan; and

A bill (S. 316) granting a pension to Viola May Snow; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 317) to provide for the appointment of two additional judges of the District Court of the United States for

the Southern District of California, and for other purposes; to the Committee on the Judiciary.

A bill (S. 318) to correct the naval record of Theodore Reynders; to the Committee on Naval Affairs.

A bill (S. 319) granting a pension to Mary Harrington Niblack; to the Committee on Pensions.

(Senate bill 320 appears under a separate heading.)

By Mr. VANDENBERG:

A bill (S. 321) granting a pension to Nancy L. Corwin;

A bill (S. 322) granting a pension to Sarah A. Gilliland;

A bill (S. 323) granting a pension to Emma A. McDuffie;

A bill (S. 324) granting a pension to Ella F. Lane;

A bill (S. 325) granting a pension to Dorothy Crosby Allen;

A bill (S. 326) granting a pension to Martha Adelaide Childs;

A bill (S. 327) granting a pension to Mary Ann Fox;

A bill (S. 328) granting a pension to Margaret Saunders;

A bill (S. 329) granting a pension to Florence L. Collins; and

A bill (S. 330) granting an increase of pension to Mary J. Welch; to the Committee on Pensions.

A bill (S. 331) to amend the Criminal Code to prohibit certain members and employees of any national political committee from holding certain Government positions, and for other purposes; to the Committee on the Judiciary.

A bill (S. 332) to amend the Agricultural Adjustment Act, as amended, by making beans a basic agricultural commodity; to the Committee on Agriculture and Forestry.

A bill (S. 333) for the relief of the Acme Motor Truck Corporation; and

A bill (S. 334) for the relief of Leon Frederick Ruggles; to the Committee on Claims.

A bill (S. 335) authorizing the coinage of a 3-cent nickel piece; and

A bill (S. 336) to amend subsection J of section 12B of the Federal Reserve Act as amended; to the Committee on Banking and Currency.

A bill (S. 337) to extend certain benefits of the Public Health Service to certain seamen, and for other purposes;

A bill (S. 338) providing for the examination and survey of a proposed deep-waterway canal connecting Grand River with Lake Michigan;

A bill (S. 339) authorizing a preliminary examination and survey of the Crooked and Indian Rivers, Mich.; and

A bill (S. 340) to authorize a preliminary examination and survey of Detroit River, Mich.; to the Committee on Commerce.

A bill (S. 341) for the relief of Anthony Peter De Young (with accompanying papers); to the Committee on Naval Affairs.

A bill (S. 342) for the relief of Edward H. Cotcher; to the Committee on Military Affairs.

A bill (S. 343) to provide further for the national security and defense; to the Special Committee Investigating Munitions.

By Mr. McCARRAN:

A bill (S. 344) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented; to the Committee on Interstate Commerce.

A bill (S. 345) to repeal Government wage cuts as of January 1, 1935, and for other purposes; and

A bill (S. 346) to restore the basic rate of compensation of Federal officers and employees; to the Committee on Civil Service.

By Mr. BORAH:

A bill (S. 347) for the relief of James J. Jordan; and

A bill (S. 348) for the relief of Berle C. Palmer; to the Committee on Military Affairs.

A bill (S. 349) granting a pension to Narcissa Hussey;

A bill (S. 350) granting a pension to Granville Brown;

A bill (S. 351) granting a pension to Wilbern Alonzo Hussey;

A bill (S. 352) granting a pension to James N. Davis;

A bill (S. 353) granting an increase of pension to Tennessee F. Maynard;

A bill (S. 354) granting a pension to Ida H. McCullough;

A bill (S. 355) granting a pension to Hanna White;

A bill (S. 356) granting an increase of pension to Truman H. Wilkinson;

A bill (S. 357) granting a pension to Taylor C. Lyon;

A bill (S. 358) granting a pension to Stephen D. Jones;

A bill (S. 359) granting a pension to John Bivens;

A bill (S. 360) granting a pension to Olive A. Lewis;

A bill (S. 361) granting a pension to Thomas B. Hall (with accompanying papers); and

A bill (S. 362) granting a pension to Anna Bierd (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 363) to increase the efficiency of the Veterinary Corps of the Regular Army; to the Committee on Military Affairs.

A bill (S. 364) to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 365) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller; to the Committee on Claims.

A bill (S. 366) for the relief of Lyda F. Foster; to the Committee on Finance.

A bill (S. 367) to provide old-age compensation for the citizens of the United States; to the Committee on Pensions.

By Mr. CAPPER and Mr. COPELAND:

A bill (S. 368) to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want; to the Committee on the District of Columbia.

By Mr. COPELAND:

A bill (S. 369) amending the Civil Service Retirement Act; to the Committee on Civil Service.

A bill (S. 370) relating to loans to executive officers of member banks of the Federal Reserve System; to the Committee on Banking and Currency.

A bill (S. 371) for the relief of G. Elias & Bro., Inc.;

A bill (S. 372) for the relief of Edward L. Gockeler;

A bill (S. 373) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson; and

A bill (S. 374) for the relief of certain officers of the Army whose household and other effects were damaged or destroyed by the flooding of a warehouse at Fort Myer, Va.; to the Committee on Claims.

By Mr. KING:

A bill (S. 375) to establish a commission for the settlement of the special claims covered by the convention between the United States of America and the United Mexican States concluded April 24, 1934; to the Committee on Foreign Relations.

A bill (S. 376) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah; and

A bill (S. 377) providing for the sale of certain public lands to the Utah Gilsonite Co.; to the Committee on Public Lands and Surveys.

A bill (S. 378) to provide for the protection of watersheds in and adjacent to national forests; to the Committee on Agriculture and Forestry.

A bill (S. 379) to provide for the deportation of certain alien seamen, and for other purposes; to the Committee on Immigration.

A bill (S. 380) to reserve 80 acres on the public domain for the use and benefit of the Kanosh Band of Indians in the State of Utah; and

A bill (S. 381) for the relief of the Confederate Bands of Ute Indians located in Utah, Colorado, and New Mexico; to the Committee on Indian Affairs.

A bill (S. 382) to provide for the purchase of a certain lot of land in Cedar City, Utah; to the Committee on Public Buildings and Grounds.



A bill (S. 383) to provide compulsory licenses for unused patents; to the Committee on Patents.

A bill (S. 384) relating to the classified civil service; to the Committee on Civil Service.

A bill (S. 385) granting a pension to Eliza Beagley;

A bill (S. 386) granting a pension to Susan Turner; and

A bill (S. 387) to amend the act approved March 3, 1927, entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes"; to the Committee on Pensions.

A bill (S. 388) to establish a Department of National Defense and for other purposes; to the Committee on Military Affairs.

A bill (S. 389) authorizing a preliminary examination and survey of the Green River, Utah; to the Committee on Commerce.

A bill (S. 390) for the relief of Orson Thomas;

A bill (S. 391) for the relief of Ralph E. Woolley; and

A bill (S. 392) for the relief of Samuel L. Wells; to the Committee on Claims.

A bill (S. 393) to provide for the establishment and maintenance, under the Bureau of Mines, of a research station at Salt Lake City, Utah; to the Committee on Mines and Mining.

A bill (S. 394) to regulate the transportation of passengers and property in interstate and foreign commerce by motor carriers operating on the public highways, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 395) relative to the qualifications of practitioners of law in the District of Columbia;

A bill (S. 396) to amend section 1180 of the Code of Law for the District of Columbia with respect to usury;

A bill (S. 397) to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes;

A bill (S. 398) to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto;

A bill (S. 399) to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia;

A bill (S. 400) to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition;

A bill (S. 401) to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929;

A bill (S. 402) to amend section 824 of the Code of Laws for the District of Columbia;

A bill (S. 403) to amend the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes", and to further amend said act by adding at the end thereof new sections nos. 5 and 6;

A bill (S. 404) to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes;

A bill (S. 405) for the suppression of prostitution in the District of Columbia;

A bill (S. 406) to amend an act approved May 1, 1906, entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes";

A bill (S. 407) to amend section 115a of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to lunacy proceedings;

A bill (S. 408) to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes;

A bill (S. 409) to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution; and

A bill (S. 410) to provide fees to be charged by the recorder of deeds of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PITTMAN:

A bill (S. 411) to authorize an annual appropriation of \$10,000 to pay the pro rata share of the United States of the expenses of the Pan American Institute of Geography and History at Mexico City; to the Committee on Foreign Relations.

A bill (S. 412) granting a pension to Earnest G. Harvey; and

A bill (S. 413) granting a pension to Roy E. Donnelly; to the Committee on Pensions.

A bill (S. 414) to convey certain lands and buildings to the city of Reno, Nev.; to the Committee on Public Buildings and Grounds.

A bill (S. 415) to amend section 14 of an act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934 (Public, No. 417, 73d Cong.); to the Committee on Banking and Currency.

A bill (S. 416) for the relief of Las Vegas Hospital Association, Las Vegas, Nev.; to the Committee on Claims.

A bill (S. 417) for the relief of Fred M. Munn; to the Committee on Military Affairs.

By Mr. DAVIS:

A bill (S. 418) providing import duties on coal and coke imported into the United States from foreign countries; to the Committee on Finance.

A bill (S. 419) to correct the naval record of Robert Nelson Campbell; to the Committee on Naval Affairs.

By Mr. POPE:

A bill (S. 420) to amend section 3 of Public Law No. 393, Seventy-third Congress; to the Committee on Post Offices and Post Roads.

A bill (S. 421) granting a pension to Earl J. Stark; to the Committee on Pensions.

A bill (S. 422) granting a pension to Dudley C. Tribble; and

A bill (S. 423) for the relief of Lynn Brothers' Benevolent Hospital; to the Committee on Claims.

A bill (S. 424) authorizing the adjustment of contracts for the sale of timber on the national forests, and for other purposes; and

A bill (S. 425) for the relief of Robert Rayl; to the Committee on Public Lands and Surveys.

By Mr. O'MAHONEY:

A bill (S. 426) to provide for adjusting the compensation of post-office inspectors and inspectors in charge to correspond to the rates established by the Classification Act of 1923, as amended; to the Committee on Post Offices and Post Roads.

By Mr. HATCH:

A bill (S. 427) authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora Grant, N. Mex.;

A bill (S. 428) authorizing adjustment of the claim of Korber Realty, Inc.;

A bill (S. 429) conferring jurisdiction upon the United States District Court for the District of New Mexico to hear, determine, and render judgment upon certain claims against the United States;

A bill (S. 430) for the relief of Anna Hathaway;

A bill (S. 431) granting compensation to Reuben R. Hunter; and

A bill (S. 432) for the relief of John J. Doyle; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 433) to provide for the taking over by the Government of the outstanding capital stock of all Federal Reserve banks; to create a Federal Reserve bank and a Federal Reserve bank board; to provide an adequate and stable monetary system; to prevent both uncontrolled deflation and

inflation; to provide a system to control the price of commodities through control of the purchasing power of money; to substitute Federal Reserve bank notes for outstanding gold certificates, silver certificates, Treasury notes of 1890, United States notes, Federal Reserve notes, national currency, and national-bank notes; and to coin and regulate the value of money in pursuance of article I, section 8, paragraph 5, of the Constitution of the United States; and for other purposes; to the Committee on Banking and Currency.

A bill (S. 434) for the relief of Joseph Thompson; and

A bill (S. 435) for the relief of A. D. Ellis; to the Committee on Naval Affairs.

A bill (S. 436) for the relief of Zoe A. Tilghman; and

A bill (S. 437) for the relief of Cooper E. Davis; to the Committee on Claims.

A bill (S. 438) for the relief of Roy Chandler; to the Committee on Military Affairs.

A bill (S. 439) to secure to the farmers a price for agricultural products of not less than the cost of production thereof, including a reasonable profit, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 440) granting the consent of Congress to the State of Oklahoma for constructing a bridge across the Arkansas River south of the town of Sallisaw in Sequoyah and Le Flore Counties at a point approximately 15 miles north of Keota in the State of Oklahoma; to the Committee on Commerce.

A bill (S. 441) granting a pension to Carrie L. Warner (with accompanying papers);

A bill (S. 442) granting a pension to Sarah E. Wilkerson;

A bill (S. 443) granting a pension to Joseph K. Sullivan;

A bill (S. 444) granting a pension to Wilber T. Lardie; and

A bill (S. 445) granting an increase of pension to Alma H. Aultman; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 446) for the relief of Elva Rhea Speck; to the Committee on Finance.

A bill (S. 447) conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States; to the Committee on the Judiciary.

A bill (S. 448) to authorize a preliminary examination of Coquille River and its tributaries in the State of Oregon, with a view to the control of its floods;

A bill (S. 449) to authorize a preliminary examination of Umpqua River and its tributaries in the State of Oregon, with a view to the control of its floods;

A bill (S. 450) to authorize a preliminary examination and survey of Westport Slough, Oreg.; and

A bill (S. 451) to authorize a preliminary examination and survey of Brookings Harbor, Oreg.; to the Committee on Commerce.

A bill (S. 452) to extend the provisions of the Forest Exchange Act to lands adjacent to the national forest in the State of Oregon;

A bill (S. 453) authorizing the Secretary of the Interior to grant a patent of certain lands to Truman H. Ide; and

A bill (S. 454) to amend section 3 of the act of July 13, 1926 (44 Stat. 915), entitled "An act for the relief of certain counties in the States of Oregon and Washington within whose boundaries the revested Oregon & California Railroad Co. grant lands are located"; to the Committee on Public Lands and Surveys.

A bill (S. 455) for the relief of Oliver Victor Riessbeck; and

A bill (S. 456) authorizing an appropriation for the further development of the submarine and destroyer base at Tongue Point, Oreg.; to the Committee on Naval Affairs.

A bill (S. 457) for the relief of John W. Beck;

A bill (S. 458) for the relief of Noah C. Dugan;

A bill (S. 459) for the relief of Allan W. Hartmann;

A bill (S. 460) for the relief of Marinius M. Londahl; and

A bill (S. 461) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the

Philippine Islands after the ratification of the treaty of peace, April 11, 1899; to the Committee on Military Affairs.

A bill (S. 462) to authorize an extension of exchange authority and addition of public lands to the Willamette National Forest in the State of Oregon;

A bill (S. 463) to facilitate the use and occupancy of national-forest lands for the purposes of residence, recreation, education, industry, and commerce; and

A bill (S. 464) to add certain lands to the Malheur National Forest in the State of Oregon; to the Committee on Agriculture and Forestry.

A bill (S. 465) for the relief of the estates of Edwin G. Scott, Clyde R. Dindinger, and Ralph R. Fraley;

A bill (S. 466) for the relief of William J. Ewing;

A bill (S. 467) for the relief of Kate Hatton;

A bill (S. 468) for the relief of Theodor Knudson;

A bill (S. 469) for the relief of Josephine R. Briggs;

A bill (S. 470) for the relief of the Hauser Construction Co.; and

A bill (S. 471) for the relief of the Columbia Boat & Barge System, Inc.; to the Committee on Claims.

A bill (S. 472) to authorize the distribution to persons admitted to citizenship of the patriotic poster entitled "Look the Truth in the Face"; to the Committee on Immigration.

By Mr. BLACK:

A bill (S. 473) relating to information to be furnished to stockholders of corporations engaged in interstate or foreign commerce; to the Committee on Interstate Commerce.

A bill (S. 474) to increase the lump-sum payment made under the Workmen's Compensation Act in cases of death or of permanent total or permanent partial disability suffered prior to February 12, 1927; to the Committee on Education and Labor.

A bill (S. 475) for the relief of Mrs. George F. Freeman; to the Committee on Claims.

A bill (S. 476) relating to promotions of civil-service employees; to the Committee on Civil Service.

By Mr. ASHURST (by request of the Attorney General):

A bill (S. 477) to provide for the appointment of two additional judges for the southern district of New York and two additional judges for the southern district of California;

A bill (S. 478) to amend a part of section 1 of the act of May 27, 1908, chapter 200, as amended (U. S. C., title 28, sec. 592);

A bill (S. 479) to amend section 126 of the Judicial Code, as amended;

A bill (S. 480) to amend the act approved May 14, 1930, entitled "An act to reorganize the administration of Federal prisons, to authorize the Attorney General to contract for the care of United States prisoners, to establish Federal jails, and for other purposes";

A bill (S. 481) authorizing the filling of vacancies in certain judgeships; and

A bill (S. 482) to amend section 51 of chapter 2, title 45, of the Code of Laws of the United States of America; to the Committee on the Judiciary.

By Mr. ASHURST:

A bill (S. 483) for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc.; and

A bill (S. 484) for the relief of James Vallandigham (with accompanying papers); to the Committee on Claims.

A bill (S. 485) for the relief of Daniel Connell Flynn; and

A bill (S. 486) for the relief of Joseph A. Frayne (with accompanying papers); to the Committee on Naval Affairs.

A bill (S. 487) to provide for the purchase of the surplus copper heretofore mined and processed in the United States; to the Committee on Mines and Mining.

By Mr. THOMAS of Utah:

A bill (S. 488) for the relief of Michael Ilitz; to the Committee on Military Affairs.

By Mr. STEIWER:

A bill (S. 489) for the relief of the Coast Fir & Cedar Products Co., Inc.;

A bill (S. 490) for the relief of F. T. Wade, M. L. Dearing, E. D. Wagner, and G. M. Judd;

A bill (S. 491) for the relief of Fred Herrick;



A bill (S. 492) for the relief of the estates of Nicholas Ownby and Jesse Ownby; and

A bill (S. 493) for the relief of Walter S. Chiene and Annie H. Chiene (widow, guardian of minors, and administratrix of estate of Lyon Playfair Chiene); to the Committee on Claims.

A bill (S. 494) authorizing an appropriation for the further development of the submarine and destroyer base at Tongue Point, Oreg.; and

A bill (S. 495) to correct the naval record of John B. Dolan; to the Committee on Naval Affairs.

A bill (S. 496) for the relief of Fred M. Smith;

A bill (S. 497) for the relief of Harry J. Kennedy;

A bill (S. 498) for the relief of William Kelley;

A bill (S. 499) authorizing the President to present medals, in the name of Congress, to certain survivors of the sinking of the steamship *Tuscania*; and

A bill (S. 500) for the relief of Elijah L. Gum; to the Committee on Military Affairs.

A bill (S. 501) to provide for the establishment of a Coast Guard station on the coast of Oregon, at or near Taft, Oreg.;

A bill (S. 502) to provide an examination and survey of Seaside Harbor, Oreg.; and

A bill (S. 503) authorizing a preliminary examination and survey of Chetco Cove, Oreg.; to the Committee on Commerce.

A bill (S. 504) providing for a reimbursable loan to the Klamath and Modoc Tribe of Indians and the Yahooskin Band of Snake Indians, State of Oregon;

A bill (S. 505) to credit the Klamath Indian tribal funds with certain amounts heretofore covered into the Treasury for reimbursement of appropriations; and

A bill (S. 506) to credit the Klamath Indian tribal funds with certain amounts heretofore expended from tribal funds on irrigation works of the Klamath Reservation, Oreg.; to the Committee on Indian Affairs.

A bill (S. 507) to amend section 3 of the act of July 13, 1926 (44 Stat. 915), entitled "An act for the relief of certain counties in the States of Oregon and Washington, within whose boundaries the revested Oregon and California Railroad Co. grant lands are located"; and

A bill (S. 508) to add certain lands to the Ochoco National Forest in the State of Oregon; to the Committee on Public Lands and Surveys.

A bill (S. 509) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends; to the Committee on the Judiciary.

A bill (S. 510) authorizing and directing the Secretary of Agriculture to investigate all phases of taxation in relation to agriculture; to the Committee on Agriculture and Forestry.

A bill (S. 511) granting a pension to George W. Newman;

A bill (S. 512) granting a pension to Daniel Kinney;

A bill (S. 513) granting a pension to Alfred L. Chapman;

A bill (S. 514) granting a pension to Robert A. Masterson;

A bill (S. 515) granting a pension to Susan F. Cates;

A bill (S. 516) granting a pension to Mary E. Allen;

A bill (S. 517) granting a pension to Harold C. Cline;

A bill (S. 518) granting a pension to John L. Hammack;

A bill (S. 519) granting a pension to Lillian S. Blackwell;

A bill (S. 520) granting a pension to Myrtle J. Buzan;

A bill (S. 521) granting a pension to Mark Baldwin;

A bill (S. 522) granting a pension to Matilda Jane Hart;

A bill (S. 523) granting a pension to J. B. Stanfield;

A bill (S. 524) granting a pension to Mary Nightingale;

A bill (S. 525) granting a pension to Arminta Sullivan;

A bill (S. 526) granting a pension to Christiana L. Todd;

A bill (S. 527) granting pensions to certain persons who served in the Indian wars from 1817 to 1898;

A bill (S. 528) to amend section 3 of the act entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes", approved March 3, 1927;

A bill (S. 529) granting an increase in pension to Blanche C. Hurd;

A bill (S. 530) granting a pension to John R. Liles;

A bill (S. 531) granting a pension to Emma V. Crawford (with accompanying papers); and

A bill (S. 532) granting a pension to O. Scott Clark (with accompanying papers); to the Committee on Pensions.

(S. J. Res. 9 appears under a separate heading.)

By Mr. VANDENBERG:

A joint resolution (S. J. Res. 10) proposing an amendment to the Constitution of the United States providing for the fixing of prices in time of war and the prevention of profiteering; to the Special Committee Investigating Munitions.

A joint resolution (S. J. Res. 11) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Library.

By Mr. CAPPER:

A joint resolution (S. J. Res. 12) proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia; to the Committee on the Judiciary.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 13) to authorize an appropriation for the expenses of an examination of the United States and Turkish claims; and

A joint resolution (S. J. Res. 14) amending Public Resolution No. 118, Seventy-first Congress, approved February 14, 1931, providing for an annual appropriation to meet the quota of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts; to the Committee on Foreign Relations.

By Mr. POPE:

A joint resolution (S. J. Res. 15) proposing an amendment to article V of the Constitution of the United States, providing for the popular amendment of said Constitution; to the Committee on the Judiciary.

By Mr. CUTTING and Mr. HATCH:

A joint resolution (S. J. Res. 16) to provide for defraying the expenses of the American section, International Boundary Commission, United States and Mexico; to the Committee on Foreign Relations.

By Mr. ASHURST:

A joint resolution (S. J. Res. 17) proposing an amendment to the Constitution of the United States relative to restrictions on the employment of aliens; and

A joint resolution (S. J. Res. 18) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

By Mr. STEIWER:

A joint resolution (S. J. Res. 19) proposing an amendment to the Constitution of the United States relating to popular nominations of candidates for President and Vice President; to the Committee on the Judiciary.

#### COMPETITIVE CIVIL SERVICE IN THE POST OFFICE DEPARTMENT

Mr. VANDENBERG introduced a bill (S. 320) placing the position of postmaster in first-, second-, and third-class offices in the competitive classified service and for other purposes essential to the establishment of the Post Office Department on a nonpolitical career basis, which was read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.,* That postmasters of the first, second, and third classes, or of any other class hereafter established, shall hereafter be appointed, without term, by the Postmaster General in accordance with the provisions of this act and the Civil Service Act of January 16, 1883 (22 Stat. 430): *Provided*, That postmasters now serving may continue to serve until the end of their terms.

SEC. 2. The Postmaster General shall make appointments of postmasters by promotion of persons within the Postal Service possessing such qualifications of age, education, residence, and experience in the Postal Service as may be required by the Postmaster General with the approval of the Civil Service Commission.

SEC. 3. If no persons are able to qualify for appointment by promotion or transfer under the provisions of section 2, the Postmaster General shall request the Civil Service Commission to hold an



open competitive examination under the provisions of the Civil Service Act and rules.

Sec. 4. That all appointments of acting postmasters at offices of the first, second, third, or fourth class shall be made in accordance with the provisions of the civil-service rule governing temporary appointments.

Sec. 5. That the Postmaster General is authorized and directed to abolish the position of assistant postmaster at each post office where such position exists, at any time he finds, after investigation, that the efficient operation of such office will not be impaired thereby. Such investigations shall be made as soon as practicable, and from time to time thereafter. This section shall not be construed to prohibit the creation of the position of assistant postmaster at any post office where such position has been abolished, or at any other post office, if, in the opinion of the Postmaster General, the services of an assistant postmaster becomes necessary to the efficient operation of such office. The Postmaster General shall include in his annual report an account of the action taken pursuant to this section.

Sec. 6. That the positions of First Assistant Postmaster General, Second Assistant Postmaster General, Third Assistant Postmaster General, Fourth Assistant Postmaster General, Purchasing Agent, and Comptroller in the Post Office Department are hereby placed in the competitive classified service and made subject to the provisions of the Civil Service Act and rules and the priorities defined hereafter. Appointments to the positions of First, Second, Third, and Fourth Assistant Postmasters General shall be made by promotion or transfer of qualified persons within the classified service, including first-class postmasters.

Sec. 7. It shall be unlawful for the Postmaster General during his incumbency to be an officer or member of any political committee or to engage, directly or indirectly, in any political activity of any nature.

Sec. 8. That all laws and parts of laws inconsistent with this act are hereby repealed.

#### FINANCIAL AND ECONOMIC CONDITION OF AGRICULTURAL PRODUCERS

Mr. WHEELER introduced a joint resolution (S. J. Res. 9) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally, which was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally

Whereas the decline in agricultural income and the unsatisfactory condition of agriculture and of those engaged therein is a matter of increasing concern to the Congress, and affects the general welfare of the Nation and its citizens; and

Whereas in recent years the agricultural income has decreased while the earnings and profits of concerns processing or dealing in certain lines of farm products have increased or declined only moderately; and

Whereas there has developed an increasingly large proportionate spread between the prices received by the farmer for his products and the prices paid therefor by the consumer; and

Whereas, according to the latest statistics of income published by the Bureau of Internal Revenue, 22 large corporations reported making over 45 percent of the gross sales of all corporations engaged in the processing and manufacture of food products in 1931, and 102 large corporations reported making 60 percent of the gross sales of such corporations; and

Whereas it is charged that monopolistic, oppressive, and unfair methods and practices of various middlemen, warehousemen, processors, manufacturers, packers, and handlers are in whole or in part responsible for the conditions above described, and that wasteful and uneconomic methods have contributed toward bringing about these conditions; and

Whereas it is charged that said various middlemen, warehousemen, processors, manufacturers, packers, handlers, and others have violated the various antitrust laws of the United States, that they have burdened, restricted, and restrained interstate and foreign commerce and adversely affected the volume and price of farm products moving in intrastate and foreign commerce; and

Whereas it is charged that many lines of processing, warehousing, and/or dealing in farm products are so dominated by a handful of large concerns as to impede the free flow of interstate and foreign commerce to the detriment of both the farmer and the consumer; and

Whereas it is charged that through the payment of high and excessive salaries and other devices said middlemen, warehousemen, processors, manufacturers, packers, and others escape just taxation by the United States, that said salaries tend unduly to diminish the tax revenues of the United States and tend to burden and restrain interstate and foreign commerce in farm products, and to divert and conceal the earnings and profits of the concerns paying said salaries, and that by various devices those receiving said salaries escape their just share of Federal taxation; and

Whereas it is believed that the Congress should consider whether new legislation should be enacted or existing legislation amended on any of the subjects hereinbefore described and in aid thereof should be informed on all of said subjects: Therefore be it

*Resolved, etc., That the Federal Trade Commission is hereby authorized and directed to investigate and report, at the next session of Congress—*

First. (1) The extent of the decline in agricultural income in recent years, including the amount and percentage of such decline;

(2) The extent of the increases or decreases in recent years in the income of the principal corporations and other manufacturers, warehousemen, and/or processors of the principal farm products, as compared with the decline in agricultural income, including the amount and percentage of such changes; and

(3) The proportion of total consumer cost of representative products manufactured or processed from the principal farm products which is represented by the proceeds received by (a) the farmer, (b) the manufacturers, processors, and warehousemen, and (c) the distributors of such principal farm products and such representative products manufactured therefrom.

Second. The financial position of the principal corporations engaged in the manufacturing, processing, warehousing, distribution, and marketing of the representative major products manufactured from such principal farm products, including—

(1) The capitalization and assets of such corporations and the means and sources of the growth of such capitalization and assets;

(2) The investment, costs, profits, and rates of return of such corporations;

(3) The salaries of the officers of such companies; and

(4) The extent to which said corporations avoid income taxes, if at all, and the extent to which officers receiving such salaries paid income taxes thereon.

Third. The extent of concentration of control and of monopoly in the manufacturing, processing, warehousing, distribution, and marketing of representative major farm products which is maintained or has been obtained by any corporation or other organization, including—

(1) Methods and devices used by such corporations for obtaining and maintaining their control or monopoly of the manufacturing, marketing, processing, warehousing, and distribution of such commodities, and the proportion of any such major farm commodity handled by each of the large units involved; and

(2) The extent to which fraudulent, dishonest, unfair, and injurious methods are employed in the grading, warehousing, and transportation of such farm products, including combinations, monopolies, price fixing, and manipulation of prices on the commodity exchanges.

Fourth. The extent to which the cooperative agencies have entered into the processing, warehousing, and marketing of representative major farm products and the general effects of such cooperative agencies upon the producer and consumer.

Fifth. The extent to which other countries have adopted or promoted processing, warehousing, and marketing agencies of a public, quasi-public, or cooperative sort for the simplification and cheapening of the processing, warehousing, and marketing of agricultural products, and other administrative agencies which may have been set up for the protection of the farmer-producer and the consumer.

Sixth. Any conclusions and/or recommendations with regard to increasing the income of farm producers or other recommendations with regard to the improvement of the economic position of farmers or consumers growing out of the inquiry.

SEC. 2. The Department of Agriculture, the National Recovery Administration, the Department of Justice, and other agencies of the Government are directed to cooperate with the Commission in such inquiry to the fullest extent possible.

SEC. 3. For the purposes of this resolution the Federal Trade Commission shall have the same right to obtain data and to inspect income-tax returns as the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, and to submit any relevant or useful information thus obtained to the Congress or to either House thereof.

SEC. 4. For the purpose of carrying out this resolution the Federal Trade Commission, the Attorney General, and the courts of the United States shall have and may exercise all of the powers and jurisdiction severally conferred upon them by the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 28, 1914.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$50,000, which shall be available for expenditure as the Federal Trade Commission may direct, for expenses and all necessary disbursements, including salaries, in carrying out this resolution and prosecuting litigation necessary in aid of the powers conferred hereunder.

SEC. 6. The Federal Trade Commission is directed to present an interim report to the Congress on January 1, 1936, describing the progress made and the status of its work hereunder, and a final report with recommendations for legislation not later than July 1, 1936.

#### TAXATION OF TAX-EXEMPT SECURITIES

Mr. ASHURST submitted the following concurrent resolution (S. Con. Res. 2), which was referred to the Committee on the Judiciary:

*Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that all income and interest from all bonds or other certificates of indebtedness hereafter issued by the Government of the United States shall be taxable by the United States.*



## ELIZABETH TENNER

Mr. BANKHEAD submitted the following resolution (S. Res. 16), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Elizabeth Tenner, mother of Zella Tenner, late an assistant clerk in the office of Senator BANKHEAD, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

## MONOPOLISTIC INFLUENCE UPON INDUSTRIAL PRICES

Mr. BORAH. Mr. President, I offer a resolution asking for information. I think it will lead to no discussion whatever.

The resolution (S. Res. 17) was read, as follows:

*Resolved*, That the Secretary of Agriculture is hereby requested to send to the Senate as soon as practicable a certain study, memorandum, or report, prepared by Gardner C. Means, economic adviser on finance, relative to monopolistic influence upon, or monopolistic control of, industrial prices, and any and all reports or memorandums said Gardner C. Means has made touching the subject of industrial prices.

Mr. ROBINSON. Is the Senator asking for present consideration of the resolution?

Mr. BORAH. Yes; I desire to have it considered now.

Mr. ROBINSON. The resolution calls for information which would seem to be of interest and importance to the Senate. I know of no objection to its present consideration.

There being no objection, the resolution was considered and agreed to.

## PROCEDURE IN IMPEACHMENT TRIALS

Mr. ASHURST submitted the following resolution (S. Res. 18), which was referred to the Committee on the Judiciary:

*Resolved*, That in the trial of any impeachment the Presiding Officer of the Senate, upon the order of the Senate, shall appoint a committee of 12 Senators to receive evidence and take testimony at such times and places as the committee may determine, and for such purpose the committee so appointed and the chairman thereof, to be elected by the committee, shall (unless otherwise ordered by the Senate) exercise all the powers and functions conferred upon the Senate and the Presiding Officer of the Senate, respectively, under the rules of procedure and practice in the Senate when sitting on impeachment trials.

Unless otherwise ordered by the Senate, the rules of procedure and practice in the Senate when sitting on impeachment trials shall govern the procedure and practice of the committee so appointed. The committee so appointed shall report to the Senate in writing a certified copy of the transcript of the proceedings and testimony had and given before such committee, and such report shall be received by the Senate and the evidence so received and the testimony so taken shall be considered to all intents and purposes, subject to the right of the Senate to determine competency, relevancy, and materiality, as having been received and taken before the Senate, but nothing herein shall prevent the Senate from sending for any witness and hearing his testimony in open Senate, or by order of the Senate having the entire trial in open Senate.

## ELIZA J. SELLERS

Mr. DAVIS submitted the following resolution (S. Res. 19), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Eliza J. Sellers, widow of James F. Sellers, late messenger at the card door of the Senate, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

## HEARINGS BEFORE THE COMMITTEE ON APPROPRIATIONS

Mr. GLASS submitted the following resolution (S. Res. 20), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Appropriations, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## HEARINGS BEFORE THE COMMITTEE ON NAVAL AFFAIRS

Mr. TRAMMELL submitted the following resolution (S. Res. 21), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Naval Affairs, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## HEARINGS BEFORE COMMITTEE ON INTEROCEANIC CANALS

Mr. GORE submitted the following resolution (S. Res. 22), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Interoceanic Canals, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. PITTMAN submitted the following resolution (S. Res. 23), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Foreign Relations, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

## HEARING BEFORE COMMITTEE ON BANKING AND CURRENCY

Mr. FLETCHER submitted the following resolution (S. Res. 24), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Banking and Currency, or any subcommittee thereof, hereby is authorized to sit during the sessions, recesses, and adjourned periods of the Seventy-fourth Congress at such times and places as it may deem advisable, to make investigations into all matters within its jurisdiction, and to compile and prepare statistics and documents in relation thereto, as directed from time to time by the Senate and as may be necessary, and to report in due course to the Senate the result thereof, to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses incurred in pursuance hereof shall be paid from the contingent fund of the Senate; and the committee is authorized to order such printing and binding as may be necessary for its use.

## ASSISTANT CLERK TO COMMITTEE ON COMMERCE

Mr. COPELAND submitted the following resolution (S. Res. 25), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Commerce is authorized to employ until July 1, 1935, an assistant clerk, to be paid from the contingent fund of the Senate at the rate of \$2,000 per annum.

## BLANCHE A. HALL

Mr. COPELAND submitted the following resolution (S. Res. 26), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Blanche A. Hall, daughter of William L. Walling, late an employee of the Senate under supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

## HEARINGS BEFORE COMMITTEE ON PUBLIC LANDS AND SURVEYS

Mr. WAGNER submitted the following resolution (S. Res. 27), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:



*Resolved*, That the Committee on Public Lands and Surveys, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

#### SYSTEM OF HEALTH INSURANCE

Mr. BLACK submitted the following resolution (S. Res. 28), which was referred to the Committee on Education and Labor:

*Resolved*, That the Committee on Education and Labor of the Senate is hereby directed and instructed, either acting through the full committee or through a duly appointed subcommittee, as soon as practicable, to make a full and complete investigation in order to determine the best and most effective kind of Federal legislation to provide a system of health insurance throughout the entire United States, and to report to the Senate as early as practicable the recommendations outlining the kind of legislation it is believed will most effectively accomplish this purpose.

#### AMENDMENT OF RULE XXV—COMMITTEE ON AERONAUTICS AND AVIATION

Mr. McCARRAN submitted the following resolution (S. Res. 29), which was referred to the Committee on Rules:

*Resolved*, That rule XXV of the standing rules of the Senate be, and the same is hereby, amended by inserting, on page 80, after the third line of paragraph 1, the following:

"Committee on Aeronautics and Aviation, to consist of 12 Senators."

#### AMENDMENT OF THE RULES—RIVER AND HARBOR ITEMS

Mr. VANDENBERG submitted the following resolution (S. Res. 30), which was referred to the Committee on Rules:

*Resolved*, That the standing rules of the Senate be, and they are hereby, amended by adding, after rule XX, a new rule, relating to river and harbor projects, as follows:

"Rule XXI. When a rivers and harbors authorization bill is pending, a point of order may be made against the authorization of any project in any form not formally recommended to the Congress in an official report of the Board of Engineers for Rivers and Harbors."

#### COLUMBIA AND SNAKE RIVERS, OREG., WASH., AND IDAHO

Mr. McNARY and Mr. STEIWER submitted the following resolution (S. Res. 31), which was referred to the Committee on Commerce:

*Resolved*, That the Board of Engineers for Rivers and Harbors, created under section 3 of the Rivers and Harbors Act, approved June 13, 1902, be, and is hereby, requested to review the reports on the Columbia and Snake Rivers, Oreg., Wash., and Idaho, submitted in House Document No. 16, Seventy-third Congress, second session, with a view to determining the advisability of constructing a dam and navigation locks at Umatilla Rapids in connection with the improvement of Snake River.

#### JAPANESE POLICY IN MANCHURIA

Mr. KING submitted the following resolution (S. Res. 32), which was submitted to the Committee on Foreign Relations:

Whereas by the Kellogg Peace Pact signed at Paris on August 27, 1928, the high contracting parties (including the United States and Japan) solemnly declared that they condemn recourse to war for the solution of international controversies; and

Whereas by the nine-power treaty signed at Washington on February 6, 1922, the contracting powers (including the United States and Japan) agreed to respect the sovereignty, the independence, and the territorial and administrative integrity of China, and to refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly states; and

Whereas it is alleged that the policy pursued by Japan in Manchuria in establishing the Manchukuoan Government, in setting up a government oil monopoly of foreign oil interests, and the refusal by Manchukuo, as stated in the Japanese press, to observe the open-door policy except as to nations according her recognition, is a violation of the above treaties: Therefore be it

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to examine into the policy pursued by Japan in Manchuria with a view to determining whether such policy has violated any of the provisions of the Kellogg peace pact or the nine-power treaty.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to

take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$ , shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

#### FORTIFICATION OF CERTAIN MANDATED ISLANDS IN THE PACIFIC

Mr. KING submitted the following resolution (S. Res. 33), which was referred to the Committee on Foreign Relations:

Whereas by article 119 of the treaty of peace with Germany, signed at Versailles on June 28, 1919, Germany renounced in favor of the Principal Allied and Associated Powers all rights over her overseas possessions, including the groups of islands in the Pacific Ocean lying north of the Equator; and

Whereas the Principal Allied and Associated Powers, including the United States, agreed that in accordance with article 22, part I (Covenant of the League of Nations), of the said treaty, a mandate should be conferred upon His Majesty the Emperor of Japan to administer the said islands; and

Whereas His Majesty the Emperor of Japan accepted such mandate, subject to the agreement, among others, that no military or naval bases should be established or fortifications erected in the mandated territory; and

Whereas for some 14 years there have been recurrent charges in the press to the effect that Japan has fortified her mandated islands in violation of the agreement not to do so; and

Whereas it is alleged that Japan has failed to make reports on its administration of its mandated islands, as required by the League of Nations: Therefore be it

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to examine into the charge that Japan is fortifying or has fortified her mandated islands and to report to the Senate, as soon as practicable, the results of its investigation, together with its recommendations.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$ , shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

#### HEARINGS BEFORE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. KING submitted the following resolution (S. Res. 34), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on the District of Columbia, or any subcommittee thereof, is hereby authorized during the Seventy-fourth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

#### MONOPOLISTIC PRACTICES AND THE ANTITRUST LAWS

Mr. KING submitted the following resolution (S. Res. 35), which was referred to the Committee on the Judiciary:

Whereas to prevent monopolies and combinations in restraint of trade and efforts to obtain monopolistic control of trade and commerce, laws were enacted by the Congress which are still in force; and

Whereas it is claimed that such laws have not been enforced and that monopolies have increased and monopolistic control of industry has been strengthened; and

Whereas notwithstanding the enactment of said antitrust laws it is alleged that the National Industrial Recovery Act has been construed as permitting monopolies and pro tanto repeals the said antitrust laws; and

Whereas it is alleged that the said antitrust laws are inadequate to meet monopolistic developments and should therefore be strengthened in order that the purpose for which they were enacted might be realized: Now, therefore, be it

*Resolved*, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized to conduct an investigation to determine (1) whether the National Industrial Recovery Act has encouraged or promoted monopolistic practices; (2) whether the National Industrial Recovery Act or rules, regulations, and codes issued under it have tended to nullify the antitrust laws; (3) whether, in that event, legislation is needed to restore the antitrust laws to the position which they occupied prior to the date of enactment of the National Industrial Recovery Act; and (4) whether the antitrust laws, if properly enforced, are adequate to control monopolistic practices.



The committee shall report as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses until the final report is submitted; to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

#### PRINTING OF ADDITIONAL COPIES OF REPORT ON STOCK EXCHANGE PRACTICES

Mr. HAYDEN submitted the following resolution (S. Res. 36), which was referred to the Committee on Printing:

*Resolved*, That 4,000 additional copies of the report (No. 1455) of the Committee on Banking and Currency, Seventy-third Congress, second session, on Stock Exchange Practices, be printed for the use of the Senate document room.

#### REPORTS OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 364) to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia, reported it without amendment and submitted a report (No. 1) thereon.

Mr. KING, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 396. An act to amend section 1180 of the Code of Law for the District of Columbia with respect to usury (Rept. No. 2);

S. 397. An act to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes (Rept. No. 3);

S. 398. An act to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto (Rept. No. 4);

S. 399. An act to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia (Rept. No. 5);

S. 400. An act to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition (Rept. No. 6);

S. 401. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929 (Rept. No. 7);

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia (Rept. No. 8); and

S. 404. An act to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes (Rept. No. 9).

Mr. McCARRAN, from the Committee on the District of Columbia, to which was referred the bill (S. 408) to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes, reported it without amendment and submitted a report (No. 10) thereon.

#### REFERENCE OF NOMINATIONS OR TREATIES

Mr. ROBINSON. Mr. President, I ask the entry of the order which I send to the desk. I may state to the Senate that it is in identical form with orders entered at the last session and preceding sessions of the Senate, and is for the convenience of the Senate.

There being no objection, the order was read and entered, as follows:

*Ordered*, That on calendar days of the present session of the Congress when no executive session is held, nominations or treaties received from the President of the United States may, where no objection is interposed, be referred, as in executive session, to the appropriate committees by the Presiding Officer of the Senate.

#### THE BUDGET

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, referred to the Committee on Appropriations, and ordered to be printed, as follows:

#### BUDGET MESSAGE OF THE PRESIDENT

*To the Congress of the United States:*

The Budget of the United States Government for the fiscal year ending June 30, 1936, of which this message is definitely a part, is transmitted herewith for your consideration. It deals principally with the moneys carried in the general and special accounts of the Government, which constitute the great bulk of the general fund, as this fund is shown on the first page of the daily Treasury statement. The remainder of the general fund consists mainly of moneys carried in trust accounts, which are not strictly Government moneys, and therefore enter only incidentally into the financial picture presented by the General Budget Summary.

#### REVIEW OF THE FISCAL YEAR 1934

The total expenditures of the Government for the fiscal year ended June 30, 1934, as shown in the General Budget Summary and supporting schedules, amounted to \$7,105,000,000 in round figures. Of this amount, the sum of \$1,086,000,000 was spent for the operation and maintenance of the regular departments and establishments of the Government, \$556,000,000 to meet veterans' pensions and benefits, \$757,000,000 for interest on the national debt, \$360,000,000 for statutory debt retirements, and \$63,000,000 for tax refunds, making in the aggregate \$2,822,000,000. The remainder of the total expenditures for that year, amounting to \$4,283,000,000, was spent for recovery and relief. The general purposes to which this amount was applied are set forth in detail in supporting schedule no. 3. It will be seen that this amount was expended approximately as follows:

	<i>In millions of dollars</i>
Agricultural aid.....	847.0
Relief.....	1,844.4
Public works.....	653.5
Aid to home owners.....	194.9
Reconstruction Finance Corporation.....	584.6
Miscellaneous.....	153.6
<b>Total.....</b>	<b>4,283.0</b>

A part of this expenditure of \$4,283,000,000 for recovery and relief is repayable; indeed, substantial repayments have already been made to the Government. Loans amounted to \$732,000,000, and subscriptions to capital stock and preferred shares to \$826,000,000, making a total of \$1,558,000,000 which may be regarded as repayable expenditures made during the fiscal year 1934. The part regarded as nonrepayable totals \$2,725,000,000. This sum has been spent mainly for grants, aids, public-works projects, and administrative expenses.

The total receipts of the Government for the fiscal year 1934 reached in the aggregate \$3,115,500,000. Of this amount \$2,640,600,000 came from internal revenue, \$313,400,000 from customs, \$152,600,000 from miscellaneous revenues, and \$8,900,000 from receipts due to the realization upon assets. Income tax supplied \$818,000,000 of internal revenues; miscellaneous taxes (e. g., estate, capital stock, liquor, tobacco, stamp, and excise taxes), \$1,469,600,000, and processing taxes, \$353,000,000. Since the processing taxes are appropriated for the use of the Agricultural Adjustment Administration, their total should be subtracted from the aggregate receipts shown above in order to arrive at the general receipts of the Government.



The general receipts of \$2,762,500,000, excluding processing taxes, approximately equaled the regular expenditures for the year, a fact which should be duly recognized.

The deficit at the end of the fiscal year 1934, as shown in the General Budget Summary, was \$3,989,500,000 in round figures. After deducting \$359,900,000 for statutory debt retirements during 1934, the resulting net deficit financed from borrowings was \$3,629,600,000. The gross increase in the national debt amounted to \$4,514,400,000, making a total debt of \$27,053,000,000, as indicated in supporting schedule no. 6. This addition to the debt during 1934 included the financing of the net deficit of \$3,629,600,000 and an increase of \$884,800,000 in the cash balance of the general and special accounts, as shown in supporting schedule no. 4.

#### THE ECONOMIC SITUATION

Because of its profound influence on the Federal Budget, the economic situation may be briefly summarized at this point. Business was substantially more active during the fiscal year 1934 than in either of the 2 preceding fiscal years. At the opening of the year, in July 1933, producers were increasing their operations, sharply reflecting in part larger orders placed in anticipation of code regulations. There was a temporary decline in output in the autumn and early winter, in response to an overaccumulation of inventories during this period, but production again advanced during the last half of the fiscal year. Industrial output for the period as a whole, when measured by the Federal Reserve Board index, was 25 percent greater than in the fiscal year 1933 and only slightly below the level of the fiscal year 1931. The degree of recovery varied in the different industries. Production of nondurable goods, which had declined only moderately during the depression, approached within 1 percent of its 1923-25 average, while output in the durable-goods group, where prices showed relatively small declines since 1929, was 38 percent below its average in those years. Construction activity financed by private individuals continued to be restricted in amount, although public construction increased. This result was in no way surprising, in view of the enormous sums spent on permanent structures, in many cases in excess of actual requirements, during the period 1925-29.

The average volume of industrial employment expanded in proportion to production, and the total number of unemployed at the end of the fiscal year 1934, although still very large, decreased by about two millions as compared with June 1933, and four millions as compared with the worst point of the depression, which fell in March 1933. Reflecting higher wage rates and an expansion in total hours worked, industrial pay rolls averaged sharply higher over the year. Distribution of commodities at retail to consumers increased, but in smaller proportion than output, with the result that inventories of manufactured goods showed a net growth over the year ended June 30, 1934.

At the end of the fiscal year 1934 the Bureau of Labor Statistics index of wholesale commodity prices stood at 74.8 percent of its 1926 average as compared with 66.3 percent on June 30, 1933, and 59.6 percent early in March 1933. The sharpest rise in prices took place in farm products which were affected by anticipation of smaller crops during the summer of 1934. The rise in agricultural prices more than offset the decrease in farm output, and farmers' cash income, including governmental rental and benefit payments, was 34 percent higher than in the fiscal year 1933. Corporate profits, aided by larger volume as well as by inventory appreciation, also increased considerably.

Following the close of the fiscal year 1934, output in basic industries fell sharply through September, reflecting particularly an overaccumulation of inventories in steel and textile products and the delay in the placing of orders for autumn merchandise because of uncertainty as to the effect of the drought. Industrial prices, however, remained relatively stable and prices of farm products and foods moved into closer alignment with prices of nonagricultural commodities. In retail markets, goods continued to move in sustained volume with the result that inventories were re-

duced to lower levels and output was again increasing in the final quarter of the calendar year 1934.

#### CONDITION OF THE FISCAL YEAR 1935

The total expenditure requirements for the fiscal year ending June 30, 1935, are estimated at approximately \$8,581,000,000, as shown in the general Budget summary. Of this amount, the sum of \$3,321,000,000 is for regular expenditures, and \$5,260,000,000 for recovery and relief. The regular expenditures are for the following general purposes:

	<i>In millions of dollars</i>
Operation and maintenance of the regular departments and establishments.....	1,235
Veterans' pensions and benefits.....	610
Interest on the national debt.....	835
Tax refunds (excluding processing taxes).....	68
Subtotal.....	2,748
Debt retirements.....	573
Total.....	3,321

The amount of \$1,235,000,000, mentioned above, includes \$20,000,000 for expenditures estimated to be made this year from an additional sum of approximately \$125,000,000 which will be required for 1935 to make up deficiencies in the appropriations for the regular departments and establishments, including the Veterans' Administration. Of this additional sum, approximately \$65,000,000 will be required to meet the needs of the Veterans' Administration due to the application of new laws or revised rules pertaining to service-connected disabilities.

Of the total expenditures for recovery and relief, \$788,000,000 are for the Agricultural Adjustment Administration and the refunding of processing taxes, while \$4,472,000,000 are devoted to other purposes in the recovery and relief program. During the first 5 months of the current fiscal year the Government expended for recovery and relief \$1,712,000,000, or at the rate of about \$350,000,000 per month.

A summary of the aggregate amounts expended for recovery and relief from February 1, 1932, to November 30, 1934, shows a total figure of \$8,164,900,000. This expenditure has been distributed approximately as follows:

	<i>In millions of dollars</i>
Agricultural aid.....	1,337.3
Relief.....	2,783.0
Public works.....	1,226.2
Aid to home owners.....	306.3
Reconstruction Finance Corporation.....	2,351.2
Miscellaneous.....	160.9
Total.....	8,164.9

From February 1, 1932, to November 30, 1934, nearly 3 years, provision for recovery and relief through appropriations and authorizations reached a grand total of \$14,412,400,000. Of this total there remained unexpended on November 30, \$6,247,500,000, a large part of which had already been obligated though not yet actually paid out by the Treasury. The sum of approximately \$900,000,000 from the unobligated portion must, however, be made available for transfer to emergency relief needs during the remaining months of the current fiscal year. Recommendation is therefore made that the Congress provide for the immediate transfer of such unobligated portion for relief during the transition period from direct relief to work relief as outlined in my annual message.

Appropriations for emergency relief purposes will be completely exhausted early in February. Hence it is vitally necessary that unobligated balances of moneys already appropriated be made immediately available to care for the unemployed during the remainder of the fiscal year 1935 and the transition period. Through such action no new appropriation will be required to carry our relief needs for the current fiscal year.

The total receipts for the fiscal year 1935 are estimated at \$3,711,000,000. After deducting from this amount the processing taxes, estimated at \$589,000,000, there remains \$3,122,000,000 to be applied against other expenditures of the Government.



The income tax for 1935 is estimated to yield \$234,000,000 more than in 1934, or a total of \$1,051,000,000. The receipts from miscellaneous internal-revenue taxes, exclusive of processing taxes, are expected to produce \$60,000,000 more in 1935 than in 1934, thus bringing the total yield up to \$1,543,000,000. It is estimated that customs will show a decrease for 1935 under 1934 of about \$26,000,000, due to the Cuban sugar agreement and to the foreign-trade situation in general. Miscellaneous revenues and other receipts from the realization of certain assets are expected to yield for 1935 about \$227,000,000, an increase of \$66,000,000 over 1934.

The deficit for the fiscal year 1935 is estimated at \$4,869,000,000, including \$573,000,000 for statutory debt retirements. On December 26, 1934, the gross national debt stood at \$28,484,000,000. It is estimated that the gross debt on June 30, 1935, will amount to about \$31,000,000,000. In the Budget message of last year it was estimated that the national debt on June 30, 1935, would amount to \$31,800,000,000. According to the latest estimates the debt will not reach this amount by \$800,000,000.

#### THE FISCAL YEAR 1936

In the Budget message of last year I said, speaking of the fiscal year 1936, that we should plan to have a definitely balanced Budget for the third year of recovery and from that time on to seek a continued reduction of the national debt.

Despite the substantial measure of recovery achieved since that statement was made, unemployment is still large. The States and local units now provide a smaller proportionate share of relief than a year ago and the Federal Government is therefore called upon to continue to aid in this necessary work.

For this reason it is evident that we have not yet reached a point at which a complete balance of the Budget can be obtained. I am, however, submitting to the Congress a Budget for the fiscal year 1936 which balances except for expenditures to give work to the unemployed. If this Budget receives the approval of the Congress, the country will henceforth have the assurance that, with the single exception of this item, every current expenditure of whatever nature will be fully covered by our estimates of current receipts. Such deficit as occurs will be due solely to this cause, and it may be expected to decline as rapidly as private industry is able to reemploy those who now are without work.

A résumé of the financial plan which the general Budget summary shows for 1936, as compared with 1934 and 1935, is presented below:

[In millions of dollars]

	1934	1935	1936
I. Regular:			
1. Receipts.....	2,763	3,123	3,422
2. Expenditures:			
(1) Operation and maintenance of regular departments and establishments.....	1,086	1,235	1,622
(2) Veterans' pensions and benefits.....	556	610	740
(3) Interest on national debt.....	757	835	875
(4) Tax refunds (exclusive of processing taxes).....	63	68	65
Total regular expenditures.....	2,462	2,748	3,302
II. Recovery and relief:			
1. Agricultural Adjustment Administration:			
Processing taxes.....	353	589	570
Expenditures (including refunds of processing taxes).....	290	788	472
Excess of expenditures over taxes.....	-63	+199	-98
2. Other recovery and relief expenditures.....	3,993	4,472	4,110
Total recovery and relief expenditures.....	3,930	4,671	4,012
Total expenditures (exclusive of debt retirements).....	6,392	7,419	7,314
Net deficit.....	3,629	4,296	3,892
Debt retirements.....	360	573	636
Gross deficit.....	3,989	4,869	4,528

The estimated expenditures for the fiscal year 1936, as shown in the general Budget summary, total in round figures \$8,520,000,000, including statutory debt requirements. Of this amount, \$3,938,000,000 are for regular purposes, and the remainder for recovery and relief. The regular expenditures consist of \$1,622,000,000 for the operation and maintenance of the regular departments and establishments of the Government, which includes \$200,000,000 to be expended from an annual appropriation of \$300,000,000 for public works, as requested in the Budget and as explained below. The other items of regular expenditures are \$740,000,000 for veterans' pensions and benefits, \$875,000,000 for interest on the national debt, \$636,000,000 for statutory debt retirements, and \$65,000,000 for tax refunds (excluding processing-tax refunds).

Some of the principal increases in the major expenditure items for 1936 may be cited. The restoration of the final 5 percent of the 15-percent salary reduction amounts to about \$40,000,000 for the regular departments and establishments, exclusive of the Postal Service. The latter service requires an additional sum of \$25,000,000 for this purpose. Provision has been made in 1936 for an increase in the civil-service retirement and disability fund of \$20,000,000 over 1935, making a total annual contribution to this fund of \$40,000,000. This increase will enable the Government to meet more nearly its annual obligation with respect to this fund. It has been estimated that this obligation amounts to \$52,000,000, but such estimate has not been sufficiently established to justify its inclusion in the Budget. An effort will be made during the coming year, however, definitely to establish the Government's annual liability, the amount of which will be included in the 1937 Budget. Likewise, an increase of \$50,000,000 is recommended in the veterans' adjusted-service-certificate fund, thus bringing the total annual contribution to this fund up to \$100,000,000. The actuarial requirement of the fund for 1936 has been estimated at \$155,000,000. An effort will also be made during the coming year to establish this fund on a more definite basis consistent with the Government's actual liability under existing law. The expenditures for national defense have been increased for 1936 over 1935 by \$180,000,000. This increase is due to the current policy of the Congress and the Executive to make up for the delay by the United States in meeting the provisions of the naval treaties of 1922 and 1930, and to provide replacement and improved equipment for the Army. Veterans' pensions and other requirements have also been increased by about \$130,000,000, after adding to the 1935 figure the estimated supplemental amount previously mentioned, which is due to the application of new laws and revised rules pertaining to service-connected disabilities.

Another increase in the estimated expenditures is \$200,000,000 from an appropriation of \$300,000,000 which I am requesting for public works. This appropriation is intended to take care of the normal public-works requirements of the Government usually included in the annual supply bills, such as Federal highways, river and harbor improvements, and general public works, including the construction program of the Tennessee Valley Authority. This requested appropriation may therefore be regarded as regular instead of emergency. The debt charges for interest and retirements have increased considerably due to the growth of the national debt, but the decrease in the average annual interest rate has served to keep these charges down.

The estimated expenditures for recovery and relief during 1936 are placed at \$4,110,000,000, excluding \$472,000,000 for the Agricultural Adjustment Administration. I recommend that \$4,000,000,000 be appropriated by the Congress in one sum, subject to allocation by the Executive principally for giving work to those unemployed on the relief rolls. An estimate of expenditures covering this amount is included in the Budget.

The total receipts for the fiscal year 1936 are estimated at approximately \$3,992,000,000. When \$570,000,000 of estimated processing taxes are deducted from this amount, there will remain for general purposes \$3,422,000,000.



The detailed estimates of revenues and receipts for 1936, shown in statement no. 1, indicate a gain of \$137,000,000 in the collections from income tax over those for 1935. This gain is due to anticipated improvement in business and to the upward revision of rates in the Revenue Act of 1934. The miscellaneous internal-revenue taxes for 1936 are estimated to increase some \$143,000,000 over the collections for 1935. This increase is predicated on the assumption that the taxes terminating on June 30 and July 31, 1935, will be extended by the Congress, and also that the tax rates which would be reduced on June 30, 1935, will be continued. Otherwise there will be a reduction in the total estimate of miscellaneous internal-revenue taxes of \$378,000,000, thus bringing the total estimate down to \$1,308,000,000, excluding processing taxes. Customs are estimated to yield \$298,000,000 for 1936, representing a small increase of \$11,000,000 over 1935. Miscellaneous revenues and other receipts are estimated to produce \$250,000,000, a gain of about \$23,000,000 over 1935.

While I do not consider it advisable at this time to propose any new or additional taxes for the fiscal year 1936, I do recommend that the Congress take steps by suitable legislation to extend the miscellaneous internal-revenue taxes which under existing law will expire next June or July, and also to maintain the current rates of these taxes which will be reduced next June. I consider that such taxes are necessary to the financing of the Budget for 1936.

In this connection, may I say, too, that the postal revenues, as estimated in detail in the annexed budget of the Post Office Department, are based on the continuation of the 3-cent postage rate for nonlocal first-class mail. Unless this rate is continued, the postal expenses for 1936, which include steamship and aircraft subsidies and free carriage of Government mail, will be increased by about \$75,000,000, all of which will become an added burden on the general revenues of the Treasury. I, therefore, recommend the extension of the 3-cent rate.

If the estimates submitted in this Budget are approved, and if the expenditures for which authorization is asked are made in full, the deficit, including statutory debt retirements, will amount to \$4,528,000,000 for the fiscal year 1936. The national debt will be increased during this year by approximately \$3,152,000,000, thus bringing the total debt up to \$34,239,000,000. But this increase, as I have pointed out, will be due solely to continued relief of unemployment.

#### CONTINUATION OF EMERGENCY AGENCIES

A number of the emergency agencies now authorized by law will terminate during the present fiscal year. Most of these agencies fill important present needs and should be continued. As rapidly as seems practicable, I am bringing the administrative expenses of these agencies under the supervision of the Director of the Budget.

#### ECONOMY LEGISLATION

Many of the estimates of appropriations contained in the Budget are based upon the continuation of certain legislative provisions with reference to economy which are now in force. They are appended hereto and should be reenacted if the estimates are to be sustained. Among those continued is the provision for certain special salary reductions, the suspension of the reenlistment bonus to men of the military and naval services, the reduction in travel allowances of certain postal employees, permitting temporary reassignment of duties of certain postal employees, reduction in fees of jurors and witnesses, permitting transfers between appropriations, and the involuntary retirement of Federal employees having 30 years' service. Specific provision is also made for service credits to certain personnel affected by the suspension of increases in pay during the fiscal years 1933 to 1935, in the determination of compensation accruing subsequent to June 30, 1935, but without authorizing the payment of the amount that would have been paid during these years. Among the economy provisions which now obtain and which it is not proposed to continue is the 5-percent reduction in compensation of Government employees after July 1, 1935. I see no reason, however, for the restoration of this reduction prior to that date. The index figure of the

cost of living, on the basis of which salary restorations are provided by section 3, title II, of the Economy Act of 1933, now indicates that such restorations in all probability would not even be justified on next July 1, or for some time thereafter.

#### IMPROVEMENTS IN THE FORM OF THE BUDGET

Several important changes have been made in the form of the Budget document for 1936. The purpose of these changes has been twofold: (1) To improve the usefulness of the document from the citizens' standpoint, and (2) to provide more adequate treatment of the financial requirements of certain governmental units, such as the Post Office Department and the District of Columbia.

The General Budget Summary, following this message, is designed to present on one page a comprehensive picture of the financial requirements of the Government. It exhibits the anticipated receipts from all sources and the estimated expenditures for all purposes. It also shows the deficit and indicates the proposed means of financing this deficit. Since the figures presented in the summary are necessarily in aggregate amounts, the details of these amounts are shown in six supporting schedules. Both in the summary and in these schedules appropriate columns are carried to provide direct comparisons between the Budget figures for 1936 and the estimated and actual figures for 1935 and 1934.

The revenue estimates are emphasized in this Budget for the first time. These estimates are set forth in Statement No. 1 in sufficient detail to show all the principal sources from which the Government gets its income. Accompanying this statement is a supporting text, which analyzes and gives the reasons for the 1936 estimates and compares them with those for 1935 and with the actual collections for 1934.

Annexed budgets are set up for the major self-supporting or self-contained units of the Government, namely, the Post Office Department, the Reconstruction Finance Corporation, the Tennessee Valley Authority, and the District of Columbia. The use of such budgets permits the receipts and expenditures of each of these units to be clearly and completely presented in gross figures and in balanced form, as has not hitherto been done. By following this method the net figures for each unit, which may be either appropriation needs or surplus receipts, are calculated and then carried to the General Budget Summary. Thus the financial requirements of these units are definitely tied into the general budgetary plan. The annexed budgets are therefore not in any sense independent or multiple budgets, but simply integral parts of the Government's general Budget.

#### BETTER METHODS OF FISCAL CONTROL

In order to promote more satisfactory methods of budgetary control in the Government, I propose this year to inaugurate the policy of having a summation of the Budget prepared for publication immediately after the Congress has acted on all financial matters. This summation will be ready on or before July 1, unless the Congress is still in session. It will be presented along the lines of the General Budget Summary and supporting schedules, including Statements Nos. 1 and 2, as shown in this Budget. It will exhibit the revenue estimates, so revised by the Treasury, as to reflect any changes in the economic situation during the preceding 6 or 7 months and also any revisions made by the Congress in the tax laws. It will provide a complete summary of all appropriations and expenditure authorizations made by the Congress and related estimates of expenditures. Lastly, it will indicate the need for executive or administrative measures in controlling the execution of the Budget during the fiscal year 1936.

A substantial reduction in the number of appropriation items would facilitate the exercise of budgetary control over expenditures and at the same time make for departmental economy. I, therefore, recommend that the Congress establish a special joint committee to make a detailed study of the appropriation items in each regular appropriation bill with a view to greatly reducing the number of them, consistent with proper budgetary and accounting requirements.

It is my belief that substantial adherence to the general recommendations and total figures presented in this Budget



will accomplish three major objectives: (1) The normal functions of the United States Government can be carried on with economy and a high standard of efficiency, (2) the broad obligation of the Government to use all proper efforts to prevent destitution can be maintained under more practical methods than we are using at present, and (3) the excellent credit of the Government will be maintained for the common good.

I believe that the Congress will sustain these objectives.

FRANKLIN D. ROOSEVELT.

JANUARY 3, 1935.

#### APPENDIX

#### TEXT OF LEGISLATION RECOMMENDED IN CONNECTION WITH THE BUDGET FOR 1936

##### TITLE —. ECONOMY PROVISIONS

SEC. —. Title II of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, as amended, is amended by inserting at the end thereof the following:

"SEC. 11. (a) The following sections, as amended, of part II of the Legislative Appropriation Act, fiscal year 1933, are hereby continued in full force and effect during the fiscal year ending June 30, 1936: Sections 107 (except paragraph (5) of subsection (a) thereof and subsection (b) thereof) (special salary reductions); 206 (except subsections (a) and (b) thereof) (reducing travel allowances); 214 (authorizing temporary assignments in the Postal Service); 317 (authorizing transfers of appropriations); and 323 (reducing jurors' and witnesses' fees).

"(b) Section 18 of the Treasury-Post Office Appropriation Act, fiscal year 1934 (suspending reenlistment allowances), is hereby continued in full force and effect during the fiscal year ending June 30, 1936.

"(c) Section 8 of the Independent Offices Appropriation Act, 1934 (involuntary separation from Government service), is amended by striking out 'July 1, 1935' and inserting in lieu thereof 'July 1, 1936.'

"(d) For the purpose of continuing the sections enumerated in subsections (a) and (b) of this section, in the application of such sections with respect to the fiscal year ending June 30, 1936: The figures '1933' shall be read as '1936'; the figures '1934' as '1936' (except in the case of the second proviso of such section 317); and, in the case of the first proviso of such section 317, the figures '1935' shall be read as '1938', and the figures '1934' shall be read as '1937', and the figures '1933' shall be read as '1936'."

SEC. —. Notwithstanding the suspension during the fiscal years 1933, 1934, and 1935 of the longevity increases provided for in the tenth paragraph of section 1 of the Pay Adjustment Act of 1922, the personnel (active or retired) so affected shall be credited with service rendered subsequently to June 30, 1932, in computing their active or retired pay accruing subsequently to June 30, 1935: *Provided*, That this section shall not be construed as authorizing the payment of back longevity pay for the fiscal years 1933, 1934, and 1935 which would have been paid during such years but for the suspension aforesaid.

#### BIRTHDAYS OF SENATORS GLASS AND FLETCHER

Mr. ROBINSON. Mr. President, since the Congress met, a Member of this body who has served for a long time in public positions of trust and honor has come to another birthday. I should not feel warranted in mentioning the number of his most recent birthday if it were not for the fact that the Associated Press and other publicity agencies have sent throughout the Nation the astounding information that the senior Senator from Virginia [Mr. GLASS] on the 4th day of January was 77 years old. [Laughter.]

It is a surprising and pleasing thing that one of the temperament of Mr. GLASS, possessed of the ability and energy which he has displayed in the performance of public duties, should through all the years, with all the turmoil, the trouble, and the strife incident to hard labor, retain a youthful appearance and a youthful spirit. The Senator himself, his friends and relatives, and the country are to be congratulated on the fact that at an advanced age, when the powers and faculties of many who have rendered notable service have begun to fail, he is still the same virile, forceful, aggressive, useful citizen and officer that he was in the earlier years of his life when he came to distinction.

I should not take my seat without naming another Member of this body, the Chairman of the Committee on Banking and Currency, the senior Senator from Florida [Mr. FLETCHER], who, according to the Associated Press and other great publicity agencies, has reached the advanced age of 76 years. During the last session of the Congress no Senator, whether he was young or old, labored more continuously or more efficiently than did the Senator from Florida. Some

of the most notable new-deal measures, as we have come to speak of them—measures which we believe are inseparably connected with any helpful program for national recovery—were sponsored by him; and under his leadership their details were worked out, brought before the Senate, and carried to successful conclusion, not only in this body but in the conferences which followed their passage through the Senate.

I am happy to have the privilege of assuming to speak for all my associates in the Senate, and to express the pride and pleasure which we feel in extending greetings and good wishes to the senior Senator from Florida [Mr. FLETCHER]. [Applause.]

Mr. FLETCHER. Mr. President, I desire merely to express my indebtedness to the Senator from Arkansas for his kind references to me personally. I greatly appreciate the sentiments expressed by the Senator, and I thank Senators for their action in reference thereto. I am not advertising the birthday, but perhaps the "Spirit of '76" is still alive, and I am very glad to join in that spirit.

Mr. GLASS. Mr. President, I very deeply prize the good opinion of my colleagues; and I will say further that the chief compensation to me for public service has been the affectionate regard, confidence, and cooperation of the Members of the Senate on both sides of the aisle.

#### GOVERNMENT POLICIES AND AGRICULTURE IN THE SOUTH

Mr. BANKHEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Hon. Oscar Johnston, manager of the cotton pool, United States Department of Agriculture, delivered before the southeastern regional meeting of the United States Chamber of Commerce at Birmingham, Ala., on November 20, 1934.

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

By your invitation you requested that the subject of my talk be Government Policies and Agriculture in the South and that particular attention be given under this general subject to (a) land utilization, (b) acreage reduction, and (c) processing taxes. To go with great particularity into the various ramifications and details of the intricate problem which confronts the farmers of America and with the solution of which the Department of Agriculture is now engaged, would require much more time than could be allotted on your program. In the time at my disposal I shall undertake to review briefly what has been done by the Government under the present administration with respect to southern agriculture.

The Congress enacted the Agricultural Adjustment Act on May 12, 1933. By this act the newly appointed Secretary of Agriculture, Henry A. Wallace, was authorized to establish what has come generally to be known as the "Triple A", the Agricultural Adjustment Administration. This Administration, under the guidance of the Secretary, immediately undertook to deal with the emergency then existing with respect to cotton.

For commercial purposes, when we refer to agriculture in the South we mean cotton. You of the southeastern district will recall that at the time of the establishment of the Triple A the cotton situation was indeed chaotic. The efforts of the Farm Board had proved worse than futile, the Board was discredited, the Stabilization Corporation was bankrupt; most, if not all, of the cotton cooperative marketing associations which had cooperated with the efforts at stabilization made by the Farm Board were bankrupt; there was a carry-over or supply of more than 13½ million bales of American cotton on hand; an enormous acreage had been planted by desperate farmers seeking to save themselves from ruin by mass or quantity production; the season was propitious, indicating that the 1933 yield would be almost a record one; foreign customers were turning to other cottons largely because of their inability to obtain dollar exchanges with which to purchase American cotton even at the ridiculously low price of 5½ cents per pound; southern agriculture was prostrate; millions of acres of farming lands were passing from the hands of the owners into the hands of mortgage companies and lending agencies who had in better days made loans against these lands.

Farmers were unable to pay their taxes, and millions of acres were going off the tax rolls, reverting to the States for delinquent taxes. The patient was indeed critically ill; drastic action was necessary if his life was to be saved. Confronted with this condition, the Triple A, with the approval of the Secretary of Agriculture, called on the cotton producers of America to take heroic and unprecedented action—they were asked to go into their fields in August, with the crop already approaching maturity, and to plow up or otherwise destroy one-fourth of the prospective crop of 1933. Details of the campaign were worked out under truly war-time pressure. Appreciating that the farmer had borrowed money with which to plant and cultivate his crop, and that he could not be reasonably expected to destroy one-fourth of it without being compensated, arrangements were made to pay rentals and benefits to the extent of the average cost of bringing



the crop to the point at which it was destroyed; for this purpose the Treasury of the United States advanced to the Administration approximately \$125,000,000, which was distributed amongst more than a million farmers cooperating in the campaign, which has now come to be generally known as the "plow-up program of 1933." More than a million producers of cotton signed contracts with the Secretary of Agriculture agreeing to comply with this plow-up program. By this program a crop of 17,500,000 bales in prospect in August 1933 was reduced to an ultimate harvested crop of approximately 13,000,000 bales. A planted acreage of slightly more than 40,000,000 acres was reduced to approximately 30,000,000 acres, and the 1933 crop was sold at approximately 10 cents per pound, as compared with approximately 6 cents received by the farmers for the crops of 1931 and 1932. The American carry-over was reduced from 13,250,000 bales as of August 1, 1932, to 10,600,000 bales as of August 1, 1934. In connection with the plow-up program, the Administration inaugurated what has come to be known as the "10-cent loan plan." The Commodity Credit Corporation was established and in the early part of the marketing season of 1932 announced to the world that it would make loans to cotton producers at the rate of 10 cents per pound on cotton classing low middling or better. This was not intended as a price-fixing effort, but was intended to enable those cotton farmers so desiring to withhold their cotton from the market during the harvesting period and to feed it to the market as the market would take it, thus permitting the producer to get the benefit of the expected gradual rise in values.

Just how well this program worked is indicated by the fact that producers of 2,600,000 bales availed themselves of the benefit of this loan and borrowed, in round figures, \$130,000,000; the market gradually advanced from 10 cents to 13 cents, and during that upward trend farmers marketed four-fifths of the cotton against which they had borrowed, as the market was in a position to absorb it until the quantity of cotton remaining under the 10-cent loan had been reduced on October 31, 1934, to 500,000 bales, against which there are outstanding loans aggregating \$25,000,000.

I deem it unnecessary to take time here to point to the economic improvement which took place throughout the entire Cotton Belt as a direct immediate result of the 1933 program. Every business man in America knows of what is generally referred to as the remarkable or marvelous "come-back" that has been staged throughout the Cotton Belt. The measures adopted were heroic, unprecedented, and were by many regarded as intensely radical. In my judgment the result has justified the means.

Encouraged by the remarkable unanimity with which producers cooperated in the program of 1933, the producers themselves almost unanimously demanded a continuation of a control program with the hope that by appropriate control measures the carry-over of 10,600,000 bales might be further reduced, the ultimate goal being a normal carry-over of around 5,000,000 bales. In response to the demand of the cotton producers the 1934-35 cotton-acreage-control program was worked out by the administration, contracts were submitted to the producers, and it is estimated that 90 percent of the producers of cotton in America signed these contracts, agreeing to reduce the normally planted acreage by approximately 14,000,000 acres, 40 percent of the normal acreage. As a result of this program the planted acreage for 1934 was cut to approximately 26,000,000 acres. We have now in prospect a crop of 9,600,000 bales.

During the progress of the campaign for obtaining the signatures of producers to the 1934-35 acreage-reduction contract considerable feeling and animosity was developed by those who were cooperating in the voluntary program against the 10 or 15 or possibly 20 percent of producers who appeared unwilling to cooperate, and out of this animosity arose a demand on the part of the cooperating producers for legislation to compel the dissenting minority to come into the program. In answer to this demand there was enacted the Bankhead bill, intended to limit and control the production to a maximum of 10,000,000 bales. Undoubtedly, a great many producers who otherwise would not have cooperated in the voluntary program signed up the contracts and reduced acreage through fear of the consequences of the Bankhead law.

The 1933 plow-up came too late in the season to permit the adoption of any extended or well-developed program for the utilization of land that was then taken out of cotton. Farmers were encouraged to plant those lands to cover crops and late fall and winter forage and feed crops. Most producers throughout the Cotton Belt took advantage of this opportunity to produce both food and feed crops for man and beast. In connection with the 1934 acreage-reduction program, a carefully thought-out and well-developed program was adopted. Producers reducing their cotton acreage were permitted and encouraged to utilize the land thus available for the production of those crops to which such lands are best adapted. The Cotton Belt has produced this year many millions of pounds of foodstuff and feedstuff, and is probably more nearly self-sustaining and "living at home" than ever before since the Civil War. The so-called "rented acreage" may not be utilized by farmers for the production for market of such basic commodities as corn, tobacco, wheat, dairy products, etc. Cooperating producers were asked to, and in the main did, permit tenants to use a portion of the rented acreage for garden purposes and for pasture of domestically used livestock.

This whole program contemplates bringing about throughout the Cotton Belt a more nearly balanced farming to encourage the farmer to live at home, to utilize an appreciable part of his land

for the production of food and feed crops for domestic use, and to grow his cotton as a cash crop on that land which is best naturally adapted to the production of cotton. The area of tillable soil throughout the Cotton Belt is capable of supporting a population many, many times greater than the entire population of the United States, and at the same time to produce as much American cotton as the world will consume, provided the acreage be intelligently utilized.

The foregoing are the activities of the Government with respect to Southern Agriculture. The existing contract between the Secretary of Agriculture and 90 percent of the producers of cotton authorizes a maximum acreage reduction for 1935 of 25 percent. Such a reduction will give us next year an acreage of approximately 31,000,000 acres. Students of conditions are giving careful consideration to this subject, and the Department will announce at an early date, definitely what the 1934 reduction will be. By its terms the Bankhead law is only applicable for 1934 unless it shall be extended by Executive proclamation. A referendum will shortly be held to ascertain the wishes of the cotton producers. It is safe to say that if this referendum indicates that two-thirds of producers of cotton desire the continuation of the compulsory program, the law will be effective in 1935 unless in the meantime declared unconstitutional by the Supreme Court of the United States. I make this observation here because there is pending litigation by which it is sought to test the validity of the law. There is also the possibility of the repeal of the act or of its drastic amendment by Congress; several Senators having recently declared an intent to attempt the repeal or modification of the act.

The efforts of the administration to reduce to normal the extraordinary surplus of American cotton, which accumulated as a result of two successive bumper crops, coming when the entire world was suffering in the throes of a general economic depression, have been criticized and attacked as being responsible for the decline in exports which we are now witnessing. It is pointed out that to date the exports for the current fiscal year are 1,623,482 bales, as compared with 2,947,806 bales exported during the same period in 1933. It is said that the production-control program and the 12-cent loans now being made to producers have resulted in bringing the price of American cotton above and, therefore, out of line with prices at which cotton is being offered on the markets by Brazil, India, and Egypt, and that this disparity is resulting in an increased consumption of foreign production and a corresponding decreased consumption of American cotton abroad. Undoubtedly comparative prices influence to some extent the selection of cotton to be used by foreign mills. It is equally true that the American farmer cannot, unaided, be expected to produce cotton on a price level with countries where the standard of living is lower than in America. The living standard of the American cotton producer is probably the lowest in America, his hours of work are longer, and his remuneration lower than any other class of labor; but, low as it is, it is much higher than in India or Brazil. The American producer will not take kindly to the suggestion that he further lower his standard of living and at the same time continue toiling for the benefit of protected industries in America. In this situation we have a problem that challenges our best thought. It is probable that this situation will have to be dealt with first as an emergency to be handled by a subsidy to the American cotton producer to offset the protection afforded industry by the tariff, and that the ultimate and permanent solution will be a modification of our tariff laws and development of our international relations.

Here, however, I wish to challenge the correctness of the allegation frequently made that American cotton is selling at an artificial price, resulting from the application of the cotton program to production and marketing, and that this price is directly responsible for the falling off in exports. I maintain that the lowered exports result from other major factors. In the first place the decline in exports is not so great as is indicated by the figures just quoted. In 1933 America devalued her dollar; there was a rush of American dollars from abroad for investment in American commodities. This brought about an abnormal export in 1933, and we are now comparing the figures of 1934 with the abnormal figures of 1933. The supply of American dollars or exchange abroad was greatly reduced or exhausted by the end of 1933, and then we realized that with our cheap dollar we are not in a position to buy commodities from countries whose money has not been correspondingly depreciated. As a result of this, such countries are unable to get American exchange. A notable example is Germany. In the past Germany has purchased annually approximately 10 percent of the American production. During the first 3 months of 1933 Germany took 400,000 bales of American cotton. During the first 3 months of 1934 she has taken 148,000. Representatives of German mills advise me that price is not a factor. They are willing to pay an appreciable premium above our prevailing price if they can be provided with American exchange by selling to America the normal quantity of merchandise heretofore imported by America from Germany. The major cause of the shrinkage in exports is due to inability of foreign consumers to obtain American exchange. The next important factor being generally overlooked is that the foreign consumption of all cotton has declined just as our domestic consumption for 1934 is showing a marked decline as compared with 1933. Another factor is that a considerable supply of cotton was acquired abroad in 1933, thus obviating the necessity for heavy buying in the early part of 1934. The Anti-Dumping Act of 1921 and the countervailing-duties provisions of the Tariff Act of 1930 constitute serious impediments to normal trade relations between American and gold-standard coun-



tries. These laws must be avoided or amended to permit resumption of normal trade relations. When our international relations have been straightened out and normal international trade resumed, when appropriate reciprocal tariff agreements, protecting the interest of agriculture, have been made, prices will in the main adjust themselves.

In the beginning it was recognized that production control, while necessary in the emergency with which we were confronted and, possibly, necessary in the future to prevent gross overproduction, cannot alone accomplish anything approaching permanent improvement of the position of the cotton producer. Production control is and must be auxiliary to and subordinate to a broader economic program. America has produced for many years approximately one-half of the cotton grown in the world. American cotton is desired throughout the world for its spinning qualities. Normally, 55 percent of the American crop goes into export. Hundreds of millions of dollars of American money are brought back to America every year and distributed throughout the Nation as a result of our export of cotton. The export of from six to eight million bales of cotton annually has brought into America from a half billion to a billion dollars. The export of cotton plays an important part in balancing imports and exports in our dealings with the world. It is highly important, not to the Cotton Belt alone but to all America, that foreign markets continue to absorb a large proportion, in fact, the major portion of America's annual production of cotton. To aid in this direction, there is under serious consideration the matter of the adoption of what is known as the "domestic-allotment plan" under which the producer would receive a subsidy on that portion of his crop which represents his proportion of the domestically consumed cotton. The thought behind this is that American cotton would sell at world prices, but that to enable him to produce cotton at such prices the American producer be given a subsidy on the American-consumed portion of his crop. This plan is justified on the theory that American manufacturers are subsidized through the instrumentality of the tariff. The farmer pays his portion of this subsidy to the manufacturer as a part of the purchase price of almost every article he purchases from his cradle to his coffin; and if he must buy in a protected market and sell in a world market, he must be subsidized. This plan, like plans for acreage and production control, is or should be auxiliary and subordinate to the big idea which must be developed for the protection of American agriculture.

There is a great deal to be said upon the subject of the processing tax. So long as rents, benefits, and/or subsidies must be paid to farmers of America in connection with the production of cotton, corn, wheat, hogs, tobacco, rice, and dairy products, funds for these payments must be provided, and I know of no more appropriate method of providing these funds than through the instrumentality of a processing tax. The incidence of the tax in special cases may be inequitable; minor injustices may be done. More scientific and accurate methods of distributing these taxes may be developed; but so long as America protects industry by a tariff wall, and so long as the farmer must support industry by a concealed subsidy which he pays with the price of the goods he purchases, just so long is it going to be necessary to continue the collection of the processing tax or its equivalent in some form. That Member of our National Congress who determines to vote to repeal the act providing for the processing tax must first determine that rents and benefits shall not be paid to American producers of agricultural commodities. It is not an answer to say that these benefits may be paid from the general funds of the Treasury. Practical experience of the American public with "pork barrel" legislation in connection with the building of post offices, customhouses, and other governmental structures inevitably points to and emphasizes the danger that would be experienced should Congress be called upon to allocate a given amount for use in a cotton program, another amount for wheat, another for corn, hogs, etc.; the trading and swapping of votes would be terrific. The jealousies and animosities and sectional antagonisms that would be created would break down the whole program. I repeat, so long as we pay benefits to producers of specific commodities, the funds to be used for that purpose must be derived from the handling and marketing of each commodity.

Agriculture is essential to the existence of the Nation; all wealth annually produced, without exception, comes from the soil or the sea. Man may enhance the value of a commodity by his artistic treatment, but the basic value, the commodity itself, comes from the ground or the sea and results from the human toil and labor. Broadly speaking, America may be divided into two classes—industry and agriculture. Industry embracing the great capital structure of the Nation, our banking systems, railway systems, steamship lines, public-service corporations, manufacturers, and the labor employed by these enterprises. The millions of Americans who may thus be broadly classed for the purposes of this discussion as "industry" do not produce. They play a necessary part in our economy; they contribute to the health and happiness of humanity; but the fact still stands they do not produce, and the Nation could exist, even though in a crude form, without their activities. To the other class, namely, "agriculture", belong those millions who till the soil and bring into existence those commodities with which humanity is fed and clothed. Their labor is essential not only to national but to human existence.

I shall not here take your time to point to the thousands of inequalities and inequities as between the laborers in the two classes, such, for example, as an 8-hour day for the industrial laborer in a protected and well-ventilated house, at a rate of 40 cents to a dollar an hour, as compared with 10, 12, and 15 hours

a day, exposed to the cold of winter and the heat of summer, at a rate of 6 to 10 cents an hour, for the farm laborer.

It is my judgment, after much thought and study, that the time has now been reached when America must definitely determine and publicly proclaim that industry and agriculture shall be put upon an equal footing. In the matter of legislative and economic treatment, agriculture has been subordinate to industry since the Civil War. As a result of that unfortunate struggle, control of the Government and the formation of its policies passed into the hands of the eastern section of America—that section is naturally more keenly interested in the development of industry than in agriculture. The result is, whether consciously or subconsciously, that the trend of our legislation, the building of our economic structure, has been with first consideration for industry.

This situation has become intolerable. That vast army of workers, working in the field from before sunup until after sundown, are getting more than just restless; they are becoming rebellious, and it does not require a prophet nor the son of a prophet to forecast their action unless Congress shall immediately take cognizance of the situation, quit making noble gestures toward agriculture, quit talking about extending more credit or making it easier for the farmer to get in debt, quit administering narcotics, opiates, and palliatives and really deal with the fundamental problem of agriculture, discontinue the policy of reclaiming millions of acres of land through one department of the Government while taking out of production other millions through another department; give proper consideration to the welfare of agriculture in the negotiation of international treaties and trade agreements, discontinue the policy of fostering and playing fair godfather for every sort of a manufacturing enterprise that may be sought to be developed in America without regard to the future effect of that development upon agriculture, carefully plan both our internal and external economic conditions and relations with due regard to the welfare of the American farmer, rewrite our tariff laws so as to open up foreign markets to those of our agricultural commodities of which we were producing an exportable surplus before industry began the export of any of its manufactures. This need not be hurriedly nor drastically done, but it must be done with a firm hand and a fixed purpose and determination to restore world markets to American agriculture. The manufacturer of an article of which 7 to 10 percent of the production is exported, and 90 to 93 percent domestically consumed, is short-sighted when he demands treaty agreements and trade arrangements to protect his 7-percent export at the expense of agriculture. Develop American agriculture, give to the farm laborer and the producer of our agricultural commodities the same return for his labor and investment as is given to industry, and the buying power of agricultural America will be increased to a point that will enable industry to develop production at a profit. Choke and starve American agriculture and American industry must die.

It is neither my thought nor purpose to suggest that our Government should accord preferential treatment to agriculture over industry, but rather to suggest that our domestic laws and our international treaties be framed with always the thought that industry and agriculture must be coordinated. That the agricultural laborer be on a parity with the industrial laborer; that the agriculturalist should receive an equal return with the industrialist upon capital invested. I should like to point out that history discloses that most, if not all periods of so-called "panics" or economic depressions, are preceded by agricultural distress and low-priced commodities, and that recoveries follow agricultural recovery. After all, industry is dependent upon agriculture. Given a suitable and proper buying power and the buying by farmers of America will start the wheels of industry humming. The captains of industry of America should realize that the greatest market in the world for American manufacturers is in America. The production of our manufactures can be planned and economically controlled. The production of agriculture cannot be planned or controlled with any degree of accuracy. For this reason industry must plan its production to meet the requirements of the world for its manufactures, while agriculture must plant for a harvest to meet the needs of the world, but at the will of Providence may, as a result of such planting, produce in excess of world demand, or, as was the case this year in Oklahoma and Texas, witness a crop failure. Appropriate planning must be done to meet either of these abnormal contingencies.

To accomplish real and permanent agricultural relief there must be first a recognition on the part of the people of the agricultural South and the Middle West of the fact that their interests are common and identical. If the great area given over to the production of wheat, oats, corn, hogs, and dairy products, and the 12 or 14 States engaged principally in the production of cotton join hands in our National Congress and stand pat for drastic fundamental remedial legislation, refusing to be bought off by McNary-Haugen bills, promises of loans, promises of cash rentals and benefits, we can accomplish something. Until the South and the Middle West form such a coalition, agriculture will continue to be subordinate to industry. The Middle West and Northwest have awakened to the situation more keenly than the South. I urge upon southern leaders the recognition of their duty to the South to arouse the people of the South to the seriousness of the situation. Since 1865, the South has suffered from a political inferiority complex. The southerner must throw off this feeling, must demand that his national representatives in the Halls of Congress take a more important part in shaping our national policies. The recent election, coupled with the seniority rule, has brought to the chairmanship of the important committees in the Senate



and House, men from the South. The Middle West has turned to the Democratic Party; we have a President who is keenly interested in national development and who recognizes the necessity for bringing agriculture to parity with industry; we have a Secretary of Agriculture who is farm-minded, a deep, keen, and intelligent student of agricultural economics, who recognizes as probably no other Secretary of Agriculture has ever recognized, that almost the very existence of agriculture is dependent upon a broad coalition, a joining of forces between the South and West to promote their common welfare. The time is indeed ripe, the opportunity at hand, for our statesmen and political leaders to look the situation squarely in the face and to put agriculture upon a plane of equality with capital and industry in America. If the opportunity is lost by inaction, farm unrest will increase, farm strikes will become the order of the day, agitators will spring up all over agricultural America, socialism in its worst phases will be encouraged, agriculture will languish, the recovery of industry will be blocked, and we will find that we have not plumbed the depths of depression during the last 2 years. Provide for the recovery of agriculture, on the other hand, and see how rapidly our Nation will come back. Draw a lesson from the results of a single year's program in the Cotton Belt, but keep in mind that those results will be temporary unless a permanent agricultural policy is developed.

#### REGULATION OF TRAFFIC IN FOOD AND DRUGS

Mr. COPELAND. Mr. President, Senators will find on their desks this morning a new food and drug bill. Many have asked me how it differs from the original act. I have ventured to prepare a statement relative thereto, which I ask may be printed in the RECORD for the enlightenment of all who are interested.

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

For a number of years the Food and Drug Administration has been embarrassed by weaknesses in the food and drug laws. The original act was a revolutionary and epoch-making piece of legislation. It will ever stand as a monument to the great pioneer in pure food and drugs, Dr. Harvey W. Wiley.

Naturally, during a period of more than a quarter of a century, there would arise new problems and the necessity for further protection of the public. Court decisions have clarified and in some instances befuddled the law. The officials of the Administration have been embarrassed by reason of weaknesses which have become apparent through the progress of invention, discovery, and legal procedure.

In June 1933 a bill was presented after numerous conferences in the Department of Agriculture with consumers and the various industries affected. When that bill reached the Senate there arose a good deal of opposition. Days and weeks of hearings resulted in numerous revisions. The measure laid on the desks of Senators today differs from S. 1944 of the Seventy-third Congress in several particulars. Some of them are the following:

The first bill gave to the Secretary conclusive power in certain instances as regards findings of fact. This is now left to the court if a contest arises.

The old bill did not include any provision for court review of regulations. While that right existed under the common law, it has seemed wise to write into the bill a provision providing specifically for such review.

In place of the official authority given the Secretary under the original bill to promulgate rules and regulations, this bill sets up two committees for the formulation of regulations. These are a committee on public health and a committee on food standards.

The original bill required a declaration of ingredients to be placed upon the package reaching the consumer. The industries affected resented this because of what they regard to be their proprietary rights in the formulas. This feature of the first bill and of its successors in the last Congress created much discussion.

In the measure now pending, equal protection of the public is accomplished by another method. Unless the package carries the names and quantities of the ingredients contained therein, this information must be filed with the Department. Such action will permit the Food and Drug Administration to make certain that no incompatibles, harmful substances, or unwholesome products are sold to the American people. Existing law is not changed in that the Department will continue to make its own analyses of products and to advise the public of any wrongful or fraudulent claims for them.

It is the purpose of this bill not alone to protect the public but, what is likewise important, to protect the industries involved. To this end the committees which are provided by the bill include representation from the industry affected so that it may have abundant opportunity to state its side of the case.

There was much criticism of the original measure due to the misunderstanding of why there was an enumeration of diseases in which self-medication might be dangerous and a proscription of advertising "cures" for such diseases. The list was so long that there arose a fear on the part of the public that the individual would no longer be permitted to buy any favorite preparation and to take it under the directions of the label.

Of course, that was not the intent or the letter of the proposed law, but, nevertheless, it was used as a weapon against its passage. In this bill the diseases for which the advertising of cures is prohibited have been limited to cancer, tuberculosis, venereal diseases, and heart and vascular diseases. These are the diseases for

which the virtues and values of remedies have been advertised and which the scientific world believes to be unsubstantiated. The list in this bill is limited, but may be added to from time to time as the Committee on Public Health may recommend.

As to the method of the selection of this Public Health Committee, it is well to quote from the bill. This committee is to "consist of five members designated by the President with a view to their distinguished scientific standing and interest in public health and without regard to their political affiliations." Personnel so chosen must appeal to the American people and guarantee the reasonableness and scientific worth of their conclusions.

There was much complaint from berry growers and others regarding the restrictions placed upon the sale of fresh fruits and vegetables in packages. The bill before us exempts natural products sold in open containers from certain labeling requirements that are not needed for these products but are highly important for foods generally.

The small manufacturers and producers complained of a provision in the original bill providing for voluntary inspection of factories. It was testified that the inclusion of this provision in the bill would result, in fact, in mandatory inspection with the expense of inspection for each and every factory. As a matter of fact, the administration was aiming at the control of certain sea foods. The last Congress passed an amendment to the Food and Drug Act providing for voluntary inspection of the establishments producing these foods. It has worked well in practice, and all parties interested believe it should be continued for those particular products as has been done. The bill does not apply this feature to other substances.

The original bill excited criticism because the Food and Drug Administration was authorized to make what are known as "multiple seizures." There never was any complaint on the part of industries affected when the seizures were made because the products were unwholesome, deleterious, or harmful. There was complaint that the Department might begin proceedings in border-line cases where the health factor was not involved and do so in several parts of the country simultaneously, putting the industry to great expense in defending many suits at the same time.

In view of the fact that this bill provides for injunction proceedings, such authority for wide-spread seizures in border-line cases, involving merely questionable deception, is not needed. The abuse, if the courts sustain the Department's position, can be readily stopped through bringing injunction proceedings in the court where the manufacturer resides and securing a prompt judicial determination of the issues. This method of procedure is provided in the pending bill. It gives the public exactly the same protection as originally contemplated, but it reaches that desired end by a short cut and also assures against the abuse of administrative power.

To the original bill there was great complaint on the part of the advertisers because of the language chosen, which set up a prohibition against false advertising, not alone because it was false or misleading but also because of possible "ambiguity or inference." With the great power given to the Secretary in the original bill, it was felt that injustices would follow the administration of the act without actually giving the public any degree of added protection.

As a matter of fact, all needed protection can be given by a prohibition against false or misleading statements in advertising. Similar language in the present law applicable to the labels has been effectively protective of consumer interests, and at the same time has not been construed as unduly embarrassing to honest producers. This bill applies exactly the same principle to the matter of advertising as existing law does to labeling.

It is felt by those who have gone over the bill carefully that its arrangement is more orderly and capable of better understanding. Certainly the bringing together of similar subjects under appropriate chapter heads makes the bill better suited to study and practical use. A great deal of discussion over the bill as originally introduced undoubtedly arose because it was difficult to follow and understand.

The bill is now in form and ready for study by everybody having an interest in food and drug legislation. If it is enacted into law, the health and welfare of our people will be given much greater protection. It will place no undue burden on honest industry.

It is hoped there may be speedy enactment of the measure; but, of course, this will not be attempted until there has been plenty of time to digest its proposals.

#### A POLICY OF INGRATITUDE AND DEATH

Mr. LONG. Mr. President, I send to the desk and ask to have the clerk read at this time the part of a newspaper article which I have marked in black—the headlines and the paper from which it is taken.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From the Washington Post of Dec. 10, 1934]

More make a million; fewer earn \$5,000, tax figures reveal—\$1,000,000 income list increased by 26 in 1933, while returns of \$5,000 or less decreased 81,000.

Mr. LONG. Now I send to the desk another newspaper, and ask that the headlines may be read by the clerk.



The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From the New Orleans Times-Picayune of Dec. 10, 1934]

Million-dollar incomes gain as others decrease—26 more in high bracket in 1933 than 1932, Bureau reports.

Mr. LONG. Now I send to the desk a newspaper article, which I ask that the clerk may read.

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

The Chief Clerk read as follows:

[From the New Orleans Morning Tribune of Dec. 18, 1934]

PRESIDENT FORBIDS MORE TAXES ON RICH—TELLS CONGRESSMEN INCREASES MIGHT MAKE BUSINESS STAMPEDE

By the United Press

WASHINGTON, December 17.—The administration is determined to prevent any considerable increase in taxes on the very rich, many of whom pay no taxes at all, on the ground that such a plan would cause another stampede by business. Word has been sent up to Democratic congressional leaders that it is essential nothing be done to injure confidence. The less said about distribution of wealth, limitation of earned income, and taxes on capital, "new dealers" feel, the better.

Repeatedly since the Democrats won a two-thirds majority in both Houses in the congressional elections last month, the administration has sought to assure the worker, the taxpayer, and the manufacturer that they had nothing to fear.

Meantime, reports reached the Capital that fear of potential increases in inheritance taxes and gift levies at the coming Congress was in part responsible for the failure of private capital to take up a greater share of the recovery burden.

Mr. LONG. I hope I am not taxing the clerk too much. I have only one more newspaper clipping. I ask to have read the part marked in black in the first column. Then I shall ask no further reading at this time.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From the New Orleans Item of Jan. 1, 1935]

CLARIFY LAWS OR LOSE CASH, F. D. TELLS LONG—UNEQUIVOCAL ENUNCIATION OF STATE'S POLICY ON NEW LAWS ON PUBLIC DEBTS SUGGESTED IN LETTER TO ALLEN

WASHINGTON, January 1.—President Roosevelt has indirectly informed Senator Huey P. Long that the administration is likely to withhold Public Works loans from Louisiana until some of the legislation the Senator put through the State legislature is repealed or clarified.

The President's message to the Louisiana dictator was contained in a letter he sent Gov. O. K. Allen, of Louisiana. The communication was similar in some respects to those sent other Governors, but there were significant differences.

The purpose of Mr. Roosevelt's letter to the State Department was to offer the aid of P. W. A.'s legal staff to draft bills in the various States which would enable municipalities to take better advantage of P. W. A. funds.

Mr. LEWIS. Mr. President, will my able friend from Louisiana yield to me?

Mr. LONG. I will yield for a question.

Mr. LEWIS. For a question only.

I ask the able Senator from Louisiana to refer to the paper he sent in which intimated that the President of the United States had sent to the officials of the Government in Congress a message denouncing any idea of any increase of taxes, and a statement that he desired to favor what might be said to be—using the words of the article—the powerful rich. Surely the able Senator from Louisiana does not assume that such a thing ever occurred—that the President ever sent such a message, or that any such message has ever been received by any Congress.

Before the Senator proceeds I will ask his very good opinion, if he believes such a thing ever has existed.

Mr. LONG. I will cover that matter and other matters in the course of my speech, Mr. President. I thank the Senator. I intend to come to that.

Mr. President, all I know is what I read in the papers at this late date. Of course, I can only judge all men, public and private, by their actions and by their conduct. I do not undertake to interpret the motives of men. In other words, we were taught in our old study of law that men intend the ordinary consequences of their acts. About the first thing we charge to a jury in a criminal or a civil case is that

every man is understood in the light that he knows the customary consequences of what he does.

I knew the consequences of what the President of the United States was doing last year when he was doing it, and I told him so. I knew the consequences of what the President of the United States was doing year before last, and told him so. In January 1932 I knew the consequences of what President Hoover was doing and said so from this floor. The saddest words that we have to tell these distinguished and illustrious men—some of whom we helped to make, and made them too big to talk to thereafter—are: "I told you so."

Clipping No. 1 that I sent to the desk reports that the billionaire is becoming a bigger billionaire; that the millionaire is becoming a bigger millionaire; that the poor is becoming poorer, and the middle class is falling into the class of the poor.

Mr. President, that would not be so bad if it were not a fact that these news articles of the Associated Press and of the United Press are based upon the reports of the United States departments and of the United States Census in which it is shown, as a complete reading of these dispatches will show that year by year and day by day, just as surely as we progress in any direction, without the slightest interruption and without the slightest cessation, regardless of the talk that has been uttered in this Chamber and of the messages that have come from the pen of the President, day by day and month by month, the rich are becoming richer and the poor are becoming poorer, and those of the middle class are becoming fewer and fewer.

Why? I do not purport to say that the United Press article is correct or incorrect. I do not purport to say that the Associated Press article is correct or incorrect. I do purport to say, however, that the consequences of the policies of both of the Presidents of the United States since I have been in the United States Senate are in line with what the United Press article has stated.

The last article which I sent to the desk was to the effect that the President of the United States had written a letter to somebody else to be read by a dictator down in Louisiana. Some dictator down there somewhere in the bulrushes was intended to get a letter. That is according to the paper that has been sent to the desk, and therefore the letter was addressed to the Governor as a means of communication with the dictator.

In days past and gone I used to communicate with those gentlemen by direct route. When I sent them any money they telephoned me direct. When I was getting them votes they telephoned me direct. I am satisfied that if they intended to communicate with me they would use those customary processes today.

I know of nothing that would have changed the means of communication, nothing that has occurred through the ethereal changes of radio, the conduct and transportation of the mails, the ordinary telegrams that are exchanged to and fro, that would have made any difference in the means of communication with me.

But be that as it may, this article refers to Louisiana legislation. This article intends to infer that laws that have been passed by the Legislature of Louisiana must be altered or repealed; otherwise the United States Government is going to withhold loans and withhold relief in the State of Louisiana.

A subsequent news item, with which I am not so familiar, has said that some of these loans have been approved in Louisiana. It is said that after looking over these Louisiana laws they find they are not so bad, and that some \$11,000,000 of loans of the P. W. A. in the State of Louisiana have been allowed to go forward. The main law that has been attacked down there, however, and a set of laws which are in line with it, are these:

I should say in advance that this is not the first intimation we have had of the displeasure of the national administration. We have known that we were displeasing the national administration. That does not make any difference with us. We have known that all along. We have known



that our policies down there did not suit the national administration. Now, the national administration may be right about this thing and we may be wrong, but there is a chance that we may be right, and I am going to leave it to the Senate to find out who is right about this proposition. We have not agreed with the national administration in the policy, the trend of which is indicated by the articles that have been sent to the desk.

We enacted laws that propose to take the taxes in the State of Louisiana off the back of the little man entirely, 100 percent; which propose that no man owning a home or owning a farm worth or assessed for less than \$2,000 shall pay any taxes whatever on that home or on that farm. That is the basis of this so-called "dictatorship" about which there has been so much complaint heard in the State of Louisiana—that a farmer or a home owner, owning a home worth or assessed for less than \$2,000, should pay no taxes, county, district, or State.

In order to get money so that the State government might continue to operate, it was necessary that funds be raised from somewhere. We either had to continue to tax the man of small means or we had to tax someone else in order to support the State government.

What was the relief suggested to us? It was said that a sales tax was the ideal means by which to relieve the people of this property-tax burden, and from one end of the State to the other that was urged as the proper means of relief. But such would have meant that in Louisiana, where more than two-thirds of the property is owned by the big interests, outside of home owners and little business owners in the cities, a much larger share of the burden of taxes would have been placed on the little man than resulted from the property tax already placed upon the little man.

So when I arrived down there we took up these proposed laws. We put a tax on the cotton exchange of 2 cents on every hundred dollars' worth of cotton they sold on future sales, and up went the hubbub, that Mississippi invited the cotton exchange to move out of New Orleans and move to Gulfport, that Houston wanted the cotton exchange to move out of New Orleans and move to Texas. We went back at them and said, "We join with the people of Houston; we join with the people of Gulfport; we want you to leave Louisiana, too, as far as we are concerned, with the New Orleans Cotton Exchange." But, none the less, the tax was voted, and the tax stands, and the cotton exchange still stays in Louisiana.

Another tax we voted was the income tax, another one of these dictatorial laws, terrible dictatorial laws. We had to amend the constitution of the State of Louisiana in order to pass it, because the feudal lords who wrote the constitution of the State of Louisiana in the year 1921, under the benign guidance of that illustrious leader, ex-Governor Parker, wrote into the constitution of Louisiana a provision forbidding the laying of an income tax in the State of Louisiana; that was the effect of the article they wrote. So we imposed an income tax exactly in the words and figures of the income tax of the State of New York and allowed that money to go into a fund for the payment of the taxes theretofore paid by the man whose home was worth \$2,000 or less.

What was another one of these dictatorial laws? We imposed a 2-percent tax on public utilities, on the gross earnings of the power companies, of the railroads, of the Pullman Co.—a 2-percent tax on these big concerns. It was said that if these taxes were put upon them it would mean that the power company would immediately raise its rates. It was said that it would mean that the Pullman Co., the railroads, the telegraph companies, and the telephone companies would immediately raise their rates to make up the difference. What happened?

Mr. President, we imposed a 2-percent tax on the gross income and a 4½-percent tax on the net income of these companies. Then we went before the public-service commission, after electing somebody to sit on it instead of those who were on it, and the companies have reduced their rates, even after those taxes have been put on them. That is

another of the dictatorial things which it is said makes it necessary that there must be some amendment to the law.

Well and good. We put on a few other taxes. I will not take the time to enumerate them all; but taxes were placed upon the interests and the elements able to bear them so as to shift the taxes away from the others.

Naturally, we had some elections. I shall not discuss them in detail, but from the floor of the Senate here following last January a great deal was said and a great many of my colleagues not infrequently reminded me that there had been an election in the city of New Orleans which had gone adversely to forces with which I was affiliated.

There has been another election there since then and one on top of that since then in which the entire State of Louisiana has voted, as a basis for all these laws concerning which so much has been written in the papers. Before the Legislature of Louisiana could enact them all, as a general proposition—as to some of them it could, but as to most of them it could not—they had to be voted on by the voters of the State of Louisiana at the polls in a popular election.

Mr. President, were those laws voted? They were submitted in the month of November to the people of Louisiana. They were not supported by one single newspaper in the State of Louisiana. They were opposed by every daily newspaper in the State of Louisiana. They were opposed by the old New Orleans ring and the city government in New Orleans. They were opposed by the associations of commerce, the chambers of commerce, the boards of trade, alliances, clubs, the Rotary Club, and every other club on the face of the earth. The result has been that at the polls in Louisiana, by a majority of 7 for to 1 against, these laws have been adopted by the people of the State of Louisiana. We carried the city of New Orleans by a majority of 45,000 votes, and for good measure whipped the ring president of the school board by 30,000 while we were doing it and took him out of office at the same time.

Mr. President, this makes me a dictator! This makes a dictatorship for the State! This calls for dispatches from Washington to the effect that our laws are not republican in form. Why? Because instead of having taken from the bottom to add to the pile of the big men at the top, we have taken from the big men at the top to add to the pile of the little men at the bottom.

Among the laws which we passed was one enacted a few days ago providing for a tax on the Standard Oil Co. As we have been taught to believe in our histories, that is the sacred prophet of this country, the anointed bull which cannot be touched, and we are taught to apply to that institution that sacred commandment, "Touch not mine anointed, and do my prophet no harm."

We had imposed a severance tax in Louisiana, and everyone was willing to pay the severance tax; but, lo and behold, we had to come to Congress and get a tariff on oil in order to keep the Standard Oil Co. from shutting down our schools. So we got a tariff on oil of about 21 cents a barrel, I believe it was, and that made it impossible for them to haul in Venezuelan oil and shut down the Louisiana oil fields.

Then they were not satisfied. They decided that something had to be done to show that Louisiana was in a deplorable condition. So they concluded that they would use the Mississippi River, for the improvements of which we are bonded for more than a hundred million dollars. We have been bonded for the lands and the levees and the devastations of its floods, the interest annually amounting to something like five or six million dollars, including the cost of the ports we have had to build. Then the Standard Oil Co. concluded they would take their oil from outside of the State from the places where it could be obtained, bring it to the State of Louisiana, and refine it there, but by all means to take it out by barges and boats and pay the State of Louisiana no severance tax, nothing on the expenses of the river, and shut down the oil fields of the State at the same time.

Again we called the legislature into special session. The legislature voted to put on them a 5-cent-a-barrel tax on



the business of refining oil, so that if they were not willing to pay the tax on the business of producing oil in the State they could pay a tax on the business of refining oil in the State.

The Standard Oil Co. was invited to move to Alabama, and it was invited to move to other States about the same time; I believe in Georgia somebody sent a similar invitation. We gave them an invitation to get out, to get out of the State of Louisiana, to pay the amount of money it was costing the State of Louisiana for them to use the property and facilities of that State or else to treat the people of Louisiana justly.

I am glad to say that a mutual compromise was reached, under which they agree that they will be willing after a little length of time to pay an occupational license tax of 5 cents a barrel on that part of the oil which they use from outside of the State, and a 1-cent occupational license tax on that part they use which is produced inside of the State. That means more money to go into the till in order to pay the taxes which have been paid by the little man in my State.

Contrast that with the condition in the United States as a whole. I want to show how Louisiana is getting along. I have here an article by a national writer on finance and economics. Louisiana is a State which is supposed to have been denied gratuities of the Federal Government, and we would rather not have some of them, dispensed as they are, than to have them. If the funds of the Home Owners' Loan Corporation are to be dispensed in the future as they have been dispensed in the past, we would rather they would just draw a red line and eliminate Louisiana from consideration. If they are to dispense the P. W. A. funds in the future as they have in the past, we would not quarrel if they left us out of that.

Before reading the Roger Babson report, I digress to call the attention of the Senate to the case of a poor old blind man by the name of Edward T. Doescher, who lives in the city of New Orleans. He was running a little fruit stand and little grocery store. The police department found out he was not voting right and they closed up his grocery stand.

He tried to go into the business of peddling bread on the street, and they put him out of business as a bread peddler. One ordinance after another they invoked against the poor old blind fellow, until they left him without anything on earth from which to make a living. It was the persecutions of that damnable Choctaw regular ring, which today has the support of this national administration—when I get through the administration will know more about it. [Laughter.]

The PRESIDENT pro tempore. It is the duty of the Chair to admonish the occupants of the galleries that they are guests of the Senate and that under the rules of the Senate they are not to indulge in any demonstrations but must preserve order.

Mr. LONG. So, Mr. President, this old blind man, in distress, went to the Home Owners' Loan Corporation in order to secure a loan to prevent his place from being sold under the hammer. What happened? They had approved a loan. The Home Owners' Loan Corporation and its contractors had O. K.'d and signed a loan, and everything was waiting for it to be consummated, when, lo and behold, they went out to look at the house and there was tacked upon it a sign, "For JOSEPH FERNANDEZ, candidate for reelection to Congress." What happened when they saw that sign tacked up there by this old blind man, indicating that he was going to vote for the reelection to Congress of JOSEPH FERNANDEZ on the Long ticket? When that old man came to testify before the senatorial and representative legislative committee to the atrocities of which he had been a victim in that city, he was immediately notified that that loan was canceled and abrogated, that they would not lend him a 5-cent piece; and up until that day he had never been loaned a dime on that place.

Up in north Louisiana, however, there was a very big and rich oil man by the name of Mr. William Feazel, a man who

dispensed the patronage in the parish of Ouachita for the Roosevelt administration, well fixed and able. He borrowed \$19,700, I am told, on his home, notwithstanding the handsome income he had at the same time. So we are not going to suffer much if we are left out of some of this so-called "beneficial legislation" which we are undertaking to get.

With it all, Mr. Babson had to render a report. I do not know Mr. Babson. They will probably get hold of him and change this thing after I read it, but here is what he did say. I will present his report, which is published on the front page of the New Orleans Times Picayune of December 29, and he marks a ring around Louisiana and New Orleans as being the particular part of the country showing greater recovery than any other part of the United States. He says that it goes 10 percent above the average. He does not tell why. He says that national-administration laws have done it. Why, national-administration laws have not done anything in New Orleans like they have done in many other places.

What had done it? Why, among these high-handed and dictatorial laws and high-handed and dictatorial actions that had been taken by the Governor of that State, with whom I was cooperating, was one by which we had closed down the lotteries that were operating under the guidance of the New Orleans ring government down there, 2,000 lottery shops; and a red-light district 16 squares long and 18 squares wide—the greatest cesspool of hell that has been known to the modern world—that has been supported by the Roosevelt administration. Who is in charge of it? Well, do not misunderstand me. I said the Roosevelt administration was in charge of it. Now, I do not want Senators to think I am going to take back anything. I am going to show them who was in charge of it.

I have before me an article which appeared in a magazine that they call Real America, and in this article which is published in the issue of December 1934 they have my picture placed in front of the dens of prostitution—the cribs of New Orleans. They have faked a photograph as though I were walking by those places, and they say, "Huey and his New Orleans cribs."

Now, it so happens that there are for-rent signs on those places. We closed the places, and then they put up for-rent signs. So we located these particular places and we sent photographers down there, and took close-up photographs of these particular for-rent signs on those cribs, and I have them here. I will send them to the desk. The sign in one of the photographs says "For rent. Queen Realty Co." Now, who is the Queen Realty Co.? Well, I decided to bring that information to the Senate.

Here is a letter from the secretary of state of Louisiana which says the Queen Realty Co. was organized November 12, 1930, before Edwin J. Prinz, notary public, and that its stockholders are Abraham Burglass, Edward Rightor, and Edwin J. Prinz.

Who is Edwin J. Prinz? He is a lawyer formerly working for Mr. John P. Sullivan.

And here is an affidavit from a responsible citizen, Mr. Nicholas G. Carbajal, swearing that Abraham Burglass stated that Mr. Prinz held the stock for his employer, Colonel Sullivan.

Colonel Sullivan is one stockholder, Mr. E. R. Rightor is listed as the other one, and their partner is Mr. Abraham Burglass. And on the witness stand before the Committee on Finance Mr. Sullivan and Mr. Rightor both testified that they were in charge of the dispensation of patronage for the Roosevelt administration in the State of Louisiana.

So, Mr. President, I wish it to be known in answering this article and others like it, that when we closed up that rotten mess we closed up an institution under the guidance of the New Orleans ring operated for profit by the patronage distributors in Louisiana for the Roosevelt administration.

There came a time when something had to be done about it. The Governor of the State of Louisiana wired to the city of New Orleans that they had to close up that cesspool of hell or the militia would close it. The militia came into New Orleans. Where did the police department go? Did



the police department run to the city hall to protect the archives there? Did the police department run to the levee? No. The police department came and stayed that night in the red-light district for fear the militia was going to raid it, and gave notice that if that sacred place was raided they would resist it by an extra 1,000 policemen that they put on the pay roll. They did not guard the Capitoline Hill, the churches, the levee, or the archives; they guarded the red-light district that night—the property of the Roosevelt patronage dispensers in the city of New Orleans.

Now, the laws recently passed in our State do not please these men reporting to the President. These laws do not please these men through whom the President of the United States receives his messages from New Orleans. But it is time that the President of the United States turn and look to the people of Louisiana to send messages, instead of looking to the leaders who have been picked for him by a Tammany boss. It is time that he looked, Mr. President, to the people of Louisiana, the sovereign people of that State, to the ambassadors of that State sent here, and who will be sent here again. I helped to move my own election back to January next year, instead of running in September next year in the primaries, so that it might be made known early just how the people felt.

I want to say here that the President may have been innocently led into this thing, but he has had more warning than any man I ever heard of not to take any of it.

It is said that the waves of civilization have been beating against the shores of Africa for 6,000 years without ever being able to make any impression. But I will say that for nearly 600 days I have been beating these facts against the walls of the United States Senate in the hope that some day they would percolate some intellect through which they might reach the President of the United States to save him from the misguidance he is now receiving.

Why, only last year I produced before the Senate, and had read from this desk day after day and day after day, the reports that came from the banking department—reports that never have been disputed. On the contrary, when the head of the Home Loan Corporation was before the Committee on Finance he looked at the reports of what had been done and denounced them as a fraud, from his own lips.

I produced that information, and more information, in the United States Senate showing that through these loan agencies under the control of the patronage dispensers of the Roosevelt administration in some instances they loaned a man \$1,000 and that they took \$700 of it for profit. I showed time after time when they loaned \$4,000 they took \$2,000 of it. The names and dates, the ages and the heights, are all in the records of this Congress.

What did the administration do about it? They did not do a thing on God's earth about it. We could not get them to do anything about it. They left that man Paul B. Habans in charge of it, and he is in charge of it today. He continues such frauds as I read here against the old blind man and in favor of the rich oil operator. And finally we convened the legislature into session to pass one of these so-called "dictatorial laws", to make it a felony for any man to so use those departments as to swindle a man out of his Home Owners' Loan money, and only after Louisiana had forbidden it by penal statute were we able to stop this particular form of swindle that had persisted in that State from the very tentacles of the national administration in Washington through the appointment of those in charge in Louisiana.

Those are undisputed facts. And why would a people be afflicted with that kind of treatment? What is the reason for it? Because they say—I can only state what they say—because they say that the senior Senator from Louisiana is at outs with the Roosevelt administration, and that as long as the people of Louisiana are at outs with the Roosevelt administration through their senior Senator, that it is impossible for them to have other than publicly repudiated characters of that kind and stock manipulating the funds and affairs that affect and afflict that State from Washington. That is the reply we get.

Here are the facts, then: Mr. Babson says that Louisiana, in spite of all that can be done against it, with all the afflictions that can be urged upon it, Louisiana, none the less, rises and rises and continues to rise to the top of the heap—not, however, by reason of what has been done from Washington.

A short time ago the administration said to us that they wanted to appoint their own man down there to dispense the relief money. We said, "That satisfies us." They sent a young man down there to do it, and the job was turned over to him. Great newspaper write-ups were given. Over in Arkansas the Governor dispenses the relief through his own appointee. Over in Mississippi, I think, the Governor does the same thing. But, lo and behold, a great deal of claptrap came out that Louisiana was refusing to donate the proper amount to relief, and that they were going to have to withdraw from the State. I was informed at the same time, Mr. President, that the sister States to Louisiana were not contributing anything to this unemployment-relief fund. I may be wrong about that. I am giving you my information. I was informed that neither Mississippi nor Arkansas were contributing to that relief fund. Yet it was being administered by their Governors' own selections, as I understood, in both of those States. But, no, they had to have something from Louisiana. And so we assembled the legislature into special session and we got that something. We put 25 cents more tax on the corporation franchises and gave that to them, Mr. President. We gave them about \$450,000 a year. But we gave it to them from the proper source.

Somebody suggested a sales tax. But we said, "Oh, no. Here is a better method to get the money." And so we gave them 25-cents-on-the-dollar taxes on corporations, I think it was, or a guaranty of around \$450,000 a year. That much more, I am told, we gave than others.

Now, it may be in these other States they are giving more than that. It may be that Arkansas and Mississippi, which are on our north and our east, are doing that much or better, although I was informed to the contrary. But at least this much I wish the Senate to know, that a telegram was sent by the administrator of the relief funds that Louisiana had done everything on God's living earth that could be expected of that State in the way of contributing to the relief fund, notwithstanding the fact that our sovereign State was told that instead of the Governor selecting someone of his own choice that they wanted to send somebody else that was of their choice, because we were in bad with the national administration.

I have that telegram, and I send that telegram to the desk and ask that it be read.

The PRESIDENT pro tempore. The telegram will be read. The legislative clerk read as follows:

BATON ROUGE, LA., November 16, 1934.

HARRY L. HOPKINS,

Federal Emergency Relief Administrator,

1734 New York Avenue NW., Washington, D. C.:

It affords me a great deal of pleasure to report that the Louisiana Legislature in special session has voted all parishes authority to assess a special tax to be used exclusively for unemployables and mothers' aid cases. This tax, if exclusively resorted to, together with the State discretionary fund available through a 25-cents-per-thousand franchise tax voted in the August special session, will insure, we believe, adequate care on F. E. R. A. standards. The bills under Senator Long's sponsorship passed unanimously today. Senator Long has cooperated fully and has complied with every request I, as administrator for Louisiana, have made of him. I am sure you will be gratified as I have been.

HARRY J. EARLY.

Mr. LONG. Mr. President, we cannot cooperate in the policy of the national administration—and why? Because there are today 5,000,000 more people on the dole than there were a year ago. We cannot cooperate with that kind of system; not that we are against placing them on the dole, but with a policy which makes it necessary to place 5,000,000 more on the dole. We cannot cooperate with the policy of the administration, because 1,000,000 more people are unemployed. We cannot follow a policy which leads to more unemployment. We cannot follow the policies of the national administration because the earn-



ings of the millionaire and billionaire are on the up-grade, while the earnings of the common man and the poor people are on the down-grade. Therefore, we cannot cooperate in policies of that kind. Unquestionably we cannot put our head in the noose and follow along a blind and beaten path which means wreckage of the national administration if it does not mean wreckage for us at the same time.

There is another little beacon light which will show Members of the Senate where we are going. Several friends said this morning to me, "Where are we headed?" I am going to give you a little light so you will know where we are headed. According to the Federal Deposit Insurance Corporation we may know where we are headed. The Federal Deposit Insurance Corporation has said that after analyzing the bank accounts in the United States it has found that one one-hundred-and-fiftieth—get that!—one one-hundred-and-fiftieth part of the bank depositors own two-thirds of the money that is in the banks. Not one one-hundred-and-fiftieth part of all the people, but one one-hundred-and-fiftieth part of the people who have money to put in banks own two-thirds of the money that is on deposit in the banks. Do Senators want to know where we are headed? We are headed just as straight to hell as any bullet ever went to its mark.

What has been done for the few men? When Mr. Roosevelt was nominated as a candidate for President of the United States he knew where we were headed. He said so. I remember yet the great sense of satisfaction I felt when I came out of the Chicago convention, with headlines screaming that there was a Wheeler-Dill-Long senatorial bloc advocating the redistribution of wealth and that that bloc would be powerful. Where are the members of that bloc today? Dill has quit. WHEELER might as well have quit. I have been worse than he has been because I have fought hard every day.

But that is not all. There were men who left their party to fight for this cause; men who owed their seats in the United States Senate to the Republican or Independent voters of their States, men who owed their appointments to Republican governors. Among them was a Senator who came from the State of New Mexico, who left the selection of his party, who left his party, who cast his lot and everything he had with those who he believed were fighting for the salvation of humanity, who offered to sacrifice himself on the altar that he might fight to make man free. After he adopted and fought for the cause that he thought more liberal he was followed back to his home State where he naturally expected to be repudiated by the party which had sent him to the United States Senate. There he found that the same national administration which he helped to make was hounding him from post to pillar, but he was elected over their damnable opposition and sent back to this body. I shall not be surprised to see them try to kick him out of here even now. God help the country under such circumstances as that!

I wonder if my friend the senior Senator from Illinois [Mr. LEWIS] realizes the sincere motives behind those people who had every kind of offer to stay loyal to the old element and not go wafting away with this so-called "program that was going to make a search for the forgotten man"? What an example to hold out from this party to the men of the future!

We know that in normal times the Democratic vote is not the majority vote in the United States. It has not been since the Civil War. The Democrats of the United States have not been the majority party in the matter of votes. We have had to get the Progressives and some of the Republicans in order that we might win. We have set a beautiful beacon light, Mr. President. We have invited these men into our ranks and when they came in we have undertaken to persecute them from city to city, not for anything they are trying to get but for what they held before they threw their lot with us for the salvation of the American people. I may be tried in an election next January down in Louisiana. Just send down there and try me a lick on this thing

in this way! We moved the election in Louisiana earlier by a year so they can try me if they want to do it.

Mr. President, I had a little experience myself. When I came to the Senate I got into a little fight over a few matters. I probably should have listened more in the early days I was here, in the year 1932. I probably should have had a little less to say. It would have been better for me and perhaps better for the country for all I know. But it was for the benefit of the country and it had to be done if the present man in the White House was to get there. We had to have every vote we could get. Do not fool yourselves, Senators. We needed them all. One break in the line and we were gone at the Chicago convention and we knew it. No one knew it better than I did.

I was sent and I went with approval to conciliate and negotiate, if you call it that, to dicker, if you wish to call it that, with delegations from many States to try to get their support on the first, second, third, or any other roll call we could in order to nominate this man Roosevelt. I want to tell you, Mr. President, I had nothing in common with Tammany. But I went to Tammany and tried to line up Tammany. It was known that I went to Tammany. I went to Tammany at midnight; I went to see Mr. Jimmie Walker and Mr. John Curry, and our main forces knew all about it, and we tried mighty hard to get them. We did everything we could to get them. I did not go there without everybody knowing I was there. We did not know the lines could hold long enough to nominate our man. They had made unfortunate terms in agreeing on a man for permanent chairman of the Chicago convention, Mr. Jouett Shouse. If Mr. Jouett Shouse had been made permanent chairman of the Chicago convention there was not a hope on God's living earth that we should ever be able to nominate Roosevelt for President and he knew it.

We had to have a man friendly to us at least in fair respects, and perhaps in other respects. So we had to break the deal that had been made by Roosevelt. Mr. Roosevelt approved it. It had been made with the approval and with the sanction and with the consent of Mr. Roosevelt. When we went to him to save the day we told him we had to break that thing one way or the other. That is why we had to get down on our hands and knees and work from night until morning and from morning until night to try to save the Chicago convention for the Roosevelt forces.

We were going to break the two-thirds rule. I am the man given credit for trying to break the two-thirds rule, but I was not the man. I was simply carrying out what we all wanted to do. We did not think we could get a two-thirds vote and so we tried to break that rule. We could not get the votes to break the two-thirds rule. The only reason we could not was because the delegation from North Carolina ran out and would not stand by us.

Mr. BAILEY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from North Carolina?

Mr. LONG. Certainly.

Mr. BAILEY. The delegation from North Carolina did not run out. It had never run in! [Laughter.]

Mr. LONG. That is right, Mr. President, and I beg the Senator's pardon. We could not make them run in. We had them talked to from Hyde Park over the telephone, but that did not do any good either. That is why we could not break the two-thirds rule. We simply could not break it because we did not have the votes. We had talk in our ranks about getting up and walking out of the Chicago convention and running our candidate anyway if we could not get the votes to nominate him there. That talk was in our ranks, and not without some understanding, too.

So before the Chicago convention we placed before Roosevelt the fact of this so-called "bloc", that so-called "element of independence", and what we were fighting for. Were we fighting because of our personal love for Franklin Delano Roosevelt? Were we fighting because we wanted the Democratic emblem above the White House? More than that. We were fighting for no reason on God's earth



except that we had the pledged word of our candidate orally and in writing that there must be a spreading of wealth—building the common man up from the bottom and cutting the big man down from the top. We had his promise that the little man should be raised up in the status of wealth and that the big captains of wealth and industry should be pulled down. If anyone doubts that we had that word from the President, it will take no time at all for me to run back through the records I have already produced here. He said it time after time.

We come here today, those of us who have made that fight, those of us who have tried to keep him from going in the direction the consequences of which are what I have had read from the desk. We have tried to turn him away from a policy that leads toward death and destruction. We have tried, Mr. President, to secure the fulfillment and the accomplishment of what was promised to the American people. Those of us who have stood in that way, those of us who could not follow these erring policies, have been singled out and put upon a spot, not of glorification, but that the administration marksmen might see us and shoot at us from various and sundry directions. They gave me my particular part in it.

Let me refer now to the income-tax matters. They gave me my part. I was not up for the first election. We had a little election occurring in New Orleans between the New Orleans ring forces and the Long forces, let us call them. We had a good, high-sounding name, and they had a high-sounding name. Ours was the Louisiana Democratic Association, and theirs was the Regular Democratic Association; but the names of the parties were the "Long party" and the "ring party"—that is all.

The next day after we announced our ticket there came out from Washington, D. C., away across the headlines of the newspapers, eight columns wide:

HUEY P. LONG and 100 friends to be investigated for income taxes. HUEY P. LONG and the main 100 friends he has will be set upon by a horde of income-tax investigators, and all the crew and clique that chased Al Capone down in Chicago are being sent to New Orleans to get HUEY P. LONG.

They did not try to put any covering over this thing. They did not cream it over or put any geraniums beside it. They simply said in their headlines that inasmuch as they had put Al Capone behind the bars, now they had time to come and get HUEY P. LONG and his chief 100 friends. They were all going away. So the hordes were sent down to Louisiana, and they have had about 250 of them down there. They sit around in the offices all day long, and in Sullivan's office all night long. The proceedings of the grand jury are published on the front pages of the newspapers.

When a man is indicted they have already got the news set up in the newspapers, and it is on the streets just about the time they hand the indictment to the judge. Sometimes they have as many as 10 columns of printed matter in the paper. The day before the indictment is handed down the newspaper will say, "So-and-so will be indicted tomorrow morning", and that has gone on for some time, and so many more. They will say, "Witness So-and-so is here to testify and has testified before the grand jury to So-and-so." They say, "We have got 8 men indicted. We are going to indict 100 more."

They go to men who put up money for the Huey Long organization, and they quiz them, and tell them the danger they are in. They go and tell them that they dare not put up another cent, because they have already indicted 8, and they will probably have to indict 800.

That is not all they did. Nobody is afraid of them, either. You can put that down. I have been through this thing before. I have been indicted for everything from stealing a cord of wood up to murder. [Laughter.] There is nothing left to indict me for. [Laughter.] I want to tell you one thing: I am glad it is I they have picked out, Mr. President. There may not be many who can stand it like I can. [Laughter.] When they undertook to impeach me in 1921 for fighting the Standard Oil Co., one old brother

came to pray for me, and said, "I sure wish I was in your place." I said, "I am glad you are not, because you would not be there very long."

We went through the impeachment of 1921 and the indictment, and that came out all right. Then we went through 1929 with an indictment and impeachment, and that came out all right. Up to this time they have offered immunity to every man from the Great Lakes to the Gulf of Mexico if he would wash away his own sins by simply saying that he did it to help HUEY LONG, so that they might have something to indict me on; and why they have not already done it I do not know. [Laughter.] Every horse thief and crook from Dan to Beersheba has been sought out. Everything I say here is susceptible of proof under oath, gentlemen of the Senate. If any of you think the statements I am making are so wild that the truth of them ought to be shown, you just offer a resolution of investigation and we will go right out and prove them before you get back. We will have the witnesses right up here to prove everything I have said to you. It is not half told. I could not tell it all.

They are not going to have any question about this indictment. They get them up a grand jury to investigate the Long forces. They are very generous about this grand jury. Here is a list of the grand jury.

To begin with, the first thing that we had up here last year was the nomination of a candidate for United States attorney in Louisiana, a gentleman by the name of René A. Viosca—V-i-o-s-c-a. That is Dutch spelled Spanish. [Laughter.] Mr. Viosca came up here, and he was accused by me, as the chairman of the subcommittee, of being implicated in a swindle by which the mails were used to defraud innocent investors of \$6,000,000 through a fake bridge scheme. When we had produced proof of the matter so conclusive that no man on God's living earth could contradict it we wired Mr. Viosca asking him if he did not want to come before us. Up to that time he had not asked to come at all; so I said to the Senator from Idaho [Mr. BORAH] and the Senator from Illinois [Mr. DIETERICH], "We ought to wire this man if he is not coming of his own accord. If he is not going to ask to appear, we ought to ask him to come before us if he wants to." So we sent him a telegram, and he said he would come any time we wanted him or any time we would receive him; and we wired him to come up, I think, on a Monday morning.

Mr. Viosca went before this subcommittee of which I was the chairman—and I do not give his exact words, but I can almost quote them, I feel certain. He said, when he was finally wound up in this transaction to the point where he could not deny it any longer, "I want to say to you, Senator LONG, that this is a swindle and a fraud, and that I will condemn it in every term you will condemn it in, but that I was not any party to that part of it"; and we twisted him up to where his own name was on the prospectus that went out; and we twisted him up to where he was a stockholder and a bondholder. We put it so close to his eyes that a man 4,000,000 miles away would not have questioned it for an iota of a second; and by unanimous report of the Judiciary Committee—I was the chairman of the subcommittee—we reported unfavorably on this man who was in that swindle, that fraud that went through the mail, together with those other men, all of whom ought long since to have been prosecuted for using the mails to defraud. Not one of them had a defense on God's living face of the earth.

Just to give you one glimpse of the import of that fraud, they put on the prospectus, where a free bridge was to go, that it was a ferry route. There was a law requiring the free bridge to be built, and the money had been raised to build a free bridge that HUEY LONG later built out of New Orleans. There was a law, and the money had been raised, that a free bridge should go over Lake Pontchartrain to the eastern outlet of the Spanish Trail out of New Orleans. They got a hokus-pokus franchise to build a toll bridge right beside it, and sent out to the innocent investors the statement that their only competition was a ferry; and through that kind of a fraud that was sent out through the



mails the investors in Illinois, Oregon, New York, Wisconsin, and everywhere else were led to put up \$6,000,000 that was swallowed by these grafters. So we went into the United States Senate and produced our proof, and they flew the coop. Not a man on the floor of the Senate, for the administration or anybody else, would lift his voice in favor of Viosca. They did raise their voices for D. D. Moore; but when it came to the case of Viosca there was not a single man from any State who would say, on this floor or off this floor, that Viosca was fit to be United States district attorney.

When the Judiciary Committee reported Viosca unanimously unfavorably the President withdrew his name. Then the Senate adjourned, but by an order of the judge of that court Mr. Viosca was reappointed to serve as district attorney.

Then they got up a grand jury to pass upon HUEY LONG. Whom did they pick for foreman of the grand jury? Lord bless your soul, they picked Arthur C. Waters, the sales manager of the Watson-Williams bridge syndicate that sold the \$6,000,000 worth of crooked bonds.

Marvelous situation! They finally decided to clean our plow without ever letting us be heard at all. Political campaigns were coming on, and they had to get some indictments very quickly; and so they picked Arthur C. Waters, of the firm of Waters & Alcus, formerly Woolfork, Waters & Co., sales managers of the bonds of the Watson-Williams toll bridge; and to be sure he did not get loose from them—they wanted to be certain he was tied down by some other tie of protection and contact—so, just as luck would have it, who is Mr. Arthur C. Waters? He is a nephew of Joseph W. Carroll, who is the attorney for the American Sugar Refining Co. and the Standard Oil Co.

Was not that a nice thing to fix it up with? They put this bird Viosca back in there to handle the grand jury, and gave him a foreman who was in on this crooked deal with him and who was a nephew of the lawyer of the Standard Oil interest and of the American Sugar Refining Co.

Another one was Mr. George W. Bernard. Who was he that they picked on this grand jury? Why, he was a partner of the campaign manager of "Turkey-head" Walmsley, the candidate for mayor on the ring ticket. They picked the partner of the campaign manager of the head of the New Orleans ring for another member of the grand jury. [To Senator Lewis:] "Turkey head" is the name by which Walmsley is generally known down there. It does not mean the kind of turkey the Senator is thinking about. The turkey buzzard represents the type to which I refer. [Laughter.]

The next man was Mr. F. J. De Fuentes. Who is F. J. De Fuentes? Why, he is a factor of the New Orleans Cotton Exchange that we put the tax on for future trading. He makes future sales of cotton. This is the way they make those future cotton sales:

The year that we raised 10,000,000 bales of cotton in this country they sold 60,000,000 bales of cotton in future sales in New Orleans and, I think, about 90,000,000 bales of futures in New York, and thirty or forty million bales in Chicago—future cotton sales. They sold 190,000,000 bales of cotton, and we raised only 10,000,000 bales. They sold 180,000,000 bales of cotton that never saw a cotton patch. Every time, therefore, that they sold one of those bales of so-called "cotton", the exchange was just selling this old farmer's bale of cotton 19 times. Every time they sold it they would take out a broker's commission, and an exchange fee, and a pound and a half as samples, and then they would put the bale back over there, and it would rest a while, and they would bring it out and sell it again and take another exchange fee and a pound and a half of samples and a broker's commission. For every bale of actual cotton that was sold they took out 19 exchange fees and 19 brokers' commissions and 19 samples, and they gave the farmer what was left after they had passed it through certain things, if there was anything left.

We put a little tax on there that they said was going to close down the cotton exchange—2 cents on the hundred dollars. What did we wind up with? We wound up with a man from the cotton exchange on the grand jury, and the

next day they indicted my friends down there on income taxes.

All right. I will skip down to another man. This is a pretty good one. They put Mr. Brazer Finley on the grand jury. He had openly signed the call for the mass meeting to mob the legislature that was threatening to put on these taxes. They put him on the grand jury.

Then they put on a man named Lewis G. Hooper. Who was he? Why, he was a relative of the man who had received the approval of Mr. Jim Farley and had been made engineer for the P. W. A.; so they put him on the grand jury, through the appointment of Sullivan.

Then there is Henry T. Howard. Who was he? He was a grandson of the founder of the Louisiana Lottery Co., of which we know something. They put him on the grand jury, a nephew of the Times-Picayune dictator, Alvin P. Howard, and, according to the street rumors—and they tell all that happens before the grand jury down there, print it in the paper—the man Alvin P. Howard who was accused of some income-tax violation. They said, "Here is the case of Alvin P. Howard, who is an uncle of this young man sitting on the grand jury. What about him?" They said, "He has swindled the Government out of \$169,000. He sold to a securities company a large amount of stock, and bought it back the next day, in order to beat the income tax." What happened to him? They said they were not after him at all. They were after HUEY LONG. "Dig and dig and dig and dig. Millions and millions and millions to spend to see if there is not some way of indicting and prosecuting HUEY P. LONG, but the \$169,000 swindle of Alvin P. Howard—we do not want any indictment of that kind of gentlemen. That is not the purpose of this investigation."

I will go a little further. They had a man by the name of F. Lloyd Monroe. Who was F. Lloyd Monroe? F. Lloyd Monroe was an employee or an officer of the securities company they had charged with this swindle, where they had exchanged this stock.

There were also Bryan O. Reynolds; then Adolph Ricks, a relative of one formerly a ring commissioner there; and Francis G. Sellman. Who was Mr. Sellman? He was related to James L. Sellman, an agent of the United States Internal Revenue Department. Of course, he would be a fair man.

Gail S. Young. Who was he? He was an employee of James Smithers, who was in charge of this fake bridge they had built out there to swindle investors to the extent of \$6,000,000 worth of investments.

I have not read all, but that is the kind of ensemble they fixed, and sent 250 men, so I am told, to rake up the bottoms of the earth to try to get something.

Just before election time they made a spread. Here is a sample of their spread:

Long leader accused of tax evasion.

That was a great big eight-column headline. That may affect somebody, but it has never yet affected the voters of the State of Louisiana.

I will give you another little example of what is going on. They indicted a Republican in Louisiana by the name of Lawrence L. Merrigan. He was indicted on the ground that while he was a collector of internal revenue, he allowed employees of that department to contribute to the Republican campaign fund. He has been indicted now for nearly a year or more. Was there anybody else in that condition? Let us see.

Mr. President, Mr. Alvin F. Fix, late collector of internal revenue of the Philadelphia (Pa.) district, and another national committeeman, or some man about like him, were suspended. I have the paper here, the Philadelphia Inquirer, and the headline is:

Fix and five aides are suspended in election macing; Federal men hit by order of Roosevelt; Internal Revenue Collector P. J. Rellly, Henry L. Haines, John J. Gegan, Robert M. Black, and William E. Brown all relieved of duties by Morgenthau.

The headlines continue:

Action follows hearing in Treasury office; criminal prosecution likely if allegations are sustained; charged with blackjacking to aid in the Democratic campaign.



They sustained the charges, I understand, that these men were found to have been collecting money from employees in the Department of Internal Revenue, but they have never yet indicted or prosecuted Alvin F. Fix, and my understanding is that he probably will not be.

Lo and behold, it happened that there was a little fellow by the name of Lawrence F. Merrigan down in Louisiana who had been accused of the same thing. He had been put out of office for a long time, and they went back and dug up something that was supposed to have happened nearly 2 years before that time in order to indict this little man by the name of Lawrence F. Merrigan. Why did they go after Lawrence F. Merrigan? I will tell you why. Lawrence F. Merrigan wrote a letter to the Department of Internal Revenue, to Guy T. Helvering, which I read before the Senate. Lawrence Merrigan did not give me that letter which he wrote, but I got hold of it in a way that some day I may have to tell. Lawrence Merrigan wrote a letter to Mr. Guy T. Helvering at a time when he was serving as internal-revenue collector in Louisiana, and he told them that they had sent hundreds and hundreds of men down there instructing him that he had to do something to help get something on HUEY P. LONG. He told them in this letter that I had been investigated for 1928 and 1929 and 1930 and 1931; he told them that they had had hundreds and hundreds of men, and he said, "I have not been able to find anything to indict him on or present any charge against him on, and I ask you to give me instructions whose orders I must take. Must I take the written orders coming out of Washington, or must I take these orders which come to me by word of mouth from this flock of internal-revenue agents who are coming down to the State of Louisiana?"

What did they do with this man? They summoned a grand jury and indicted him within a short time after I made public that letter. The only reason on God's earth why they ever indicted that man, Lawrence Merrigan, was the fact that I had offered that letter here on the floor of the Senate and they thought Merrigan had given it out.

Did they act as if they were going to clean up the Augean stables? No. We were told on the 30th day of May 1934 in glaring headlines that the blackjacking of employees had been going on, and up until this time there has been no such thing as a semblance of a prosecution, and Merrigan has never been able to get his case tried.

Mr. President, public life is not so dear to me, public life does not mean so much to me, that I will endorse such practices in order to share in a little Federal patronage. If, in order that I may be recognized in the dispensation of a few little plums and doles in my State, I must bend my knees to that kind of illegal crookedness and favoritism; if I have to join a policy which leads irresistibly and irretrievably to the wreckage and ruin of the masses of the country; if I, remembering the midnight oil I have burned in acquiring the little learning I have managed to secure; if, after the perusal I have made of the lights of ancient and medieval and modern times and all of the crusading I have done in politics, must kneel to such crooks as may be employed by men like Jim Farley—God send me to hell before I bring myself to go through that kind of thing in order to get patronage.

There may be Democrats here who will bend their knees and truckle their souls and their consciences to that kind of a crook and demon, who goes into the red-light districts, into the dives of demons and dens of hell, in order that they might have favoritism with the heads of the party; but I do not want recognition from the heads of the party that bad.

I am the head of the Democratic Party in Louisiana by choice of the people of that State. I was elected national Democratic committeeman, I was elected United States Senator. I was elected Governor, and the other day I was elected chairman of the Democratic State central committee. So far as the Democratic Party amounts to anything in Louisiana, I do not know of anything more I could get to show that I enjoy the confidence of the Democrats of the State of Louisiana than I have received at the hands of the people of that State. But if Democratic

recognition must come from such affiliation, if any dispensation of patronage has to come in that way, then I can afford to let the party settle to such levels as will allow me to maintain my own self-respect and follow the policies desired by the people of my State.

Just one more word or two, and I shall be through. I see that there has been a probe of the munitions makers. Old Baruch came back again. God bless old Barney! He will never leave. He has been here with every President, and has helped to ruin them all. He was the guiding counselor when they sent Hoover to the demnition bowwows. He was here when Wilson made his last licks, and he has been here with Roosevelt ever since we put him in. It was old Baruch, as I look at my friend the Senator from Montana [Mr. WHEELER], who sits so silent and says nothing—it was old Baruch that led me to warn that I did not want to support Mr. Franklin Delano Roosevelt. When I reached the Senate I did not want to support him. I said he would not do.

I was a country boy, raised in the pine hills of Winn Parish, and I had been taught to beware of the men who were smarter than I was. Away back in early life my grandfather had some cotton that had to be picked, and it was getting close to frost time and the rainy season. If the rain and the frost hit the cotton, there would be no more cotton picked, and we would lose the crop. So he sent out a call for cotton pickers and they came in.

One man came in and picked 450 pounds of cotton the first day. That was about three times as much as an ordinary cotton picker can pick. They were paying these men 50 cents a hundred and board. Naturally a man who picked 450 pounds of cotton not only helped get out the cotton crop but he saved the board of two extra men.

When this man picked 450 pounds of cotton, my grandfather fired him that night. Why? He said, "I don't keep anybody around here smarter than I am. I will be working for him if I do." And he let him go. [Laughter.]

Mr. President, there were entirely too many words being used by those candidates during those days to try to find out what they meant. They were spending entirely too many words in trying to find out what they did mean. So I was somewhat suspicious of all of them.

One day I was in New York, and I telephoned my friend the Senator from Montana [Mr. WHEELER], who now sits in this body, that he was supposed to come to New York that day, and I wanted to discuss with him the candidacy of the President, to tell him that I believed I had information enough to convince him that we ought to go somewhere else for a candidate. It was the Senator from Montana who declined to come to New York, and notified me he was on his way to Hyde Park.

Some short time later I had what I considered the guidance of the masterful intellect of the Senator from Nebraska, on the Republican side of the fence, and the Senator from Montana on the Democratic side of the fence. I loaded on the Roosevelt bandwagon, boots, saddle, and all, and when I load, I go the whole way. I am very much like our old leader was on the question of free silver. One of his friends went to him and said, "What do you want me to be, for gold or silver?" He said, "Leave me your pamphlets here, and I will look them over, and I will tell you which way to go." He went back to see him a week later, and he said, "I cannot make up my mind. The arguments on one side are just about as good as the arguments on the other. Come back next Monday, and I will tell you." He went back on the next Monday, and he said, "I still cannot make up my mind. It seems like the gold has the better of it until I read about silver, and then it seems that the silver has the better of it until I read about gold. Come back here Wednesday, and I will be able to tell you which side I will go on, and whichever side I take, I sure am going to be bitter, when I do decide where I am about this matter."

Well, when I finally found out I was on the Roosevelt side I was bitter about the proposition, and I went on the Roosevelt side of the campaign. When I sat back at my ease in my contented den in Louisiana with the clouds rolling by in these other States; when I sat there in that lurid



atmosphere of peace and quiet and good will among men, and thought of my friend from Nebraska, I wondered how he felt when Jim Farley sent his horde out to New Mexico to yank out another man who followed his teaching like I did and went for Roosevelt. I wondered how my friend, the Honorable GEORGE W. NORRIS, felt. I wondered if he felt like he could walk out among his constituents and hold his head up when all the pack had gathered for the chase to throw BRONSON CUTTING out of the United States Senate—who had followed along and left his party in order to see the present occupant go to the White House.

Why, it was enough, Mr. President, so that none of us would ever again feel like getting into any politics. None of the trials and fights that I have ever faced ever held a candle to that spectacle.

Why, Mr. President, after I had raised money and sent it to New York on days when they told me they would not be able to pay the stenographers in some of the little offices if money did not come in, and when I went out and raised the money and sent it to them—it is bad enough to see the men who gave that money hounded in the city of New Orleans and Louisiana by revenue collectors undertaking to indict them because they had been friends to me in that time when Roosevelt was crying for money—I say that was bad, but I never saw a thing in my life like this other spectacle. When I thought of my friends being thus hounded, I could console myself and feel comforted. It was as a song to quiet a troubled soul compared to the spectacle I could look at where they had gone thousands of miles to New Mexico to chase out of the United States Senate the man who had left his party for the sake of humanity in order to help us in that election of 1932.

I cannot be in with that line of policy. If that is necessary in order to get the patronage of the Democratic Party in Louisiana, then count me out.

I cannot follow that line of policy. I cannot check in on that line of reasoning. I have never yet been taught that line by which you allow your friend to pull you as far up the hill as he can and then stab him in the back so that you can put somebody else in his place. I have never been taught that that is an act of gratitude to humanity. I have never been taught that that is an act of sound public politics or of sound government. So I cannot check in on that line. And I will not be found in that kind of politics.

Well, now, old Barney Baruch comes back. Bless your soul, old Barney appears on the scene just in time. There are some people who think that Barney comes when he should not come, but that is wrong. He comes when he should come. Down in Bolivia they have a whole lot of tinplate. In fact, they have so much tinplate down there that the English Government tries to keep it from coming out because it destroys the market for the tinware. Now, Mr. Baruch appeared here the other day before the United States Senate and gave a little testimony. What was his testimony? He swore—or rather he said—I did not hear him; I just read it in the newspapers, and that is the only way I have to get the news these days—he said that the United States Government ought to stock up on tinware immediately; that we ought to buy all the tinplate we could right now. Why? Well, Bolivia is in a war for the Standard Oil Co. against Paraguay down there in South America. The Standard Oil Co. wanted to take some possessions that had been awarded by the President of the United States in the treaty in the arranging of which he had acted as a negotiator and as a mediator. The President had awarded the Chaco district to Paraguay; so now, in order that they get this property for the Standard Oil Co. that had been officially decided to belong to Paraguay by Rutherford B. Hayes, President of the United States, they finance Bolivia down there to bring a war on Paraguay to capture this oil territory in the very Chaco district that had previously been awarded to Paraguay.

Well, Bolivia, I understand, owes the United States \$68,000,000; and they have defaulted on their loan. The Standard Oil Co. has put up about all the money they want to right now, and the battles are not going very well. Under the

Johnson bill, which was adopted here in the United States Senate and also was adopted by the House of Representatives, which prevents the United States lending any money to a foreign country which is in default on obligations, Bolivia cannot borrow any more money. So along comes Mr. Barney Baruch—and God save him for us for future generations to come. I hope that man is here for some years to come so as to show people just what they have got to go up against in future times compared with what we have had to contend with, poor simpletons, in the present day—along comes Barney Baruch and says that America ought to buy up immense stores of tinware and tinplate.

That is about the same thing as saying that America ought to go down to Bolivia and give enough money out of the Treasury of the United States for Bolivia to keep up this war against Paraguay, because the United States cannot lend Bolivia any more money now that the Johnson bill has passed, because Bolivia is in default on \$68,000,000 which that country already has borrowed.

Now, if that were the only thing to stand out you might disbelieve me. But it is not. The Senator from Nevada presented a bill here to the United States Senate in the last Congress in which he asked that we pass a law forbidding exportation of munitions to either Bolivia or Paraguay. He said that there was immediate necessity for such action. I had the floor that day, I think, when he rose and asked to be recognized, and he asked that I yield the floor in order that this bill might have immediate action and immediate passage, and without reading his actual remarks I can state to the Senate the substance of them, and they were that we should immediately pass the bill because we ought to stop these munitions from being exported to these two countries immediately.

Well, we passed the bill immediately. Did it stop the export in arms? If it did, the Standard Oil Co. did not know it. They said that they had already contracted to buy some munitions in this country, and they called upon the Department of Justice for a ruling as to whether or not the law forbids them from exporting what they had already bought and contracted to buy, and the Attorney General's office ruled that that was a matter for the courts to decide; that he did not know; and, therefore, they said, "Well, we already had a lot bought from Tom Smith and Jones & Co."; and when that ran out they had some more bought; and, therefore, they have been exporting arms and munitions to Bolivia ever since we enacted that law, notwithstanding the fact that we did it in all the haste and hurry on the ground that we were going to stop the war in which Bolivia is trying to take away what the United States President said already belongs to Paraguay.

So that is the condition and that is the policy, and we are called upon to endorse that policy or else we are called upon to be excommunicated from the patronage that belongs to a State.

I have been unable to go along the line of that policy. I have predicted what that means, and I so believed it at the time it was begun.

Now, I believe, Mr. President, that I will not proceed farther, except to say one word in defense of our debt-moratorium law. We enacted a law in Louisiana after we waited for relief—a debt-moratorium law to suspend the payment of debts that people are not able to pay. I have letters in my hand showing the approval of that law by everyone. I look for that law to become a national law. I intend to offer such a bill in this Congress.

#### ADJOURNMENT TO THURSDAY

Mr. ROBINSON. Mr. President, unless there is something further to come before the Senate, I shall move an adjournment until 12 o'clock noon on Thursday next, in order to give the committees an opportunity to transact business.

I now move that the Senate adjourn until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 2 o'clock and 55 minutes p. m.) the Senate adjourned until Thursday, January 10, 1935, at 12 o'clock meridian.



## HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 7, 1935

(Legislative day of Thursday, Jan. 3, 1935)

The recess having expired, the House (at 12 o'clock noon) was called to order by the Speaker.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed the following resolutions:

## Senate Resolution 10

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. Henry T. Rainey, late Speaker of the House of Representatives.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12 o'clock meridian on Monday next.

## Senate Resolution 11

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. Frederick Landis, late a Representative-elect from the State of Indiana.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased the Senate do now take a recess until 12 o'clock meridian on Monday next.

The message also announced that the Vice President had appointed Mr. HAYDEN and Mr. VANDENBERG members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive department", for the disposition of useless papers in the Government Printing Office.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

## SWEARING IN OF A MEMBER

Mr. SNELL. Mr. Speaker, the gentleman from Ohio [Mr. MARSHALL] is present and wishes to take the oath of office.

Mr. MARSHALL appeared at the bar of the House and took the oath of office.

## RESIGNATION OF A MEMBER

The SPEAKER. The Chair holds a letter of resignation of the Honorable Frank Oliver, of New York, which was addressed to the late Speaker of the House last June. The letter came after Congress adjourned. I think it proper that it should be read from the desk and printed in the RECORD.

The Clerk read as follows:

JUNE 21, 1934.

HON. HENRY T. RAINEY,  
Speaker of the House of Representatives,  
Washington, D. C.

I have the honor to inform you by this letter that at midnight June 18, 1934, I accepted the office of magistrate of the city of New York and duly sent my resignation to the proper officials, to wit, the secretary of state and the Governor.

Faithfully,

FRANK OLIVER.

## THE BUDGET

The SPEAKER laid before the House a message from the President of the United States, which was read.

(For message see Senate proceedings, p. 141, of this day.)

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the message, with the accompanying papers, be referred to the Committee on Appropriations and ordered printed.

The motion was agreed to.

## COMMITTEE ON APPROPRIATIONS—LEAVE TO SIT DURING SESSIONS OF THE HOUSE

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the desk.

The Clerk read as follows:

## House Resolution 32

*Resolved*, That the Committee on Appropriations and the subcommittees thereof be authorized to sit during sessions and recesses of the Seventy-fourth Congress.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

## EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to speak for 1 minute in order to submit a request for unanimous consent.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, I have just introduced and placed in the basket a bill making it a serious offense for anyone to advocate the overthrow of this Government by force and violence. It is an exact copy of the bill which in a former Congress was introduced by our colleague, now deceased, Mr. Eslick, of Tennessee, and but for his untimely death, would have been passed.

In such connection I want to call attention to the patriotic and magnificent radio address made last Saturday by William Randolph Hearst and published in yesterday's Washington Herald, entitled "Government by the Proletariat."

We have no proletariat in the United States, because all citizens here have equal rights under the law, and the poorest and least consequential of today may be the richest and most powerful of tomorrow.

This address of Mr. Hearst is most timely. I wish that it could be read to every boy and girl in every school in the land. They would better appreciate our own Constitution and Government. It is so very important and contains so many significant facts regarding the enslaving of the people of Russia by the so-called "proletariat" government, that I ask unanimous consent to extend my remarks in the RECORD by incorporating this Hearst address.

The SPEAKER. Is there objection?

There was no objection.

The following is the address, as it appeared in the Washington Herald, January 6, 1935:

## GOVERNMENT BY THE PROLETARIAT

A radio address by William Randolph Hearst

I have to thank that great Nation-wide network, the National Broadcasting Co., and its distinguished president, Mr. M. H. Aylesworth, for the opportunity afforded me of addressing their vast audience.

The proletariat, as the dictionary defines it, was the lowest order of citizenship in Rome.

This class was without property of any kind, and without the constructive or executive ability to acquire any.

In Russia, during the disorder which followed the World War, this class obtained, by force and violence, complete control of the powers of government.

Is this class, which is the least able successfully to manage its own affairs, the best able to manage the affairs of a nation?

The promised proletarian utopia in Russia should offer evidence. It does. And, apparently, all is not well in utopia.

Despite the assurances of the Russian Soviet, there are evidences of rising revolution against the new regime.

One high official of the Government has been assassinated by the revolutionists.

One hundred and seventeen so-called "conspirators" have been executed for protest against what they call "a government of cruelty and incompetence."

Five people have been shot for stealing bread in Moscow, and 17 have been sent to prison or to Siberia for the same offense.

Two thousand peasant farmers were slaughtered in one day by the Red Army, and many more thousands, driven from their homes, fled into Afghanistan.

What was the crime of these farmers?

It would not be a crime in a contemptible capitalist country like ours.

They merely tried to save from the rapacious Red Army enough of their own grain to preserve themselves from starvation.

So the Red Army shot them down with machine guns and blew them to pieces with bombs from the air.

And as a climax of class cruelty, the firing squads of the Red Army lined 14 mayors, or head men, of peasant villages up against



the wall and shot them to death in the name of order, discipline, and obedience.

Thus, you see, my friends, there is assassination in Russia.

There is the rumbling of revolution.

There is wholesale execution of political opponents.

And there is starvation.

An utopia without food is not so satisfying to the plundered or even to the plunderers.

And Russia is starving now and has been starving.

If you do not believe it, read the statement of Dr. Edwalde Ammende, in the New York Times, as long ago as August 4th of last year.

Dr. Ammende is a figure of importance.

He speaks with authority.

He is chairman of the International Committee for the Relief of Soviet Russia.

He said that, "In 1933 millions of people died in the Soviet Union because relief was not forthcoming in due time."

Dr. Ammende displayed photographs, issued officially, depicting the bodies of starved peasants lying in gutters and along sidewalks.

"Last year", said Dr. Ammende, "it was admitted that the grain crop was fair."

"Even then it is estimated that between 5,000,000 and 10,000,000 people died of starvation."

"This fall and winter", continued Dr. Ammende, "it will be at least as bad."

This means that 5,000,000 or 10,000,000 more peasants will die of starvation.

And all this is happening in proletarian utopia.

All these calamitous conditions exist as a direct consequence of this "noble experiment" of communism, this optimistic adventure in government by the least executive element of the community, this so-called "idealistic", but actually sadistic, proletarian despotism, which some lunatics in our country desire us to imitate.

Furthermore, all this suffering, starvation, and wholesale death is occurring in the midst of comparative plenty.

Peter Khrisanov, attaché of the Washington Embassy of the Union of Soviet Socialist Republics, said recently:

"In spite of the drought in some sections the harvest (of 1934) is expected to compare favorably with the bumper crop of 1933."

Apparently, then, 1933 had a bumper crop, and still 5,000,000 to 10,000,000 peasants starved to death.

"The harvest (of 1934) is expected to compare favorably with the bumper crop of 1933", and still 5,000,000 to 10,000,000 peasants are expected to starve to death in 1934.

How is this possible?

Mr. Kossior, well-known member of the Moscow Politbureau, gives an inkling of the explanation in a statement before the plenum of the executive committee of the Communist Party of the Soviet Ukraine.

"We know by experience", stated Mr. Kossior, as reported in the official organ of the Soviet Government, the *Izvestia*, "that the question is not only how large the crop is, but how much grain we shall succeed in collecting."

"That", says Mr. Kossior, "is decisive. And how much we collect depends on us."

Dr. Ammende also explains.

Says Dr. Ammende:

"All available forces are now mobilized with the object of depriving the producer of his grain strictly according to the plan drawn up by the Kremlin months ago."

"The very existence of the population of the industrial districts, the feeding of the populations of the big towns, of the members of the Communist Party of the Red Army, as well as the maintenance of the grain export—the chief source of the Soviet Government for getting much-needed foreign exchange—depends entirely upon the success of the harvest campaign—which means, my friends, the campaign of spoliation."

By what method is this grain ravished from the Russian peasants, while they are left to starve?

Harold Denny, Russian correspondent of the New York Times, declares that there is going on in connection with this year's campaign of spoliation a struggle "of a nature and intensity probably never before seen in the world."

He further remarks that this harvesting campaign is being carried through by the Soviet authorities "like a military offensive."

Dr. Ammende declares in support of these statements that the tragic import "is that the individual peasants, after they have delivered the grain, will not keep sufficient to guarantee their existence until the coming winter."

There is the answer.

That is the reason why 5,000,000 to 10,000,000 Russian farmers die of starvation each year.

They die so that communism and the Communists may be supported, so that the Red Army may be maintained, so that the tyranny of the proletariat—the rule of the least capable, the least successful and the least humanitarian element of the community—may be continued.

And who is expected to maintain the iron despotism of the proletariat?

Who is expected to continue the murderous oppression by the blood Red Army?

Who is expected to see to it that Russia gets the "much-needed foreign exchange" to keep her hideous tyranny, her monstrous and monumental governmental failure going?

Why, of course, we citizens of America; we despised American bourgeois, we American farmers—brothers of the skeletons on the Russian sidewalks and in the gutters; we foul and filthy American capitalists; we misguided and mistaken supporters of a free republic.

We stupid and ignorant believers in liberty and democracy—we are supposed to contribute to the maintenance of the most brutal and bloody despotism that ever disgraced and defiled God's earth.

More people dead by famine in Russia in 2 years than died in the whole 5 years' slaughter of the World War, and we are supposed to come to the rescue of the Kremlin, this charnel house built of bones and cemented with innocent blood.

We are supposed to rescue this vile and vicious system of robbery and murder, so that these Communists can, in turn, proselyte in our country to the end that we be robbed and murdered also.

We, to our own undoing, are supposed to save the Soviets from the righteous resentment of their own oppressed people.

How are we going to save the Soviets?

Dr. Ammende points the way.

We must come to their aid with our grain surpluses.

"Economists", says Dr. Ammende, "have been wondering how to dispose of these surpluses which contribute to the distress of your own agriculturists, and this seems to be a logical reply."

Dr. Ammende then declared that the most tragic feature of the 1933 famine was the fact that while "millions of human beings were dying of hunger in the Ukraine" and other sections of the country, some 70,000,000 bushels of grain (68,893,323 bushels to be exact) were exported by the Soviets to acquire foreign money.

"There is no doubt whatever", said Dr. Ammende, "that the grain which was exported would have saved the lives of a few million human beings."

"Just a few million", says Dr. Ammende lightly; but continues he sadly:

"Their lives were not saved."

"It is for me", says Dr. Ammende, "a great satisfaction to note that the leaders of the churches and the religious organizations in the United States shared the opinion that the question of relief for the starving people of the Soviet Union must be dealt with independently of the political considerations as a purely humanitarian problem."

How can we regard the question "independently of the political considerations"?

How can we give aid and comfort to a gang of criminal Communists who are robbing and murdering harmless farmers "to acquire foreign money" in order to support the government of the proletariat, and to maintain the Red Army, which keeps the proletariat in power?

No wonder Lenin said:

"The dictatorship of the proletariat is nothing else than power based upon force and limited by nothing—by no kind of law and by absolutely no rule."

No wonder the Congress of the Komintern, or the Communist Internationale, declared:

"The conquest of power by the proletariat is the violent abolition of the power of the bourgeoisie, the destruction of the machinery of the capitalist state."

"We proclaim openly that our design can only be realized by the violent overthrow of the entire traditional social order."

And then comes Stalin, in a public address to American Communists, and says:

"The American Communist Party must be improved and bolshevized."

"For that end we must work in order to forge real revolutionary cadres and a real revolutionary leadership of the proletariat, capable of leading the many millions of the American working class toward the revolutionary class struggles."

Well, citizens of free America, do we want the cruel class rule of the incompetent proletariat in our country?

Do we want a dictatorship based upon force and limited by no kind of law and absolutely no rule?

Do we want to see the violent overthrow of the entire traditional social order?

Do any genuinely American workers want to see the American working class led toward revolutionary class struggles?

Do our farmers want to be starved to death to support a Red Army, a blood-stained army which will murder them?

Do our competent business men, who have built the wealth of this Nation, want to be plundered and driven out of business by a thriftless and shiftless crew of organized incompetents?

Do our orderly political leaders want to be replaced by a revolutionary band of ruthless assassins?

Does anybody want the bloody despotism of communism in our free America except a few incurable malcontents, a few sap-headed college boys, and a few unbalanced college professors who teach the young and inexperienced that the robbery and rapine of communism is—God save the mark—ideology?

Of course, the Soviets will say that Mr. Harold Denny, Russian correspondent of the New York Times, lies; that Dr. Edwalde Ammende, honorary secretary of the International Aid Committee for the Starvation Districts of Soviet Russia, lies; that Cardinal In-nitzer, who is president of the committee, lies; that Dr. Ammende's official photographs lie; that the *Izvestia*, official organ of the Soviet Government, lies; that Mr. Kossior, well-known member of the Moscow Politbureau, lies; that everybody lies; that there is no famine in Russia, no oppression in Russia, no murder in Russia; that there is nothing in Russia but peace and prosperity



and harmony and contentment—nothing but brotherly love and tender solicitude for the welfare of all.

But in spite of the utter lack of liberty in Russia, in spite of the total suppression of free speech, in spite of the utter abolition of free publication, in spite of military censorship, in spite of universal terrorism—the truth is slowly leaking out of Russia.

And the truth is that revolution is rife, starvation stalks starkly across the land, executions are commonplaces, murder a routine of government; and that the national colors of communism are daily dipped in the blood of subject classes to keep them bright.

The truth is that government by the proletariat, government by the least capable and the least conscientious element of the community, government by the mob, government by ignorance and avarice, government by tyranny and terrorism, despotism "limited by nothing, by no kind of law, and by absolutely no rule" is the fearful failure that it needs must be and definitely deserves to be.

I thought, my friends, that you might like to know the plain, uncensored truth.

I am glad that this free country of ours permits me to tell it to you.

#### STABILIZATION OF THE PURCHASING POWER OF THE DOLLAR

Mr. DIES. Mr. Speaker, I ask unanimous consent to insert in the RECORD an address delivered by my able and distinguished colleague the gentleman from Texas [Mr. Cross] over WFA, at Dallas, Tex., December 27, 1934, on the subject of money.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIES. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by my colleague, Hon. O. H. Cross, over the radio on December 27, 1934:

It is evident that there is something radically wrong with our financial machinery when in a land of plenty, in the midst of an abundance to amply feed and clothe all of our people, millions are hungry and cold, and plead, and have for 5 long years been pleading, for work that they might earn the wherewithal to feed and clothe their families, but they plead in vain; while other millions shackled with hopeless debt, their life's savings doomed to be wiped out, are suffering mental tortures with which no physical slavery can compare, many of the weaker of whom in desperation are being driven to crime and suicide. And all this as the result of our unjust and vicious monetary system.

The monetary system of a country is to its economic welfare what the circulation of the blood is to the body. The gold in the gold dollar has but little intrinsic value, and as such means little, but its purchasing power resulting from the statutory fiat making it legal tender for all debts means much. We cannot hope to have sustained prosperity with our monetary unit, the dollar, uncontrolled and at intervals running amuck, expanding and contracting in purchasing power. Our monetary metal, gold, like every other commodity, fluctuates in value in response to the law of supply and demand; and as the statutory debt-paying medium, that fluctuation is accentuated by fear and hoarding. The effect of supply and demand on the purchasing power of our unstabilized gold dollar was vividly demonstrated as a result of the World War. During that war 42 countries in Europe ceased to use gold as money; and as we continued to use it as money, it flooded here until we had practically half the gold available for monetary purposes in all the world, and, under the law of supply and demand, gold cheapened until the gold dollar had but small purchasing power, and as its purchasing power declined, the prices of property in the same ratio went up.

The working of our present unstabilized gold-dollar system can be aptly illustrated by two buckets attached to the two ends of a chain which passes over a pulley as in a well, and as one bucket goes up the other bucket goes down. Let one of these buckets represent the commodity gold—that is, the gold dollar—and the other bucket represent all property, buildings, homes, all products and commodities that supply the necessities and comforts of the people, as well as the lands that produce them. Now, as the purchasing power of the unstabilized gold dollar decreased during and for several years after the World War, the bucket representing the commodity gold—that is, the gold dollar—went down in price or purchasing power, and the price of all things in the property bucket in the same ratio of necessity went up, until we saw cotton sell for 42 cents a pound, cottonseed \$80 a ton, and mostly any kind of a steer, in excess of a hundred dollars, and other things in proportion. Some years after the World War, when the 42 countries that had abandoned gold as money attempted to return to the use of gold as money, the demand for it became great, and as a result its purchasing power shot up, which is the same thing as saying that the price of all property represented by the property bucket of necessity plunged down. So those who had gone into debt during this period of high prices or cheap dollars and mortgaged their homes, farms, and ranches, and the cities and towns, the school and road districts that had voted bonds and exchanged them for 30-cent purchasing-power dollars, compared with the present high purchasing power of the dollar, are now being called upon to pay three and four times in real value what they received.

Our monetary unit, the dollar, uncontrolled as it is in purchasing power, is in no sense a measure of value. Properly stabilized

in purchasing power, it would be a measure of value, as the lineal foot is a measure of length, or the pound is a measure of weight, or the cubic foot is a unit measure of volume. You can no more measure volume by a unit of weight, such as the pound, than you can measure value by the gold dollar, which is the fixed unit of weight. Before the dollar can be used as a unit to measure value, it must be stabilized in purchasing power by taking the mean or average price of a large number of commodities which supply the necessities and comforts of the people over any normally prosperous period, such as the year 1926, which average price is termed the "wholesale commodity price level." This means that while the price of various commodities may go up and down in response to supply and demand, yet when you take the price of the whole number of commodities used in determining the purchasing power of the dollar, its purchasing power must be kept in harmony with the wholesale commodity price level of that year which is taken as a standard. So that if one borrowed a thousand dollars, he will pay back when it falls due, whether it be 1 or 20 years later, a thousand dollars having the same purchasing power as the thousand dollars he borrowed.

Under the mechanics of the bill which I shall introduce to bring about this result there is to be a currency stabilization board consisting of the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Labor, and the Comptroller of the Currency, empowered, when they find the purchasing power of the dollar greater than its purchasing power during the year 1926, which is known as the "standard year", gradually and uniformly to reduce income taxes and to continue to pay by issuing legal-tender stabilization certificates, all governmental expenses, as well as all Federal bonds as they fall due, until the average price level of commodities returns to that of 1926. And should prices rise until the wholesale commodity price level, as determined by the various products used for the purpose, exceeds by 2 percent the wholesale commodity price level of 1926, to uniformly increase the income-tax rate and withdraw currency from circulation until the wholesale commodity price level returns to that of 1926.

Consumption is in proportion to employment and adequate wages; and when such conditions prevail as prevailed under the wholesale commodity price level of 1926, products can be sold for a profit, and then and not until then will demand keep pace with production and our imaginary nightmare of surpluses vanish. Under such conditions our standard of living will be raised and want and crime will become rare, and panics things of the past.

Under the workings of this bill fair prices will be assured, and fair prices mean profits, and under such conditions an increase in income taxes is easily borne. There are in excess of \$27,000,000,000 of Federal bonds outstanding which would gradually be paid off and an end brought to the necessity of the Federal Government's issuing bonds and longer lending its credit to private corporations that they might use that credit to tax the people to their profit.

The things that feed and clothe the people and supply their necessities and comforts are just as valuable today as they were ten or a hundred years ago, and will continue to be so ten or a hundred years hence. It is the unstabilized, fluctuating purchasing power of our monetary unit, the dollar, which is in no sense a measure of value that is constantly perpetrating mass injustice. Stabilize the purchasing power of the dollar on the wholesale commodity price level as shown by the average or mean price of the 784 commodities used by the Labor Bureau in Washington covering any normally prosperous period, and then and not until then will we have a true measure of value and exact justice done to both debtor and creditor.

#### WAR OR PEACE

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent to insert in the RECORD the able speech to be delivered by the former secretary of President Wilson, Mr. Tumulty, on Peace or War.

The SPEAKER. Is there objection?

There was no objection.

Mr. McDUFFIE. Mr. Speaker, this evening Hon. Joseph P. Tumulty, who was the Secretary of the great war President, Woodrow Wilson, will deliver a very beautiful and able address before the Women's Democratic Club of this city. Mr. Tumulty's address, entitled "War or Peace", is as follows:

#### WAR OR PEACE

As one who stood by the side of a great war President, I am often asked the question, What are your reactions to the threats of war, which like ominous clouds brood over the peace of the world? Will these dark clouds ever pass away? Shall we again permit war to catch us off guard, dragging all of humanity down into a maelstrom of blood and tears?

Are the forces of fear and hate again to be triumphant or shall faith and a love of humanity in the processes of peace gain such a sway that the sober second thought of the people will intervene and save us from a calamity that will bring us to barbarism with its sorrowfulness of tragedy and sorrow? Are we helpless? Shall the cold formalism of a House resolution declaring war be considered a mere matter of routine? Shall we humbly bow our heads and submit to this horrible yoke without vehement protest?

I believe that down in the hearts and souls of the men and children of the world there is an abhorrence of this miserable



thing called "war." War, death's holiday, is a futility. It does not permanently settle anything and leaves behind as an aftermath the delicate tinder of bitterness and hatred that can easily be swept into a world conflagration, killing and destroying all that is fine in human nature.

In my reading I ran across a most interesting article in the magazine section of the New York Times, in its issue of December 2, 1934, headlined as follows: "A Force for Peace is the People's Will", by a writer named Libby Benedict. This story was written from Berlin. Certain excerpts run as follows: "This year the people are recalling events of 20 years ago, when the country trembled under the impact of war. For there have been political assassinations; a chancellor, a king, and a foreign minister have been slain. But the crisis passed. There was no outbreak. Where lay the deciding weight? From which direction came the determining force?" Some say the delicate manipulation of diplomacy kept things steady. Then the writer says, "But still the impetus toward peace did not lie there. It lay without, in the streets of the cities and the woods of the countryside." And continuing, she says, "Even in Germany there is still no assurance that, given the order to fire, the volleys might not sometime be directed against those who gave the order. There is still a controlling force everywhere—the uncertainty as to what these seemingly inchoate masses might do once the guns have been put into their hands. And to all this another element has been added. Although the people have been thinking with horror of a war that might be a duplicate of the last one, the governmental heads know that a future conflict would not be a repetition. The next war would be fought on new fronts, or on no fronts at all. Diabolical advance has been made in scientific methods of human extermination. Trenches and tanks would be only the symbols of battle; the actual destruction would come creeping invisibly out of the streets, pelted down in drops of rain. It is a picture too fearful even for those who may still find it possible to move human beings like chessmen. In a sense the people are responsible for this development also. For it is from the people that the laboratory technicians have come."

In the olden days, with its drama, its courage and heroism, its dashing music, the beat, beat, beat of the drum, its waving banners, war gave one a thrill; but to use an apt phrase of Bob Acres, "the valor has oozed out of it," with its bombs dropping from the air, its submarine warfare, its poisonous gases, and disease germs, destroying helpless men, women, and children. If this be modern chivalry, then it is the chivalry of barbarism.

We are told by the headlines that the statesmanship of halting old men will bring forth this spawn of war as the means of adjusting international disputes. Have we learned nothing by the bitter lessons of the past? Are we to return to the Dark Gods—the Juggernauts again? Are we again like innocent ducklings to be swept into the vortex of war, forgetting the example of the Gadarene swine, who went down a steep place and were united as one pig—the devil fear uniting them?

Only bold and enlightened statesmanship can save us from another calamity. In these days one is cried down if he dares to flaunt war. Napoleon in the loneliness of St. Helena said, "War is the business of barbarism." "There was never a good war or a bad peace," said Ben Franklin. William Robertson, a great war-time chief of England, characterized war as "a fool's game."

Do not delude yourselves that the wars of the future will be child's play. Its energies will not be directed wholly toward the men in the field and in the trenches. From the air will be poured exterminating fire and suffocating gases, using as a target the bodies of men, women, and children. Nothing can make war anything but what it really is—a bleeding, horrible thing that is thrice accursed. Poets and dramatists have hurled their pointed, poisonous arrows of scorn and ridicule upon it, denouncing it as a cruel, un-Christian, inhuman, and unwholesome thing. Even Shelley, the great poet's "chaste moon, which makes all things beautiful upon which it smiles", cannot make it beautiful. Indeed, the beams of Shelley's moon but makes its horrors more full of horrors still.

No; not even a Shakespeare or a Dickens could make modern warfare a thing of beauty. Douglas Jerrold said, "Dress it as you may, feather it, daub it with gold, hug it, and sing swaggering songs about it—what is war? Nine times out of ten it is but murder in uniform."

War is an anachronism. It is a move backward to tragedy, sorrow, and broken hearts. It is the road down, down to utter hopelessness and despair. It is the open road to moral and financial bankruptcy. How foolish we are to believe that real stability and prosperity can be accomplished without peace. We try this and experiment with that, endeavoring to find a way out of the wilderness, but always we stand in the shadow of that stark wall of tragedy—war. The cynical-minded statesman shrugs his shoulders and declares that butchery and murder will always be the model and mode of settling controversial questions. The recent trip of an airplane traveling from England to Australia in 72 hours sounded the death knell and chanted the hymn of hate against isolation; and with the highways of the stratosphere open, imaginary political frontiers and natural boundaries like seas and rugged mountains will be as houses made of cardboard. In these circumstances we must learn to live together. Just as individuals accept law as an arbiter of peace, so civilized nations will be compelled to do the same.

To all appeals made for peace, we are told wars, like disease and death, are inevitable. It is a biological necessity. This, I beg leave

to say, is the cry of despairing statesmanship. It is the direful lamentation of the same type of mind who thought the world was flat and that witch burning was a noble experiment. It is the wall of the cynic, the last resort of the Gradgrindian philosopher, who foolishly believes all life consists of facts, facts, facts.

We speak of helping human society—we strive by divers routes to organize it—and yet we leave wholly untouched this cancer of war that is eating at the vitals of the world, making every approach to the solution of greater problems impossible. This is not my statement. It is the statement of a great dreamer of beautiful dreams, one who in a knightly day left the cloistered retreat of a great university to become the helmsman of our Ship of State. It is the statement of a man who in his day suffered, struggled, sacrificed, and sorrowed to build a great edifice of peace. I refer to that man, who, like Christ, held high in his hand the torch of peace to warm a sadly distraught world. I refer to Woodrow Wilson, whose far-flung vision was twisted and tortured by politicians to win an election. Yes; they won an election at the price of the world's peace.

In 1920, we witnessed the crucifixion of Wilson's ideal of peace, but soon in the providence of God we will behold its resurrection. What did Wilson say was the right way to organize industrial peace? In a speech delivered in California, in 1919, he said: "There is another battle of which we are now upon the eve. That is the battle for the right organization of industrial society. I do not need to tell an audience in this great progressive State what I mean by that. We cannot work out justice in our communities if the world is to continue under arms and ready for war. We must have peace, we must have leisure of mind and detachment of purpose if we are going to work out the great reforms for which mankind is everywhere waiting. I pray God that normal times may not much longer be withheld from us. The world is profoundly stirred. The masses of men are stirred by thoughts which never moved them before. We must not again go into the camp. We must sit down at the council table and, like men and brethren, lovers of liberty and justice, see that the right is done, see that the right is done to those who bear the heat and burden of the day, as well as to those who direct the labor of mankind. You cannot solve the problems of society amidst chaos, disorder, and strife. You can only solve them when men have agreed to be calm, agreed to be just, agreed to be conciliatory, agreed that the right of the weak is as majestic as the right of the strong; and when we have come to that mind in the counsels of nations, we can then more readily come to that mind in our domestic counsels, upon which the happiness and prosperity of our own beloved people so intimately and directly depend."

Wilson's ideal would have won if meanness, intrigue, and envy could have been dethroned.

"Coveting the little, the instant gain,  
The brief security,  
And easy-tongued renown,  
His enemies mocked the vision that his brain  
Builds to a far, unmeasured monument,  
And many bid his resolutions down  
To the wages of their discontent."

"No; he must be defeated", was the cry of the pack at his heels, and thus unhappily ended his great movement for peace. His foolish enemies thought that this marked the end of what he sought to achieve, but the cause which he advocated has been taken by Franklin Roosevelt and Cordell Hull, whose influence for peace is being felt in the chancelleries of the world.

I pause to pay tribute to a gentleman of the old-fashioned school; one whose statesmanship and vision rise like Mount Rainier, snow-capped in the distance. I refer to the present Secretary of State, Mr. Cordell Hull. In him we have what is so sorely needed in the tragical world in which we live. Quietly, serenely, patiently, with magnificent poise and dignity, he moves toward his great objectives, blazing his way through the wilderness of disappointment and despair, raising high the torch of peace and international cooperation, without which the world will die.

Sometimes when I meet this quiet gentleman whose power is concealed under a velvet glove, I realize how broad his vision really is. It sweeps horizons that touch the world with the beams of its magnanimity; it extends to the utmost limits of the earth and lends a helping hand to every man, woman, and child in distress. Sometimes this type of man is lonely; and when I think of him, I am reminded of a few lines in John Drinkwater's play on Abraham Lincoln:

"Lonely is the man who understands.  
Lonely is vision that leads a man away  
From the pasture lands,  
From the furrows of corn and the brown loads of hay,  
To the mountain side,  
To the high places where contemplation brings  
All his adventurings."

"Shall a man understand,  
He shall know bitterness because his kind,  
Being perplexed of mind,  
Hold issues even that are nothing mated.  
And he shall give  
Counsel out of his wisdom that none shall hear;  
And steadfast in vain persuasion must he live,  
And unabated  
Shall his temptation be."



When I think of this modest gentleman, Cordell Hull, I recall a figure of a mighty man of Nazareth, described in one of Donn Byrne's books, "Brother Saul." Describing this man, whom he met, the old rug merchant, Joachim, said to Anne:

"My dear, he was a young lad, adzing a plank in his father's workshop. He had a face as fine as a woman's, but a man's face, and eyes so clear that I felt unclean in his presence. He's good, my dear; you can feel it in the air where he is. And a gentleman, a great gentleman, greater in feeling and dignity than Tiberius."

And what did the last war cost? Here are the figures from a speech by Woodrow Wilson:

"In order that we may not forget, I brought with me the figures as to what this war meant to the world. This is a body of business men, and you will understand these figures. They are too big for the imagination of men who do not handle big things. Here is the cost of the war in money, exclusive of what we loaned one another: Great Britain and her Dominions, \$38,000,000,000; France, \$26,000,000,000; the United States, \$22,000,000,000 (this is the direct cost of our operations); Russia, \$18,000,000,000; Italy, \$13,000,000,000; and the total, including Belgium, Japan, and other countries, \$123,000,000,000. This is what it cost the Central Powers: Germany, \$39,000,000,000, the biggest single item; Austro-Hungary, \$21,000,000,000; Turkey and Bulgaria, \$3,000,000,000; a total of \$63,000,000,000, and a grand total of direct war costs of \$186,000,000,000—almost the capital of the world. The expenditures of the United States were at the rate of \$1,000,000 an hour for 2 years, including nighttime with daytime. The battle deaths during the war were as follows: Russia lost in dead, 1,700,000 men, poor Russia that got nothing but terror and despair out of it all; Germany, 1,600,000; France, 1,385,000; Great Britain, 900,000; Austria, 800,000; Italy, 364,000; the United States, 50,300 dead. The total for all the belligerents, 7,450,200 men—just about seven and a half million killed because we could not have arbitration and discussion, because the world had never had the courage to propose the conciliatory methods which some of us are now doubting whether we ought to accept or not. The totals for wounded are not obtainable except our own. Our own wounded were 230,000, excluding those who were killed. The total of all battle deaths in all the wars of the world from the year 1793 to 1914 was something under 6,000,000 men, so that about a million and a half more men were killed in this war than in all the wars of something more than 100 preceding years."

But these figures are merely a regimentation of cold, inanimate facts. To the cynic they are meaningless. To the philosopher, they are things to brood over. To the statesman whose antique methods brought this tragedy, they are deadly gases; to the men and women of the world whose hearts have been broken by what happened, they present a picture of the deepest tragedy.

Behind these figures stand crosses marking the resting place of valiant youth who died in Flanders Field to save civilization. Behind these figures are boys like your son and mine, who, as the poet chants, "Were boys when you and I were a boy." Nestling behind these somber figures are young men, now wearing the ceremonies of the dead, who were slaughtered in their youthful prime. "Never to laugh nor love again, nor taste the summer-time." If one looks behind these figures, he can see, as J. B. Priestly says, "parents who have grown lonely" and "girls who would have married, who have grown gray in spinsterhood." Behind these figures is "an old worn topic of war", "a story of men killed by greed and muddle and monstrous cross-purposes", "a story of war brought on by old men gobbling and roaring in clubs, by diplomats working underground, like monocled moles, by journalists wanting a good story, by hysterical women waving flags, by grumbling debenture holders, by strong, silent beribboned asses, a fear of apathy, or downright lack of imagination." "Behind these figures is the same old story, the same old muddle of war, with its same mistakes, reaching down to the very grave, to smoldering, mouldering bones."

Let us raise our voices in prayerful protest against war. Let us, as the Irish lad, Seumas, said, "Substitute beads for bullets, our Hall Marys and Pater Nosters for bursting bombs and the rattle of machine guns. Let us change the soldier song for the De Profundis. Let us substitute for the creed 'I believe in the gun almighty, the maker of heaven and earth,' a newer, finer, more lovely creed, in which that great lover of peace, Jesus of Nazareth, shall be the inspiration—a creed that will take away our hearts of stone and give us hearts of flesh—a creed that will take away murdering hate and give us His eternal love."

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to print in the RECORD at this point a letter from the President of the United States addressed to me as Chairman of the Committee on Expenditures in reference to the 5-percent cut in salary.

The SPEAKER. Is there objection?

There was no objection.

The letter and order are as follows:

THE WHITE HOUSE,  
Washington, January 4, 1935.

The honorable the CHAIRMAN COMMITTEE ON  
EXPENDITURES IN THE EXECUTIVE DEPARTMENTS,  
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: I am sending you herewith a copy of the Executive order issued today, pursuant to authority of law, announcing the index figures for the cost of living for the 6

months' period ending June 30, 1928, the base period, and for the 6 months' period ending December 31, 1934.

You will note from the order that the cost-of-living index for the 6 months' period ending December 31, 1934, is 18.8 percent lower than the index for the base period, which would not even have justified any reduction in the original 15-percent compensation reduction prescribed in the act of March 20, 1933.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

(Inclosure.)

EXECUTIVE ORDER ANNOUNCING THE INDEX FIGURES FOR THE COST OF LIVING FOR THE 6 MONTHS' PERIODS ENDING JUNE 30, 1928, AND DECEMBER 31, 1934

By virtue of the authority vested in me by sections 2 and 3, title II, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933 (ch. 3, 48 Stat. 8, 12), as amended by section 21 (a), title II, of the Independent Offices Appropriation Act, 1935 (ch. 102, 48 Stat. 509, 521), I hereby announce:

First. That the index figures of the cost of living are—

(a) 171.0 for the 6 months' period ending June 30, 1928, the base period, and

(b) 138.9 for the 6 months' period ending December 31, 1934; Second. That the cost-of-living index for the 6 months' period ending December 31, 1934, is 18.8 percent lower than the cost-of-living index for the base period; and

Third. That this percent being in excess of the maximum percent prescribed by section 3 (b), as amended, the percentage of reduction applicable under section 2 (b) in determining the compensation of officers and employees to be paid during the period from January 1, 1935, to June 30, 1935, inclusive, is 5 percent.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 4, 1935.

PROPOSED BANK OF THE UNITED STATES

The SPEAKER. Under a previous order of the House the Chair recognizes the gentleman from Maryland [Mr. GOLDSBOROUGH] for 1 hour.

Mr. GOLDSBOROUGH. Mr. Speaker, I always find that I get along better if I can get my friends from the East and the Northeast to relax a little. I was down to Baltimore the other night to a meeting of the Eastern Shore Society. A very distinguished professor from Yale University was the guest of honor and discussed the subject, Were the Puritans Pure? The subject appeared to be right bewildering to me, and I did not stay to hear his remarks concluding; but it reminded me of a picture I saw in a magazine a great many years ago. It was a picture of a young Puritan Roundhead in New England marching to church with a Bible under one arm and his gun under the other. The little log church is in the distance, and right alongside of the young man was a very beautiful girl dressed in the costume of the ballet. Her mouth was open slightly, her head was tilted on one side, and she appeared to be addressing the Puritan. The magazine offered a prize for the best title which could be given to the picture. The title which won the prize went this way:

Well, Brother Roundpate, which shall it be—  
Onward Christian Soldier or Abide with Me?

Mr. Speaker, at the beginning of this Congress the Membership is attempting to ascertain the fundamental difficulties which confront us in the matter of national recovery. In other words, which way shall we go? At the last session of the Congress a bill known as the "monetary-authority bill" was under discussion in a subcommittee for about 7 weeks. The subcommittee then reported favorably to the full Committee on Banking and Currency. The matter was then taken up with the administration, and the committee was advised not to report the bill at that time. The bill has been reintroduced. The Chairman of the Committee on Banking and Currency will within the next few days be asked to appoint a subcommittee to consider that proposed legislation.

There is another bill which I hope will be considered by that subcommittee, along with the monetary-authority bill. The Treasury of the United States, and therefore the Government and the people of the United States, because of the so-called "national debt", has been largely under the control of the great banking houses of the country ever since the Civil War. The national debt now amounts to something over \$26,000,000,000. The interest payments on the national debt amount to about \$750,000,000 a year. Every



time the Treasury undertakes to borrow money, the great bankers threaten the Treasury that unless the interest rates are fixed in accordance with their views the loan cannot be absorbed.

Some years ago I happened to be in conference with the President when the Secretary of the Treasury came in, and, with tears in his eyes, expressed doubt that a necessary loan could be floated. Then the thought came to me, what an astounding situation it is for the Government to borrow money from banks that the banks do not have, and then, by redepositing the money, loan the same money back to the banks and pay them interest on it. [Applause.]

Mr. WOLCOTT. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. I quite agree with the gentleman that that might be done up to a certain percentage of the money outstanding. What would the gentleman think would be a safe amount of currency to issue to replace the bonds which are now outstanding?

Mr. GOLDSBOROUGH. I want to answer the gentleman's question, and the gentleman knows that I do, but I can do it much better if he will allow me to proceed.

Mr. WOLCOTT. Very well.

Mr. GOLDSBOROUGH. Now, the total capital, surplus, and undivided profits in all the banks of the United States is less than \$7,000,000,000. The total amount of private loans borrowed from all banks is about \$34,000,000,000, or \$27,000,000,000 more money than the banks have to loan. In addition to that, of this \$26,000,000,000 of Government debt, the banks hold \$13,000,000,000. You understand they only have less than \$7,000,000,000 to loan. They have loaned to private enterprise \$34,000,000,000, or \$27,000,000,000 more than they have, and then they are loaning to the Government \$13,000,000,000 of nothing in God's world but blue sky.

Mr. PATMAN. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. PATMAN. Is it not a fact that the Federal Reserve banks hold more than \$3,000,000,000 in addition to the \$13,000,000,000 held by other banks which the gentleman mentioned?

Mr. GOLDSBOROUGH. I think that is correct.

Mr. PATMAN. Making in all about \$16,000,000,000 held by the banks and Federal Reserve banks?

Mr. GOLDSBOROUGH. Yes.

Now, what are we going to do about this? The banks have nothing except their capital, surplus, and undivided profits. The Government, which is society, has the wealth of the country, and, as I said before, the banks are lending to the Government money that they do not have, and the Government is loaning the same money back to the banks and paying them interest on it.

So it occurred to me that in view of the fact that the American Congress gives private banks the right to loan the same money 10 times—in other words, they are required to keep on an average only a 10-percent reserve—there is no reason why an independent bank should not be created, the sole stockholder of which should be the Treasury of the United States [applause], and that that independent bank should have the right to expand also 10 times, just exactly as a private bank can do.

Mr. KVALE. Will the gentleman yield?

Mr. GOLDSBOROUGH. Yes; I yield.

Mr. KVALE. Will the gentleman describe in greater detail the functions of that institution?

Mr. GOLDSBOROUGH. Yes; I will.

Now, the function of this bank would be, first, to pay off the obligations of the Government, and then to be the exclusive lending agency to the Government. We have free gold in the United States Treasury that is not doing anybody any good, amounting to \$2,800,000,000. The Treasury has on deposit in private banks in addition to that the sum of \$1,600,000,000, or a total of \$4,400,000,000. This bill provides that a bank shall be formed with a board of directors, consisting of 3 appointed by the President, 2 appointed by the Senate of the United States, and 2 appointed by the House of Representatives, a total of 7 directors. The au-

thorized capital of that bank is to be \$4,000,000,000, which the directors have a right to call as it is needed.

Mr. COX. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. COX. In that connection, has it occurred to the gentleman that the appointment of the directors would be an Executive function, which the House of Representatives cannot perform?

Mr. GOLDSBOROUGH. Well, I looked into that very carefully, and this bank is an independent institution. It is not strictly a governmental institution, and therefore I think the gentleman's objection not well founded.

Mr. RANKIN. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. Why not make it a governmental institution?

Mr. GOLDSBOROUGH. I wanted this bill so framed that no private banker could say it had any privilege of any kind or character that he did not already have. That was the purpose of it.

Mr. RANKIN. I am interested in protecting the American people from a repetition of what certain private bankers have already done to them. It seems to me that this ought to be a governmental institution.

Mr. GOLDSBOROUGH. Let me proceed for a minute. If the whole of this \$4,000,000,000 were used, the bank could expand it 10 times, issuing notes in the amount of \$40,000,000,000.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. FITZPATRICK. Will the gentleman inform the House the difference between the amount of gold in the Treasury and the money now in circulation?

Mr. GOLDSBOROUGH. The total amount of gold in the Treasury is over \$8,000,000,000. In the Treasury is free gold, gold that is not backing up any kind of currency, to the extent of \$2,800,000,000. The total bank deposits, which, of course, are based on the circulating medium, amount to \$47,000,000,000.

Mr. FITZPATRICK. We have less than \$6,000,000,000 in circulation, have we not?

Mr. GOLDSBOROUGH. Of real money; yes.

Mr. EAGLE. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. EAGLE. If the gentleman will permit, I may reply to the last question by saying that the seven forms of money in circulation—national bank notes, greenbacks, silver certificates, Federal Reserve bank notes, and Federal Reserve notes—the whole seven reach an outstanding total of \$5,400,000,000. Were the Treasury under obligation to redeem all of it, which it is not, it has more than \$8,000,000,000 in gold with which to do it.

Mr. SIROVICH. If the gentleman will yield, the Government, in other words, could redeem all the outstanding currency at one time, if it had to.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. PATMAN. The gentleman's figures do not take into consideration the fact that much of this money has been lost and destroyed. I hope the gentleman will comment upon this. For instance, when the bills were changed to a smaller size, quite a large sum of money remained outstanding in large bills. Much of this money has been lost in fires, like the Chicago fire, shipwrecks, has been buried in the ground or has been sent to foreign countries and never returned, and much of our currency is in daily use in foreign countries.

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

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. One of the leading financial minds of North America, if not the world, less than 3 years ago said that although formerly gold was the standard and London the money market of the world, today the standard of values throughout the world is the American dollar. Today the American dollar is in circulation throughout the civilized world; and, as the gentleman from Texas has just said, there



are hundreds of millions of dollars of this money which is supposed to be in circulation which has been lost. Millions of dollars now in circulation in foreign countries never find their way back to the United States.

Mr. GOLDSBOROUGH. The best figure I can get is that there is actually less than \$5,000,000,000 of real money in circulation in this country.

Mr. FORD of California. Mr. Speaker, if the gentleman will yield, I would suggest that the gentleman is making a very important speech, and I think we should refrain from asking him questions until he has finished, for it is very difficult if not impossible to follow up a serious line of thought when one is interrupted every 5 minutes.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. I think, for the sake of accuracy, the remarks of the gentleman from Texas should be corrected. The gentleman from Texas stated there were seven kinds of money of which there are about \$4,000,000,000 outstanding. I think the record will show there are eight kinds of money and that there is about \$5,600,000,000 outstanding.

Mr. GRAY of Indiana. Mr. Speaker, will the gentleman yield for a brief question along this particular line?

Mr. GOLDSBOROUGH. I yield.

Mr. GRAY of Indiana. I believe the gentleman stated that he proposes the establishment of an independent bank?

Mr. GOLDSBOROUGH. Yes.

Mr. GRAY of Indiana. Does the gentleman take the position that Congress has no power to create a public banking institution?

Mr. GOLDSBOROUGH. No; not at all. The particular institution I have in mind is to be created for the purpose of taking care of the national debt without any ripple whatever insofar as society is concerned. My position is that we have plenty of money to create a reserve for this bank which will be more than ample to take care of the entire national debt and pay the interest on it until it is all paid off.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. HOOK. Would this institution have the right to pay off bonds which are now tax exempt?

Mr. GOLDSBOROUGH. It cannot pay off anything that is not callable. It cannot anticipate the due date of outstanding issues.

Mr. HOOK. Would this proposed institution have the right to pay off the nontaxable bonds that are due at this time and issue in their place new bonds that can be taxed?

Mr. GOLDSBOROUGH. There would be no new bonds issued if this bill passes, because we would not have any more Government bonds. This bank would pay off the Government indebtedness. At the present time about \$6,000,000,000 of the national debt is callable and could be paid off immediately.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield, but after this I shall ask not to be interrupted.

Mr. GIFFORD. Is not one of the reasons that the gentleman is advocating this bank the fact that just a little later when refunding operations are made are necessarily at a very much higher rate of interest, and is he not trying to start something whereby the Government will not be at the mercy of or have to meet the competition of private bankers?

Mr. GOLDSBOROUGH. That is a very good statement, but what I want to do through the agency of this bank is to take the national debt away from private bankers and pay it off in its entirety.

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

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. I have examined the gentleman's bill. I believe the gentleman made the statement a few moments ago that this was to be a private institution. Does he not mean an independent governmental institution? Is not that what he proposes to create?

Mr. GOLDSBOROUGH. The only way in which it would be governmental is that the Treasury would own all its stock.

Mr. RANKIN. But, under the terms of the bill, does not the President make the appointments, and are not the appointees subject to removal?

Mr. GOLDSBOROUGH. Yes; the President makes 3 appointments, the House makes 2 appointments, and the Senate makes 2 appointments.

Mr. RANKIN. It would seem to me, then, that instead of calling it a private institution, it would be better to call it an independent governmental institution. That is what I would prefer.

Mr. GOLDSBOROUGH. The next question that is going to be raised is this: It is going to be said that this bill is inflationary. Well, of course, all of you know my view that the supply of money should increase with productivity. If we can produce more, we can also issue more money without a rise in the price level. One way to produce and distribute more is to issue money and encourage production. When I say "issue money", I do not mean to issue it any faster than production and distribution would justify. I have deliberately refrained from putting any sort of inflation in this bill, because I want to know what the private bankers have to say about the bill. I want to know what their objection is to the bill. There is no inflation in this bill. Of course, when this public debt and these notes are paid off, it will increase the reserves in the banks and enable them, therefore, to issue more money than they otherwise could. That would be inflationary.

But section 7 of the bill prevents that.

As the notes in circulation provided for by this act increase in volume, the Federal Reserve Board shall progressively increase the reserve requirements of member banks of the Federal Reserve System so as to prevent any inflation of the deposit currency of the member banks because of the operation of this act.

Under legislation we passed last year the Federal Reserve Board now has this power, provided the President of the United States agrees.

The operation of this act will take away the necessity for any taxation to pay off the national debt.

It will not inflate the currency one dollar, but it will make it necessary to increase the bank reserves so that the banks will not be able to loan the same money 10 times over, as they are doing now. Just at random on Friday I picked up a newspaper and looked at the first bank statement I came to. This bank had a capital, surplus, and undivided profits of less than \$7,000,000. It had due it in private loans \$10,000,000, or \$3,000,000 more than its capital and surplus, and it also owned \$100,000,000 of Government bonds, on which the Government was paying this bank interest.

Here is the statement of the Chase National Bank of June 30, 1934. It has capital, surplus, and undivided profits of \$216,000,000, but its total resources are marked up to \$1,810,000,000. Now, listen to this: Among other things, it has loans, discounts, and bankers' acceptances of \$621,566,000, or three times its total capital, surplus, and undivided profits. It owns Government bonds upon which the Government is paying interest to the amount of \$417,000,000, or twice as much as its capital, surplus, and undivided profits.

Mr. RANKIN. Will the gentleman yield for a question?

Mr. GOLDSBOROUGH. I yield to the gentleman from Mississippi.

Mr. RANKIN. If this bill does not provide for expansion of the currency or, as the gentleman calls it, inflation, then it would not affect the commodity-price level?

Mr. GOLDSBOROUGH. It would affect it to the extent that it would not be necessary to tax in order to pay the Government debt.

Mr. RANKIN. I understand, but it is utterly impossible for the people who own property in this country, and especially the agricultural people, to ever pay the debts now hanging over them under the present price level. If we are going to do anything at all to the currency, we should at least have a liberal, controlled expansion to raise the com-



modity price levels to what they were in 1926 when these debts were contracted.

Mr. GOLDSBOROUGH. I can answer the gentleman.

Mr. RANKIN. Unless we do that, we will never be able to pay the debt now hanging over us.

Mr. GOLDSBOROUGH. I fully agree with the gentleman, but there is pending legislation covering the gentleman's point. This particular bill was not drawn for that specific purpose. It was drawn to take care of the national debt—and for one other purpose. I hope the Members will listen to me very sympathetically with reference to this further matter. There is one other thing provided for in this bill, and it may be taken care of with \$180,000,000 of this money in the Treasury which could be expanded 10 times. That other thing provided for is payment of all the depositors in all the banks in the United States who have not been paid in full.

I have made a careful study of the question of payment of depositors in closed banks. I have studied it historically. I find that originally when a man put money in a bank, he got the same money back. They were not called banks then. They were called goldsmiths. Later I find that he received a receipt and was either paid the same money or a corresponding amount of money.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from New York.

Mr. FITZPATRICK. How many millions of dollars would it take to pay back all the depositors in closed banks?

Mr. GOLDSBOROUGH. About \$1,500,000,000. I find later the goldsmiths decided that everybody would not call for his money at the same time, so they began to lend this money out, and instead of giving a receipt they simply gave a promise to pay. I find that originally a bank deposit was a trust fund; and if a banker could not produce the money when it was called for, he was guilty of a criminal offense. Then I find that as our system of fractional reserves expanded, courts said a bank deposit was nothing but a debt; however, the truth of the matter is that in good morals a bank deposit is a trust fund, and may I say further there is not one out of a hundred people who puts his money in banks who do not think his money is there, and that he has a right to go and get it at any time. He has no idea that it simply represents a debt from the bank to the depositor. So that in legislation providing for payment of depositors in closed banks you are not segregating one class of creditors from all other classes and saying that they shall be paid, and other creditors not paid, because in reality and in good morals those banks are trustees of their depositors' money and every cent should be returned.

Mr. HOUSTON. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Kansas.

Mr. HOUSTON. In paying off the depositors in the closed banks, how far back would the gentleman go?

Mr. GOLDSBOROUGH. Under this bill we would go back to January 1, 1930, and up to January 1, 1935.

Mr. BOILEAU. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. What does this bill do in reference to banks which have reopened with some of the assets segregated and payment of a certain percentage to the depositors? In other words, those banks which have reopened, but only a certain percentage of the deposits has been paid?

Mr. GOLDSBOROUGH. I do not know just what has been done in all the States. I presume it is as it is in the State of Maryland. In Maryland the bank will pay, say, 50 percent in cash, 25 percent in certificates of beneficial interest, and 25 percent in preferred stock. Under this bill certificates of beneficial interest and the preferred stock will be taken up.

Mr. PARSONS. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. PARSONS. I know the gentleman has given a lot of thought and study to the history of banking and is familiar

with the operations of the Bank of England and the Bank of France as well as other European institutions. The first part of this bill seems to bear some earmarks comparable with the operations of the Bank of England. I should like to know if that is true and whether the gentleman plans this bank to be operated to take care of the Government's credit, similar to the operations of the Bank of England in taking care of the credit of Great Britain?

Mr. GOLDSBOROUGH. My understanding of the operations of the Bank of England is not like that of my brother. He may be right; but my understanding of the operation of the Bank of England is that it is a pretty hard taskmaster, insofar as the people of Great Britain are concerned.

Mr. PARSONS. But it does take care of the Government's credit, largely.

Mr. GOLDSBOROUGH. That is not my understanding.

Mr. PARSONS. That is its primary purpose, although it is a private institution.

Mr. GOLDSBOROUGH. It is a private institution.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. I think the gentleman knows from our past experience that I am somewhat in sympathy with the purpose of the bill. The gentleman made the statement that the Government of the United States should not pay the bankers interest on the bonds which they hold and which they deposit with the Treasury for the circulating privilege. I quite agree that we should follow out that thought as far as we possibly can, but in subsection (b) of section 5 of the bill which the gentleman has introduced (H. R. 2998) there is a provision that direct loans to the United States shall bear interest at a rate to be fixed by the board of directors, as nearly as may be in accordance with the current lending rates. The Government is paying on its obligations an average, I presume, of 2½ or 3 percent, while the current lending rates in most of the States are much higher than that, being from 5 to 7 percent. I wish the gentleman would explain where the Government is going to save any money on interest rates by the establishment of this bank if they pay the prevailing rate of interest instead of the rate which the Government now pays on its obligations.

Mr. GOLDSBOROUGH. Under the terms of the bill all profits of the bank go back to the Treasury as a franchise tax. This is the answer to the gentleman's question. There are no expenses in this connection except the expense of operation, such as salaries and things of that kind.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. THURSTON. Referring to section 6 of the bill, wherein you fix 1930 as the limit, is it not true that most of the banks in the agricultural districts and the small communities failed prior to that time, and should not their depositors have a right to this fund, the same as the depositors in the big city banks?

Mr. GOLDSBOROUGH. For a great many years, I may say to the gentleman, in certain sections of the Middle West and West, there have been bank failures, but I think that the great crash of banks came after the 1st of January 1930.

Mr. THURSTON. The big banks.

Mr. GOLDSBOROUGH. No; I do not think that. So far as I know—and I think I have a picture of the situation—there was no wholesale failing of banks until after the 1st of January 1930.

Mr. THURSTON. I differ with the gentleman. Owing to the oppressive policy of the Federal Reserve System and the action of the Comptroller of the Currency in requiring strict and harsh examinations, the small banks of the country failed by the hundreds prior to 1930.

Mr. GOLDSBOROUGH. Of course, so far as I am concerned, I would have no objection to going back of January 1, 1930, but it is perfectly obvious we have to stop at some point.

Mr. SNYDER. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.



Mr. SNYDER. With reference to banks failing prior to 1930, in one of my counties we had 36 banks and 27 of them failed prior to 1929 and never opened their doors afterward.

Mr. GOLDSBOROUGH. Yes.

There have been a good many interruptions, all of them perfectly legitimate, and I do not know that I have anything at this time that I can add except to say that, so far as I am concerned, I believe it can be mathematically demonstrated—I believe I can do it myself—that you cannot have anything except an apparent prosperity as long as you make your circulating medium out of a debt. It is not possible, and I believe it will be so demonstrated at the hearings on the monetary-authority bill, if there are any hearings on the bill.

I believe further that it can be demonstrated mathematically that when you build up your circulating medium on debts and a crash comes, there is no way you can start this apparent prosperity without going through complete deflation unless you change your monetary system.

I believe it will also be demonstrated that we are producing in this country now about \$40,000,000,000 worth of property at present prices and that we can produce \$200,000,000,000 worth of property or five times that we are now producing, and that our fundamental problem is to find ways and means to distribute this \$160,000,000,000; and, of course, if we can distribute it, then we can produce it, and we will never do it by destroying hogs, by plowing up wheat, and by plowing up cotton. We have got to study the problem of distribution. We have been going at the matter in the wrong direction absolutely.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. KOPPLEMANN. I have been hoping that the gentleman would give us a clear difference between the private banks as they now do business and the monetary authority as suggested under the gentleman's bill.

Mr. GOLDSBOROUGH. The monetary-authority bill does not suggest any specific method. The monetary-authority bill undertakes to set up a group of men who will have certain functions, one of which will be to ascertain just what ought to be done to correct the faults in the monetary system.

The SPEAKER pro tempore (Mr. McREYNOLDS). The gentleman from Maryland has consumed 45 minutes.

Mr. GOLDSBOROUGH. I thank the Chair.

Mr. KOPPLEMANN. In order to get information, I want to ask the gentleman a further question. What do you propose will be accomplished by your monetary authority that is not being done under the present private banking system?

Mr. GOLDSBOROUGH. Under the present private banking system prosperity defeats itself. You cannot have prosperity under the present system, and I will tell you why. We manufacture our money out of bank loans. If the people get prosperous and begin to pay off the bank loans, they are destroying the money manufactured out of the loans, and you immediately have another depression. There is no way on God's earth by which you can have permanent prosperity as long as you create money out of loans. It cannot be done.

There is a movement on foot—there is a good bill—I am not the author of the bill, but I have seen it—which requires banks to have 100-percent reserves so that debts can be paid off without taking money out of circulation. I can illustrate what I am talking about. A prominent man made a speech at the Century of Progress Fair in Chicago. He said we owed in this country about \$200,000,000,000; and if we were thrifty and behaved ourselves, we could pay \$25,000,000,000 a year, so that in 8 years we would not owe any money at all.

I wrote him a letter. I knew him very well. I said I should like to know under our present system, where money is manufactured out of debts, what we will do for money after our debts are paid off. There would be very little money in existence.

These are things that have to be approached and studied without any relationship to anybody's private interest, and it is a terribly hard thing to do.

It is perfectly obvious that in a system where our money is derived from our financial obligation to bankers, the problem is a tremendously hard thing to approach, but it must be done if democracy is going to be saved.

Four years ago some of the best minds in this country did not think there was one chance in a thousand of saving democracy—but it looks better now.

But I tell you again that if you have starving people, people without shelter, people without clothing, people without enough to eat, and at the same time you destroy the things that would give them the necessities of life, they will not stand for it forever. [Applause.]

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. WOLCOTT. In the bill the gentleman provides a capitalization of \$4,000,000,000 with the provision that currency or notes may be outstanding against that of forty billion, qualified by the statement that it shall not exceed the national debt. I do not want to seem to press the gentleman, but in the early part of his address I asked what figure he felt we could safely issue in new currency without getting into the realm of inflation.

Mr. GOLDSBOROUGH. I attempted to answer that by quoting section 7 in the bill which provides that as the notes in circulation provided for by this act increase in volume, the Federal Reserve Board shall progressively increase the reserve requirements of member banks of the Federal Reserve System so as to prevent any inflation of the deposit currency in member banks.

Mr. WOLCOTT. The excess reserves in the Federal Reserve System are something like \$2,000,000,000.

Mr. GOLDSBOROUGH. This does not affect them.

Mr. WOLCOTT. How would it be possible for the member banks, or the banks of the United States, to increase their reserves to the point of \$40,000,000,000 if it were found necessary to issue \$40,000,000,000 of currency?

Mr. GOLDSBOROUGH. They have \$47,000,000,000 now on deposit. If they were compelled to keep 100-percent reserve, they could take care of \$44,000,000,000, but as a matter of fact we would never need that much.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. HOUSTON. There will be no further issuance of governmental tax-exempt securities under the gentleman's bill?

Mr. GOLDSBOROUGH. There would not be any at all. Under the bill they would all be taken up.

#### HOSPITALIZATION OF VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which at the last session of the House we passed House Resolution 29, and to repass it with an amendment changing the number 413 to no. 426.

The SPEAKER pro tempore. Is there objection?

Mr. SNELL. Mr. Speaker, the matter was referred to me and, as far as I know, there is no objection on this side.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 8, strike out the figures "413" and insert in lieu thereof the figures "426."

Mr. RANKIN. Mr. Speaker, this is to correct a clerical error in a resolution.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on agreeing to the resolution as amended.

The resolution was agreed to.

#### OCEAN MAIL CONTRACTS

Mr. MEAD. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 33, which I send to the desk and ask to have read.



The Clerk read as follows:

House Resolution 33

*Resolved*, That for the purpose of obtaining information necessary as a basis for legislation, the Committee on the Post Office and Post Roads of the Seventy-fourth Congress is authorized, as a committee, by subcommittee, or otherwise, to continue until March 1, 1935, the investigation begun under authority of House Resolution 226 of the Seventy-second Congress, and for such purposes said committee shall have the same power and authority as that conferred upon the Committee on the Post Office and Post Roads by House Resolution 226 of the Seventy-second Congress. The unexpended balance of the appropriation of \$5,000 under House Resolution 273 of the Seventy-second Congress is hereby continued for such purposes.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. MEAD. Yes.

Mr. SNELL. As I understand, this is simply to clean up the remainder of the work. No additional appropriation is to be asked?

Mr. MEAD. No additional appropriation. It is merely to permit the committee to continue until the Post Office Department has completed its investigation of the ocean mail contracts.

Mr. SNELL. And the rest is all practically complete at this time?

Mr. MEAD. Yes.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

PROPOSED BANK OF THE UNITED STATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 20 minutes on the same subject discussed by the gentleman from Maryland [Mr. GOLDSBOROUGH].

The SPEAKER pro tempore. Is there objection?

There was no objection.

NO MORE TAX-EXEMPT, INTEREST-BEARING BONDS

Mr. PATMAN. Mr. Speaker, I was very much interested in the remarks of the gentleman from Maryland [Mr. GOLDSBOROUGH]. He always makes an interesting talk. It is constructive, and I hope the Members of the House who did not hear it will read the speech in the RECORD. I am substantially in accord with his views. I am in hearty accord with what he said about stopping the issuance of tax-exempt, interest-bearing securities. I am not in accord with his views in regard to paying off 100 percent the depositors in all closed banks.

LOST OR DESTROYED MONEY

The gentleman from Michigan [Mr. WOLCOTT] asked a question at the end of the gentleman's remarks to which I would like to address my remarks before commencing the talk I desire to make. Today we have about five and a half billion dollars, theoretically, in circulation. That is, presuming that all the money that has ever been issued is still outstanding. That is not taking into consideration the fact that over a period of 75 years, or longer, much of this money has been lost or destroyed. We know that some of it was destroyed in the Chicago fire. We know that much of it has been lost in shipwrecks. We know that much of it has been burned and lost in other ways, and buried in the ground. Much of it has been hoarded by criminals, even. Often it is discovered that criminals years ago buried money which is just now being discovered. When the old bills, the large ones, were called in several years ago, they were being replaced with new ones. About a year ago it was made known that \$500,000,000 of that money had never been brought in for redemption. I do not know what the figures are now, but there is a very large sum outstanding.

Other countries use our money. Poland and Cuba use our money almost exclusively. Many foreign governments and possessions use our money. Consequently, much of our money is not here at all, but is in foreign countries. But theoretically and presumably, we have five and one-half billion dollars in circulation.

BANKS HAD \$1.75 TO PAY EVERY \$100

When all the banks of the country closed in March 1933 the banks had in their vaults about \$1.75 to every \$100 that

they owed their depositors. One dollar and seventy-five cents to every \$100. That does not mean that was all the money they had access to, because in the Federal Reserve banks and other banks they had an additional sum, which, however, would not aggregate more than \$2 to every \$100 that they owed their depositors. Therefore, taking the two, they did not have, or have available more than \$3.75 in money to every \$100 that they owed their depositors. You will wonder how they could do business. The reason is that the people do not all call for their money at the same time, no more than all people who are insured by life-insurance companies die at the same time. They were able to do business. But they with that small amount of money were doing a business aggregating hundreds of billions of dollars a year. Individual depositors were owed about forty-odd billion dollars when all the banks closed, almost \$50,000,000,000.

PAY OFF NATIONAL DEBT WITH NEW MONEY

My theory of it is, I will say to the gentleman from Michigan [Mr. WOLCOTT] that you can pay off the national debt of this Government with United States notes—new money—and not disrupt our financial system if you will do it gradually, and at the same time increase the reserve requirements of banks. As it is today, those banks can extend loans amounting to \$10, on the average, to every \$1 that the bank has in its vault. We can change that. As we put additional money into circulation we can say that hereafter a bank cannot loan more than \$8 to every \$1 or \$5 to every \$1 or \$3 to every \$1, and finally we can reach that stage, which I hope we will reach some day, where we will have 100 cents in money for every dollar that the banks owe their depositors. In other words, the banks would not be permitted to extend loans when they did not have the money with which to make the loans. They would only be permitted to extend loans when they had actual money to make them.

Mr. WOLCOTT. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WOLCOTT. In our study of the question last year it developed that the economists who appeared before our committee were all of this accord, that the volume of money outstanding had very little relationship to the price-commodity index.

Mr. PATMAN. Under our system, that is true, since money only represents 5 to 10 percent of our circulating medium. The remainder is represented by bank credit, which we should control.

Mr. WOLCOTT. And that the velocity of credit currency controlled the price-commodity index. Now, as we issue cash currency or bank notes, or anything of that nature, we have a tendency to create the thought in the minds of the people that the price of commodities is going up and they, fearful of that, turn their cash into commodities, and along with that goes the desire to buy commodities in addition to the amount of cash which they have outstanding, and thereby the velocity of credit currency is accelerated to the point that we have inflation. That is what brought on the French inflation, the Austrian inflation, and the German inflation. I am in hearty accord with certain phases of the gentleman's program, but I wish the gentleman would tell me and this House what plan he has for the control of this credit currency that always gets away from us in time of rising prices.

CHANGE RESERVE REQUIREMENTS OF BANKS

Mr. PATMAN. Well, I am telling the gentleman the way to keep it from getting away from us is to change the reserve requirements of the banks. If you were to issue \$20,000,000,000 in money and did not change the reserve requirements for banks, the banks could issue \$200,000,000,000 in credit on that; but as you increase the volume of money, if you want a safety valve to prevent undue expansion of the currency, you should change the reserve requirements of the banks at the same time and, if necessary, take actual money out of circulation. Then, if you need expansion, you can liberalize the reserve requirements and make it easier for credit to be put into circulation. I understand that if you inflate to the extent that there is fear in the minds of the



people, there will be flight from the dollar to commodities, but none of us hopes to go that far. We expect to have these safety valves along with all these measures so as to protect the people against undue expansion or inflation. There is much said about protecting the people from inflation but too little said about protecting them from deflation.

Mr. WOLCOTT. Will the gentleman yield further?

Mr. PATMAN. I am glad to yield.

Mr. WOLCOTT. What I had in mind particularly was this situation: As you put out this currency and create this fear, people start buying, and they create their own currency; they create their own credit. They start issuing bank checks, bills of exchange, and things of that nature, which the gentleman knows is considered as money, as far as inflation is concerned.

Mr. PATMAN. And I am telling the gentleman now how to prevent that.

Mr. WOLCOTT. If I have \$1,000 in a bank, this Government has no jurisdiction over the number of checks which I write against that \$1,000, and this Government has no jurisdiction over the number of times those checks will be turned over before they get to the bank. That is what I am fearful of with respect to the gentleman's program.

Mr. PATMAN. That is true if we use our present system of credit and not actual money. I want to change it to 100-percent money reserve; then the opportunities for such credit inflation do not exist.

#### ENORMOUS GOLD RESERVE

Mr. WOLCOTT. How is this money to be redeemed?

Mr. PATMAN. We have in the Treasury today over \$8,000,000,000 in gold. We could pay off our entire national debt and have a safe gold reserve, and go back on the gold standard having more gold per dollar than the foreign countries of Europe have ever had to back up their currencies; and we could do this with our present gold supply of \$8,000,000,000. We have \$2,800,000,000 of gold in the Treasury which is the Government's profit on revaluation of gold. It is included in the \$8,000,000,000 mentioned.

Mr. CAVICCHIA. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. CAVICCHIA. I believe the gentleman said he could pay off the entire national debt with this \$8,000,000,000 in gold. Is this statement based on the issuance of money with a 40-percent gold backing?

Mr. PATMAN. The reserve would not be as much as that, but it would be a safe gold reserve. England stayed on the gold standard 100 years with a 10-percent and less gold reserve. On a 40-percent gold standard we can issue \$20,000,000,000. Since we have only \$5,500,000,000 in circulation, \$14,500,000,000 more may be issued on gold and have a 40-percent reserve. In addition we have a billion ounces of silver that may be used as a reserve for the issuance of a larger amount.

Mr. CAVICCHIA. Then the gentleman would pay off the national debt with paper money backed by less than the \$8,000,000,000 in gold?

Mr. PATMAN. That could be done; yes.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KNUTSON. One of the morning papers quoted the Speaker as having said that with the change in the discharge rule requiring 218 signers to discharge a committee, the House was hog-tied and we would have no social legislation except such as was on the administration's program.

Mr. PATMAN. Mr. Speaker, I yielded to the gentleman to ask me a question regarding the banking system or the matter about which I am talking. I do not yield to the gentleman for any other purpose. I do not know what the Speaker said or what the newspapers carried.

Mr. KNUTSON. I am sorry.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a question on this subject; yes.

Mr. GIFFORD. The former gentleman who addressed the House said that anything the banks held with which to pay off depositors was blue-sky. The gentleman who now has the floor desires more real money. Does not the gentleman

think that when we give up securities and get back only 60 percent of the value, many times, of the security measured in dollars, that the bank takes from us even more than dollars? Is not this 40 percent blue-sky?

Mr. PATMAN. Does the gentleman claim that he gets only 60 cents for a dollar today?

Mr. GIFFORD. No.

Mr. PATMAN. Does not the gentleman get 100 cents today just as he did before March 4, 1933?

Mr. GIFFORD. The gentleman understands what I mean. If he goes to a bank to borrow money, he has to put up something more than the value in dollars of the money he borrows. In other words, he gets back something like 60 percent, measured in value, of the security he lodges with the bank. The bank holds a reserve over and above the value of the loan. The security held by the bank may well represent the real value, perhaps more value than the dollars. The statement has been made that there is a point when confidence in those dollars may be destroyed. The gentleman recognizes the truth of this statement.

Mr. PATMAN. I hope the gentleman will not take up more of my time. Although he is making a very interesting statement, it does not change what I have said in that regard.

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

Mr. PATMAN. I yield.

Mr. RANKIN. Several years ago when this matter was discussed before the Ways and Means Committee, I remember a gentleman by the name of Dawes came before the committee. He was very vehement in attacking us because he said we were disturbing confidence. Within 60 days this self-same gentleman borrowed \$90,000,000 to save his own bank; and I understand that the Government now is suing to recover \$60,000,000 of the loan.

#### GOVERNMENT SHOULD TAKE OVER FEDERAL RESERVE BANKS

Mr. PATMAN. Instead of proceeding along the line suggested by the gentleman from Maryland and creating a private bank the entire stock of which shall be owned by the Government, the officers of which shall be appointed by the President, by the House, and by the Senate, I would much prefer that we consider taking over the Federal Reserve Banking System.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a question.

Mr. WOLCOTT. In answer to the gentleman who has just spoken, my good friend from Mississippi, I hold no brief, of course, for the bank in Chicago which borrowed the \$90,000,000, but I have been told that that loan by the Federal Government prevented a debacle in Illinois such as we had in Detroit. If it did, then I as a taxpayer think it was pretty good business on the part of this Government to loan the banks in Chicago \$90,000,000 to prevent losses such as we suffered in Detroit.

Mr. RANKIN. Mr. Speaker, if the gentleman from Texas will yield, the gentleman from Michigan [Mr. Wolcott] is mistaken, for the debacle came in Chicago just the same.

Mr. PATMAN. There are 12 Federal Reserve banks in this Nation. As originally framed, the Federal Reserve law was a good one and the Federal Reserve banks were intended to serve a useful purpose; but the law has been changed by these so-called "perfecting amendments" until the Federal Reserve Banking System no longer serves the very useful function it was organized to serve. It has failed to extend credit at a time when credit was needed. The Federal Reserve Banking System has almost gone out of business except in the bond-brokerage business and the use of Government credit to buy Government bonds. It has today very few millions of dollars in bills it has purchased or rediscounted for member banks. They do, however, hold \$3,500,000,000 in United States Government bonds. I say that it is an idiotic system that we have permitted to grow up. In other words, for the Government to let any banking institution or system on earth use the Government's credit to purchase United States Government bonds and then the Government continue to pay interest on those bonds is not sound business. It is nothing more than though I, having



a \$3,000 mortgage against my home, give you \$3,000 to pay the mortgage, you pay the mortgage and have it transferred to yourself and still expect me to continue paying interest on this liquidated mortgage. This is the situation we are in with regard to the Federal Reserve banks holding United States Government bonds. These bonds were purchased with Government credit and the Government should not continue to pay \$40,000,000 a year interest on these bonds while they are being held in this way.

GOVERNMENT CAN ISSUE A SOUND DOLLAR BILL IF IT CAN ISSUE A  
SOUND DOLLAR BOND

Furthermore, the private banks of the country, as the gentleman from Maryland [Mr. GOLDSBOROUGH] has just stated, hold about \$13,000,000,000 of Government bonds; and when they collect interest on those bonds, they are collecting nothing but a Government subsidy or bonus, and they should never be permitted to collect it. The Government should not issue such bonds. Thomas A. Edison was right when he said that any government that could issue a dollar bond that is good can issue a dollar bill that is good. The only difference is the bond draws interest and the bill does not draw interest. The bill is easier to pay because it does not draw interest, and usually the people who are objecting to paying the debts with this money, under a safe, sound system, are those who are drawing interest on Government bonds which are unnecessary for this Government to issue. We are paying this year nearly \$800,000,000 interest on bonds on which we should not pay one dime. It is useless; it is unnecessary. The Government debt can be paid off, as indicated by the gentleman from Maryland [Mr. GOLDSBOROUGH], and at the same time not have undue expansion of the currency if you do not want undue expansion of the currency.

FEDERAL RESERVE SYSTEM PRIVATELY OWNED

Remember that the Federal Reserve Bank System we are talking about is not a Government-owned institution. It is true that the Government has a limited and restricted supervision over those banks through an indirect board that exists here in Washington, but they have 12 banks and 12 boards of directors. These banks are owned by private banks that are member banks. The Government does not own one penny of stock in them. Last year a group of Members of this House made a trip to New York City, and one of the objects of the trip was to go through the Federal Reserve bank. While we were down in the bank vault, 50 feet below sea level, Governor Harrison was showing us where the gold used to be until, as he said, we took it away from him, and one of the gentlemen from the West said, "You took it away from us first." I asked him where the directors' room was. He stated that it was up on the tenth floor. I told him that was the room I wanted to see. He said: "There is nothing up there to see; but if you want to go up and see it, all right." I told him I desired to see that room. We went up there and we found that the directors' room was on the north end of the building. Of course, "directors' room" does not mean anything. So I asked him, "Where is the Federal Reserve agent's room?" He showed us a suite of rooms on the east side and told us that "These are the Federal Reserve agent's rooms. This is his private office." The Federal Reserve agent used these rooms when acting as Federal Reserve agent.

I next asked him, "Where is the office of the chairman of the Board?" We then walked across the hall to the west side and he told us, "Here is the office of the chairman of the Board and his suite of rooms where all of his stenographers and assistants are employed." It was just like on the other side. I next said, "I want you to explain to me and to these people assembled here why you have two offices for one official." And it is the same person. He is the Federal Reserve agent on the east side and chairman of the Board on the west side. The only difference is when he is Federal Reserve agent, he is supposed to represent this great Government of ours. In that capacity he has the privilege of calling up the Bureau of Engraving and Printing here in Washington and have money printed and sent to him. The money will be printed and sent to him in New York City.

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REPRESENTS BOTH BANKS AND GOVERNMENT

Mr. PATMAN. When that money is sent up there, he does not send the securities down here to deposit for that money; he deposits them up in New York City. When the money comes back, he goes across the hall and becomes chairman of the Board. He then represents the member banks of that Federal Reserve district. It is his business to listen to those banks in reference to putting out that money. May I say further that two-thirds of the directors are elected by the banks and only one-third are appointed by the Federal Reserve Board; therefore, they have a balance of power. These Federal Reserve agents acting in their dual capacity I do not think are in position to properly represent the interests and the general welfare of the people of this Nation.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

PRINTING-PRESS MONEY

Mr. TAYLOR of Tennessee. In its final analysis the Goldsborough measure is purely a printing-press proposition, is it not?

Mr. PATMAN. May I say to the gentleman that there is a printing-press proposition going on today. Four tons of new money will be turned out over here at the Bureau of Engraving and Printing today if the daily average is maintained. The money will go to the banks. If that is a printing-press proposition, of course, the Goldsborough bill is also a printing-press proposition. They are both just the same.

Mr. TAYLOR of Tennessee. If the measure is sound, why the necessity of setting up this banking institution? Why not just issue the currency to pay off the Government debt?

Mr. PATMAN. There will have to be some authority to go through. Someone must look after the matter.

Mr. TAYLOR of Tennessee. That would save the expense of administration.

Mr. PATMAN. Five hundred and thirty-one Members of the House and Senate could not very well look after the matter. It would be as impossible for them to do that as it would be for the 300,000 people you represent to come here and do for themselves what they have sent you here to do. They just could not get anywhere.

FOUR TONS OF PAPER MONEY DAILY

The Bureau of Engraving and Printing is running every day. They turn out about 4 tons of paper money a day. Each pound contains 500 bills, whether they be dollar bills or \$10,000 bills. This money goes out every day to the banks of the country.

The money that the gentleman from Maryland [Mr. GOLDSBOROUGH] proposes to issue and the money I propose to issue is no more fiat money or baloney dollars than the money issued every day by the banks of the country. The bankers hold to that fiat-money view, but they do not stop and explain that the money they handle every day is fiat money, according to their own definition, and that the credit they handle is also fiat credit. Let us discuss the national currency that the national banks of this country have obtained. There are some \$980,000,000 of Government bonds deposited to secure it, some payable in 1940 and some payable in 1945. They can deposit the bonds and get new money in return. They do not put up gold. They do not put up any other security, and the money they issue is fiat money if there is any money on earth that is fiat money, according to their own definition of fiat money. When the Federal Reserve banks of this country put up or deposit with themselves three and a half billion dollars of United States Government bonds, as they have, and get \$3,500,000,000 in new money in return, it is just as much fiat money as any money on earth, if you are going into the subject of fiat money, and use the bankers' own definition of what constitutes fiat money.



Nevertheless, it is good money; it is backed by the credit of this Nation; it is a blanket mortgage on all the property of all the people of this country; it is a mortgage against the incomes of the people. It will be paid, but, according to a strict definition of fiat money, that money and practically all the money we have in circulation today is fiat money.

#### BANK SERVICE CHARGES

Before I conclude—and I do not want to take up any more of your time—I wish to invite your attention to the fact that the banks in my section are doing something that is highly deflationary. When an effort was made to pass a 2-cent tax on checks, the banks said, "We cannot stand that; it will cause people to take their deposits out of our banks and they will quit doing business with banks. We must have these small accounts, and we do not want you to put any tax on them." Well, the tax expired the other day, on January 1, and there is now no check tax; and I hope there will not be any check tax put on by this Congress. However, the banks have instituted what is known as a "service charge"; and, according to the amount of money one has in the bank or the amount of business done, he is charged for issuing checks or doing business with that bank. This is driving people away from the banks. If one has a balance of \$25, that amount is sufficient for a reason to justify the bank extending loans amounting to \$250. We should not drive these small accounts from the banks; and besides, the people are entitled to some consideration by the banks, since the Government is subsidizing them.

I want to tell you why the banks should be persuaded not to do this. In the first place, a national bank has a great privilege when it receives a charter from the United States Government. It has almost an exclusive privilege.

Mr. DOUGHTON. Will the gentleman yield for a question?

Mr. PATMAN. I yield to the distinguished gentleman from North Carolina.

Mr. DOUGHTON. The gentleman referred to the service charge now being put on by the banks. This has given me some little worry, and I was very much interested in having the stamp tax on checks removed. Does the gentleman know whether or not this service charge is being imposed at the instance of the Federal Deposit Insurance Corporation or whether it is a voluntary action on the part of the banks?

Mr. PATMAN. If it is done at the instance of the Federal Deposit Insurance Corporation, it should be stopped; but my understanding is, it is the voluntary action of the banks, I may say to the distinguished Chairman of the Ways and Means Committee, and I presume it will take legislation to stop it.

Let me now finish, if you please, my statement of why they should not put on a service charge.

When a bank is granted its charter, it has almost an exclusive right to do business there in that locality. It must be shown there is necessity for a competitor or another, or no competitor can come into the field. This is a great right, and for this right and privilege a bank should be glad to extend a certain amount of free business to the people residing in that community.

Mr. HAINES. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HAINES. I do not think the banks of the country generally are doing this. They are not charging a service charge in my section.

Mr. PATMAN. I am pleased to hear that.

Mr. DONDERO. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. DONDERO. The banks are doing that in my district and even in my home city. They even charge you for making a deposit. What does the gentleman think is the reason for this?

Mr. PATMAN. Let me finish my statement, and I shall be very glad to attempt to answer the gentleman's question.

First, they are given a charter; and if the bank is capitalized for \$500,000, it can take \$500,000 in Government bonds,

deposit them with the Treasury of the United States, and get \$500,000 of new money. They can do this up to the full amount of their capital stock. It is true they deposit a redemption fund of 5 percent to remain there until the bonds are taken up again, but the bank gets new money in return for these bonds, and they continue to get interest on the bonds that they have deposited and continue to use the money. Therefore they get a bonus from the Government of the United States for putting money in circulation. These are two privileges—the great charter that is given them and the circulation privilege which gives them a bonus for putting money into circulation.

Next is the Federal Deposit Insurance Corporation fund. Did the banks put up the money for the capital stock of this Corporation? No; they did not. The banks put up \$39,000,000, and the Government put up \$300,000,000.

There are three rights which they have. The Government is paying their insurance premium to guarantee their deposits, or practically all of it or more than four-fifths of it, and then the circulating privilege is a bonus for putting money into circulation and then their charter gives them an exclusive right to do business.

Then, in addition to this, Mr. Speaker, the R. F. C. has purchased one-half of the stock of practically all the national banks of the country and this stock is known as "preferred stock", which the R. F. C. holds and by law passed by this body, it is tax exempt. Therefore these banks are pleading tax exemption in their cities, counties, and States on one-half of their capital stock. So the Government is giving them a tax exemption of 50 percent and is paying their insurance premiums to insure their deposits of under \$5,000 and is giving them a bonus to put money in circulation and is giving them this exclusive right to do business, which is a great monopoly right. In addition they are allowed to lend \$10 to every \$1 they have in their vaults or with Reserve banks. Certainly they should be required to do a certain amount of business free for the American people. It is not right for the people through the Government to do so much for the banks and then permit the banks to charge the people for every little service they render. [Applause.]

I respectfully submit for your consideration the following:

1. The Federal Reserve banks should be taken over by the Government and operated in the interest of all the people, banks, industry, agriculture, and commerce.
2. No private corporation, or corporation owned by private corporations, should have the right to issue money.
3. The Government should issue currency when in need of money instead of tax-exempt interest-bearing bonds.
4. No additional taxes should be levied as long as we need additional money.
5. Very few of the bankers of the country, even the real good ones, have ever studied or thought anything about this monetary problem.
6. A billion dollars a year can be used by the Government to a better advantage than paying it as interest on Government bonds that may be used as a basis for the issuance of currency.
7. Direct credits should receive the thoughtful consideration of the people.
8. Opposition to any progressive proposal may be expected from those who will be deprived of special privileges, the die-hard, orthodox, hard-money advocates, and the poll-parrot satellites of Wall Street who only repeat what others say and never think for themselves.
9. We need and must have more money as a circulating medium, but we should not issue more Government bonds in order to get it. Money itself is of no value; it is a simple tool desired for the one purpose of making exchanges. Money is no mysterious thing; no mystic principles veil or obscure it; it is a tool for making exchanges, just as a hammer is a tool for driving nails.

#### MEMBERSHIP OF COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The Clerk read as follows:

#### House Resolution 34

Resolved, That during the Seventy-fourth Congress the Committee on Appropriations shall be composed of 39 members; The Committee on Interstate and Foreign Commerce shall be composed of 27 members; and The Committee on Rules shall be composed of 14 members.



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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### PROPOSED BANK OF THE UNITED STATES

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for 7 minutes on the same subject that was discussed by the gentleman from Maryland.

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

There was no objection.

Mr. GIFFORD. Mr. Speaker, inasmuch as I asked several questions, the Members will, perhaps, understand that I am somewhat interested in this proposition.

The gentleman from Maryland [Mr. GOLDSBOROUGH] spoke of a national debt of \$26,000,000,000. In the Budget message which has just been read there was a statement to the effect that in July the debt will be \$31,000,000,000, and with an anticipated \$4,000,000,000 of additional debt next year it will be \$35,000,000,000. This without any mention of the contingent debt, through which—over a period of a few more years—we may drop another billion dollars.

Now, at this very moment when the country is anxiously awaiting a return of confidence within banking circles, on this very first day we have presented to us this matter of a central bank. It is small wonder that some scheme is presented to take care of a debt which may reach forty billions. How can that ever be liquidated unless resort is had to some extraordinary method?

Hence this central bank is presented to you as a medium for the issuance of printed money and to avoid the payment of interest. The private individual or corporation will still be obliged to pay interest money, but the Government must be allowed to finance itself in a manner totally unlike that prescribed for them. This Government is already carrying on an immense business because private industry has temporarily failed to function normally, and we are told that Government instrumentalities will be maintained and increased for this purpose so long as private capital remains too timid to invest itself.

I am astonished that the statement which I made a few moments ago seemed to be novel to so many Members. When the bankers met in Washington, recently, and the subject of a central bank was presented to the President, according to the report carried by the press, he said, "Who brought up that ghost?" The bankers were much encouraged by the belief that there was no danger from that source.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. FISH. When the gentleman is talking of this increased debt of thirty-five or thirty-six billion dollars, will he also point out that the Government has to pay interest, amounting to about a billion and a half dollars a year, which is 50 percent of its total revenue?

Mr. GIFFORD. I was about to point out that we have also been getting money at a very low interest rate. A prominent banker not long since, when asked what they were going to do in the future, replied in my hearing, "We are going to do what we are told to do." They have been doing just that. If the banks did set the rate of the interest which the Government has recently been paying, as suggested by the last speaker, then they set it mighty low. But the fear is that as the refunding of these short-term securities must be made in long-term securities later on, the rate of interest will certainly have to go back to 3 or 4 percent, or even to a higher rate. Then the Government will indeed be forced to arrange for the payment of a billion and a half for interest alone.

The other thought that I wished to express has to do with my vote for the Goldsborough bill some 3 years ago.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Not unless I can get more time. Will the gentleman agree to get me more time? Of course, I would be yielding to a gentleman who presumably knows much more than I do about this subject.

Mr. PATMAN. Oh, I do not know much about it, but the gentleman is opposed to the principle embodied in the Goldsborough bill.

Mr. GIFFORD. I am coming to that. I said that I voted for the Goldsborough bill when it was presented. I sympathized with the gentleman's view that there was not enough money in circulation, so we started the printing presses going at high speed and about \$300,000,000 in new money was issued and made available to the Federal Reserve banks, for the use of their member banks.

However, it turned out that these banks did not use it or need it. Later on we made a further authorization of \$3,000,000,000 to become available in the same manner, as a threat to be employed against private banking if it failed to purchase our Government securities.

Mr. PATMAN. Does not the gentleman think that the banks can afford to be generous with the Government when the banks are selling to the Government the Government's own credit?

Mr. GIFFORD. Oh, the gentleman from Texas has harped on that subject for 2 or 3 years. We gave the banks the privilege of buying the low-rate Panama Canal bonds and of issuing money against them. Recently, when we gave the Federal Reserve an opportunity to issue money—

Mr. PATMAN. Will the gentleman yield for an explanation?

Mr. GIFFORD. It needs one.

Mr. PATMAN. The gentleman talks about Federal Reserve bank notes. They have to pay the insignificant sum of one-half of 1 percent a year. On Federal Reserve notes they do not have to pay a penny. They pay 27 cents a thousand to have them printed.

Mr. GIFFORD. Then, it is indeed strange that they do not avail themselves of this privilege. It cannot be very profitable. These speakers are trying to tell the Members of this Congress that nothing is of value except money backed by a small reserve of gold, which is itself merely a commodity. Do not let them make you believe that when you go to a bank to borrow money, you do not give the very best of security and then secure a loan of only 60 or 70 percent of its full value, measured in dollars. These securities are not "blue sky" value, as declared by the first speaker. The gentleman from Texas stated that we could issue paper money up to a point at which the confidence of the people would not be disturbed. But he has little notion as to when this breaking point will be reached. Go beyond it, and you will need money by the basketful. It would seem to be our clear duty to oppose certain things that common sense—even a little common sense—shows us to be unsound and highly dangerous.

Unfortunately, many Members seem to be persuaded by the enthusiasts, such as Professor Fisher, who convinced so many of you gentlemen of the efficiency of the commodity dollar, now wisely forgotten.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. CAVICCHIA. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Massachusetts be extended for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, the gentleman brought up a very interesting question a while ago about Federal Reserve bank notes and Federal Reserve notes. If the gentleman were in charge of a Federal Reserve bank, knowing that the Federal Reserve bank note must pay a tax of one-half of 1 percent a year, and that on the Federal Reserve notes he would pay only for the cost of printing them and no tax, which would he get, Federal Reserve bank notes or Federal Reserve notes?

Mr. GIFFORD. But when they loan to the Government, they get about one-half of 1 percent.

I was speaking to the new Members about Prof. Irving Fisher, who is, I presume, regarded as a real economist. Many here were won over to his doctrines. But what did he finally say? "Oh, what a pity that there was an election



in 1932." The commodity-dollar idea that he advanced could not work. Read the theories of other professors of economics on the subject of money and you will find that their opinions are so completely divergent that we should indeed hesitate before embarking for any such dangerous experiments.

The message of the President, fine as it was in its dealing with many of the matters upon which it touched, was utterly lacking in any statement tending to encourage the investment of money in private industry. It was a remarkable omission. Above all else, encouragement and assurance should have been forthcoming.

And now, at the very start of this Congress, we are advised that a central bank should be created further to embarrass our existing banking institutions. Let it be remembered that although we use the Federal Reserve bank principally to act as our agent in the financing of Government operations, it was not established for that particular purpose. It was set up as a central repository for all the banks of the country. Members of the System borrow money of Reserve banks at all times as the need presents itself. On the whole, it has functioned admirably. Do not put it out of business just because we have seen fit to make it our agent in the carrying on of governmental loan functions. The member banks have done this with a high degree of success and to our advantage. They have allocated these loans at a very low rate of interest.

What the country especially needs at this particular time is to regain a little confidence. God knows we need it. [Applause.]

The SPEAKER. The time of the gentleman from Massachusetts [Mr. GIFFORD] has expired.

#### ELECTION OF MEMBERS TO COMMITTEE ON APPROPRIATIONS

Mr. SNELL. Mr. Speaker, I offer a resolution, which I send to the desk and ask for its immediate adoption.

The Clerk read as follows:

#### House Resolution 35

*Resolved*, That the following Members be, and they are hereby, elected to the Committee on Appropriations of the House of Representatives, to wit: John Taber, of New York; Robert L. Bacon, of New York; Richard B. Wigglesworth, of Massachusetts; Clarence J. McLeod, of Michigan; Lloyd Thurston, of Iowa; Florence P. Kahn, of California; John T. Buckbee, of Illinois; Chester C. Bolton, of Ohio; W. P. Lambertson, of Kansas; D. Lane Powers, of New Jersey; J. William Ditter, of Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. SNELL]?

There was no objection.

The resolution was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. RANKIN, for 5 days, on account of being called to Jackson, Miss., to help in the struggle now being waged to rescue the people of that city from the ravages of the Power Trust;

Mr. DIETRICH, of Pennsylvania, for today, on account of illness; and

Mr. BINDERUP, for the remainder of the week, on account of important business.

#### EDUCATORS SHOULD TAKE OATH

Mr. DOCKWEILER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article which appeared in the National Republic, written by my colleague, Mr. EDWARD A. KENNEY.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. DOCKWEILER]?

Mr. SNELL. Reserving the right to object, is this his own article?

Mr. DOCKWEILER. It is his own article, written by himself, on the subject, The Educator Should Take an Oath.

The SPEAKER. Is there objection?

There was no objection.

Mr. DOCKWEILER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article which appeared in the National Republic, written by the gentleman from New Jersey, Hon. EDWARD A. KENNEY:

#### EDUCATORS SHOULD TAKE OATH

ORGANIZED OPPOSITION OF 700 TEACHERS IN NEW YORK TO "TEACHERS' OATH" AND EXPOSURES OF COMMUNISTIC TEACHINGS IN INSTITUTIONS FORCE ISSUE ON CONGRESS

"Let reverence for the laws be breathed by every American mother to the lisping babe that prattles on her lap; let it be taught in schools, in seminaries, and in colleges; let it be written in primers, spelling books, and in almanacs; let it be preached from the pulpit, proclaimed in legislative halls, and enforced in courts of justice. And, in short, let it become the political religion of the Nation; and let the old and the young, the rich and the poor, the grave and the gay, of all sexes and tongues and colors and conditions, sacrifice unceasingly upon its altars."—Abraham Lincoln.

That the example afforded by some of our enlightened States may be weighed by all others, I have introduced in Congress House Joint Resolution which has come to be known as No. 339; a resolution memorializing the States to require all teachers of the public schools and other public institutions of learning to take an oath to support the Constitution of the United States.

Since the introduction of this resolution, a certain teacher has said that he could take the oath, but it would have no meaning so far as he was concerned. Perhaps there are others like-minded; if so, they will be discovered by their actions and utterances. Many witnesses testifying in our courts have been styled "perjurers." The oath to speak the truth taken by them may have had no significance. Yet it would not be a wise public policy to strip the courts of the pledge of witnesses to tell "the truth, the whole truth, and nothing but the truth."

Our schools, vastly more than our courts, need the protection of an oath. And where teachers oppose the oath of allegiance to the Constitution and others disregard it, it is time to sound the warning, "Beware, America!"

The menace of communism and socialism is abroad in the land, and the real and great danger is in the child—the chief prey of these disloyalists. Consequently, loyal teachers are absolutely necessary.

The slogan of communism in America may be summed up in this statement attributed to a former Boston school teacher:

"Give us one generation of small children to train to manhood and womanhood, and we will set up the Bolshevik form of the soviet government."

Let me introduce you to the child who is of concern to us today. She is Barbara. Her age lies between 14 and 18. Her features, and occasionally her speech, betray the fact that her parents came from another land. She was born and lives in a tenement district of one of the large cities. The teacher has visited her home; it is a hovel. There is a steady conflict between Barbara and the trained nurse of the school. Barbara is not clean. A report is sent to the teacher. She speaks privately to Barbara about it; and as she does so, she has a vision of the two rooms in which the child, her parents, and three or four little brothers and sisters are huddled together. The teacher, the loyal teacher, feels motherly. Barbara is not bad at heart. The teacher likes her, pities her sincerely. She is the victim of her surroundings.

Barbara is intelligent; she passes her examinations with a high percentage, perhaps because she has a marvelous gift for languages. As a rule, she behaves well. Whenever she has an opportunity to point out the defects—what she thinks are defects—of various forms of government, she never fails to do so. That opportunity is sometimes hers when she has to read passages in history. At all times she is eager to speak of her rights, peoples' rights, and resents the teacher speaking of her duties, their duties. She will remind that her father pays taxes; she adds in a lower voice, "indirectly." (She remembers the teacher was in her home.) She likes to offer suggestions as to the way countries should be governed; it is an echo of Union Square. The teacher is diplomatic; she asks a question leading elsewhere.

Barbara belongs to the Young Pioneers organization. Perchance she has also joined the Young Communist League; she may be a member, too, of the National Students League. The latter's 1933 yearbook contains this startling statement: "The fact that the school and city officials are opposed to Communists does not mean that the student body should also. On the contrary, we have found in the course of our struggles that the Communists in our organization generally have the clearest understanding of student problems and their relation to society and often provide us with our best leaders." And further: "It must also be pointed out that there is a communistic league which also functions in the schools and colleges."

Like many others, Barbara will plan and participate in meetings of these organizations sometimes held in the public schools with a Communist teacher as official adviser. Her ambition leads her to be counted among those attending the 20 or more private schools holding instruction after public-school hours in anti-American and communistic doctrines.

On the 1st of May, Barbara is absent from school. She is in the Communist parade. She is on a float; she wears a red dress, waves frantically a red flag, and screams: "Down with the capitalists!"—etc. The next day she cannot recite; she is hoarse. She brings an excuse for absence. It says: "Barbara was absent because she had to go to the International Workers parade."



The leading members of the Young Pioneers urge her to do some propaganda work. Or, the Young Communist League may do so. She feels it her duty. She distributes some Communist literature to her schoolmates. She knows it is forbidden. She is caught. Others had been caught before her, most of whom were dismissed.

I should advise keeping in school the Barbara who obeys the rules of the school in regard to the nondistribution of Soviet literature. You might say that, after all, she has a right to her opinion. And there is always a chance to lead her to change her views. If the teacher is the kind that believes in a Supreme Being, one who does not advocate the overthrow of the Government by force and violence but adheres loyally to the ideals and principles of the Constitution of the United States, there is a good chance. Should the loyal teacher succeed in gaining her confidence and winning her affection—friendship is the goddess of understanding—much may be accomplished. There have been numerous cases where changes have been effected. I know teachers who have some to their credit.

I should recommend that the Barbara who has gone so far as to defy her principal and the rules of the school and distribute Soviet literature and poison the minds of other youth be summarily expelled; that she be forever deprived of an education at the expense of the city. Such example would have a salutary influence on the other young propagandists. She would then have to get along with whatever education she had, and she does wish a good education, she wants it badly, she desires to go to college, to the city's college. She dreads to go to a factory, like her elders at home, to sew on buttons. But if she is not expelled, she will keep up her work, her insidious work.

If permitted to remain in school, she will continue to seek recruits from her classmates to attend with her the meetings of the Young Pioneers. She will seek prominence in the Young Communist League, leading a drive for new memberships. At the special instructions received at the outside anti-American schools, she will be encouraged by others of her age and by her elders, too often disloyal public-school teachers who, like Barbara, have gone to the public schools and later to a university and finally secured a position as teacher with the opportunity of encouraging, fostering, and promoting communistic propaganda within the very confines of the classroom.

What protection shall America have?

An oath brings to the person taking it the fullest realization of his responsibility. It binds the affiant to the due execution of his trust whatever its character. Its propriety is obvious as a protection to society.

The oath to support the Constitution of the United States was conceived by the Federal convention which adopted it. Oath of allegiance was not required by the Articles of Confederation which preceded it, with the result that no binding obligation was felt. My State (New Jersey) raised objection to the articles because Members of Congress sat without first obligating themselves by oath. The oath exacted by the Constitution indisputably has made for its preservation. The idea was not one of necessity but was formulated on the theory that the Nation was entitled to the best security that could be furnished by those entrusted with the administration of its affairs. Its fixed purpose was to keep inviolate forever the basic fundamental law.

In its grant of cherished inalienable rights, liberties were safeguarded, and there was guaranteed to all freedom from political, religious, or other oppression. The checks and balances placed upon the three branches of government served to assure to mankind a haven of civilization nowhere else known, provided only those charged with its high responsibilities upheld the spirit, the principles, and ideals of the model document. How, then, was fealty to be insured? By the oath. The oath solemnized the obligation.

Presumably every American citizen knows that the first and every succeeding President of the United States has bound himself by oath to support the Constitution. But how many know that the very form of his oath is prescribed by its provisions? It might be well to reflect for just a moment upon the decidedly emphatic bond it demands from the President to keep the Constitution free from any violating acts of his own and to protect and defend it against the invasion of all others. By those who have attended the President's inauguration or listened to the inaugural ceremonies over the radio, these words, taken from the Constitution, may be recalled:

"I do solemnly swear (or affirm) that I will faithfully execute the office of President of the United States, and will to the best of my ability, preserve, protect, and defend the Constitution of the United States" (art. II, sec. 1, clause 8).

After my election as a Member of the House of Representatives I was surprised at the number of persons who inquired of me, "When are you going to take your oath?" It was their way of asking when my term of office commenced. On many occasions I have heard reference made to other officials in a similar way, as for example, "John was sworn in today", the equivalent of saying that he began his official duties. Our people everywhere have come to regard the oath as a condition precedent to the assumption of a public trust. This grows out of the further constitutional provision:

"The Senators and Representatives before mentioned and the members of the several State legislatures and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution; . . . (art. VI, clause 3).

By acts of Congress and the statutes of the several States holders of office affected with a public interest have been called upon from time to time to make oath to support the Constitution of the United States. With the growth of the Nation and its accompanying complexities, many public positions took on added importance and responsibility. As they have done so, it has been deemed prudent and altogether wise to extend the requirement of the oath so as to have all occupying places of honor and trust subscribe and swear to support the Federal Constitution.

The teacher in the public schools is, more than ever before in the peace-time annals of our country, the guardian of our civilization. Her task has not always been a simple one. Lately, her school has become a veritable battleground. Throughout the world the enthusiasm of youth, the restlessness of the parent reflected in the young, the flaming desire of the boy and girl to spring to the relief of their depression-ridden families, all have brought about a new condition, a fresh problem for the teacher. Youth is an integral part of the new order as it exists in varying form in many of the countries of the world. Young men and women are the backbone of fascism, nazism, and communism. In America our youth are engaged in eagerly seeking an outlet for new opportunity. Unless, therefore, the principles of freedom, justice, equality, and humanity as enunciated by the Constitution of the United States are inculcated in our boys and girls at the very beginning of their careers, there will be cause for grave concern for our Government. They have to be reminded that the liberties guaranteed by the Constitution gave rise to unprecedented opportunities and despite temporary limitations greater opportunities lie ahead if we but steer true our course guided by the doctrines which made our country great and peerless. Must we not then be appreciative of the importance of the duties of the public-school teacher in her present-day relation to her pupil? The teacher's responsibility has enlarged, her position has become exalted; upon her depends in great measure the future stability of the Government.

Even before world unrest became so intense, the growing importance of the responsibility of the teacher toward the child and consequently to the Nation came to be realized in various sections of our country. As early as 1921 three States of the Union passed laws requiring teachers to take an oath of allegiance to the Constitution of the United States. They were Colorado, Oklahoma, South Dakota. In the same year Oregon demanded an oath to support its State constitution, and its teachers were to teach by precept and example "reverence for law and order and undivided allegiance to the Government of our country, the United States of America." Such law, however, did not provide for a direct oath to support the Federal Constitution.

In 1928 West Virginia by statute imparted to its teachers the duty to swear allegiance to the United States Constitution.

Florida, in 1925, enacted a similar law, and in 1929 Indiana followed. The next year, 1930, Ohio was included in the list.

The subsequent course of events gave impetus to the movement, for in 1931 five more States were added. They were California, Michigan, Montana, North Dakota, and Washington.

In 1932 South Carolina required applicants for teachers' certificates to satisfy the examining power of their loyalty to the United States Constitution, but its law does not provide for an oath of support.

Some States authorize school boards or officials to impose any qualifications upon teachers they may deem proper, which may presumably cover the power to require an oath of allegiance. Very few of the States, however, ask their teachers for such oath. None is mandatory in New Jersey, for instance, although in 1928 the legislature passed a law providing that all permanent teachers employed in the State be citizens of the United States.

The District of Columbia, it is important to mention, by a ruling of the Commissioners on June 7, 1902, pursuant to the act of Congress of March 3, 1883, laid down the requirement that teachers of the District take an oath to support the Constitution of the United States, and on March 7, 1917, adopted a new form of oath now administered.

The problem of communism in our high schools, particularly among girls, is becoming increasingly difficult and alarming. It must be banished. The teacher's position has been exalted to the point where it involves the very lifeblood of our civilization. The teacher has become the keeper of the Constitution. All teachers, especially those of the larger cities where communism is rampant, should welcome the privilege of attaching to their trust the pledge of allegiance to American doctrines. The teachers' oath, far from impugning disloyalty, will impress indelibly upon the Nation the loyalty and fidelity required in the discharge of the arduous and sacrificial responsibility which, alas, is theirs.

#### A MIDWESTERN APPROACH TO THE SEVENTY-FOURTH CONGRESS

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to have extended in the RECORD a radio speech made by Hon. KARL STEFAN, a Member of this House.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEMKE. Mr. Speaker, pursuant to the leave granted to me, I desire to insert herewith, as an extension of my remarks, a radio address by Hon. KARL STEFAN, of the Third Congressional District of Nebraska, delivered over the Columbia network, January 3, 1935.



To be allowed on this historic occasion to talk to the people of the United States is a great honor. We are today thinking for the safety and security of our Nation.

I believe we are here to help save this great Republic and to help our President carry out the marching orders given to him by the people at the last election.

As the Seventy-fourth Congress opens, we find the Congressmen and Senators assembled with various ideas and various plans—all based on the belief that these ideas and plans will help win this war on depression.

While the city of Washington displays an atmosphere of prosperity and of a boom town, out where I come from—the great State of Nebraska—we know there is a depression. I represent the third district, which normally is the richest agricultural district in the world. Nearly 300,000 people live in that district. There are 35,409 farms in those 22 counties. The farmers out there are broke because the drought killed their crops. The people out there are not radical people. They are producers of the food you eat. They are workers, descendants of the pioneers who settled the country, driving out there in covered wagons drawn by ox teams. Normally it is the Nation's bread basket. That basket is empty today.

You people here in this boom town of Washington do not realize the conditions out there. Pigs are sold by the dozen—35 cents a dozen there—because there is not a kernel of corn for the animals to eat. But when our farmers go to town to buy a meal in a restaurant, it costs them seven pigs for a pork supper. And talking about pork suppers, the prices of things we eat in Washington are unusually high compared with the prices paid for foodstuffs in other States. Pork chops cost 40 cents a pound at several places in Washington. That will give you some idea of how many pigs a pork supper would cost a Nebraska farmer in Washington today. To qualify this statement I wish to point out to you the pitiful condition of farmers who are endeavoring to make a livelihood at raising pigs in my district. For one illustration, a farmer named Mayhew, of Norfolk, Nebr., took 35 pigs to the Sioux City livestock market on October 17, 1934. The net weight of these pigs was 1,620 pounds. He received a price of 1 cent per pound, or a total of \$16.20. His expenses included yardage, \$4.90; meat board fund, 5 cents; insurance, 9 cents; inspection, 35 cents; and the commission house collected \$8.75; or a total expense of \$14.14. This farmer was given a check for \$2.06. He also handed me a slip containing other expenses which he did not figure in, and he figured it out by the number of pigs which each item cost him instead of dollars and cents. He figured that it cost him 6½ pigs to take that load of pigs across the toll bridge from the Nebraska to the Iowa side, and it cost him 6½ pigs to come back across that bridge, but he did not have the pigs any more.

This farmer was hungry, and he went into a restaurant to buy himself something to eat. He ordered a roast-pork supper, and he figured it cost him seven pigs for that roast-pork supper. This gives you some idea of the plight of the Nebraska farmers who today are endeavoring to eke out a living by raising pigs. The hog has been the mortgage lifter in Nebraska for several years. That is not true today, because it is not profitable to feed corn to pigs today because the price of corn has been raised to such a high amount. Corn is being held in some parts of Nebraska for as much as \$1.25 a bushel. The Government will not lend money to farmers on these small pigs, because it is not profitable to feed the pigs with this high-priced feed, and as a result there is no market for the little pigs.

I am the only Republican Congressman in Nebraska. Senator NORRIS is the Republican Senator from that State, and we are proud of him. Nebraska's is the only entirely new delegation in the Seventy-fourth Congress.

You know Nebraska is playing a great part in this Congress. It was our own Senator NORRIS, who put the twentieth amendment through Congress. Until that amendment was ratified, a Congress elected in November did not meet in regular session for 13 months. As it is today, we bring the lawmakers in closer touch with the voters. The legislators are not so apt to forget their campaign promises made to the people they now represent.

Speaking as a progressive Republican, I feel that the great Democratic majority in Congress knows the forces that created this majority and that this force can also destroy that majority—the American people. This force includes the 10 million of unemployed, the 20 million on relief, the million young men and women out of our great educational institutions who are walking the streets looking for a job, the 35,000 young men who come of age every month with no job or hope of even marriage. This is the force which this modern Congress must take into consideration, and this is the force which is giving orders today. This force has given us orders for solid recovery. I believe the leaders in this Congress know this.

This Congress will make this winter a turning point in our history. So far as I can see, we are going to follow the President, as the American people are following him. The old two-party systems are wrecked. It was not a question of Democrats or Republicans in our State. It was a marching order to follow the President in winning this war on the depression. There is a lot of talk about wild men in Congress—and Congress will run wild if the American people so will it; and Congress will take the lead away from the President if the demands of the people for adequate relief are unanswered.

You people who are listening to this address no doubt wonder what changes Congress will propose for permanent relief. The big questions I suggest that you watch are:

The demand for immediate cash payment of the soldiers' bonus. The permanent program for public works, housing, etc. Unemployment insurance, old-age pensions, old-age insurance, sickness insurance, etc.

The central bank.

The Frazier-Lemke finance bill.

And do not fail to watch how Congress fights on the proposed gag rule which would require about 218 signers instead of 145 to take a bill out of committee and bring it before Congress.

The rule to which I refer and which I urge that you watch closely and see what action Congress takes is the discharge rule, and those who have been in Congress a long time and those who have read the history of this rule have learned that it was originally adopted back in 1910 for the purpose of taking away from the Speaker some power to recognize the individual Members of the House to bring up legislation as they saw fit and to prevent Members from bringing up legislation he did not want to have brought up. As many progressives view this situation today, they feel that the majority has sufficient majority to do what it wishes in Congress and that the minority has practically no power.

Therefore they feel that this gag rule—which they predict will be passed by this House—will mean that Congressmen who have certain legislation that they wish to bring on the floor of the House will not be able to do so unless they have the approval of the administration and Cabinet members. In other words, many believe that this gag rule puts a powerful weapon in the hands of a few to the disadvantage of many, and that the voice of the people through certain proposed legislation will not be given a hearing on the floor of the House of Representatives. It is a gag rule which is not popular with the progressive-thinking people of our country who wish important legislation to be brought to the attention of the entire House rather than be smothered in some committee. It is a gag rule of which both Republicans and Democrats are guilty, and many Representatives are here today who have made certain promises regarding certain legislation they would bring before the attention of the House who may find their bills locked up in committee rooms. It means that today a Congressman who has a bill in some committee will have to secure the signatures of 218 Members of the House, or a majority, before that bill can come out of committee. To many of us who are opposed to gag rules it is an aim to defeat the immediate cash payment of the soldiers' bonus, to defeat such bills as the Townsend old-age pension plan, the Frazier-Lemke finance bill, the central bank plan, and many other progressive measures which are being discussed by some of the legislators, and in which the people of the United States are very much interested.

As the only practical radio man in Congress, I am very happy to have the opportunity to address you today. I am interested in better conditions on the farms, because the district I represent depends entirely on the farmer, and the business man in that district realizes that the farmer is his potential customer—his only customer—and the economic condition of the farmer in that district must be improved if the business in the towns is to continue to grow. The radio people may be interested to know that this district, containing 22 normally rich counties, has a population of 229,632; that there are 36,123 radio sets in that district. There are 35,409 farms in my district, and each of these farms is stocked with an average of \$4,700 worth of livestock and farm products, a large portion of which is sold each year, besides providing a living for the family. The population is 12 to the square mile, and there has been an automobile for each family. Conditions there are different than a few years ago because of the drought. There is a general exodus of farmers to the towns to seek relief for charity. In some counties livestock is starving because there is no feed. It is for that reason that one of my first acts in Congress will be to introduce a bill asking that the President name a commission to study the farm dollar.

Great statesmen, including our own Senator GEORGE W. NORRIS, are in favor of an honest farm dollar, and many of them want a definite plan. I have several plans for a farm dollar, but I believe we would be making a mistake to base a campaign on any particular plan. When one favors a specific plan, we divide the ranks of those who are agreed it should be done. So, I will introduce my bill asking for the appointment of a farm-dollar commission to study all possible plans, and recommend the one which would best accomplish the purpose. What I mean by a farmers' dollar is the ratio, it being the price farmers receive for items they produce and the price they have to pay for the items they want to buy. Back in 1920, the farmers' dollar was worth \$1.06. Since then it has been below par. Even in the good times of 1929 the farmers' dollar was worth 91 cents, and the farmer was doing business under a handicap. I believe that if you would bring the farmers' dollar back to 100 cents, he will start buying many things he needs, such as paint, fencing, roofing, farm machinery, and many other items too numerous to mention. I believe that would do more to start factories and reduce unemployment than any other one thing which could be devised. For years the farmer has been doing business with depreciated currency, and I want to see his money have just as much purchasing power as that of everybody else. What I really mean is that when the farmer digs a dollar's worth of produce out of the ground, he should be able to go to town and buy a dollar's worth of merchandise.

I told you that we have over 35,000 farms in our district. Each one of these farms represents a business, involving an average of \$4,700 each. These farmers are demanding a fair return on investment. Many small businesses with a few hundred dollars invested are today taking in more money than the farmer who has invested in his business many thousands of dollars. The big rail-



road corporations, power corporations, and others are asking a fair return on investment. Labor is asking for a minimum wage and minimum working hours. There is nothing in the program for a fair return on investment for the farmer. Newspapers indicate that the President and the Agriculture Department feel that the farmer's share of the national income is rising. That may be true in some localities where crops have been abundant, but out in my part of Nebraska where there have been no crops because of the drought, that is not true. Farmers who raised some crops this year profited by the misfortune of farmers in our district. In other words, the drought has accomplished more to increase prices of farm products than any other thing.

## ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 16 minutes p. m.), the House adjourned until tomorrow, Tuesday, January 8, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

98. A letter from the Secretary of the Treasury, transmitting schedules and lists of papers, documents, etc., in the files of the Treasury Department which are not needed in the transaction of public business and have no permanent value; to the Committee on Disposition of Useless Executive Papers.

99. A letter from the Chairman of the Interstate Commerce Commission, transmitting the Forty-eighth Annual Report of the Commission (H. Doc. No. 23); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

100. A letter from the Chairman of the Interstate Commerce Commission, transmitting copies of various final valuations of properties of certain carriers, as required by section 19a of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

101. A letter from the Acting Director of the Bureau of the Budget, transmitting statement of the reports submitted by the executive departments and independent establishments, and the municipal government of the District of Columbia, showing the number of vacant positions therein, the number thereof filled, and the amounts unexpended for the period between July 1, 1934, and October 31, 1934; to the Committee on Expenditures in the Executive Departments.

102. A letter from the Attorney General, transmitting statement showing names of persons employed under the appropriation "Pay of special assistant attorneys, United States courts", with rates of compensation or fees paid, as required by the act making appropriations for the Departments of State, Justice, etc., for the fiscal year 1935; to the Committee on Expenditures in the Executive Departments.

103. A letter from the Attorney General, transmitting a list of suits arising under the act of March 9, 1920 (41 Stat. 525), authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal; to the Committee on Claims.

104. A letter from the Administrator of Veterans' Affairs, transmitting the annual report of the Administrator of Veterans' Affairs for the fiscal year ended June 30, 1934 (H. Doc. No. 13); to the Committee on World War Veterans' Legislation and ordered to be printed.

105. A letter from the Attorney General, transmitting a list of suits arising under the Public Vessel Act of March 3, 1925 (43 Stat. 1112), in which final decrees were entered, exclusive of cases on appeal; to the Committee on Claims.

106. A letter from Attorney General, transmitting the annual report of the Department of Justice for the fiscal year ended June 30, 1934 (H. Doc. No. 10); to the Committee on the Judiciary and ordered to be printed.

107. A letter from the Comptroller General of the United States, transmitting the delinquency report for 1934; to the Committee on Expenditures in the Executive Departments.

108. A letter from the Secretary of the Treasury, transmitting the annual report of the Secretary of the Treasury

on the state of the finances for the fiscal year ended June 30, 1934 (H. Doc. No. 6); to the Committee on Ways and Means and ordered to be printed.

109. A communication from the President of the United States, transmitting five supplemental estimates of appropriation for the fiscal year 1935 (H. Doc. No. 41); to the Committee on Appropriations and ordered to be printed.

110. A letter from Acting Director of the Bureau of the Budget, transmitting (1) a letter from the administrative assistant to the Secretary of the Treasury submitting reports for the fiscal year 1934 of vessels and vehicles forfeited to the United States for violation of the customs and prohibition laws; (2) a list of persons employed in the Procurement Division, Public Works branch, Treasury Department, and paid from the appropriation, "General expenses of public buildings", during the fiscal year ended June 30, 1934; and (3) a letter from the administrative assistant to the Attorney General submitting a report of vessels and vehicles acquired under the act of March 3, 1925, as amended, during the period beginning July 1, 1933, and ending May 10, 1934; to the Committee on Expenditures in the Executive Departments.

111. A letter from the administrative assistant to the Secretary of the Treasury, transmitting a combined statement of the receipts and expenditures, balances, etc., of the Government during the fiscal year ended June 30, 1934 (H. Doc. No. 42); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

112. A letter from the Acting Secretary of Agriculture, transmitting reports of the Department on (1) Federal-aid road work, (2) forest roads and trails, (3) sale of waste paper; to the Committee on Roads.

113. A letter from the Comptroller General of the United States, transmitting a report and recommendation concerning the claim of Elda Geer against the United States; to the Committee on Claims.

114. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning the claims of Sanford A. McAlister and Eliza L. McAlister against the United States; to the Committee on Claims.

115. A letter from the Comptroller General of the United States, transmitting a report and recommendation concerning the claim of the West India Oil Co. against the United States; to the Committee on Claims.

116. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning the claim of Dr. George W. Ritchey against the United States; to the Committee on Claims.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GOLDSBOROUGH: A bill (H. R. 2998) to establish the Bank of the United States, to reduce the cost of United States Government financing, to insure a steady reduction in the amount of the United States debt, and to pay the losses of depositors in closed banks; to the Committee on Banking and Currency.

By Mr. CULKIN: A bill (H. R. 2999) to protect the motion-picture industry against unfair trade practices and monopoly; to provide just settlement of complaints of unfair dealings; to provide for the manufacture of wholesome motion pictures, both silent and talking, at the sources of production; to create a Federal Motion Picture Commission, to define its powers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3000) to promote the health of the people of the United States and to encourage the dairy industry in the interest of the general welfare; to the Committee on Agriculture.

By Mr. STUBBS: A bill (H. R. 3001) to prohibit, until the end of the calendar year 1940, the importation of crude petroleum and crude-petroleum byproducts into the United States of America; to the Committee on Ways and Means.



By Mr. SCRUGHAM: A bill (H. R. 3002) to amend section 14 of an act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934 (Pub. No. 417, 73d Cong.); to the Committee on Banking and Currency.

By Mr. RANKIN: A bill (H. R. 3003) to provide for the commemoration of the two hundredth anniversary of the Battle of Ackia, Miss., and the establishment of the Ackia Battleground National Monument, and for other purposes; to the Committee on the Public Lands.

By Mr. GREEN: A bill (H. R. 3004) to provide for the payment of one-half the amount of losses sustained on account of the campaign for the eradication of the Mediterranean fruit fly in Florida, and for other purposes; to the Committee on Agriculture.

By Mr. HOEPEL: A bill (H. R. 3005) to safeguard public health, lessen human suffering, increase longevity, and insure the economic security and greater self-containment of the United States through the establishment of research fellowships for unemployed technically qualified individuals in institutions of higher learning; to the Committee on Education.

By Mr. McCORMACK: A bill (H. R. 3006) to amend paragraph (1) of section 3, as amended February 28, 1920, and March 4, 1927 (U. S. C., title 49, sec. 3), of the Interstate Commerce Act (U. S. C., title 49, ch. 1); to the Committee on Interstate and Foreign Commerce.

By Mr. COLDEN: A bill (H. R. 3007) to apply the quota system to immigration from the Republic of Mexico and the Philippine Islands, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. LEMKE: A bill (H. R. 3008) establishing the Bank of the United States, owned, operated, and controlled by the Government of the United States; defining the scope and manner of its operation; defining the powers and duties of the persons charged with its management; creating a board of directors, and for other purposes; to the Committee on Banking and Currency.

By Mr. JONES: A bill (H. R. 3009) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity-futures exchanges, by providing means for limiting short selling and speculation in such commodities on such exchanges, by licensing commission merchants dealing in such commodities for future delivery on such exchanges, and for other purposes; to the Committee on Agriculture.

By Mr. BRUNNER: A bill (H. R. 3010) to regulate the shipment in interstate commerce of pistols, revolvers, sawed-off shotguns or rifles, machine guns, or any firearms which can be concealed on the person; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3011) authorizing appropriation of funds for construction of a Federal highway from Fort Tilden, N. Y., to the border of Connecticut; to the Committee on Roads.

By Mr. CARY: A bill (H. R. 3012) to authorize the transfer of certain lands in Hopkins County, Ky., to the Commonwealth of Kentucky; to the Committee on Public Buildings and Grounds.

By Mr. COLDEN: A bill (H. R. 3013) to provide for the construction and operation of a vessel for use in research work with respect to Pacific Ocean fisheries; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 3014) to increase tariff duties on tuna fish; to the Committee on Ways and Means.

By Mr. CONDON: A bill (H. R. 3015) to provide for the construction of a post-office building at Manville, R. I.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3016) to increase by \$1,500,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

Also, a bill (H. R. 3017) to provide for the construction of a post-office building at Valley Falls, R. I.; to the Committee on Public Buildings and Grounds.

By Mr. CULKIN: A bill (H. R. 3018) to extend the time for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. DEROUEN: A bill (H. R. 3019) to amend sections 1, 3, and 15 of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269); to the Committee on the Public Lands.

By Mr. GREEN: A bill (H. R. 3020) to appropriate \$2,000,000 for use in the eradication of cattle ticks and screw worms; to the Committee on Appropriations.

By Mr. HOPE: A bill (H. R. 3021) to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes; to the Committee on Agriculture.

By Mr. HOEPEL: A bill (H. R. 3022) to safeguard American labor and to help maintain our monetary credit; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 3023) to provide for citizenship to persons born in the United States, who have not acquired any other nationality by personal affirmative act, but who have heretofore lost their United States citizenship through the naturalization of a parent under the laws of a foreign country, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 3024) to amend section 6 of Public Law No. 2, Seventy-third Congress, to provide hospital treatment and domiciliary care to retired personnel of the armed services without additional expense to the Government; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 3025) to grant retirement to disabled noncommissioned officers of the Army and Marine Corps and to petty officers of the Navy and Coast Guard; to the Committee on Military Affairs.

Also, a bill (H. R. 3026) to grant double-time credit for retirement purposes to enlisted men of the Army, Navy, Marine Corps, or Coast Guard for certain service during the World War; to the Committee on Military Affairs.

Also, a bill (H. R. 3027) authorizing the pay of warrant officers on the retired list for transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who served as commissioned officers during the World War; to the Committee on Naval Affairs.

Also, a bill (H. R. 3028) to authorize the Secretary of War to fix the pay grade of enlisted men of the Army and the Marine Corps retired before July 1, 1920; to the Committee on Military Affairs.

Also, a bill (H. R. 3029) to amend section 2 of the act of May 23, 1930 (46 Stat. 375); to the Committee on Naval Affairs.

Also, a bill (H. R. 3030) to amend the laws relating to postal-savings depositories, to provide an additional circulating medium, to restore confidence and eliminate hoarding, to guarantee deposits without cost to the depositor, and to reduce interest expenditures on the public debt, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 3031) to reward merit and length of service-in-grade for certain noncommissioned officers of the Army and Marine Corps and petty officers of the Navy and Coast Guard; to the Committee on Military Affairs.

Also, a bill (H. R. 3032) to amend the act of April 27, 1916, establishing the Army and Navy Medal of Honor roll; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 3033) to authorize the construction and use of underground pneumatic-tube service; to the Committee on the Post Office and Post Roads.

By Mr. KING: A bill (H. R. 3034) to enable the people of Hawaii to form a constitution and a State government to be admitted into the Union on an equal footing with the States; to the Committee on the Territories.



By Mr. KNUTSON: A bill (H. R. 3035) to reduce the internal-revenue tax on beer and other malt liquors; to the Committee on Ways and Means.

By Mr. FULMER: A bill (H. R. 3036) to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes; to the Committee on the Judiciary.

By Mr. McCORMACK: A bill (H. R. 3037) to prevent discriminations against American ships and ports, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 3038) to restore base pay of Federal officers and employees; to the Committee on Expenditures in the Executive Departments.

By Mr. McSWAIN: A bill (H. R. 3039) to authorize the acquisition of additional land for the use of Walter Reed General Hospital; to the Committee on Military Affairs.

By Mr. MILLARD: A bill (H. R. 3040) to require the display of the United States flag on all vessels of the United States of 100 gross tons or more; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. MORAN: A bill (H. R. 3041) to authorize the Secretary of Commerce to dispose of the Grindel Point Lighthouse Reservation, Maine; to the Committee on Interstate and Foreign Commerce.

By Mr. RAMSPECK: A bill (H. R. 3042) to amend section 1, paragraph 5, of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3043) to provide for the appointment of an additional district judge for the northern district of Georgia; to the Committee on the Judiciary.

Also, a bill (H. R. 3044) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch; to the Committee on the Civil Service.

By Mr. RANKIN: A bill (H. R. 3045) for the erection of a public building at Amory, Monroe County, Miss.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3046) for the erection of a public building at Booneville, Prentiss County, Miss.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3047) for the erection of a public building at Iuka, Tishomingo County, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. STUBBS: A bill (H. R. 3048) making it illegal to employ any alien while there are American citizens out of work who are able and willing to work, and fixing the penalty for willful violation thereof; to the Committee on Labor.

Also, a bill (H. R. 3049) authorizing the Secretary of Commerce to dispose of the Morro Rock Lighthouse Reservation, Calif.; to the Committee on Interstate and Foreign Commerce.

By Mr. FLETCHER: A bill (H. R. 3050) to amend an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment", approved June 2, 1920, as amended; to the Committee on Education.

By Mr. RANKIN: A bill (H. R. 3051) for the erection of a public building at Macon, Noxubee County, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. MEAD: A bill (H. R. 3052) to authorize the payment of annuities withheld from employees retired from active service during the month of July 1932 under the provisions of the economy law; to the Committee on the Civil Service.

Also, a bill (H. R. 3053) relative to assumption of risks of employment; to the Committee on the Judiciary.

Also, a bill (H. R. 3054) to amend the act relating to the liability of common carriers by railroad to their employees in certain cases; to the Committee on the Judiciary.

Also, a bill (H. R. 3055) to amend section 51 of chapter 2, title 45, of the Code of Laws of the United States of America; to the Committee on the Judiciary.

By Mr. BLANTON: A bill (H. R. 3056) to make it a crime to advocate or promote the overthrow of the Government

of the United States by force and violence, and for other purposes; to the Committee on the Judiciary.

By Mr. CARTWRIGHT: A bill (H. R. 3057) granting the consent of Congress to the State of Oklahoma for constructing a bridge across the Arkansas River south of the town of Sallisaw in Sequoyah and Le Flore Counties at a point approximately 15 miles north of Keota in the State of Oklahoma; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3058) providing for the cancelation of interest on loans to veterans on their adjusted-service certificates; to the Committee on World War Veterans' Legislation.

By Mr. CANNON of Wisconsin: A bill (H. R. 3059) to amend an act entitled "An act to amend an act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916"; to the Committee on the Judiciary.

Also, a bill (H. R. 3060) to assure to persons within the jurisdiction of every State and Territory of the United States adequate protection of their right to work; to the Committee on Labor.

By Mr. SAMUEL B. HILL: A bill (H. R. 3061) to authorize the adjustment of the boundaries of the Chelan National Forest in the State of Washington; to the Committee on the Public Lands.

Also, a bill (H. R. 3062) for the relief of certain tribes or bands of Indians in Washington, Idaho, and Montana; to the Committee on Indian Affairs.

Also, a bill (H. R. 3063) to establish a United States Army air depot in Spokane, Wash.; to the Committee on Military Affairs.

By Mr. BROWN of Georgia: A bill (H. R. 3064) providing for the establishment of growers' cooperative commodity markets; to the Committee on Agriculture.

By Mr. DOCKWEILER: A bill (H. R. 3065) to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of California, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 3066) for the relief of certain persons of the Regular Army, Navy, or Marine Corps who accepted commissions while serving as enlisted men during the World War and who afterward incurred disabilities which prevented their retirement as enlisted men in these services; to the Committee on Military Affairs.

By Mr. NICHOLS: A bill (H. R. 3067) granting the consent of Congress to the State of Oklahoma for constructing a bridge across the Arkansas River south of the town of Sallisaw in Sequoyah and Le Flore Counties at a point approximately 15 miles north of Keota in the State of Oklahoma; to the Committee on Interstate and Foreign Commerce.

By Mr. TURPIN: A bill (H. R. 3068) providing import duties on coal and coke imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. ZIONCHECK: A bill (H. R. 3069) regulating the performance of work by the enlisted or commissioned personnel of the United States Navy, Army, and Coast Guard; to the Committee on Naval Affairs.

By Mr. RUDD: Resolution (H. Res. 36) authorizing the appointment of a successor to the laborer authorized and named in the resolution of the House of Representatives adopted December 19, 1901; to the Committee on Accounts.

By Mr. DICKSTEIN: Resolution (H. Res. 37) to establish a new standing committee of the House to be known as the "Committee on the Preservation of American Democracy"; to the Committee on Rules.

By Mr. MAPES: Joint resolution (H. J. Res. 59) authorizing the issuance of a special postage stamp in commemoration of the one hundredth anniversary of the admission of Michigan into the State of the Union; to the Committee on the Post Office and Post Roads.

By Mr. ROMJUE: Joint resolution (H. J. Res. 60) authorizing the issuance of a special postage stamp in honor of



Samuel L. Clemens; to the Committee on the Post Office and Post Roads.

By Mr. WOODRUFF: Joint resolution (H. J. Res. 61) directing the President of the United States of America to proclaim October 11, 1935, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. MEAD: Joint resolution (H. J. Res. 62) to provide for the preparation, printing, and distribution of pamphlets containing the history of Brig. Gen. Casimir Pulaski, Revolutionary War hero, on occasion of the one hundred and fiftieth anniversary of the death of Brig. Gen. Casimir Pulaski, on October 11, 1929, with certain biographical sketches and explanatory matter; to the Committee on Printing.

Also, joint resolution (H. J. Res. 63) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. McSWAIN: Joint resolution (H. J. Res. 64) authorizing the President to appoint a nonpartisan board of 25 members to study and report conclusions upon ways, means, and methods to rehabilitate business conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. LESINSKI: Joint resolution (H. J. Res. 65) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. TREADWAY: Joint resolution (H. J. Res. 66) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

#### PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ASHBROOK: A bill (H. R. 3070) granting a pension to Charles M. Copus; to the Committee on Pensions.

Also, a bill (H. R. 3071) for the relief of Second Lt. Charles E. Upson; to the Committee on Military Affairs.

Also, a bill (H. R. 3072) granting an increase of pension to Jennie Raley; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 3073) for the relief of William E. Smith; to the Committee on Claims.

By Mr. BURNHAM: A bill (H. R. 3074) authorizing Paul H. Goss, immigration inspector; Roy B. Newport, Ralph V. Armstrong, and R. H. Wells, patrol inspectors in the Immigration Service of the United States, to each accept a gold watch presented to them by the governor of the northern district of Lower California, Mexico; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3075) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.; to the Committee on War Claims.

Also, a bill (H. R. 3076) granting an increase of pension to Ella G. Munhall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3077) granting a pension to Stephen D. Graves; to the Committee on Pensions.

By Mr. CANNON of Wisconsin: A bill (H. R. 3078) granting a pension to Patrick Quinlan; to the Committee on Pensions.

Also, a bill (H. R. 3079) granting a pension to William Gary; to the Committee on Pensions.

Also, a bill (H. R. 3080) for the relief of Arthur John Ford; to the Committee on Naval Affairs.

Also, a bill (H. R. 3081) for the relief of Ray Markey; to the Committee on Claims.

Also, a bill (H. R. 3082) for the relief of Paul Frankowiak; to the Committee on Military Affairs.

Also, a bill (H. R. 3083) for the relief of Anton G. Trotter; to the Committee on Military Affairs.

Also, a bill (H. R. 3084) for the relief of Walter S. Bean; to the Committee on Military Affairs.

Also, a bill (H. R. 3085) for the relief of John A. Nehmer; to the Committee on Military Affairs.

Also, a bill (H. R. 3086) for the relief of Margaret Helms; to the Committee on Military Affairs.

Also, a bill (H. R. 3087) for the relief of Henry A. Moody; to the Committee on Military Affairs.

By Mr. CARDEN: A bill (H. R. 3088) granting a pension to Frances Vaughn; to the Committee on Invalid Pensions.

By Mr. CARTWRIGHT: A bill (H. R. 3089) granting a pension to Nely Keller; to the Committee on Invalid Pensions.

By Mr. CHURCH: A bill (H. R. 3090) for the relief of Mayme Hughes; to the Committee on Claims.

By Mr. COLDEN: A bill (H. R. 3091) providing for the appointment of Chief Boatswain John J. Rochfort, with the rank of lieutenant, United States Navy, retired, to the office of lieutenant on the retired list of the Navy, and awarding him a Congressional Medal of Honor; to the Committee on Naval Affairs.

Also, a bill (H. R. 3092) granting a pension to Ezekiel Palmer; to the Committee on Pensions.

Also, a bill (H. R. 3093) granting a pension to Ida A. Borthwick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3094) granting a pension to Alice Lucy Duling; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3095) for the relief of Carrie Gannon; to the Committee on Claims.

Also, a bill (H. R. 3096) for the relief of Henry Francis Lawson; to the Committee on Naval Affairs.

Also, a bill (H. R. 3097) for the relief of Fred West; to the Committee on Military Affairs.

Also, a bill (H. R. 3098) for the relief of Bertha Ingmire; to the Committee on Claims.

By Mr. COLLINS: A bill (H. R. 3099) for the relief of Bennie W. Sitter; to the Committee on Military Affairs.

Also, a bill (H. R. 3100) for the relief of Roscoe P. Ricard; to the Committee on Military Affairs.

By Mr. CONDON: A bill (H. R. 3101) to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.; to the Committee on War Claims.

By Mr. DOCKWEILER: A bill (H. R. 3102) granting a pension to Emma M. Pearson; to the Committee on Pensions.

Also, a bill (H. R. 3103) granting a pension to Cornelius S. Holcombe; to the Committee on Pensions.

Also, a bill (H. R. 3104) for the relief of Jacob Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 3105) for the relief of Samuel Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 3106) for the relief of Raymond Hilbert Hall; to the Committee on Naval Affairs.

Also, a bill (H. R. 3107) for the relief of William Louis Pitthan; to the Committee on Claims.

Also, a bill (H. R. 3108) for the relief of Grover C. Van Nest; to the Committee on Military Affairs.

Also, a bill (H. R. 3109) for the relief of Herman W. Bense; to the Committee on Military Affairs.

Also, a bill (H. R. 3110) for the relief of Allen L. Peckham; to the Committee on Claims.

By Mr. FIESINGER: A bill (H. R. 3111) granting a pension to Anthony W. Lang; to the Committee on Pensions.

By Mr. GOODWIN: A bill (H. R. 3112) granting a pension to John Schoonmaker, Jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3113) granting a pension to Lottie Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3114) granting an increase of pension to Mary J. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3115) granting an increase of pension to Cora E. Wadsworth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3116) granting an increase of pension to Anna Keener; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3117) granting an increase of pension to Phinia E. Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3118) granting an increase of pension to Georgianna Barker; to the Committee on Invalid Pensions.



By Mr. GREENWOOD: A bill (H. R. 3119) granting a pension to Roberta Davis; to the Committee on Invalid Pensions.

By Mr. SAMUEL B. HILL: A bill (H. R. 3120) for the relief of Herman Wulff; to the Committee on Military Affairs.

By Mr. HOEPEL: A bill (H. R. 3121) for the relief of Vincent Ford; to the Committee on Military Affairs.

By Mr. HOUSTON: A bill (H. R. 3122) granting an increase of pension to Miriam A. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3123) granting an increase of Pension to Sarah P. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3124) granting an increase of pension to Mary C. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3125) granting an increase of pension to Susan I. Queen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3126) granting an increase of pension to Eliza Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3127) granting an increase of pension to Emily J. McCready; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3128) granting an increase of pension to James Elmer Mulford; to the Committee on Pensions.

Also, a bill (H. R. 3129) granting an increase of pension to Mathilda Danielson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3130) granting an increase of pension to Florence I. Huss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3131) granting an increase of pension to Marcha Ann Corkill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3132) granting an increase of pension to Margaret A. Bradshaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3133) granting a pension to Vernie Elmer Trout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3134) granting a pension to Jessie M. Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3135) granting a pension to Mary E. Pratt; to the Committee on Pensions.

Also, a bill (H. R. 3136) granting a pension to Sarah Ann Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3137) granting a pension to Millard C. Helm; to the Committee on Pensions.

Also, a bill (H. R. 3138) granting a pension to John D. Nite; to the Committee on Pensions.

Also, a bill (H. R. 3139) granting a pension to Martha Ella Downing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3140) granting a pension to Frances Engler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3141) granting a pension to Lillie Z. Devin; to the Committee on Pensions.

Also, a bill (H. R. 3142) granting a pension to Hulda S. Dick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3143) granting a pension to Azelle V. Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3144) granting a pension to Mary E. Carroll; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 3145) for the relief of R. S. Brown; to the Committee on Claims.

By Mr. KIMBALL: A bill (H. R. 3146) granting a pension to Lena P. Riddick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3147) for the relief of Will A. Helmer; to the Committee on War Claims.

By Mr. KINZER: A bill (H. R. 3148) granting an increase of pension to Sarah C. Wiley; to the Committee on Invalid Pensions.

By Mr. KLEBERG: A bill (H. R. 3149) to confer jurisdiction upon the United States District Court for the Southern District of Texas, Corpus Christi division, to determine the claim of Mrs. L. B. Gentry; to the Committee on Claims.

Also, a bill (H. R. 3150) for the relief of Robinson W. Fullerton; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 3151) granting a pension to Margaret McCollister; to the Committee on Pensions.

By Mr. KOCIALKOWSKI: A bill (H. R. 3152) for the relief of Joseph Jochemczyk; to the Committee on Claims.

Also, a bill (H. R. 3153) for the relief of Charles J. Rysko; to the Committee on Military Affairs.

By Mr. LAMBERTSON: A bill (H. R. 3154) granting a pension to Catherine M. McCarthy; to the Committee on Pensions.

By Mr. McLAUGHLIN: A bill (H. R. 3155) to authorize the Secretary of the Treasury of the United States to refund to the Bankers Reserve Life Co., of Omaha, Nebr., and the Wisconsin National Life Insurance Co., of Oshkosh, Wis., income taxes illegally paid to the United States Treasury; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 3156) for the relief of J. Furman Richardson; to the Committee on Claims.

Also, a bill (H. R. 3157) for the relief of William Alonzo Holcombe; to the Committee on Claims.

Also, a bill (H. R. 3158) to give proper recognition to the distinguished services of Col. William L. Keller; to the Committee on Military Affairs.

By Mr. MAAS: A bill (H. R. 3159) for injury sustained by Robert W. Krieger; to the Committee on Military Affairs.

Also, a bill (H. R. 3160) for the relief of Irene Magnuson and Oscar L. Magnuson, her husband; to the Committee on Claims.

Also, a bill (H. R. 3161) granting a pension to Anna V. Brower; to the Committee on Pensions.

By Mr. MORITZ: A bill (H. R. 3162) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

Also, a bill (H. R. 3163) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

Also, a bill (H. R. 3164) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

Also, a bill (H. R. 3165) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

By Mr. O'BRIEN: A bill (H. R. 3166) for the relief of George E. Liberty; to the Committee on Naval Affairs.

Also, a bill (H. R. 3167) for the relief of Louis Alfano; to the Committee on Claims.

By Mr. PARSONS: A bill (H. R. 3168) for the relief of William J. Rosselot; to the Committee on Claims.

Also, a bill (H. R. 3169) granting an increase of pension to Sarah A. Morris; to the Committee on Invalid Pensions.

By Mr. RAMSPECK: A bill (H. R. 3170) to provide payment of 6 months' pay to Nell R. Swartz, widow of William R. S. Swartz, late field clerk, Quartermaster Corps, United States Army; to the Committee on Military Affairs.

By Mr. RANSLEY: A bill (H. R. 3171) for the relief of John Coffin; to the Committee on Military Affairs.

Also, a bill (H. R. 3172) for the relief of John F. Llewellyn, alias John Fluellen; to the Committee on Military Affairs.

Also, a bill (H. R. 3173) for the relief of William H. Stroud; to the Committee on Military Affairs.

Also, a bill (H. R. 3174) for the relief of Edward Curry; to the Committee on Military Affairs.

Also, a bill (H. R. 3175) granting a pension to Maurice Yudis; to the Committee on Pensions.

Also, a bill (H. R. 3176) granting a pension to Alonzo B. Finch; to the Committee on Pensions.

By Mr. REILLY: A bill (H. R. 3177) to provide for the examination and survey of Fond du Lac Harbor and vicinity, Lake Winnebago, Wis.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 3178) to provide for a survey of the Fox River, Wis., with a view to the prevention and control of floods; to the Committee on Flood Control.

By Mr. SCHAEFER: A bill (H. R. 3179) for the relief of Jesse Ashby; to the Committee on Claims.

By Mr. SCHULTE: A bill (H. R. 3180) for the relief of Ruth Nolan and Anna Panozza; to the Committee on Claims.

By Mr. SMITH of Washington: A bill (H. R. 3181) granting a pension to Jacob E. Peterman; to the Committee on Pensions.

Also, a bill (H. R. 3182) for the relief of John Cook; to the Committee on Claims.

Also, a bill (H. R. 3183) for the relief of John Cook; to the Committee on Claims.



Also, a bill (H. R. 3184) for the relief of H. D. Henion, Harry Wolfe, and R. W. McSorley; to the Committee on Claims.

By Mr. SOMERS of New York: A bill (H. R. 3185) to correct the military record of Everett S. Pillion; to the Committee on Military Affairs.

Also, a bill (H. R. 3186) authorizing the President to order Clive A. Wray before a retiring board for a hearing of his case, and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 3187) to change the military record of Harry Lewis; to the Committee on Military Affairs.

Also, a bill (H. R. 3188) to correct the naval record of Francis T. Cavanagh; to the Committee on Naval Affairs.

Also, a bill (H. R. 3189) to correct the military record of James H. Overbaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 3190) to correct the military record of Arthur R. Adair; to the Committee on Military Affairs.

Also, a bill (H. R. 3191) for the relief of Catherine V. Cox; to the Committee on Claims.

Also, a bill (H. R. 3192) for the relief of Jose O. Enslew; to the Committee on Claims.

Also, a bill (H. R. 3193) for the relief of Edward Brooks; to the Committee on Naval Affairs.

Also, a bill (H. R. 3194) for the relief of Peter Burns; to the Committee on Military Affairs.

Also, a bill (H. R. 3195) for the relief of Frank J. Kenney; to the Committee on Naval Affairs.

Also, a bill (H. R. 3196) for the relief of Williams Rogers; to the Committee on Naval Affairs.

Also, a bill (H. R. 3197) for the relief of the estate of William Bardel; to the Committee on Claims.

Also, a bill (H. R. 3198) for the relief of George Church; to the Committee on Claims.

Also, a bill (H. R. 3199) granting a pension to Henrietta Zeno; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3200) granting a pension to James Dillon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3201) granting an increase of pension to Georgianna Furey; to the Committee on Pensions.

By Mr. STUBBS: A bill (H. R. 3202) for the relief of W. H. Greene; to the Committee on Claims.

Also, a bill (H. R. 3203) for the relief of J. T. Hurst; to the Committee on Claims.

Also, a bill (H. R. 3204) for the relief of Walter W. Newcomer; to the Committee on Military Affairs.

Also, a bill (H. R. 3205) granting a pension to Rye Fairbanks; to the Committee on Pensions.

Also, a bill (H. R. 3206) granting a pension to Frank Milner; to the Committee on Pensions.

Also, a bill (H. R. 3207) granting a pension to Mrs. David Haugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3208) for the relief of Henry William Doerges; to the Committee on Military Affairs.

Also, a bill (H. R. 3209) for the relief of Samuel Bennett; to the Committee on Military Affairs.

By Mr. TARVER: A bill (H. R. 3210) granting a pension to Thomas W. Yarbrough; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 3211) granting a pension to Lester Nevada Hays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3212) granting a pension to Christine Ledford; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 3213) granting a pension to Louise Stockwell; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 3214) for the relief of Capt. Robert E. Coughlin; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 3215) granting a pension to Rufus E. Davidson; to the Committee on Pensions.

Also, a bill (H. R. 3216) for the relief of the present leaders of the United States Navy Band and the band of the

United States Marine Corps; to the Committee on Naval Affairs.

By Mr. WILCOX: A bill (H. R. 3217) granting a pension to Diadamia C. Wheeler; to the Committee on Invalid Pensions.

By Mr. WHITE: A bill (H. R. 3218) for the relief of Fred Herrick; to the Committee on Claims.

By Mr. WELCH: A bill (H. R. 3219) for the relief of Joseph Walter Gautier; to the Committee on Claims.

Also, a bill (H. R. 3220) for the relief of Louis Lelli; to the Committee on Claims.

Also, a bill (H. R. 3221) for the relief of Victor D. Maggi; to the Committee on Military Affairs.

Also, a bill (H. R. 3222) for the relief of Jim Garr; to the Committee on Naval Affairs.

Also, a bill (H. R. 3223) for the relief of Samuel J. Scharf; to the Committee on Claims.

By Mr. WEAVER: A bill (H. R. 3224) for the relief of John C. Gibbs; to the Committee on War Claims.

Also, a bill (H. R. 3225) for the relief of Ben F. Draper; to the Committee on Claims.

Also, a bill (H. R. 3226) granting an increase of pension to Lindsey Smith; to the Committee on Pensions.

Also, a bill (H. R. 3227) granting an increase of pension to Jacob Schneider, Jr.; to the Committee on Pensions.

Also, a bill (H. R. 3228) for the relief of John H. Wykle; to the Committee on Claims.

Also, a bill (H. R. 3229) for the relief of Laura E. Alexander; to the Committee on Claims.

Also, a bill (H. R. 3230) for the relief of Rufus Hunter Blackwell, Jr.; to the Committee on Claims.

Also, a bill (H. R. 3231) for the relief of William J. Cocke; to the Committee on War Claims.

Also, a bill (H. R. 3232) granting a pension to Ellen F. Colt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3233) granting a pension to Robert Garrett; to the Committee on Pensions.

Also, a bill (H. R. 3234) granting a pension to Buelah H. Baldwin; to the Committee on Pensions.

Also, a bill (H. R. 3235) granting a pension to Johnie G. Morris; to the Committee on Pensions.

Also, a bill (H. R. 3236) granting a pension to James P. Case; to the Committee on Pensions.

Also, a bill (H. R. 3237) granting a pension to Mary A. Jackson; to the Committee on Pensions.

Also, a bill (H. R. 3238) granting a pension to John V. Smith; to the Committee on Pensions.

Also, a bill (H. R. 3239) granting a pension to Allen G. T. Fox; to the Committee on Pensions.

Also, a bill (H. R. 3240) granting a pension to John C. Miller; to the Committee on Pensions.

Also, a bill (H. R. 3241) authorizing the United States Employees' Compensation Commission to consider the claim of O. G. Anderson; 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:

40. By Mr. BLANTON: Petition of Edgar D. Smith, F. L. Freeland, J. H. McGowen, and 267 other citizens of Stephens County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.

41. Also, petition of C. A. Richardson, Frank Greenwood, Mrs. A. B. Hampton, and 219 other citizens of Stephens County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.

42. Also, petition of J. R. Barrett, of Mineral Wells, and 347 citizens of Parker County, Tex., urging the passage of the Townsend old-age pension plan; to the Committee on Labor.

43. Also, petition of M. Coleman, Mrs. H. E. Gardner, Mrs. R. L. Mauldin, and 574 other citizens of Comanche County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.



44. Also, petition of J. A. Smallwood, E. A. Cornwell, Mrs. S. P. Richards, and 54 other citizens of Comanche County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.

45. Also, petition of W. G. West, secretary, route 1, Mrs. C. N. Shaw, J. V. Butler, and 1,254 other citizens of Comanche County, Tex., urging Congress to pass the Townsend plan for an old-age pension; to the Committee on Labor.

46. Also, petition of Lee M. Stevenson, J. W. Johnson, W. C. Borders, and 175 other citizens of Stephens County, Tex., urging Congress to pass the Townsend plan for an old-age pension; to the Committee on Labor.

47. Also, petition of W. H. Sullivan, route 1, Mrs. M. E. Garner, W. E. Benton, and 187 other citizens of Stephenville, Erath County, Tex., urging Congress to pass the Townsend old-age pension plan; to the Committee on Labor.

48. Also, petition of W. W. Toombs, C. P. Church, J. H. Weaver, and 73 other citizens of Merkel, Taylor County, Tex., urging Congress to pass the Townsend old-age pension plan; to the Committee on Labor.

49. Also, petition of W. H. Bradford, J. C. Phillips, Walter Browning, and 126 other citizens of Gorman, Eastland County, Tex., urging Congress to pass the Townsend old-age pension plan; to the Committee on Labor.

50. By Mr. CULKIN: Petition of the members of the Association of Lithuanian Workers, Inc., Poolville, Madison County, N. Y., favoring the workers' unemployment and social insurance bill (H. R. 7598); to the Committee on Labor.

51. Also, petition of the members of the Lithuanian Alliance of America, Branch 215, of Poolville, Madison County, N. Y., in the matter of workers' unemployment and social insurance, known as "H. R. 7598"; to the Committee on Labor.

52. Also, petition of citizens of the city of Oneida, N. Y., favoring the Townsend plan of old-age pensions; to the Committee on Labor.

53. By Mr. DEBOEN: Petition of the Legislature of the State of Louisiana in extraordinary session duly assembled, 1934; to the Committee on Agriculture.

54. By Mr. GOODWIN: Petition of residents of New Lebanon, N. Y., and headed by M. J. Ward et al., taking exception to the existing conditions in Mexico whereby the inalienable rights provided by the Constitution of the United States are being violated with respect to the free exercise of religious faith and worship; to the Committee on Foreign Affairs.

55. By Mr. KIMBALL: Petition of residents of the Third District of Michigan, favoring legislation for the Townsend plan of old-age pensions; to the Committee on Pensions.

56. By Mr. McCORMACK: Petition of Home Owners' Protective League (Henry J. Dixon, president), 45 Milk Street, Boston, Mass., urging early and favorable consideration of legislation for the continuance of the assistance to distressed home owners through the medium of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

57. By Mr. MEAD: Petition of the Chamber of Commerce of the Tonawandas, North Tonawanda, N. Y., objecting to the unfavorable report of the United States Army engineers on a proposed improvement on the western end of the New York Barge Canal between the Tonawandas and Three Rivers, N. Y.; to the Committee on Military Affairs.

58. By Mr. MERRITT of New York: Resolution of the United Polish Societies of Jamaica, Long Island, N. Y., petitioning the United States Congress to immediately enact legislation to extend the activities of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

59. By Mr. RUDD: Petition of the Chamber of Commerce of the State of New York, with reference to financial essentials of recovery; to the Committee on Banking and Currency.

60. Also, petition of the Chamber of Commerce of the State of New York, favoring maintenance of American mer-

chant marine; to the Committee on Merchant Marine, Radio, and Fisheries.

61. Also, petition of the Chamber of Commerce of the State of New York, favoring the continuation of the Federal Reserve System; to the Committee on Banking and Currency.

62. Also, petition of the Chamber of Commerce of the State of New York, favoring legislation making mandatory the deportation of alien criminals; to the Committee on Immigration and Naturalization.

63. Also, petition of the Central Queens Allied Civic Council, Jamaica, Long Island, N. Y., favoring the continuation of the Home Owners' Loan Corporation and for the necessary appropriations for home owners to refinance their homes; to the Committee on Banking and Currency.

64. Also, petition of the Brotherhood of Painters, Decorators, and Paperhangers of America, Local Union, No. 867, Cleveland, Ohio, favoring the passage of the workers' unemployment insurance bill; to the Committee on Labor.

65. By Mr. SANDERS of Texas: Petition of Rev. H. C. Alexander and others of Tyler, Tex., urging passage of the Costigan-Wagner antilynch bill; to the Committee on the Judiciary.

66. By Mr. TREADWAY: Petition of citizens of Orange, Mass., favoring the enactment of the Townsend plan of old-age revolving pensions; to the Committee on Labor.

67. By the SPEAKER: Petition of the Eleanor Roosevelt League of Women of Michigan; to the Committee on Labor.

68. By Mr. LAMNECK: Petition of R. L. McCarrell, of 1581 Weber Road, and other employees of the Pennsylvania Railroad system, at Columbus, Ohio, for a 6-hour day with the same rate per day or a 5-day week at 8 hours per day, with the same rate per day, and in establishing the pension system for the employees, the period of service should be 30 years compulsory to retirement at the age of 60 years, giving all pensioners a flat rate of pension; to the Committee on Labor.

## HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 8, 1935

The House met at 12 o'clock noon.

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

Eternal and loving God, we rejoice that we have a bountiful Heavenly Father upon earth whose greater pleasure is to give than to withhold. With joy and dignity may we arise, conscious of that spiritual nature with which we are endowed. Impress us that life is more than a livelihood, meant of God and full of promise forever. In Thy supremacy of love do Thou refresh our distinguished brother and Member who is ill. Almighty God, spare our country from the casualties of disorder and continue to bless those historical institutions which stand as the traditional monuments of a free and representative people. Through Jesus Christ our Lord. Amen.

The Journal of the legislative day of Thursday, January 3, 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 the following resolution (S. Res. 14):

*Resolved*, That the House of Representatives be notified of the election of Hon. KEY PITTMAN, a Senator from the State of Nevada, as President of the Senate pro tempore.

The message also announced that the Vice President had appointed Mr. HARRISON and Mr. COUZENS members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments", for the disposition of useless papers in the Treasury Department.