

bill 2856, by Congressman WILL ROGERS, of Oklahoma, known as the Pope plan for direct Federal old-age pension of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2066. Also, petition of L. Kelly, of Des Moines, and 18 others in the State of Iowa, urging passage of House bill 2356, by Congressman WILL ROGERS, of Oklahoma, known as the Pope plan for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2067. Also, petition of W. B. Salmon, of Athens, and 132 others in the State of Georgia, urging passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2068. Also, petition of Robert H. Donahue, of Albion, and 698 others in the State of Illinois, urging passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2069. By Mr. RYAN: Resolution of Group No. 1033 of the Polish National Alliance of the United States, South St. Paul, Minn., memorializing Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2070. By Mr. SADOWSKI: Petition of the Automobile Club of Michigan, protesting against the continuance of the Federal gasoline tax; to the Committee on Ways and Means.

2071. By Mr. SANDERS of Texas: Petition of the citizens of the Third Congressional District in the State of Texas, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2072. By Mr. SCOTT: Petition of R. J. Freeman and nine others, of Artesia, Calif., favoring the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

2073. Also, petition of William P. Dasher and 8 others, of Artesia; Harold Mitler and 8 others, of Long Beach; Carl Hartsell and 8 others, of Compton; Joseph A. Swift and 72 others, of Long Beach; Bertha Haywood and 19 others, of Redondo; and Sam Smith and 277 others, of Long Beach, all of the State of California, favoring the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

2074. By Mr. TARVER: Petition of citizens of Marietta, in the State of Georgia, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2075. Also, petition of citizens of Trenton, in the State of Georgia, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2076. Also, petition of citizens of Gordon, in the State of Georgia, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2077. Also, petition of Roland Black and 12 other citizens of Walker County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

2078. By the SPEAKER: Petition of the Chicago Photo Engravers Union, supporting the McCarran amendment to House Joint Resolution 117; to the Committee on Appropriations.

2079. Also, petition of the Crawford County Farm Bureau, Denison, Iowa; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 27, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, we thank Thee for the sacred privilege of tarrying at the seat of prayer. Here may we be blest with that spiritual discernment and faith by which we shall realize the sympathy and the soul-inspiring influences of God; we would patiently wait for the divine disclosure. Overrule our weak tendencies, our pride, and our selfishness which strive against the commonwealth of the soul. Forbid that we should permit anything to cloud and dull the visions of the spirit. Endue us with fortitude so we shall not allow any moral feebleness to mar or lower the standards of our conduct. We are thankful for the enjoyment of the lovely things of life; but inspire us with the ministry and the abiding issues of consecrated service. At this altar we are deeply saved because we have truly served. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 330. An act for the relief of Sophie de Sota; and

H. R. 3373. An act for the relief of Anna S. Carrigan.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 51. An act for the relief of Frank Kroegel, alias Francis Kroegel;

S. 244. An act for the relief of Thomas Salleng;

S. 285. An act to reimburse the estate of Mary Agnes Roden;

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

S. 447. An act 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;

S. 457. An act for the relief of John W. Beck;

S. 475. An act for the relief of Mrs. George F. Freeman;

S. 481. An act authorizing the filling of vacancies in certain judgeships;

S. 557. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 558. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of an individual claim approved by the War Department;

S. 559. An act to authorize settlement, allowance, and payment of certain claims;

S. 652. An act for the relief of Harold S. Shepardson;

S. 788. An act for the relief of the International Mercantile Marine Co.;

S. 790. An act for the relief of the Compagnie Generale Transatlantique;

S. 905. An act for the relief of Edith N. Lindquist;

S. 941. An act for the relief of William J. Cocke;

S. 978. An act authorizing the Secretary of War to convey to the University of Oregon certain lands forming a part of the Coos Head River and Harbor Reservation;

S. 1008. An act for the relief of the Fairmont Creamery, of Omaha, Nebr.;

S. 1012. An act for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas;

S. 1082. An act for the reinstatement of John Carmichael Williams in the United States Navy;

S. 1136. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy;

S. 1391. An act for the relief of William Lyons;

S. 1474. An act for the relief of Paul H. Creswell;
 S. 1621. An act for the relief of Mrs. Charles L. Reed;
 S. 1809. An act for the relief of Germaine M. Finley;
 S. 1896. An act to provide for interest payments on American embassy drafts; and
 S. J. Res. 9. 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.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia.

RESIGNATION

The SPEAKER laid before the House the following communication, which was read by the Clerk:

MOBILE, ALA., February 20, 1935.

HON. JOSEPH W. BYRNS,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a Member of the Seventy-fourth Congress, to become effective March 2, 1935.

With assurance of my best wishes, I am,
 Yours very sincerely,

JOHN McDUFFIE.

THE LAWYER AND JUSTICE

Mr. DUNN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an article from the Jackson (Miss.) Daily News of December 30, 1934, by George B. Etheridge, one of the oldest associate justices of the supreme court, on the Lawyer and Justice.

I assure my colleagues that it has no political significance whatever.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, and I will not object, I want to say that the Members of the House have been very good in trying to keep newspaper articles from the RECORD. I just received a notice by the Chairman of the Joint Committee on Printing [Mr. FLETCHER] that they will be compelled to ask for an additional hundred thousand dollars for the Committee on Printing if we continue to place these things in the RECORD and increasing its size. I hope the Membership will try their best to keep these matters out of the RECORD.

Mr. BOYLAN. Will the gentleman yield? Has he called attention to the fact that the Senate is the worst violator of the rule?

Mr. RICH. Let me say to the gentleman that Senator FLETCHER and Senator ROBINSON are trying their best to hold them down, and I hope they will do so. Within the last few weeks it has not been so bad, although they are getting in too much now.

Mr. BOYLAN. The Members of the Senate are the offenders, not the House.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DUNN of Mississippi. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include an article from the Jackson (Miss.) Daily News of December 30, 1934, by George H. Ethridge, one of the oldest associate justices of the Supreme Court of Mississippi, on the Lawyer and Justice, as follows:

[From the Jackson (Miss.) Daily News, Dec. 30, 1934]

THE LAWYER AND JUSTICE

By George H. Ethridge, associate justice supreme court

The lawyer, when he is fully fitted for his duties as such, and when he uses his talents for the higher good of society, is one of the most important figures in civic life. He is a connecting link between the present and the past and should be the safest and most important guide for the future. The law as a science has come down to us from the remote past, changing with the habits and customs of the people, but, at all times, furnishing a guide for the best methods of regulating human affairs, as it has been in the efforts of its administrators made the most enlightened efforts to conform to actual justice and the rules for ascertaining what is justice and how the truth may most effectually be dis-

covered and applied, to the affairs of men, advanced from crude ideas to a refined sense of practical justice. The lawyer who has mastered his profession and learned all the rules for the ascertainment of practical justice and studied their history—their successes and failures and the reasons for them—sees more clearly than others where ideality and practicality may be best blended to secure the most satisfactory justice that can be attained in human affairs. The lawyer is not naturally better or wiser than others in different avocations, but his studies and his practice in the courts give him a peculiar advantage in making and administering law.

No man can aptly make or enforce laws without having the learning that has come down to us from the past. This learning must with each generation be studied, modified, and applied to the practical affairs of everyday life. As people do not live now under exactly the same conditions that existed many years ago, running into the hundreds and perhaps thousands of years, it would be unjust to have them tied firmly and irrevocably to the rules that then existed. But the fundamental principles of justice do not vary much with the passing of the years. It is these principles that must be studied anew with each age and each generation, and modified where they operate unjustly in the practical affairs of men. Law is not an exact science. It is the best effort of man to reach perfection in dealing with each other. Men of one age may have erroneous ideas of what are the soundest principles of human conduct. If they by their pronouncements err in these principles, how far should society be bound by their judgments? That is a question that they are not to decide for all future generations, but is a question for each generation to decide for itself, in its own age, acting through its own tribunals. Rules which have served justice well should not be discarded without very grave reasons for so doing. The lawyer, by his daily study and reflection, can be of great service to his generation by applying his knowledge and experience to the problems as they arise, where change appears to be necessary. He should be able to bring to that task a mind well stored with the learning peculiar to the law and a refined sense of responsibility for the smooth course of justice. He should be aware of the dangers of needless changes and the dangers of perpetuating harm lying in erroneous decisions of statutes.

The law is composed of two great sources of authority and reason. One is the custom by which people have lived and done business for long periods of time, acting upon the common-sense justice of the great multitude. Their judgment must be given due weight in deciding every legal question that has not been recently considered and reviewed by the lawyer, both at the bar and on the bench. The lawyer on the bench needs the counsel and judgment of the lawyer at the bar, and the lawyer at the bar may be very helpful to the lawyer on the bench in deciding just what the law is, and if it has developed into injustice due to new conditions, just what changes may or should be made, and just who should make the necessary changes.

If the custom has existed for a long time "whereof the memory of living men runneth not to the contrary", then it is the law just as much as if it had been formally enacted by the legislature. A custom once established may change by a counter custom, and when it has existed for a like period it supplants the former custom or law. The judges of the courts must decide this question for the common knowledge of men who live in their age. The judge has no power to enact a law, and hence when he finds that the custom has existed for the prescribed time, he cannot change the law although he may believe it wrong in principle. It must be referred to the law-making department, known in most States as the legislature, and in the National Government as the Congress. The legislative body may make any change it considers necessary, whether it has been long-used custom or a previous statutory enactment. The courts must follow the law-making powers' decision and give effect to it unless it is repugnant to the State or Federal Constitutions. Whether it is too repugnant is a judicial question to be decided by the judge when some person or corporation affected by the statute affected brings a suit to have it declared void and set aside as having no legal force.

The Constitution is a paramount law, and no legislature has any power to set it aside, but they must, when necessary to enforce the Constitution, set aside an enactment of the legislative department. The courts are not more powerful than the legislature, but the Constitution is. Someone must be the judge of whether a statute of the legislature infringes or violates a provision of the Constitution, but the courts can only act when a real lawsuit arises and the question is necessary to the disposition of the lawsuit. The lawyer here is a valued adviser of the court. There are usually one or more lawyers on each side giving the reasons for their positions and bringing into view any other court decision which has decided the question in other States having like constitutions and the reasons which influence his judgment. When each side has been fully heard and when the judges read the decisions and books upon the question, then they must render a decision. It is here where the lawyer may render his highest service to society. He is valuable according to his ability, learning, and labor in the matter. In legislative bodies, when statutory changes are under consideration, the lawyers in that body should give fully of their time and counsel to the lawmakers. There are usually, if not always, competent lawyers who are members of that body to render such service. In order to determine such questions they should consider the old law and changes that are proposed in that law and the mischief that has resulted from the old law, and just what remedy is proposed and whether it is suitable or faulty. Often no change is really

needed at all, but some member of the body, or other citizen, acting through the right of petition, may think there is need for a change. In such case the learning and experience of the lawyer are of great value. If he has made a study of the statute and the court decisions construing it, he will often be able to greatly affect the minds of his colleagues in the legislature or the committee before them when he appears if he is not a member of the legislature. The lawyer and the lawmaker should have profound knowledge of the history and economics of the country and of as many other countries as it may be reasonable to expect of them.

THE LAWYER'S EDUCATION

These things being true, it is generally realized that a lawyer should have as full knowledge as he may acquire consistent with making his living and accumulating something during the years of vigorous life. He should have some knowledge before entering upon his professional career, and there is much diversity of opinion as to just what kind of education he should have as a condition upon entering upon so important a field of activity. The law arises out of life and applies to the life that people live. It should not be expected that a great technical knowledge should be had before trying out the profession in practice. No newly made lawyer is going to be called upon to act in the most important affairs of life until he has proved his capacity to deal with the matter.

Usually there is a tolerably long period between the date of admission and the date of being called upon to act in the more important affairs of life. During this time the newly made lawyer should diligently apply his mind to the study of the law and its reasons and history. During this period of "watchful waiting" he will have much time for such study. When he gets a small case, or one involving a small amount, he will have something very practical to apply his mind to. It is a concrete proposition governed by legal principles. Just what principles should be applied he must learn and decide. It is the very best kind of education. The preliminary education need not be of the highest kind. It is not necessary that he should be a master of any kind of degree. His education need not at that period be beyond, or greatly beyond, that of the community he lives in and whose laws are presumably made for their needs and guidance. The main question is, Has he the necessary knowledge to understand the rules that govern that community and what the ideas and ideals of its people are?

Justice for one class of people would not in every case be justice for another and different people. Their lawsuits arise out of their dealings and their understandings. They are not usually highly trained in the higher branches of learning, neither does a knowledge of those higher branches help much in solving their problems and working out practical justice. The disposition of the average mind is to require too high a standard at the beginning and too little to be acquired in after life. The lawyer who does not follow up his studies after being admitted to the bar will not achieve much eminence no matter what his education was before he was admitted. His success will depend upon what he learns in the profession much more than it will upon what he had when he entered it.

But whatever standards may be required, they should depend upon what he actually knows and not where it was obtained. Much of the so-called "college education", and especially in standard colleges, consists of mere cultural education or polish, having but little to do with the practical things of life. For instance, much stress has been placed all along the line of learning in the different languages, both dead and living, as a requirement of a college education, and it has now drifted into the high schools. Ordinarily, the man or woman is going to spend the whole life in an English-speaking country and will have but little use for these other languages. Usually, when they have been out of college for a few years, they are wholly lost when it comes to speaking or reading these languages. They serve no useful purpose in the professional life, or, at least, the use is so small compared to the requirements of other knowledge as to make its value insignificant so far as practical efficiency is concerned.

TWELVE YEARS IN SCHOOL

The movement of standardization goes merrily on, and now it is required that a child, before he can be admitted to a standard college, must have spent 12 years of at least 8 months (usually 9) in the grammar and high-school courses. If he passes each grade every year, it will require 12 years; and if the child enters at 5 years, he will be 17 years of age before he is eligible for the college course. If he has the ability to finance a college course, he will be 21 before he can get out of the literary school. If he is still well fixed financially, he will then enter the professional school, and at the end of 4 years will take up the business and responsibility of professional life. But suppose the child is not thus fortunately situated, but must earn the money wherewith to acquire these higher branches, how will he then fare? He will, we will say, finish the grammar grades by the time he is 21 years old (and where a child has to do a part of the family work, and earn a part of the family income, it will be fortunate if it can at this age begin the acquirement of the high school and college and professional education). If he is fortunate enough to earn enough to save in 1 year the expense of a year in school, he will begin with the high-school branches. By working 1 year and going to school another, he will acquire a high-school education at 28 years of age. It will then be necessary to begin on the college course, and he will be fortunate if he can make enough in 1 year to go to school 1 year. It will then take 8 more years of combined

work and study to get out of college. He will then be 36 years of age; and if he wants to enter one of these professions he will again be fortunate if he can make enough in 1 year to pay school expenses 1 year, and as it will require 4 years of professional education to meet these standards, he will be 44 years old when he begins professional work.

The investment of both time and money is, therefore, too heavy to expect that such a person will undertake the arduous task. He will necessarily abandon all ambition along that line and will become, to a certain extent, rebellious against a government that denies him the opportunity of entering these learned and "genteel" professions and occupations. Let us then see about the child that is able to finish the high school during its minority, but has no means of procuring an education in an accredited institution until by its labor it has earned and saved the necessary amount. It will then take on the same basis 8 years to get the college education, but then it has the ambition to enter a profession and this, if the standards are so raised, will require 8 more years, which will enable the child (?) to enter the profession at the age of 36 years. Will such people strive to enter the professions and "genteel occupations" at such a cost of time and money? If not, the country must give up its ideals and lose some of the best talent that has heretofore adorned these occupations. There will be no more Benjamin Franklins, Patrick Henrys, John Marshalls, Andrew Jacksons, Henry Clays, Abraham Lincolns, Andrew Johnsons, or James A. Garfields, each of whom rendered the most distinguished service.

EMINENT SELF-MADE LAWYERS

Patrick Henry, the great agitator, who inspired the love of liberty and fomented resistance to English tyranny and sponsored the great Revolutionary War that gave us our liberties and made us the greatest nation of liberty in the world, a country in which the rights and liberties of the whole people, plebian and patrician, noble and common, lay and clergy, are equally secured, and each may follow the destination that brain and ambition carve out for him in the great activities of life—Patrick Henry, more than any other one man, brought this about; and yet he had no diploma in "an accredited college." Then there was John Marshall, the greatest judge that ever sat in a seat of human justice, and whose wisdom and foresight is the wonder of the world. By common consent he tops the world as a lawyer and judge, and yet he had no diploma in an accredited college. Then there is "Old Hickory"—soldier, statesman, and patriot combined—who whipped the British at New Orleans, and "King" Biddle and the bank at Washington, and who today shares equal honors with the great apostle of liberty, Thomas Jefferson, as a patron saint of democracy. He had but little learning in the books, but he had a profound common sense and a great practical wisdom and was the peer of any man of his time, not even excluding Henry Clay, who was himself an unlearned man so far as having had a course of study in an accredited college. Neither of these men—giants though they were in intellect and influence—had a degree in any college of any kind. Then there was honest Abe Lincoln, whose name and memory are enshrined in the hearts of the Nation and of the world, who takes a seat in the summit of fame with Washington himself. And yet he was uneducated so far as accredited colleges were concerned.

There are thousands of others of somewhat less eminence, but who have adorned all callings and professions and won their mark in the various walks of life in which they cast their shadows, oft towering above the graduate of the accredited college of their day and generation.

This country has grown and prospered wonderfully under the theory of equality of right and opportunity for all the people, regardless of rank, wealth, or ancestry. We have more useful inventions than any other country, although our civilization was considered, at the time of the Revolution, as inferior to that of the greater nations of Europe. In all walks of life the child of poverty has struggled up to the great heights of success and fame in competition with the children of families who boasted of ancestry and college diplomas for several generations. It is a glorious record, and the only one where opportunity was open to the unfortunate and poor. Shall we cast such glory into the discard and the rubbish heap and close the doors of opportunity in the face of the unfortunate and the poor? I hope not; yet we are doing this very thing, and by so doing we are sowing the dragon's teeth of hate that will, in the future, surely grow a harvest of blood.

REQUIREMENTS OF LAWYER

At the present time in this State our laws prescribe a high-school education, or its equivalent, to practice law in the courts of the State, in addition to requiring an examination in 12 subjects of the law. All of the associated schools have in mind raising this requirement to a full 4-year college course before taking the law course, and a full 4-year law course on top of that. Does the young lawyer need a college education to make a success in the study and practice of the law? I think not.

I have observed many successful lawyers who did not have even the equivalent of the present day high-school course. Many others had no more. Many of them never went to a law school and then won over competitors who had all the advantages that accredited colleges can give. I do not mean to depreciate the value of college education to a lawyer. It certainly is an advantage. But it is not a sine qua non. A young man who has the equivalent of a high-school education knows enough to master the law if he is studious and has the wisdom known as "common sense." There are law lexicons and English lexicons wherein he

may master the meaning of words, and with these mastered, he may understand the most tedious and technical law book printed in English, and in this day and country, all that are worth reading are printed in the English language. It has become the habit of legal writers and law-book publishers to put their books in good, plain English, avoiding much of what, in the former years, were latinized words, phrases, and maxims. The law is not so difficult to learn when one tries earnestly. The chief difficulty is the vast amount of things and conditions which the law deals with, the multitudinous volumes of cases and precedents with which he must deal. It is the variety and vastness of the application of the law to facts and conditions. This requires diligence rather than occult learning to the master. The law is a science, but not a perfect one, and it is not the greater difficulty to understand its nomenclature, but rather the untiring application of common sense to concrete facts and conditions. There is no just reason for shutting the doors of this field in the face of the ambitious young man who is willing to spend his evening hours around the lamp rather than chasing the fleeting hours of evening with flying feet to the capricious pleasing of a flute, violin, or an orchestra.

The bar (or the practice of law) has long been regarded as a highway to eminence, and he who understands the things that the successful practicing lawyer must learn over a period of years will better understand how to deal with them. No man or woman can be a real statesman without protracted study of the laws and conditions of this country. Every business man may, at times, need the services of a lawyer, not always a profound one or a high-priced one, but a lawyer, nevertheless. The small-town lawyer is still a necessity, and will likely always be, to the welfare and prosperity of the country.

CORRECTING OCCUPATIONAL ERRORS

A reason of great influence that should not be ignored in considering what standards of education are to be required to enter any profession is the possibility of error in selecting that line of work for a life task. Often the youth and the student do not know just what line of work they will like nor what they may succeed in. Often one enters business life under a wrong impression of the business they have selected, and with wrong ideas about their capacity for that line of work. It is highly important that these mistakes be corrected and suitable avocation found before committing all the energies and resources of life into it. If every young person had a matured and experienced mind and knew the details of every line of business, then it might be that we could reasonably require the person to be well-trained for that particular task before undertaking it, especially where it has a quasi-public interest. That is to say, if it be one that necessarily affects the public in a material way.

We must remember that young men and young ladies who have no experience in any line of business, and who know next to nothing of its requirements, of its emoluments, and consequently are not qualified to judge of what it is nor of their capacity to taste for it—we should keep it possible for such to correct their errors in making a selection for a business. A parent is often but little better qualified than his son or daughter where they desire to enter a business that the parent has not followed—and they generally do want to get into a different line. It is true that a majority actually follow the occupation of their parents if they have the means to do so. But that sometimes is a matter of practical necessity for the lack of knowledge and financial ability to go into something else. The jobs which we do not have generally look more desirable than the one we do have. No person can be happy in life if he is engaged in a business or calling that is not agreeable to him. He cannot be successful in any eminent degree. He should have the right without undue sacrifice of making a change. If the time and money spent is very great in qualifying for it, he feels that he must stick to it regardless of his capacity to be happy or fill it with credit. This ought not to be so.

ADDITIONAL CLERK HIRE

Mr. WARREN. Mr. Speaker, I rise to submit a unanimous-consent request. Mr. Speaker, I am today reporting from the Committee on Accounts H. R. 6028, to provide for additional clerk hire in the House of Representatives, and for other purposes.

This will come to the House from this Committee on Accounts without any recommendation whatever. It is my purpose when it is discussed to present my views in opposition to this measure. It is not a privileged bill. I am therefore asking unanimous consent that this bill may be treated as a privileged bill coming from the Committee on Accounts.

Mr. TABER. Reserving the right to object, I understand that will permit the gentleman to have absolute control of the time, and he can use an hour. I want to ask the gentleman if, in addition to his own statement, he is going to permit those opposed to the measure to have at least half the time?

Mr. WARREN. I happen to be one of those opposed to the measure, and, of course, I shall divide the time equally.

Mr. TABER. I should like to know also if the gentleman would agree that the resolution shall not be called up until after the Interior Department bill is disposed of?

Mr. WARREN. It could not be called up today if consent was given. It was my purpose, if it is satisfactory to the Speaker, to call it up next Monday morning immediately after the reading of the Journal.

Mr. TABER. I think we ought to know when it is to be called up. I would not object to the consideration of the resolution under the circumstances and the statement of the chairman of the committee.

Mr. SNELL. Will the gentleman yield?

Mr. WARREN. I yield.

Mr. SNELL. Is not this a rather unusual procedure, for the Committee on Accounts to offer to the House a resolution that it does not endorse? Has that thing been done in late years?

Mr. WARREN. Of course, it is unusual. I understand it has been done in the past, but just now I do not recall the case.

Mr. SNELL. I do not remember such an occasion, but it might have happened.

Mr. WARREN. I know the propriety about keeping the committee proceedings inviolate, and I hope I am not transgressing on that when I say that this whole subject has been very carefully considered by the committee in the different phases of it. The committee on one occasion voted unanimously against a session clerk. It is my opinion—and I hope I am not transgressing the rules to say it—that this would have been unfavorably acted upon yesterday except for the feeling that we think that as this peculiarly affects the privileges of the Members of the House, we were willing to have them vote upon it.

Mr. SNELL. As I am not a member of the committee, I cannot transgress any rules along that line, but it is currently reported that this comes from the Committee on Accounts because the Democratic steering committee insisted on having it brought out. I do not ask the gentleman to reply to that statement. It is currently so reported.

Mr. WARREN. The gentleman is at liberty to ask that, and also to get a reply. It is quite true that a committee from the Democratic steering committee asked that this be reported out. Of course, I have great respect for the Democratic steering committee, but it certainly did not actuate me in any way, nor does it keep me from vigorously opposing this, if it comes up for a vote.

Mr. SNELL. I understood the gentleman to say that the committee on one occasion voted unanimously against it.

Mr. WARREN. Oh, the gentleman misunderstood me. I stated that the committee voted unanimously against a session clerk—another resolution. On that the committee was unanimous. They were not unanimous on this.

Mr. SNELL. Then I misunderstood the gentleman. Why is it necessary to make it a privileged matter, if the gentleman just needs unanimous consent to consider it.

Mr. WARREN. Oh, I think the committee ought to have control of the debate, if it comes up.

Mr. SNELL. I suggest that it is not necessary to make it a privileged resolution but simply to ask unanimous consent to consider it in the House on next Monday.

Mr. WARREN. That gives the committee the right to demand the previous question after an hour.

Mr. SNELL. Oh, I don't think I have any objection to that, if that is all the gentleman has in mind.

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. MAPES. As I understand the request of the gentleman, it is to give the resolution a privileged status so that it can be called up and considered in the Committee of the Whole as other privileged bills, but the gentleman is asking that the resolution be considered as a privileged resolution, which will give him the right to call it up as he sees fit, the same as if it were a privileged resolution reported by his committee. Is that correct?

Mr. WARREN. That it be treated as any other privileged resolution coming from the Committee on Accounts.

Mr. MAPES. That will limit the discussion of it to 1 hour, and give the control of the debate to the gentleman from North Carolina.

Mr. WARREN. That is correct.

Mr. MAPES. And no amendments would be in order?

Mr. WARREN. I would not say that.

Mr. MAPES. They would not be unless the gentleman yielded for that purpose.

Mr. WARREN. That is correct. I would not say 3 days ahead of its consideration, without any amendment being submitted to me, that I would not permit an amendment.

Mr. MAPES. Inasmuch as the gentleman is opposed to the resolution, I shall not object to his request.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. RICH. Do I understand that the committee is opposed to the resolution?

Mr. WARREN. I did not say that.

Mr. RICH. Is a majority of the committee opposed to the resolution?

Mr. WARREN. That is my opinion.

Mr. RICH. If the majority of the committee is opposed to the resolution, then it is brought up because of the fact that they want the Membership of the House to determine whether they want to add another clerk to the pay roll during the session of Congress.

Mr. WARREN. That is correct.

Mr. RICH. It seems to me if the Members of Congress and their clerks would spend a little more time in their offices, probably we could eliminate that expense.

Mr. WARREN. Of course, the gentleman can state his views when the resolution comes up for consideration.

Mr. RICH. Then we will come here to debate on this, and the Membership of the House will probably, if they see fit, carry it into effect, and add just so much additional burden to the taxpayers of this country.

Mr. WARREN. It is to cost \$440,000 a year.

Mr. RICH. Mr. Speaker, I object.

Mr. WARREN. Mr. Speaker, will the gentleman reserve his objection?

Mr. RICH. I reserve the objection.

Mr. WARREN. I ask the gentleman most earnestly not to object. I have stated to the gentleman that I am very much opposed to this and will so express myself at the proper time; but I think it ought to be considered and the Members of the House ought to have the right to vote on it, and I hope, furthermore, that we may have a roll-call vote upon the matter.

Mr. MAPES. Will the gentleman yield?

Mr. RICH. Will the gentleman do everything in his power to see that we get a roll call?

Mr. WARREN. Of course.

Mr. RICH. Then I withdraw my objection.

The SPEAKER. Does the gentleman yield to the gentleman from Michigan?

Mr. WARREN. Yes.

Mr. MAPES. The question I had in mind to submit to the gentleman from North Carolina has already been answered, and that is, if the consent be given, would he assist in helping to get a record vote on the resolution?

Mr. WARREN. I certainly shall ask for one.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. WARREN] that H. R. 6028 be given a privileged status, to be considered as other reports from the Committee on Accounts in the House?

There was no objection.

CONTINUATION IN OFFICE OF CERTAIN EMPLOYEES

Mr. WARREN. Mr. Speaker, I wish to submit another unanimous-consent request.

House Joint Resolution 189, introduced by the gentleman from New York, Mr. O'CONNOR, relates to the continuance on the pay roll of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners. It is a unanimous report from the Committee on Accounts. It is not a privileged resolution.

I therefore ask unanimous consent that this resolution be made a privileged resolution coming from the Committee on Accounts.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. RICH. Reserving the right to object, as I understand, House Joint Resolution 189 calls for continuation on the pay roll for 6 months of secretaries of Members who die?

Mr. WARREN. Not to exceed 6 months.

Mr. RICH. Why should we keep on the pay roll secretaries of Members who die?

Mr. O'CONNOR. Will the gentleman yield to me?

Mr. WARREN. Certainly.

Mr. O'CONNOR. I introduced this resolution. The matter was called to my attention upon the death of one of our Members recently, the distinguished and beloved Member from New York, Mr. Griffin. Under the law the secretary is only continued for 30 days. In addition to that, immediately upon the death of a Member all franking privileges are cut off. Unless a Member is reelected from that district within a few months that district has no representation or clearing place for its interests. After 30 days the secretary is off the pay roll and must move out of the office. This resolution is not original with me. It has been suggested for years.

It is my idea, however, that the district should be represented here for sometime at least, not to exceed 6 months. If a new Member is elected in the meantime, as will probably happen in the New York district, then the secretary is only continued for 2 or 3 months, or until the new Member is elected.

Mr. RICH. That provision is in the bill, is it?

Mr. O'CONNOR. That is in the bill. The extension of service is not to exceed 6 months, or until a new Member is elected.

Mr. SNELL. Would this secretary have the franking privilege and all other privileges that go to a Member?

Mr. O'CONNOR. This resolution does not take care of the franking privilege. That is another matter that I submit might be taken care of. For instance, when a Member dies the secretary on that date cannot even send a telegram. I have permitted them sometimes to use my frank, although it may be a violation of the strict rules of the House. The franking privilege, to some extent, might well be another matter to be continued for some time after the death of a Member.

Mr. SNELL. Is an office furnished and various other perquisites that go to all Members?

Mr. O'CONNOR. Some office must, of course, be furnished, but the secretary, under this resolution, comes under the direction of the Clerk of the House, who can dismiss the secretary if the Clerk thinks he or she is inefficient or not working in accordance with the regular duties of a secretary to a Member.

Mr. SNELL. If I remember correctly, and I am not absolutely certain about it, that matter was brought before the House, and whether it was objected to or turned down by a vote of the House, I am not sure, but I think that at the time of the death of Mr. Browning, of New Jersey, this same proposition was brought before the House and it was turned down.

Mr. O'CONNOR. I am informed that the matter has never come before the House.

Mr. SNELL. It may have been objected to when it came up for unanimous consent, but this is a pretty far-reaching proposition.

Mr. O'CONNOR. I do not think so. I think the resolution corrects a situation that has existed for some time. I do not believe a district should be absolutely unrepresented for 6 months.

Mr. SNELL. The Governor can call an election, if he wants one, within 30 days.

Mr. O'CONNOR. Of course, the election cannot possibly be held within 30 days from the time of the death.

Mr. SNELL. But the gentleman knows a secretary cannot represent a district, when it comes right down to it.

Mr. O'CONNOR. He or she certainly can take care of the requests from a district and maintain the files pertaining to the district.

Mr. SNELL. Then the language must be changed, giving the secretary the power of representing the district, giving him the franking privilege and an office, and all these other things. Now, it is a pretty far-reaching proposition you are asking for at the present time.

Mr. RICH. I would remind the gentleman from New York that it might happen, as, for instance, is the case in the State of New York at the present time, that a State would have two delegates at large who do not have any particular district to attend to. One of these delegates at large might be requested to take over the office of a dead member from that State until its affairs were closed up.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that House Joint Resolution No. 189 be given a privileged status to be considered as other reports from the Committee on Accounts.

Is there objection?

Mr. RICH. Mr. Speaker, I object.

PUBLICATION OF WRITINGS OF GEORGE WASHINGTON

Mr. KELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution No. 140, with Senate amendments, and concur in the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, strike out all after "Sec. 2" down to and including "to" in line 5 and insert: "The former Director of the George Washington Bicentennial Commission, without receiving any compensation therefor, shall."

Page 2, line 15, strike out "and compensate."

Page 2, line 17, strike out "and pay."

Page 2, lines 18 and 19, strike out "for personnel authorized by this section,"

Pages 2 and 3, strike out all of section 3 and insert:

"Sec. 3. For personal services, including services rendered since December 31, 1934, travel and necessary miscellaneous expenses, in connection with the purposes of this joint resolution, there is hereby appropriated, from any money in the Treasury not otherwise appropriated, \$35,000."

Page 3, lines 6 and 7, strike out "Obligations authorized to be incurred and payments authorized to be made" and insert "Payments authorized."

Page 3, line 8, strike out "paid" and insert "made."

Page 3, line 9, strike out all after "Department" down to and including "Director" in line 10.

Mr. SNELL. Mr. Speaker, I do not know that there is any objection, but I think the changes should be explained.

Mr. KELLER. I shall be pleased to. The Senate amendments merely make the bill conform with the rules of the accounting department. This resolution passed the House on the 6th day of the month.

Mr. SNELL. What are the changes?

Mr. KELLER. Take section 3, for instance:

For personal services, including services rendered since December 31, 1934, travel and necessary miscellaneous expenses, in connection with the purposes of this joint resolution, there is hereby appropriated, from any money in the Treasury not otherwise appropriated, \$35,000.

Mr. SNELL. Just what is the difference between the Senate amendment and the language of the section as it passed the House?

Mr. KELLER. This appropriates a definite and specific amount, and limits the amount to \$35,000.

Mr. SNELL. Was the other resolution limited to \$35,000?

Mr. BLOOM. It turns back into the Treasury the money in the hands of the Commission, so that past accounts are closed up. It appropriates \$35,000 for the next 2 years to take care of the salaries of the historian and other employees. The money on hand goes back into the Treasury. This is a direct appropriation.

Mr. SNELL. Does it change the amount at all?

Mr. BLOOM. No; the amount is practically the same.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendments were agreed to.

REPORT OF THE SPECIAL COMMITTEE ON UNAMERICAN ACTIVITIES

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a radio address broadcast last evening by the gentleman from New York [Mr. DICKSTEIN].

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KRAMER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the address delivered over the radio last evening by the gentleman from New York [Mr. DICKSTEIN], as follows:

On the 17th of February Gen. Smedley Butler saw fit to employ this radio network to indulge in general criticism of the work done by the congressional committee on un-American activities and to cast aspersions on the character of such men as Alfred E. Smith, Louis Howe, General MacArthur, and Hanford McNider. I would not be true to my oath of office as a Congressman nor to my responsibility as a public official if I let these uncontrolled statements go unchallenged.

Since it is necessary for me to offer an apology to the American people for General Butler regarding the latitude he has taken about his utterances before our committee, I desire to state that General Butler not only came to the committee but also gave the statement to the newspapers in advance of his appearance before the committee. He deliberately issued a statement to the press outlining in great detail as to what he was going to testify, although his actual testimony did not in many respects bear out his statement to the newspapers. Before General Butler finished his testimony before the committee the early edition of the November 20, 1934, issue of one New York paper carried a copyrighted statement by him which I am sure was not ethical on his part.

The committee felt it should hear General Butler and to follow out the leads which the General furnished to the members of the committee. The testimony given by General Butler was kept confidential until such time as the names of the persons who were mentioned in his testimony could be checked upon and verified. The committee did not want to hear General Butler's allegations without giving itself the opportunity to verify the assertions made by him. It did not feel like dragging into the mud of publicity names of persons who were mentioned by General Butler unless his statements could be verified, since untold damage might be caused to a person's reputation by public discussion of testimony which could not be substantiated. This accounts for the fact that when the results of the hearing were finally made public, references to Alfred E. Smith and others were omitted. They were wholly without consequence and public mention might be misinterpreted by the public. The essential portions, however, of General Butler's testimony have been released to the public and his specific charges relating to the proposed organization of a soldier's movement have been thoroughly aired and passed upon by the committee.

General Butler is quoted in the New York Post of November 20, 1934, as follows:

"Of course, I told the leaders of this Fascist movement that I was not interested in fascism or in any other 'ism.'"

But over this network he said:

"As a matter of fact, it wasn't a Fascist movement at all, except certain newspapers and the committee itself so termed it."

General Butler's outbreak is much less intelligible when a glance is taken at the official report of the committee, in which due and complete reference is made to Butler as well as all the facts brought out by him. Let me read from the report of the committee:

"This committee received evidence from Maj. Gen. Smedley D. Butler (retired), twice decorated by the Congress of the United States. He testified before the committee as to conversations with one Gerald C. MacGuire, in which the latter is alleged to have suggested the formation of a Fascist army under the leadership of General Butler.

"MacGuire denied these allegations under oath, but your committee was able to verify all the pertinent statements made by General Butler, with the exception of the direct statement suggesting the creation of the organization. This, however, was corroborated in the correspondence of MacGuire with his principal, Robert Sterling Clark, of New York City, while MacGuire was abroad studying the various forms of veterans' organizations of Fascist character."

"The following is an excerpt from one of MacGuire's letters:

"I had a very interesting talk last evening with a man who is quite well up on affairs here, and he seems to be of the opinion that the Croix de Feu will be very patriotic during this crisis and will take the cuts or be the moving spirit in the veterans to accept the cuts. Therefore they will, in all probability, be in opposition to the Socialists and functionaires. The general spirit among the functionaires seems to be that the correct way to regain recovery is to spend more money and increase wages, rather than to put more people out of work and cut salaries.

"The Croix de Feu is getting a great number of new recruits, and I recently attended a meeting of this organization and was quite impressed with the type of men belonging. These fellows are interested only in the salvation of France, and I feel sure that the country could not be in better hands because they are

not politicians; they are a cross section of the best people of the country from all walks of life, people who gave their all between 1914 and 1918 that France might be saved; and I feel sure that if a crucial test ever comes to the Republic that these men will be the bulwark upon which France will be saved.

"There may be more uprisings; there may be more difficulties; but, as is evidenced right now, when the emergency arises party lines and party difficulties are forgotten as far as France is concerned and all become united in the one desire and purpose to keep this country of the greatest freedom on the European continent."

"This committee asserts that any efforts based on these lines as suggested in the foregoing, and leading off to the extreme right, are just as bad as efforts would lead to the extreme left."

This ends the quotation from the report.

In the face of this report Butler cannot honestly assert that the committee did not properly go into the questions raised by him. General Butler says that the movement that he was discussing was not to be a Fascist movement but a sort of a soldiers' movement. If that is so, the facts brought out by him were given full publicity and the American public was acquainted with every substance concerning it.

Now, let us see what the charges are against Alfred E. Smith, General MacArthur, Hanford McNider, and Louis Howe. Not even up to this minute has General Butler made any specific charges against these men. What have they done? The committee finds that they have done nothing except for the fact that General Butler has mentioned their names in his testimony.

Butler says that Louis Howe did not want to have him invited to the Chicago convention of the American Legion. He does not say that Howe told him that, but he states that MacGuire, who was the chairman of the distinguished guest committee of the American Legion, asked Louis Johnson, the then commander of the Legion, to place General Butler's name on the list of invited guests, but that Johnson had taken this list for approval of the White House and was told by Mr. Howe, the President's Secretary, that Butler's name should be crossed off, because the President did not want him. Remember, this is not testimony given by Butler as to what Howe told him, but it is testimony given by Butler to the effect that somebody told somebody else that Howe did not wish him invited to the convention. Is this the kind of testimony which should subject the Secretary to the President to be called upon to make an answer before the committee? Testimony which everybody understands is pure hearsay and which is of absolutely no importance to anyone does not require the Secretary to the President to be subjected to any questioning.

Let us see how Alfred E. Smith's name is mentioned in the testimony—and, mind you, there is no charge of any kind which would call upon anybody to investigate; simply the throwing out of a name which may just as well be omitted for whatever good it may do. All the general had to say about Alfred E. Smith was that at the dinner to be given by the Governor of Massachusetts in honor of General Butler he was to have his picture taken with Governor Smith, at which General Butler stated that he did not like Alfred E. Smith. If this statement is a charge which requires an investigation, I cannot for the life of me see where any charge is made or intended simply because Governor Smith's name was just thrown out by General Butler. And so it goes with all the other prominent names which General Butler complains should have been investigated. No charge is made that these individuals were in any kind of a plot to overthrow the American Government or to sponsor any anti-American movement. Oh, no; just because General Butler sees fit to mention the names of certain people, he immediately insists that mentioning their names is a charge which the committee should investigate. The committee would become a laughing stock of the world if it were to go into the question of examining prominent citizens simply because somebody casually mentions their names.

The committee takes full responsibility for not paying any attention to this type of testimony. It could not be permitted to go out to the public. It would only result in needless subjection of prominent men to unsavory criticism.

This is the sum and substance of the charges which General Butler says should have been investigated by the committee.

General Butler's anger is wholly unexplained, and I do not believe that the general, if permitted to reflect, would repeat his so-called "charges." None are substantiated, and they are so flimsy that it is hard to believe that a person of General Butler's standing in the community would indulge in such promiscuous accusations. However, should the committee's power be extended it may be that the general will receive one of the first subpoenas to further appear before the committee.

General Butler asks why Clark was not called before the committee. Well, the reason was that Mr. Clark has been living in France for over a year, as General Butler well knows, and naturally he could not be subpoenaed, but on the 29th of December 1934, Mr. Clark was represented before the committee in the person of his attorney, and full information was given the committee. Mr. Butler did not tell you this.

I believe the American people are intelligent enough to understand that a committee of the type which Congress created to investigate subversive movements with limited time at its disposal, and which sought to achieve the one aim, and that is to put an end to any treasonable un-American activities, should not have its time occupied by going into baseless accusations and investigating something which calls for no investigation at all. We do not believe that the mention of any name in the inquiry which is absolutely irrelevant to the subject matter and of no consequence

to the work of the committee as a whole should be dragged into a public discussion for no purpose whatsoever. The committee had to attend to its business intelligently and will not permit its forum to be used for the airing of silly grievances or discussions of imaginary plots.

THE WORK RELIEF BILL

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radiobroadcast I made last evening.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROGERS of Oklahoma. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a radio address delivered by me on invitation by the National Broadcasting Co., on a Nation-wide hook-up, on February 26, 1935. I appeared on the regular feature program entitled "Congress Speaks", presented to the Nation every week from the House wing of the Capitol by the National Broadcasting Co. The radio address follows:

Good evening, my fellow Americans. Speaking to you at this hour on this pertinent feature program of the National Broadcasting Co. after a week so momentous in the Nation's history that it has brought the far-reaching decision of the Supreme Court on the gold clauses, after a week that has sent the largest appropriation measure of all time back to the Senate committee for redrafting, and after a week that has been outstanding for the outspoken opposition from numerous quarters on several new-deal measures pending in Congress, I come to you through this medium as an humble champion of the great man in the White House, President Franklin D. Roosevelt. I sincerely believe that everything he has done and everything he has proposed was prosecuted with the one aim in mind of trying to bring the country back to normalcy. I will go further than that and make the statement that the great majority of the 6,000 bills that have been introduced in the House and the 2,000 that have been introduced in the Senate during this session of the Seventy-fourth Congress were drafted by their authors with a sincere view of helping to end the depression. They were introduced as a contribution to the restoration of confidence. They are a part of the great revitalizing process so ably prosecuted by President Roosevelt to restore this Nation, to rout poverty, to stabilize agricultural products, to solve the monetary problems, and to accomplish many other purposes definitely antidepression. Down to date the present administration is receiving the well-deserved applause of the majority of our people for its major activities. There have been mistakes, yes. But we are confronted by the time-proven principle that any administration or any man may sometimes err. We are heartened by the fact that the Roosevelt administration has demonstrated a policy of correcting the mistakes it has made when they became apparent. There is no doubt that there are improvements yet to be made. No one questions the fact that there is yet remedial legislation to be enacted.

Realizing that the accomplishments down to date have been made under the direct leadership and by the forethought of Franklin D. Roosevelt, it is well to consider here our progress under his banner since March 4, 1933. We have emerged from the depths of the most terrible depression the American people have ever known. Our domestic trade has been awakened, our foreign commerce has considerably improved, smoke replaces cobwebs in our principal factories, the glow from the miner's headlamp is once more apparent, and our unemployment has actually decreased through governmental and private enterprise. Recently President Roosevelt flung far and wide the challenge to the American people to take stock of themselves. Our great President requested us all, individually, to ask ourselves the question, "Am I better off than I was in March 1933?" This bold, fearless challenge was pointed to by Republicans and other anti-administrationists as a positive boomerang to the new deal. Like many other cherished hopes of the opposition, this predicted boomerang failed to materialize. The die-hards and soreheads have failed utterly to reckon with the Roosevelt policy, the Roosevelt popularity, the Roosevelt frankness, and above all the Roosevelt strategy. Apparently the great masses of the American people have accepted the challenge of the President, for the anti-Roosevelt forces have quit talking about the matter.

Paradoxical as it may sound, the obstructionists have "risen above principle" and are now playing in the manner of a beast with human misery. The obstructionists have followed a self-designed strategy of attaching this and that amendment to the works-relief program until it has been shamefully retarded. It is felt here, however, that the works-relief program will not remain waterlogged for long. Contained in this proposal is the future of many successful agencies of the Roosevelt new deal. The greatest, perhaps, is the huge public-works program, one of the most satisfactory of the present administration. It has reached into every State in the Union. It is founded on a permanent basis. It is a creative work that will remain a serviceable monument to the thoughtfulness of this era. It is predicated upon construction, the erection of important buildings, the development of needed facilities such as water works, gas plants, ice plants, public markets, drainage projects, school buildings, libraries, power distributing plants, dormitories, swimming pools, sewers, and sewage-disposal

plants, courthouses, toll bridges, auditoriums and gymnasiums, reservoirs, and numerous other projects of permanent value to the Nation. Who will say that it is not important that this work be carried forward? Who will acquiesce in unreasonable delay in acting on the works-relief program? Almost every important agency of the new deal is affected by this proposal. The public-works program has been mentioned. There is also the Civilian Conservation Corps, probably the most successful part from a standpoint of popularity of the Roosevelt administration. In the Civilian Conservation Corps is the program of soil erosion, the good effects of which are felt universally.

In Oklahoma, the State which it is my pleasure to represent at large in the House of Representatives, the soil-erosion work is under the capable direction of Dr. N. E. Winters, connected with the agricultural college at Stillwater, Okla. As an example of the importance of this work, using the State of Oklahoma for an example, Dr. Winters, after scientific investigation, has made startling discoveries of the erosion of Oklahoma farms. Alarming indeed is information from Dr. Winters that 85 percent of the cultivated land of Oklahoma suffers serious soil losses, that more than 2,000,000 acres of Oklahoma land have no top soil; that more than 440,000,000 tons of soil are annually washed from fields and pastures of Oklahoma; and that a fleet of 4,200 motor trucks of 4,000-pound capacity, loading and unloading every 10 minutes, working day and night throughout the year, could barely haul away this tremendous volume of soil. Oklahoma is not without parallel in this soil-erosion problem. Contained in the water-logged works-relief measure is the future of the soil-erosion program so effectively initiated by President Roosevelt. Contained in the works-relief measure is the great conservation program, more popularly known as the C. C. C. Will anyone deny that this important work should be speeded forward without delay? Are there those who are foolhardy enough to say that the American people do not want this program? Will any self-styled leader of the obstructionists be careless enough to say that these new-deal agencies have been unsuccessful?

We come now to another major program of the Roosevelt administration that will undoubtedly be affected by the delay of the works-relief measure. It involves Federal aid to education. The present administration has come nearer to recognizing that education is a Federal as well as a State problem than any preceding administration. It has followed a policy of extending Federal aid to every school district in the Nation below 5,000 population when it became definitely established that the district had used every possible local, county, and State resource and yet was faced with closing. Weak schools over the Nation have been kept open by the present Roosevelt administration. Teachers—who are at best poorly paid—have been able to receive salaries that otherwise would not have been available had not the Federal Government come to the rescue. The continuance of this policy is indefinite until action is obtained on the works-relief bill. Who would dare oppose this feature of the program, when the education of the school children of the entire Nation is at stake? Who would have the fortitude to face an aroused and militant constituency of school teachers who have worked without pay? Who could withstand the telling logic of parents who proclaim that their children shall not be denied the opportunity of an elementary education? He who would oppose the works-relief bill must give consideration to this matter. Having spent 15 years teaching school in my home State of Oklahoma before coming to Congress, I have been vitally interested in everything affecting education. I am proud that I have had a part in securing almost \$2,000,000 of Federal money for the aid of education in Oklahoma to the present date. Federal aid kept schools from closing last year, and we want to keep our schools open for the present term. Again I say that Oklahoma is not without parallel. The condition is analogous in other States. Public sentiment will demand that this phase of the Roosevelt program be not only continued but that it be expanded. Public sentiment will go so far in time that a permanent program of Federal support for education will be adopted.

We come now to perhaps the most pressing phase of the work-relief bill, that of direct relief. President Roosevelt has reiterated time and again that no one shall starve. The helpless and the weak have been depending on Congress to carry forward the President's wishes and provide sustenance and shelter to the pitiable victims of the ravaging depression. I submit to you that we cannot procrastinate with human misery. We cannot afford to tantalize our fellow beings in poverty and want who have so lately approved the program of President Roosevelt. We must accept the mandate thrown down from the highest tribunal last November, which so definitely expressed approval of the present administration. President Roosevelt and his new-deal program were running on every ballot in every State in the Union last November. The people overwhelmingly approved both. The ballot box last November said that the Federal Government must continue in the role of being "our brother's keeper." It, in effect, said that the States and local communities are unable to completely carry the relief load. The ballot box said the people are already overburdened with ad valorem taxes. It said the people are already overtaxed on the tangible things. It approved in no uncertain terms the action of the Federal Government, under the leadership of President Roosevelt, in assuming the relief and so-called "charity" burdens until the various new-deal agencies alleviate poverty and distress. In the face of these circumstances it is impossible that a majority party can fail to take immediate action on the work-relief bill now pending in Congress.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered on Washington's Birthday by the Resident Commissioner of the Philippine Islands [FRANCISCO A. DELGADO].

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to have inserted in the RECORD an address of Hon. FRANCISCO DELGADO, Philippine Resident Commissioner, delivered in Alexandria, Va., at the annual celebration of Alexandria-Washington Lodge, February 22, 1935, in honor of George Washington.

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

In expressing deep appreciation for the honor and privilege of participating in this great annual celebration of Alexandria-Washington Lodge, in honor of its first worshipful master, may I be permitted to say that I fully realize that this was done to honor not me personally but rather the Grand Lodge of Free and Accepted Masons of the Philippine Islands, to which I belong, and the people I humbly represent in this country.

And it is most fitting that a Filipino Mason should thus participate in remembering the birth of so great a Mason and so great a world benefactor as Worshipful Brother Washington, because there exist special reasons why Philippine Masonry and the Filipinos, as a people, should claim, with their brethren of America, primacy in their love, respect and veneration of Gen. George Washington.

This is not only a legal holiday celebrated through the length and breadth of the Philippines, but is also one of the few events celebrated annually by the Masonic fraternity there. In joining you heartily in this celebration as I do, therefore, I am expressing not only my own deep and sincere feelings but also those of the most worshipful grand lodge of the Philippines, with its 109 lodges and more than 6,000 members, and the remainder of the 14 million inhabitants of our islands.

A brief and summary examination of the historical background and the present situation of Masonry in the Philippines will immediately reveal the special interest of the members of the craft there in this celebration.

The first chronicled event concerning Freemasonry in the Philippines refers to the trial of two Irishmen by the Tribunal of Inquisition in Manila in 1756 for what was then regarded as the crime of being a Freemason. They were acquitted, but neither history nor tradition records the reason for the acquittal. However, knowing as I do the genius of our Irish brethren, I venture to say that it must have been not on the ground of disavowal of Masonry but by a flash of their quick and natural wit, which must have dazzled the stern judges of that monster of modern civilization.

It is also recorded that during the years 1762-4, while Manila was under British military occupation, that an English field lodge did Masonic work in the very cathedral of that city. Neither of those events, however, left any lasting impressions of Masonry on Philippine soil.

It was not until 1856 that the first Masonic lodge was regularly established in the Philippines, under charter from the Grand Orient of Portugal. Later on in the eighties many other lodges were organized under charters from the Gran Oriente de España, the Gran Oriente Español, and the Grand Orient of France. It was this type of militant Masonry, militant because of persecutions and by force of circumstances, that first germinated in the Philippines to fight fanaticism and obscurantism. It brought the spark of liberty, equality, and fraternity into the breasts of the Filipinos and inspired them to throw off the yoke of tyranny then prevailing in their country, through the revolution of 1896.

By providential design, America came to the Philippines in 1899, and with the advent of her valiant soldiers her type of Masonry was brought into the Philippines. It was the Field Lodge of the North Dakota Regiment of Volunteers that was first organized in 1899, but the same disappeared as soon as that regiment was ordered home. However, from 1901 to 1907 three regular lodges were chartered by the Grand Lodge of California, and henceforth we see securely planted in the Philippines that system of Masonry which uses the moral, mental, and spiritual improvement of its individual members to uplift and help their fellow men. In 1912 these three lodges organized the Grand Lodge of Free and Accepted Masons of the Philippine Islands, which shortly thereafter absorbed by affiliation all the regular lodges organized under the foreign jurisdictions except one chartered by the Grand Lodge of Scotland, which to this day operates in the city of Manila.

It was through this medium that the Masonic confusion prevailing in the Philippines for a time was ended and the Masonry of American origin superseded all other types previously existing there. So that now, and for two decades past, symbolic Masonry in the Philippines is a direct descendant of the type of Masonry prevailing in North America, with exactly the same moral and mental standards, substantially the same ritual, and observing

faithfully the same landmarks and the same tenets of brotherly love, relief, and truth.

And the same is true as regards the higher bodies of Scottish Rite in existence there now, for they all belong and operate under the authority of the Supreme Council of the Southern Jurisdiction of the United States.

Nurtured as they are from the traditions and the same sources of inspiration, it is but natural that the Filipino Masons of today should, in your own fashion and with the same reverence and affection, look up to the exemplary life and conduct of Worshipful Brother George Washington as a guiding star to follow and a goal worthy of attainment.

Are not his integrity, self-effacement, and humility, his deep love of family and neighbor, his fortitude in adversity, his fair and just treatment of his inferiors, his condescension to his equals, his respect for and intelligent obedience to his superiors, his unflinching firmness in the performance of duty, his uncompromising attitude toward vice and corruption, his insistence on morality and religiousness as essential to the stability of human institutions, and his devotion to liberty within law and order—in short, are not the many virtues adorning his character which were so zealously put into practice in his everyday life the very aims and purposes of our great and truly universal fraternity, as you and we understand it?

The memory of his deeds ought ever to be held as a glittering pattern to every known Mason in all climes. For, to use the sublime lines of one of the poets of our craft, he was, indeed—

"The great in heart, the great in mind,
Who looked thru Masonry to God,
And looked thru God to all mankind,
Learned more than word or sign or grip,
Learned man's and God's relationship."

On the other hand, a glance at American-Philippine relationship would at once show why the Filipinos should be eternally grateful to America, and that the truly altruistic and unparalleled policy followed by the United States Government in the Philippines may directly be traced to Washington's own ideas and thoughts of the fundamentals of that government.

True it is that you can no more speak of America's greatness without mentioning the greatness of Washington than you can of the advanced civilization of Greece without mentioning her great philosophers, or the grandeur of Rome without exalting her Caesars, or the glories of the French Empire without touching upon the genius of Napoleon. These are as much inseparable concepts as that of the body and soul when referring to a human body.

It is equally true that the history of America is in itself its own period the history of the world. Indeed, Washington is not merely a sage and a hero of the United States of America, but of the entire world, because the beneficent results of his deeds have affected the four corners of the globe.

Withal, there is such a close relationship between the fundamental ideas of government as he conceived and put them into practice during the formative period of the Government of this greatest of all republics and the blessings subsequently carried and transplanted into the Philippine Archipelago that the Filipinos became readily the direct beneficiaries of the wise policies recommended by him.

As early as December 4, 1788, Washington wrote:

"The more I am acquainted with agricultural affairs the better I am pleased with them, insomuch that I can nowhere find so great satisfaction as in those innocent and useful pursuits. In indulging these feelings I am glad to reflect how much more delightful to an undebauched mind is the task of making improvements on the earth than all the vainglory which can be acquired from ravaging it by the most uninterrupted career of conquests."

Again in his Farewell Address, among other things, he said:

"Profoundly penetrated by this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that Heaven may continue to do the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual; that the free Constitution, which is the work of your hands, may be sacredly maintained; that its administration, in every department, may be stamped with wisdom and virtue; that, in fine, the happiness of the people of these States, under the auspices of liberty, may be made complete, by so careful a preservation, and so prudent use of this blessing, as to acquire to them the glory of recommending it to the applause, the affection, and the adoption of every nation which is yet a stranger to it."

And further:

"Observe faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct; and can it be, that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and (at no distant period) a great nation, to give to making the magnanimous and too novel example of a people, always guided by an exalted justice and benevolence. Who can doubt that, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it. Can it be, that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! it is rendered impossible by its vices?"

Now, note the resemblance of the magnanimous policies thus suggested by President Washington with those enunciated by President McKinley (another illustrious member of our craft) in his instructions of January 20, 1899, to the first Philippine Commission wherein he expressed the hope that the Commissioners

would be received as bearers of the "richest blessings of a liberating rather than a conquering nation", and directed that the insular government that they were about to establish be a "government not for the satisfaction of the American people but for the happiness, peace, and prosperity of the Filipinos", and that "their customs and habits, even their prejudices were to be considered."

This was reaffirmed in his message to Congress in the same year, when, among other things concerning the Philippines, he said: "The Philippines are ours not to exploit but to develop, civilize, to educate, to train in the science of self-government. This is the path of duty which we must follow or be recreant to the mighty trust committed to us."

It was in the furtherance of these altruistic policies that the Congress of the United States on July 1, 1902, enacted the first organic act for the government of the Philippine Islands, wherein the fundamentals of a democratic and republican form of government as first conceived by Washington and the makers of the American Declaration of Independence and the United States Constitution were embodied.

Those instructions and the provisions of that organic act were generally carried out by the members of the first Philippine Commission, Governor Taft (another great and honored member of our craft) and his successors in that office, with the result that progress was made in the Philippines in all lines of endeavor by leaps and bounds.

Indeed, the advancement made was so rapid that by August 1916, upon the recommendation of President Wilson, the Sixty-fourth Congress wrote into law the second part of what might be termed the "Charter of Philippine Liberty", commonly known as the "Jones Law", which further advanced the freedom enjoyed by the Filipino people and contains this declaration so similar to the sentiments expressed by Presidents Washington and McKinley:

"Whereas it was never the intention of the people of the United States in the incipency of the War with Spain to make it a war of conquest or for territorial aggrandizement; and

"Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

"Whereas for the speedy accomplishment of such purpose it is desirable to place in the hands of the people of the Philippine Islands as large a control of their domestic affairs as can be given them without in the meantime impairing the exercise of the right of sovereignty by the people of the United States, in order that by the use and exercise of popular franchise and governmental powers they may be better fitted to fully assume the responsibilities and enjoy all privileges of complete independence" and so forth.

In 1922, upon the report made by Governor Harrison (another illustrious member of our craft) of the favorable conditions then existing in the Philippines, President Wilson recommended to the Congress of the United States the granting of complete independence to the Philippine Islands. But the Great Architect of the Universe willed that the next step toward Philippine emancipation be deferred until another great President and true Mason, the present occupant of the historic White House, should be at the helm of this Government. And thus it was that the final step, in the form of what is known as the "Tydings-McDuffie Act", upon the recommendation of President Franklin D. Roosevelt, was approved by the Seventy-third Congress on March 24, 1934. The title of said act is: "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes."

Onerous and hard as indeed are some of the conditions therein imposed, it was nevertheless gratefully accepted, as required in one of the sections thereof, by the Filipino people through the Philippine Legislature on May 1, 1934. Also, in accordance with some of the provisions thereof, a constitutional convention consisting of delegates from every nook and corner of the Philippine Archipelago was convoked and set in session in Manila continuously from July 30, 1934, to February 18, 1935, when the members thereof signed the constitution they unanimously adopted. A mission is now on its way from Manila to the United States bringing authentic copies of the constitution for submission to the President of the United States as required by the Tydings-McDuffie Law.

If press reports from neutral and impartial sources may be believed, it may be affirmed that the constitution as adopted by the Philippine Constitutional Convention as a whole has met the general approval and commendation of all. It is virtually a transplantation of a truly democratic and popular government, as conceived and put into practice here, to the tropical Philippines with only such changes as to details as were necessitated by local requirements.

For 35 years a public-school system has been in operation in the Philippines under American guidance and standards, wherein English has been the sole medium of instruction. American history and the life story of such American heroes as George Washington, Patrick Henry, and John Marshall, to mention only a few of the Virginia cavaliers, have been taught continuously to the 1,200,000 school children attending our public schools annually. Is it any wonder, then, that English should have become a common language among us and that the youngest of our school children should have become familiar with the great deeds and benefactions of President Washington and the other illustrious great Americans?

In passing I may relate the following story as illustrative of the regard for President Washington even among our small children:

The members of the class in a grade school were required by their teacher to write an essay on George Washington, and this is what the youngest boy in the class wrote about him: "America, or Uncle Sam, which is the same, has done many good things for the Philippines and is just like a real uncle to the Filipinos. Washington is the Father of his Country and the founder of its Government, and therefore he is the good old granddaddy of the Philippines and of the Filipinos. And so in my prayers I always ask God to bless pop and mom, Uncle Sam, and good old Granddaddy Washington."

So it is that as America's great and magnanimous task in the Philippines is about to be consummated, having kept full faith with her plighted word, as prophetically envisioned by Washington, she will ever be blessed not only by the present generation of Filipinos and their children but by all the future generations and their children's children until time shall be no more. And the memory of George Washington, the Father of his Country, and his good deeds for America and the world will ever live in the grateful hearts of every Filipino.

Discontinuance of political relations will not change the feelings of gratitude and loyalty of the Filipino people to America and the American people. On the contrary, it will enhance them. Upon the Latin-Occidental foundation laid out by the 350 years of Spanish control in the Philippines, you have built a modern twentieth century superstructure of Anglo-Saxon western civilization, and nothing shall ever separate that part of the East known as the Philippines from the western nations except your own will and pleasure.

Regardless of political ties, the Philippines being the vanguard of Christianity and occidental civilization in the Far East, we shall always be close to you masonically, culturally, spiritually, religiously, and commercially as long as you permit us to do so and as close as you wish us to be. We will, to a man, always stand by the principles and standards which Washington's teachings and vision, and those emulating him, have brought to us until we pass out from this terrestrial abode to the celestial lodge above.

MOB VIOLENCE AND LYNCHING

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks and insert in the RECORD a joint resolution of the Senate and House of the Assembly of the State of New Jersey, memorializing the Congress of the United States to adopt measures directed against mob violence and lynching.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include a joint resolution of the Senate and General Assembly of the State of New Jersey, memorializing the Congress of the United States to adopt measures directed against mob violence and lynching, approved February 21, 1935, reading as follows:

Whereas in many sections of the United States crimes of violence are rapidly increasing, both in numbers and in seriousness; and

Whereas one of the most deplorable types of crime is the wanton destruction of human life, public and private property by mobs under so-called "lynch law"; and

Whereas such crimes strike at the very fundamentals of our constitutional rights and our system of democratic government, tending, if unchecked, to result in an absolute disregard for and defiance of duly constituted agencies charged with the protection of life and property and with the proper enforcement of our criminal laws; and

Whereas a continual disregard of the taking of human life and the destruction of property by irresponsible individuals banded together under the influence of excitement to usurp the prerogatives of legal agencies devoted to the apprehension, prosecution, and punishment of criminals, can but encourage the rising tide of violence; and

Whereas a stable government can only be maintained where the courts, operating under due process of law, shall be the only agency or power permitted to deprive any citizen of his constitutional rights to life and liberty; and

Whereas we firmly believe that this unfortunate situation can be best curtailed and eradicated through the power of our Federal Government: Therefore, be it

Resolved by the Senate and General Assembly of the State of New Jersey:

1. That the Congress of the United States now in session be memorialized and requested to, as speedily as possible, adopt and pass some remedial measure and to take such other action as may be necessary, fit, and proper to curtail as far as possible under the Federal laws this growing national evil of mob violence and lynching, to the end that everyone in the United States of America may be accorded and guaranteed full protection of life, liberty, and property under our Constitution; be it further

Resolved, That copies of this joint resolution be transmitted to the Vice President of the United States, to the Speaker of the House of Representatives, and to the Senators and Representa-

tives in the Congress of the United States from the State of New Jersey.

2. This joint resolution shall take effect immediately.

Approved February 21, 1935.

I am in full accord with the viewpoint expressed in such resolution and favor the adoption of such legislation. My colleagues from New Jersey have likewise a favorable opinion with respect to the same and desire for the early enactment of a law to effectuate the purpose of the resolution.

HOME OWNERS' LOAN ACT OF 1933

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes, be given a privileged status.

Mr. SWEENEY. Mr. Speaker, reserving the right to object, before this measure is given a privileged status I think the Congress and the country ought to know who is going to administer the affairs of the Home Owners' Loan Corporation. If we authorize an additional \$1,500,000,000 of the Corporation's bonds, are the men now under indictment to be kept in charge of certain offices? Are the 100 charges of criminal violations of law against a certain office in Michigan to be surveyed; and will the Rules Committee have the courage to report out the resolution to investigate the Home Owners' Loan Corporation, which resolution is now before that committee, before we attempt to continue this maladministration in the hands of the same chairman, the members of the board, and some of the State managers?

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. MARTIN of Massachusetts. I may say to the gentleman from Ohio that the Republican members on the Rules Committee will be glad to vote for his investigation.

Mr. SWEENEY. I thank the gentleman, but I think it is up to the Members on this side to clean their own house and demand this investigation. This is not a matter of politics. The principle of clean government is at issue.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. SWEENEY. Mr. Speaker, I object.

CALIFORNIA-PACIFIC INTERNATIONAL EXPOSITION

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Joint Resolution No. 94, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 8, line 16, after "may", insert "be."

Mr. SNELL. Mr. Speaker, reserving the right to object—and I shall not object—if I remember correctly, the Senate has made no material change in the resolution as it passed the House.

Mr. McREYNOLDS. They made but one amendment, and that was the insertion of the word "be" only.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was agreed to.

PROGRESSIVE VETERANS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCOTT. Mr. Speaker, several days ago I made an attempt to call to the attention of this House the birth and development of the liberal thought and demand for action in California.

I tried to show that many people have come to the realization that our potential national wealth is great enough to abolish the poverty-stricken conditions here completely if only sanity and intelligence could be injected into the control and operation of our economic machinery.

Yesterday I received a letter from a friend of mine in Long Beach. He had enclosed a pamphlet put out by an organization called the Progressive Veterans of America, with national headquarters in Los Angeles.

I want to indulge in a few pertinent quotations:

It is our intention at this time to lay down in broad general principles the basis for an organization to be established for the purpose of securing for our people, through the efforts of their outstanding patriots, a fair and equitable treatment from all the controlling forces by which they live.

As veterans of those wars fought for the purpose of maintaining and preserving the liberties inherent in the ideals of American government, we feel called upon to offer our services in what we consider the most important war in the history of our Nation—the war against poverty.

We believe that it is our right to be heard and to make our influence felt in the life of the people whose liberty we have been called upon to preserve. As citizens and soldiers, and as those who have earned a right to call themselves true American patriots, it is our intention to form at this time an organization through which we can again express our devotion and sacrifice to the people of our country, and abolish poverty in this great Republic of plenty.

It is our intention to pursue the aims of this organization with dignity, and through methods fully sanctioned by the laws of our country. It is our plan to present, in a forceful and decisive way, whatever solutions or suggestions we might have to offer to any of the pressing social, economic, and political problems of our time.

We present ourselves to the public at large as an organization whose sole purpose is to seek, through honesty and integrity, means by which unhealthy and destroying social and economic evils can be eliminated in our national life.

One of our chief principles must be that we are not to be frightened into any kind of surrender or compromise by forces operating for purely selfish purposes; that whatever programs we sponsor shall be advanced solely for the greater good of all the people and never in the service of a small, specialized, or greedy minority. We, as soldiers, are not to be "used" by any self-seeking group, nor will we permit such a group to express itself through us or exploit the people behind the shield of that true patriotism which is beyond personal ambition.

One of the first and most important of the propositions of our organization is the fact that our membership individually, as well as a whole, insists that no Fascist form of government shall take the place of our constitutional democracy. It is becoming increasingly evident that the veterans of the United States are being persuaded by subtle and dangerous propaganda to sponsor or support or in other ways aid movements which are in reality directly opposed to those principles of liberty for which they have sacrificed so much.

We believe it is the right of any American citizen to examine the principles of his Government, and we defend that right against hysterical, unreasonable, and thoroughly untenable accusations that an intelligent survey of our problems is necessarily a subversive movement.

Realizing the tragic truth that self-seeking interests have in the past used patriotism as a smoke screen behind which they worked for the ruination of our people, it is our intention to inform our fellow veterans of their true position in our social order, and to impress upon them the obligations they accepted when they assumed the position of protectors of their country.

We pledge our support for the passage of legislation that will put into effect the short-hour day and the short-day week.

We further pledge ourselves as an organization to foster or aid any program that has for its purpose Government ownership and control of public utilities where such control can be proven to be of direct benefit to the consumer in terms of lowered rates for such vital services.

And, further, as a result of the recent investigation of our banking system, we urge that the Government operate, own, and control that system, in order to secure the people, not only against recurrences of catastrophe in our financial system, but to broaden and make more serviceable to the people at large these institutions that form the center of our financial structure.

We protest against those men and organizations who abuse the safety of the country by their sole desire to secure a profit from the manufacture of implements of national protection. We insist that the profits be taken out of the manufacture of war materials, and we further declare ourselves in favor of the elimination of all profits in times of war.

An important part of our program of operation shall be to tender the services of properly constituted committees to those agencies that have for their purpose the employment of surplus labor in cooperative plans of production.

We emphatically declare against the taxation of small incomes, where it is the intention to place upon them the burdens which are more easily borne by those incomes in larger brackets, and we believe that a liberal limit should be made on the property of the small-income classes which should be free from taxes of any sort.

We further oppose all forms of sales tax that is directly chargeable to the consumer and insist that the maintenance of government be derived from taxes on income and profit.

We refuse to subscribe to the reactionary demands of greedy business and commercial groups that have organized themselves for the sole purpose of continuing and augmenting the enormous

privileges that have permitted them to exploit the citizens of the United States.

We ask that a sufficient income tax shall be levied on both individual and corporate incomes, to maintain the educational opportunities to which our children are entitled.

It is our purpose to protect our Government from reactionary or subversive interests and to present a united front for an intelligently progressive attitude in national affairs.

We make no stand against the taking of fair profit in business enterprise and defend the rights of business under our American system to conduct itself as an important part of our economic structure, but in return we definitely demand that profit making stay within its own limitations; that it make no attempt to coerce or to secure for itself special privileges through its powers of wealth; that it not be permitted to endanger or unbalance the economic system in ruthless pursuance of the profit motive, and that above all, it shall allow the American people to live in security and peace and happiness.

Gentlemen, that declaration was made by a group of men who risked everything in the defense of the country they love. It is not made by Communists, Fascists, wild-eyed radicals, or crackpots. It was made by red-blooded Americans. How much longer will we deny the wishes of these people?

Mr. GRAY of Pennsylvania. Mr. Speaker, I desire to submit a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GRAY of Pennsylvania. The other day I presented a bill in reference to this pink-slip provision, providing that a pink slip would not be necessary in the case of individuals whose net income was less than \$3,000. The bill comes to me printed \$3,500. May I inquire who will make the change?

The SPEAKER. I suggest that the gentleman take that matter up with the Parliamentarian.

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GRAY of Pennsylvania. Mr. Speaker, I have a matter of very great importance and information to the House. This morning in my mail I received the following letter from a constituent:

I wholly disapprove of the bills in the hands of Congress concerning every kind of business in the United States. Yours truly.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that on Friday next, immediately after the reading of the Journal and disposition of business on the Speaker's table, I may be permitted to address the House for 15 minutes and discuss the centennial anniversary of the birth of Mark Twain, who was born in my congressional district on March 1, 1835.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE TOWNSEND PLAN

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a joint memorial addressed to the House by the Town Council of the City of Nampa, Idaho.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the resolution adopted by the City Council of the City of Nampa, Idaho, relative to the Townsend old-age revolving pension plan, as follows:

TOWNSEND MEMORIAL ADOPTED BY NAMPA CITY COUNCIL FEBRUARY 18, 1935

Resolved by the City Council of the City of Nampa, Idaho:

Whereas the United States Government is seeking ways and means to end the depression and restore prosperity in our country; and

Whereas no plan tried so far has succeeded in obtaining that goal; and

Whereas the Townsend old-age revolving pension plan, if adopted, has every indication of success in terminating the depression and restoring prosperity and therefore is worthy of trial: Now, therefore, be it

Resolved by the City Council of the City of Nampa, Idaho, That it is heartily in favor of the Townsend old-age revolving pension plan and that it hereby memorializes the United States Congress to enact the same into law; and be it further

Resolved, That the city clerk of the city of Nampa be hereby directed to forward a copy of this resolution to President Franklin D. Roosevelt, Senators WILLIAM E. BORAH and JAMES P. POPE, to the Congressmen from the State of Idaho, COMPTON I. WHITE and D. WORTH CLARK, and to both Houses of the Idaho State Legislature. Approved February 18, 1935.

E. W. KISING, *Mayor*.
A. E. LINDSEY,
L. L. MILLER,
J. C. WENGERT,
GEO. R. PROCTOR,
F. H. HOSTETLER,
FRANK A. KIRCHU,
Councilmen.

I hereby certify that the above is a true and correct copy of a resolution passed by the mayor and City Council of the City of Nampa, Idaho, at their regular meeting held February 18, 1935.
F. KUEHN, Jr., *City Clerk*.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1936

Mr. TAYLOR of Colorado, from the Committee on Appropriations, submitted a privileged report on the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes (Rept. No. 249), which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. LAMBERTSON reserved all points of order.

PREVENTION OF PROFITEERING IN TIME OF WAR

Mr. O'CONNOR, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 133

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5529, a bill to prevent profiteering in time of war, and to equalize the burdens of war and thus provide for the national defense, and promote peace. That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1936

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes; and pending that, may I ask the gentleman from Kansas [Mr. LAMBERTSON] what his pleasure is in reference to general debate?

Mr. LAMBERTSON. I have a few requests over here, but not a great many. It occurred to me that possibly general debate might end today except on the bill itself and then allow general debate tomorrow to be on the bill.

Mr. TAYLOR of Colorado. That will be satisfactory to our side.

Mr. Speaker, I ask unanimous consent that general debate upon the bill continue during the balance of the day, the time to be equally divided between the gentleman from Kansas [Mr. LAMBERTSON] and myself, and that on tomorrow general debate be limited to the bill itself.

Mr. LAMBERTSON. The time to be equally divided?

Mr. TAYLOR of Colorado. The time to be equally divided between the gentleman from Kansas [Mr. LAMBERTSON] and myself.

Mr. LAMBERTSON. Is the gentleman's request that general debate be concluded today, including general debate on the bill itself?

Mr. TAYLOR of Colorado. We will take the bill up under the 5-minute rule, and the debate will be confined to the bill.

Mr. LAMBERTSON. I thought perhaps we would have general debate limited to the bill itself tomorrow.

Mr. TAYLOR of Colorado. Of course, if a Member is talking on the bill at the expiration of his time and asks

for an additional 5 minutes, I think we may be liberal with him. My thought was that the general debate after today ought to be confined to the bill itself.

Mr. LAMBERTSON. That was my idea.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6223), with Mr. MEAD in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, agriculture is our foremost industry, and cotton constitutes a crop of the first magnitude. One-third of the people of the United States are vitally interested in the success of this important industry.

For many years our home production of cotton has been greater than that of all the rest of the world. It has not only supplied our domestic needs, but cotton has held the lead over all other commodities in our export trade. Slightly more than 55 percent of the cotton produced in the United States in recent years has found a market abroad.

For the past 15 years our home consumption of cotton has remained practically the same, though our population increased enormously during that time. For the 14-year period from 1920 to 1933, inclusive, our average annual consumption was 6,070,407 bales.

During that time our population increased from 105,710,620 in 1920 to 125,693,000 in 1933. Still there was no increase in the consumption of cotton in the United States. In fact, the 105,000,000 people in 1921 actually consumed 209,000 more bales than was consumed by the more than 125,000,000 people in 1933.

Our cotton exports increased slightly during the 14-year period. This relieved, to a certain extent, the loss sustained in domestic consumption. Our annual average of exports for the period was 7,363,227 bales. The largest amount of exports in any year was in 1926, when 10,926,614 bales of American cotton was marketed abroad.

The following year, 1927, the average price of cotton advanced from 12.5 to 20.2 cents per pound, notwithstanding the fact that the world production in that year was above the average for the 14-year period, to the extent of 182,065 bales. The enormous exports of the previous year undoubtedly exerted an influence for this advance in market price in 1927.

The average annual home production of cotton during the 14-year period 1920-33 was 13,237,785 bales. The average foreign production was 10,006,150 bales. The average world production was 23,243,935 bales. I am inserting in the RECORD at this point table of figures obtained from the Census Bureau, showing the production, distribution, and average price of cotton for the 14-year period from 1920 to 1933.

World production of cotton from 1920 to 1933 and average price

	Home	Foreign	Total	Price	Consumption	Exports
				<i>Cents</i>		
1920	13,440,000	6,225,000	19,665,000	15.8	4,892,672	5,744,698
1921	7,954,000	7,377,000	15,331,000	16.9	5,909,820	6,184,094
1922	9,762,000	7,197,000	17,959,000	22.9	6,666,092	4,822,589
1923	10,140,000	8,820,000	18,960,000	28.7	5,680,554	5,655,856
1924	13,639,000	10,197,000	23,836,000	22.9	6,193,417	8,005,228
1925	16,123,000	10,555,000	26,678,000	19.6	6,455,852	8,051,491
1926	17,755,000	10,064,000	27,819,000	12.5	7,189,585	10,926,614
1927	12,783,000	10,643,000	23,426,000	20.2	6,834,063	7,539,945
1928	13,426,000	12,202,000	25,628,000	18.0	7,091,065	8,043,588
1929	14,548,000	12,105,000	26,653,000	16.8	6,105,840	6,689,796
1930	13,756,000	11,548,000	25,304,000	9.5	5,262,974	6,759,927
1931	16,629,000	9,700,000	26,329,000	5.7	4,866,016	8,707,543
1932	12,710,000	10,924,000	23,634,000	6.5	6,137,395	8,419,399
1933	12,664,000	12,529,000	25,193,000	-----	5,700,558	7,534,415
1934	9,000,000	13,225,000	22,225,000	-----	-----	-----

In these calculations there is no reference to the crop of 1934. The results of that year are not yet fully known. Even if known they would be useless for statistical purposes, as conditions were abnormal.

Due to the crop restriction measures authorized by Congress, superinduced by the great drought in the Southwestern States, our production of cotton in 1934 was reduced to less than 10,000,000 bales. This was 3,000,000 bales below the 14-year average. The foreign production in 1934 is estimated at 13,225,000 bales, or about 3,000,000 bales above the 14-year average.

Notwithstanding our reduction in cotton last year was just about offset by the increased production abroad, our farmers actually received more than double the market price they received the year before. This saved them from financial ruin and justified the extreme measures adopted which contributed to their recovery.

These measures were intended for emergency relief only, and have served their purpose. A permanent policy should now be established. A policy that will aid the farmer and not injure other branches of the cotton industry.

In establishing a permanent policy for cotton, the question of our foreign markets cannot be ignored. If we are to lose our foreign markets entirely, then our production must be limited to home consumption, which has averaged but little more than 6,000,000 bales.

This would reduce us to less than half of our present average production. It would be the equivalent of only two-thirds of the short crop produced in 1934 under the restrictive measures of the Bankhead and the Agricultural Adjustment Acts, plus the great drought.

Assuming that our 9,000,000-bale crop of 1934 was sold at an average of 12 cents, then a 6,000,000-bale crop must bring 18 cents to realize an equal amount. The world price, of course, might be considerably less than 18 cents.

Domestic mills would not pay the 18 cents for American cotton unless forced to do so by a tariff wall. Behind such a tariff wall all cotton goods would be pyramided to consumers at enormous prices, under the compensatory duties that would be demanded, and which have seldom, if ever, been denied by Congress.

If our foreign markets are to be abandoned, the southwestern cotton-producing States would be placed at a great disadvantage as compared to the Southeastern States. The cotton mills are practically all located in New England and in Georgia and the Carolinas. Cotton grown in the Eastern States has the advantage of a comparatively shorter haul and correspondingly lower freight rate by either rail or truck.

The all-rail freight rate on cotton from Galveston and Houston to the New England mills located at Fall River, New Bedford, Taunton, Willimantic, and Danielson is \$1.54 per hundredweight, or \$7.70 per bale. The rate to the Carolina mills at Gastonia, Charlotte, Concord, Kannapolis, Anderson, Greenville, and Spartanburg is \$1.01 per hundredweight, or \$5.05 per bale. This rate to the Carolinas is only temporary and expires July 5, 1935. After that date the normal rate of \$1.22 per hundredweight, or \$6.10 per bale, is to be restored.

Mr. SHORT. Mr. Chairman, will the gentleman from Texas yield?

Mr. MANSFIELD. I yield.

Mr. SHORT. Can the gentleman tell us what the water rate is from Galveston to New England?

Mr. MANSFIELD. I am coming to that point right now.

The combined rail-and-water rate from Texas ports to New England mills ranges from \$1.75 to \$2.90 per bale, Fall River and New Bedford having the advantage over Taunton, Willimantic, and Danielson in such shipments.

The export rates on cotton from Texas ports to European and Asiatic countries are generally slightly less than \$2 per bale. They are fixed by conference agreements for the different ranges, the average being about 35 cents per hundredweight, or \$1.75 per bale.

These shipping rates account for the fact that cotton from Texas, Oklahoma, Arkansas, Louisiana, and much of that from Mississippi, western Tennessee, and Alabama goes into

the export trade. Our home mills are supplied from the Eastern cotton-producing States, where they have the advantage of short hauls by either rail or truck lines.

This statement is fully verified by the record. In 1933 the cotton shipped through the ports of Texas totaled 6,158,496 bales. This cotton was grown principally in Texas and Oklahoma. Of this amount, 5,749,616 bales was exported to European and Asiatic countries.

The cotton shipped from Texas ports in the coastwise trade amounted to only 448,880 bales. The major portion of these coastwise shipments went to New England mills, though a small portion of it was afterward exported from Atlantic ports.

Of the cotton shipped out through the ports of Texas in 1933, 93 percent went directly into exports, and 7 percent in coastwise trade. Of the shipments through the port of New Orleans, 83 percent was exports and 17 percent coastwise. Of the shipments through the port of Mobile, 75 percent was exports and 25 percent in coastwise trade.

If deprived of our foreign markets, the shipments of cotton from the Gulf ports would have to go to eastern mills, either by ship or by rail. The cotton farmers of the Southwestern States would have to pay an average of about three times the transportation costs paid by the eastern cotton farmer.

The coastwise shipments may be eliminated entirely, if the merchant marine is placed under the Interstate Commerce Commission as proposed by the Eastman plan. The only reason for such consolidation is to prevent the ships from taking business from the railroads.

Mr. CULKIN. Mr. Chairman, will the gentleman from Texas permit an interruption?

Mr. MANSFIELD. I yield to the gentleman from New York.

Mr. CULKIN. If such a policy were followed, can the gentleman tell the committee briefly what percentage it would increase the transportation cost of cotton approximately?

Mr. MANSFIELD. As I have just stated, it ranges from \$1.75 to \$2.90 a bale by water and \$7.70 by rail to New England mills from Texas, Oklahoma being the same, of course.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield further?

Mr. MANSFIELD. I yield.

Mr. WOODRUFF. Is it the gentleman's opinion that if we did not have water transportation available, the rates for the rail haul would be what they are today?

Mr. MANSFIELD. Everyone can form his own conclusion as to that, of course.

Mr. WOODRUFF. In other words, I am wondering whether the competition afforded by water transportation does tend to hold down freight rates.

Mr. MANSFIELD. I think that is universally conceded; yes.

This is the age of subsidies. Practically every industry in the United States is now actually receiving a subsidy in some form, either direct or indirect. The banks, the factories, the great insurance companies, the waterways, the highways, the railways, the airways, the merchant marine, and various others. Some of these subsidies are camouflaged, others are in the open.

The ship subsidy has been in the guise of mail contracts. The President says the subsidy is necessary and should be in the open. I agree with him. As a member of the Committee on Merchant Marine and Fisheries, I expect to support that policy. I want the people to know where the money is going.

We are now subsidizing agriculture. Much of it is in the open, but some of it camouflaged in the form of loans, some of which were never expected to be repaid. I have supported all these measures. I now want to place agriculture where it can survive without loans.

Mr. J. E. McDonald, commissioner of agriculture of Texas, is advocating a measure for the relief of the cotton farmer, to take the place of the A. A. A. and the Bankhead Acts and other laws. His proposal is for the cotton farmer to receive

an outright subsidy on that portion of the crop which is necessary for home consumption. Then, let him grow as much, or as little, as he pleases for the export trade, and, on that portion of his crop, he would take his chances with the world.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Pennsylvania.

Mr. RICH. If we have reduced our crop 3,000,000 bales, and foreign growers have increased theirs 3,000,000 bales, with the subsidies we have placed now on cotton, we have increased the price above that of foreign countries, and how can the cotton farmers of this country do any exporting, or how are they going to sell cotton in this country, unless they have a tariff wall?

Mr. MANSFIELD. I believe if they are limited to six or seven million bales for home consumption our home mills will buy foreign cotton at lower prices in preference to buying our own cotton, and I believe that under such circumstances Congress would place a tariff wall against the importation of cotton from other countries.

Mr. RICH. This would be necessary in order to protect the cotton farmers?

Mr. MANSFIELD. To protect the cotton farmers, perhaps. [Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman from Texas 5 additional minutes.

Mr. MANSFIELD. Under this plan we would hold our export trade. Farmers would receive perhaps more and better benefits than they are now receiving. Cotton pickers, ginners, compressors, oil-mill workers, exporters, railways, and ship lines would all receive benefits, of which they are deprived under the present restrictive laws. The cost to the Government is expected to be no more, but probably less, than the agencies now in force. Mr. McDonald believes that the necessary funds can be raised by a processing tax, though I understand his definite plans for the purpose have not yet been entirely worked out.

The main thing necessary under such a system should be to safeguard the farmer who has heretofore diversified his crops in the general interest. In order to do this the farm quotas should be based upon acreage of cultivatable land instead of an average production basis, as was the case in the operation of the Bankhead law. Another safeguard should be placed to protect the small farmer as compared to the commercial farmer.

I hope our able Secretary of Agriculture and the Committee on Agriculture, which have done such wonderful work in the interest of the farmer, may be able to work out a scheme for the general recovery of the cotton industry in all its branches.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from California.

Mr. COLDEN. Does not the gentleman from Texas believe that the farmer who lives on his farm and actually tills the soil should have preferential treatment as against the commercial farmer or the man who lives in the city and has a large number of tenants?

Mr. MANSFIELD. I think the gentleman is eminently correct. I think it is the duty of Congress to protect the little man who needs such protection in preference to the wealthy or the large commercial farmer. This is the point I was making when the gentleman asked his question. I hope our able Secretary of Agriculture and the Committee on Agriculture, who have been doing such wonderful work in the last year or two for the benefit of the farmers all over this land, will be able to work out a permanent policy, not only for the cotton farmer but for farming generally, and let us have this policy to take the place of the measures that have been enacted for the emergency.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Missouri.

Mr. SHORT. Does not the gentleman believe that the Bankhead bill really tends to help the large landowner rather than to help the poor tenant farmer?

Mr. MANSFIELD. I hardly know how to answer the question. I do not think the Bankhead bill has had any effect at all this year. It was not enacted until the 21st of April last, when the President signed the measure and cotton was already planted. It did not go into effect until the 12th of July, under regulations adopted by the Secretary of Agriculture, and cotton was then being picked. I do not think it affected the production or the price, but I think the drought, the Agricultural Adjustment Act, and the loans of 10 and 12 cents per pound had some effect. The Government now has more than 4,100,000 bales of cotton on hand on which they have made loans of 10 or 12 cents. This cotton will be depressing the price for another year unless it can be exported or disposed of in some way.

Mr. SHORT. There are many tenant families on our plantations that have been thrown out of employment due to the restricted acreage.

Mr. MANSFIELD. Thousands of cotton pickers in my State have been thrown out of employment.

Mr. SHORT. They have suffered terribly in my State also.

Mr. MANSFIELD. Yes.

Mr. SHORT. I am sorry I did not get to hear all of the gentleman's fine address. I have enjoyed his remarks, because I consider him one of the ablest Members of the House. I should like to know if he has explained or will explain why we consume less cotton today with 20,000,000 more population.

Mr. MANSFIELD. The ladies are wearing too much silk.

Mr. SHORT. And it is also due to the increase in the rayon industry?

Mr. MANSFIELD. And the rayon industry; yes.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the ranking minority member of the Committee on Appropriations [Mr. TABER].

Mr. TABER. Mr. Chairman, I want to talk to the House for a few moments this morning on the question of the financial condition of the country, and to call the attention of the House and the country to what I believe to be some very salient facts and some things which I think the people of this country ought to begin to think about, and to some of the responsibilities which I think Congress ought to begin to take notice of.

For the fiscal years 1934, 1935, and 1936, ending on June 30 of each year, the appropriations for the regular annual running expenses of the Government are approximately \$4,000,000,000. In addition to that there is being used, for regular running expenses, approximately five to six hundred million dollars of relief money, in addition to what has been heretofore the annual running expenses of the Government.

Our taxes are taking care of not more than \$3,000,000,000 of these regular annual appropriations. So that we are running a deficit on our current operations of approximately \$1,000,000,000 which goes into a bond issue.

Now, for emergency relief items directly, we are expending from four and one-half to five billion dollars a year, all of which goes into a bond issue, and none of which is raised out of our tax budget. All of that goes into the bond issue and adds to what the country owes.

Since the 4th of March 1933, there have been direct emergency appropriations of \$7,200,000,000. In addition to that there have been transferred probably a billion dollars from other appropriations which had been made and have not been used for that particular purpose theretofore.

At the present time there is appropriated and unexpended \$5,369,000,000 of emergency funds.

Let me say there is \$1,700,000,000 of the \$3,300,000,000 appropriated in June 1933 still unexpended. We were told then that we were faced with an emergency and we must appropriate the money right off because it would have to be used right away—just as we were told when the bill was before us 2 weeks ago for \$4,880,000,000 that we must do it now.

The expenditures for relief in the last 2 years have been \$2,400,000,000, and in addition to that we have spent approximately \$500,000,000 on roads.

The roads expenditures have been the only expenditures under these relief expenditures for work relief which have amounted to anything in the line of putting people to work or getting the money out and expended for a useful purpose.

Now, we have had allotted to rivers and harbors and to reclamation projects items which have generally been appropriated for by Congress and which Congress could not "pork barrel" itself into a program of extravagance sufficient to allow it to sponsor approximately a billion dollars. Most of this has not been spent, and most of it is still there doing nobody any good. The works that it will create are going to be a liability to the Government instead of an asset.

Nothing has been accomplished by this expenditure of money except to put the Government into business, to destroy confidence, drive folks out of private employment. In that period of 2 years the relief rolls have very largely increased. Gentlemen know the situation in their own individual districts. The general picture shows a tremendous increase. In New York City alone in the last year the increase has been, as I understand it, from 250,000 families on relief to 375,000 families.

Our public debt in 1930 stood at \$16,000,000,000. Today the public debt stands at twenty-eight and one-half billion dollars. If you add to that the \$5,369,000,000 of emergency funds which have been appropriated and not yet expended, you have a figure of \$33,869,000,000. If you add to that the \$4,880,000,000 which we passed here the other day, and which has not yet become a law, you have almost \$39,000,000,000. If you add to that the \$2,000,000,000 of the bonus, you have \$41,000,000,000. If you add to that the \$5,000,000,000 of guaranty of home-loan and farm-loan bonds, a large part of which the Government must pay, you have approximately \$46,000,000,000. There are approximately \$5,000,000,000 of these guaranties. If you add to that the \$2,000,000,000 that unquestionably will be authorized by this Congress of additional guaranties on the home-loan and farm-loan bonds, you have a national debt staring us in the face, when these funds which have been provided for by the House and which probably will be provided for by this Congress, are appropriated, of \$48,000,000,000.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. Not yet. I shall in a moment.

Mr. CHRISTIANSON. Just to make the observation that also there are \$20,000,000,000 of State and municipal indebtedness outstanding, bringing the total of national debt to \$68,000,000,000, if the \$48,000,000,000 figure is correct.

Mr. TABER. I have given the items and details. There cannot be any dispute about the details nor about the arithmetic. That is the way it stands now. I do not understand how we can go on in the way we are going, piling up the number of people who are on relief, not balancing our Budget, not feeling any sense of responsibility about balancing it, not getting anywhere. I am sick and tired of contradictory policies, and that is what we have had from the day that this administration started. Never in the world are we going to get out of this depression unless we come to our senses and balance the Budget.

Mr. HOEPEL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I cannot yield to anyone. We must take care of the relief as it is necessary, but we cannot go on with these tremendous expenditures without breaking the backbone of the credit of the Government. It is absolutely impossible for any recovery to come with this kind of operation.

I am in hopes that the Committee on Ways and Means will not bring out the social-securities bill unless it provides the funds in the same bill by taxation to meet every dollar that will be required to be expended. I am in hopes that the Ways and Means Committee will bring out a tax bill which will tax this country to the point where it is balancing its Budget. Never in the world can we expect these wild expenditures to bring recovery, never in the world can we

do anything toward bringing things to a head and stopping this depression, unless we get some sense in ourselves along that line. The net result of all its operation is more and more distress. The ultimate result, and that result will come as these terrible expenditures are pyramided onto the people of the country, will be a total collapse of the entire structure of Government, with wild inflation, printing-press money—nothing upon which we can build for recovery.

Now, I am making a plea at this time to Members on my side of the aisle and to the Members on the other side of the aisle to appreciate the situation we are facing in this country. We must put our house in order. We must stop these large expenditures and these things that are taking the lifeblood out of America.

The small business man throughout the country has been up against a terrific proposition. The N. R. A. and the A. A. A. have operated, insofar as they could by control, to wipe out the small business man and to leave nothing but the great big trusts. We are destroying the very fiber and backbone of America by the way we are operating. Is it not time that we should come to, that we should have a definite, forward-looking policy and try to provide the business men of our country with confidence? We tell the business man and the manufacturer that they must provide employment for our people, but we take away from them by the unsound operation of our Government and our finances the possibility of credit, and the sound confidence that he ought to have to let him proceed to give that employment. Oh, that our people should realize the situation that they are facing! Oh, that our people should come to the point where they are prepared to take their medicine in the line of taxes! Oh, that our people might realize what these terrible expenditures are doing to them and doing to their credit, and turn over a new leaf and stand up and try to do something to put the United States of America on its feet! [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, I have a profound sympathy for the distress of the cotton farmer in the South. He has had hard times and has been obliged to endure great hardships in common with the masses everywhere—in every part of the United States. I am not opposing the cotton-processing tax on any narrow grounds of sectionalism or conflicting interests. As a matter of fact, I do not recognize any conflict of interests. I do not believe the legislation is beneficial to any class, although temporarily it may appear so to a few who are the beneficiaries of the experiment. I am opposed to the measure because it places a tremendous and unnecessary burden upon the textile industry, both North and South—an industry which has been in the doldrums for many years and which should be given the solicitous consideration of the Government rather than be pushed deeper into the mire. I do not believe the experiment will be beneficial ultimately to the cotton farmer in the South. We are never going to solve the difficulties of the cotton farmer through a dole to pay for not raising cotton.

Let us look coldly at the facts. Last year about 30,000,000 acres of cotton were planted in the United States, while the other countries planted 44,500,000 acres. These figures show conclusively cotton is not exclusively an American commodity, but a world commodity. We raise approximately 45 percent of the world crop, and other countries raise 55 percent. Obviously we can regulate the price of cotton only in the United States. There must be a world price outside of the confines of this country. Our success in selling cotton abroad depends upon price, quality, and service. Nothing else is material. Other countries can render as satisfactory service as we can, and, for the major part of the trade, the quality of the foreign cotton is satisfactory. Price remains the determining factor in our bid for foreign trade.

If our price is higher than the world price, we must be ready to reconcile ourselves to a complete loss of the foreign

cotton trade. It is inevitable and must follow as surely as the night follows day.

These crop-reduction bills, I believe, are materially advancing the time when we shall have lost the major part of our cotton sales abroad. There are already substantial and threatening signs of what the future contains.

Japan, Greece, and Yugoslavia are trying to produce cotton. Great Britain, Belgium, and Italy are giving every encouragement to stimulate cotton production in their colonial possessions in Asia and Africa. Japan is stimulating cotton fields in Manchukuo and Korea. Brazil has completed a survey which dreams of a cotton domain larger than what exists at present in southern United States. These are disturbing signs and call for careful consideration before approving the continuance of an experiment which is hastening the ruin of the cotton trade.

Who benefits from this ill-advised experiment? This is a reasonable question when a Government, through an experiment, brings ruin to several millions of people so that a smaller group can be temporarily aided.

Obviously only a grower of cotton can reap any profit, or—to put it more definitely and more accurately—only the owner of a plantation. And the chief gainer is the large-plantation owner. The little farmer is not wildly enthusiastic over this experiment. He would have voted against its continuance last year except for the exemptions given when the referendum was in progress. A favorable verdict was necessary, and the little fellow was thrown a bone so he could record a favorable answer.

The large farmer is the chief gainer—I say “gainer” advisedly, because eventually he will lose, as will everyone who is engaged in the cotton trade. For a few pieces of silver, needed badly, to be sure, at the moment, he is willing to sell his future. All that can be said for this crop-reduction bill is that it gives some ready cash to the distressed planter.

Now let us turn to the other side of the picture, because there is another side which is entitled to consideration. Who is injured by this ill-advised experiment? First, let us direct our attention to the cotton fields. J. S. Wanamaker, of South Carolina, president of the Cotton Growers' Association, says the crop-reduction experiment has forced 40 percent of the cotton growers onto the Federal relief rolls. Think of that statement. I repeat, 40 percent of those engaged in growing cotton have been deprived of means of livelihood through this legislation. The opportunity to work has been denied many thousands since the inauguration of the policy to pay people for not raising cotton. How can we ever get the people back to work at a normal and gainful occupation if we are to continue to pass legislation which deprives people of their vocation? That is a phase of this question which is entitled to some thought.

This reduction program eventually means the loss of our foreign export market for cotton in our inability to meet the world price of cotton. It eventually means the stabilizing of the South on a 6,000,000-bale production, or just enough to take care of the home market. It has been estimated over a million families in the South will lose their opportunity for a livelihood if this is the goal that we arrive at.

Mr. CULKIN. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CULKIN. Can the gentleman explain how the referendum on the renewal of the Bankhead bill carried so overwhelmingly? Is the gentleman familiar with that phase of it?

Mr. MARTIN of Massachusetts. Yes. I understand concessions were made so the law would not apply to five or six hundred thousand small farmers.

Mr. CULKIN. The gentleman, then, believes that the tenant farmer and the share cropper were tricked into supporting this program?

Mr. MARTIN of Massachusetts. Well, I do not know that they were tricked, but at least they were led astray. Probably that would be the better way to put it.

Mr. CULKIN. That group is now in distress as the result of this program?

Mr. MARTIN of Massachusetts. The reports that come to me indicate they are very much in distress, and hundreds of thousands are obliged to go to the Federal Government for relief. This was due largely to the crop-reduction program.

Mr. CULKIN. Has the gentleman noticed that there has been introduced in the other body a bill involving the disbursement of a million dollars on the part of the Government for the relief of the share croppers and tenant farmers who have been displaced by this program?

Mr. MARTIN of Massachusetts. I am aware of such a bill. It indicates the distress existing in the cotton fields.

These people are engaged as farmers and laborers in picking, ginning, compressing, storing cottonseed oil, milling, shipping, merchandising, and so forth. It is serious to gamble with the livelihood of a populous section of our country.

It is serious to disturb the economic conditions of a great section of the country without thinking the problem clear through.

The survey down South reveals the chief beneficiaries are the larger cotton growers. Others benefit very little. It is understood clearly the South itself stands to suffer enormously in the years which are to come.

Now let us travel to the cotton-spinning industry, an industry with factories located in nearly every State in the Union; an industry which gives employment to millions of people; an industry which is particularly vital to the prosperity of the South and New England. What is the effect of this experiment on this large industry?

May I say the industry has been stripped of the greater part of its reserve money by the many years of depression? It is struggling desperately to live. It is upon this almost bankrupt industry the Government is placing the burden of carrying the cost of the cotton farmers' relief. I say it is unwise and manifestly unfair.

The processing tax is draining the lifeblood of the cotton-spinning industry, both North and South. It has already contributed to the closing of one large concern employing 3,200 people in my district. It has been the factor which has closed many other plants in other sections of the country. Continue this experiment and you contribute to the closing of many other concerns.

Theoretically the tax is paid by the manufacturer and passed along to the consumer, but only theoretically. As a practical matter, in the present condition of the cloth market, the manufacturer finds he cannot add to the price of cloth the amount of the tax which its sponsors anticipated. The mill is asked to absorb the tax. When mills are running on an extremely narrow margin this creates a losing proposition. Factories cannot continue indefinitely to operate at a loss, and consequently the jobs of many thousands are in danger of being lost.

Neither can we overlook the fact the tax will cause consumers to look for substitute products for cotton. There are evidences of this taking place in rayon, silk, wool, linen, jute, and paper. These commodities are not obliged to pay the tax, and consequently are in a better position to take away some demand hitherto supplied by cotton. All this is a decided loss to the cotton grower, and some of it may easily become a permanent loss.

I have said nothing of the millions of consumers. In some instances they are assessed and find they are contributing to the cost of the experiment.

This is the situation we face as we are called upon to make a decision concerning the continuance of a policy which stands before the country branded with the mark of failure. Shall we continue this unwise experiment? I hope the answer will be “No.”

Yet you ask, and I think quite properly, What about the distressed cotton farmer? Shall he be allowed to suffer? My answer would be emphatically “No.” He should not be allowed to suffer. If he needs aid, he should be given relief. But do not pass the “check” to an industry worse off than the cotton grower. Do not create a situation which aids the planters and puts hundreds of thousands of other people on the relief rolls, a large part of whom are in the cotton-growing section. This is not helping to bring about the real

recovery we seek. Do not contribute to the loss of the foreign markets if you want to prevent the South from being stabilized on a 6,000,000-bale basis. This is not helping anyone.

I believe it would be infinitely better for the farmer, the textile industry, the consumer, and the people of the United States generally if you went directly to the United States Treasury and gave the farmer a direct contribution of \$125,000,000. If this is a real relief measure, the cost should be borne by all the people and not by a single industry which itself is in a life-and-death struggle.

Mr. McCORMACK. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. McCORMACK. It is also important to bear in mind at the present time that there is a broader question involved as the result of the processing tax imposed, where prices have been pyramided and pyramided without the purchasing power increasing commensurate therewith. We are now reaching the point—properly so—where we must consider legislation to protect the consumer.

Mr. MARTIN of Massachusetts. The gentleman is right in a way. There are some parts of the textile industry where the tax is not passed along and pyramided, but in other instances it is. The gentleman is particularly accurate when he says that on the question of foodstuffs it is a problem we must consider seriously—how far the poor consumer of this country, with his wages stationary and his condition desperate, can continue consuming goods and paying the high prices he is forced to pay.

Mr. McCORMACK. Will the gentleman yield further?

Mr. MARTIN of Massachusetts. I do.

Mr. McCORMACK. We realize the necessity of action with reference to the farmer. It is a condition and not a theory.

Mr. MARTIN of Massachusetts. We want to help him.

Mr. McCORMACK. I have advocated refinancing their farm mortgages at interest as low as 3 percent, the difference to be assumed out of general taxes, if necessary, provided the farmer makes substantial payments on account of the mortgage indebtedness, to ultimately get him out of debt, as far as the Federal Government is concerned. As we get him out of debt, this becomes less and less a Federal problem. The farmer's problem, from a tax angle, is local. He has no tax problem with reference to the Federal Government. He may have some transportation problems to which we should give consideration, such as charges for transporting his goods from the farm to the consumer. We from the industrial sections realize the spirit and we try to cooperate as much as possible; but, on the other hand, the time has now arrived when this Congress should and must give primary consideration to the industrial worker, who, when he is out of work, has no farm to go to, has no little place on which to grow produce, but who is dependent strictly upon charity or other public or governmental agencies. This pyramiding, working an extreme hardship upon the consumer, has now reached a stage where we must give consideration to it. Furthermore, the processing taxes should be reduced and reduced in an effort to try to control this pyramiding of prices, which is resulting so harmfully to the consumer.

Mr. MARTIN of Massachusetts. The gentleman is correct. There is no question but, with the increase in price beyond the purchasing power of the people, the demand for goods will be less, and consequently production has to be less, and we start upon a vicious circle which must in the end bring ruin to everybody.

I yield to the gentleman from California [Mr. COLDEN].

Mr. COLDEN. Does not the gentleman from Massachusetts believe that not only his industries, but the farmer, also, is entitled to cost of production plus a reasonable profit on his labor?

Mr. MARTIN of Massachusetts. I am not objecting to the farmer getting relief. I say if these cotton farmers need the \$125,000,000 produced by the processing tax, we might better give them an outright gift of that sum right out of the Treasury. It would be better, on the whole, to do it

that way and not bring disaster to millions of people as we are doing today with this unwise experiment.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Chairman, I regret that owing to the shortness of my time I cannot yield for questions until I conclude my main statement. I regret also the absence of the gentleman from Massachusetts [Mr. TREADWAY], who made some remarks the other day which this talk is intended to answer.

On February 14 I addressed the House concerning H. R. 5493, a bill which is now pending before the Judiciary Committee, and which provides that members of the Cabinet may at all times occupy seats in both Houses of Congress and participate in debate under the rules of the House on questions pertaining to their departments. Also, that on 1 day each week they shall be required to attend these sessions, unless excused, for the purpose of answering questions pertaining to the work of their various departments.

The bill reads as follows:

Be it enacted, etc., That the members of the President's Cabinet shall be entitled to occupy seats on the floor of the Senate and House of Representatives with the right to participate in debate on matters relating to the business of their respective departments, under such rules as may be prescribed by the Senate and House, respectively.

Sec. 2. That said Cabinet members shall attend the sessions of the Senate on the opening of the sittings on Tuesday of each week, and the sessions of the House of Representatives on the opening of the sittings on Thursday of each week to give information asked by resolution or in reply to questions which may be propounded to them under the rules of the Senate and House: *Provided*, That the answers to said questions would not be, in the opinion of the Cabinet member interrogated, against the welfare of the United States: *Provided further*, That the questions propounded comply with the rules of the Senate and House: *And provided further*, That the Senate and House may by resolution dispense with the attendance of one or more of said Cabinet members on any stipulated day.

I recommend a favorable report of this bill to the House by the committee, and a subsequent passage of the bill by the House, for the reason that the bill would give us a system of government which would provide, first, adequate executive power; second, continuing legislative control over the use and abuse of that power; and third, congressional leadership in the national interest.

Last Wednesday the gentleman from Massachusetts [Mr. TREADWAY] in his remarks on this bill took issue with the latter two propositions. He maintained that the proposed bill would not supply adequate legislative control and that our present system provides sufficient legislative leadership. He also contended that under our present system we have a greater expansion of Executive authority than is safe for democratic government.

During recent years there has been considerable discussion as to the effect of the operation of this system on Congress. The critics are divided into two classes, one presenting sentiments expressed by the gentleman from Massachusetts. The other, diametrically opposite, has probably been best defended by former Secretary of the Treasury, David F. Houston, who, in an article in *World's Work* in June 1925, says:

Neither House of Congress will take its leadership from men brought in from the outside, men whom it does not select. Nor, in the long run, even if the President's party controls both Houses, will Congress tolerate obvious efforts of the President directly to lead it. And especially will it resent attempts of the President to force its hand by appeals over his head to the people.

Thus we have two definite groups, one saying that the seating of Cabinet members would throw all of the Government into the hands of the Executive, and the other saying that, due to the resentment which would be created, practically all Executive leadership would be destroyed. In view of most human experience with extreme viewpoints, the chances are that the truth lies between the two. That is, that the system would furnish reasonable, helpful Executive leadership in lawmaking, but that legislative jealousy would at the same time give Congress far more control over the

abuse of Executive authority than we have ever known in this country.

It is well to remember that all of this discussion has occurred prior to the last two Presidential administrations and prior to the recent depression. During the first of these administrations, we have found that without strong leadership in the national interest, Congress becomes an easy prey to block and lobby. During the latter administration in the face of a national emergency, we have seen that Congress will readily yield to strong Executive leadership, so that our experience during the last 8 years has made the position of both opponents to Cabinet cooperation in legislation a very difficult one. Why is it, then, that during the many years that this plan has been under discussion, it has not as yet been accepted by the Congress? One obvious answer is that in very few periods of our history have we found an actual balance between the legislative and executive branches. In almost every administration either the executive or the legislative branch of government has been in the ascendant. When the executive was in power the President has been very slow to recommend the passage of such a bill for fear of losing that power, and when the Legislature was in control, of course, it has hesitated to jeopardize its position.

It is, of course, natural for us, as individuals, to fear unknown experiences. And it seems to be a very commendable trait in nations to hesitate in trying new experiments in government toward which they are not driven by absolute necessity. It is, no doubt, also because of this that the United States has been very hesitant in adopting this comparatively simple change in government. We have stood quietly on the side lines and seen practically every democratic government that has come into existence since our own adopt either all or a substantial part of Cabinet participation in lawmaking. Nearly every country in Europe that is not under some form of dictatorship requires the presence of Cabinet members in legislative assemblies, and the same is true of the South American Republics. We alone look askance at the whole procession, claiming to be fearful that our Executive would use this instrumentality to increase his power to the injury of the country.

This attitude is certainly not justified by the experience of other free governments, and especially is it clearly disproved by English history. For many centuries there was a struggle in England between the executive and legislative power as to which would be the controlling force in government. It was not until the present cabinet system was devised, in the early part of the nineteenth century, that for all time that question was settled in favor of the legislative branch. The House of Commons, by keeping the Cabinet constantly under its surveillance and subject to its direction, provided that so long as British institutions shall prevail that body shall be the controlling factor.

Yet we, according to the gentleman from Massachusetts, should be timorous about adopting even a short step in this direction, for fear that that short step will make the President a menace to our freedom.

Our own history has shown us that, without any exception, wherever the need of broad executive power has existed the President has seized that power and Congress has not quibbled while the emergency has been upon us. Apparently it would be almost impossible to adopt any system that would increase the present ability of the Executive to take unto himself any and all necessary power. The only thing that is left for us to do is to try to devise some system that will at all times, both normal and during emergencies, give the Legislature the right to control this power which will inevitably be taken when the occasion arises.

In 1837 Hon. Richard Fletcher, at that time a member of the Ways and Means Committee, in a speech in Faneuil Hall, Boston, complained that during Jackson's term of office the principal function of the Ways and Means Committee was going through the form of approving the laws which Jackson prepared and handed down to them for acceptance. It may not be merely a coincidence that the first effort in Congress to bring the President's Cabinet under the control of

the House and Senate was in April 1864, during the close of the Lincoln administration, when Executive power had expanded beyond the precedence even of the Jackson. The committee considering this bill reported it favorably and complained bitterly of the manner in which the executive department unduly influenced the deliberation of the Legislature. The report says of the President's Cabinet:

It has been notorious for years that by personal interviews with Members, by private conversations at the office, in social intercourse, at casual meetings on the floor of the two Houses, by verbal statements to the chairmen of committees—liable always to be misunderstood or misinterpreted—by unofficial communications to the committees themselves, these officers originate, press forward, modify, or entirely defeat measures of legislation.

It is also interesting to note that, at this same period in our history, the Confederate States who were so jealous of the law-making rights of States that they were willing to go to war over it, and who would not knowingly or willingly expand the Federal Government in any of its departments beyond the absolute necessities of the case, provided in their own constitution for the admission of cabinet members into the deliberations of their house and senate.

Obviously, then, from the intent of the fathers of the law itself, from the historical development of English parliamentary government, from our own experience and the experience of all other governments that have adopted this cooperative method of government between the legislative and executive departments, there is not a thread upon which any substantial fear of executive encroachment can be hung. This measure is designed to do the one thing that our constitutional fathers held constantly in their minds—the maintenance of a balance between the three departments of government. This is the one method that will enable the Legislature to exercise that control which our modern industrial development has made necessary in the Executive.

The only control that Congress has at the present time over Executive conduct is the interminable, tiresome, and usually futile congressional investigation, with its reams of testimony, expensive junketing trips, loads of newspaper publicity, and usually a dud at the end. President Grant's 8 hectic years brought forth 37 such investigations. President McKinley beat Congress to the punch at the close of the Spanish-American War by appointing his own commission to tell the world all about the embalmed beef, sinking transports, and utter lack of military supplies. The congressional investigation of the controversy between Gifford Pinchot and Secretary Ballinger in the administration of President Taft is still ripe in the memory of most of us. The odoriferous scandals of the Harding administration were all brought to light by congressional investigation. Practically all of this could have been avoided if Congress had been in a position to demand in the public interest constant information from members of the Cabinet as to what they were doing and why they were doing it.

Yet the executive department would also be in a much greater position to work efficiently. It could inject its opinion on national questions in the same forum in which those opinions are attacked—on the floor of the House of Representatives. It could supply Congress with facts and information known only to the executive department, which would save a lot of useless oratory and a lot of misinformation. In short, it could give to Congress a leadership in the national interest.

The gentleman from Massachusetts [Mr. TREADWAY] in his remarks says that Congress already has plenty of leadership, and he fortifies that statement by naming a number of illustrious leaders of Congress who have served in times past. It was never my intention to say that Congress has not had leadership. We have had many patriotic men in these Halls, but in every case they were elected from congressional districts. They either voted and talked as the majority in their districts required or they were not reelected to Congress. If such leadership happened to be in the national interest, it was due to the fortuitous circumstance that a man of exceptional ability happened to come from a district that had the national viewpoint rather than a sectional one. The purpose of bringing Cabinet members on the floor of the House is to

give the only public official that is elected by all the people of the United States, the President, power to exert leadership over Congress at all times from a national viewpoint; not by the accident of circumstance but as a system of government.

The overwhelming preponderance of opinion of our real students of government endorse such a bill as now pending before our Judiciary Committee. In my former talk I set forth the personnel of the senatorial committee that had given unanimous approval of this measure, a committee which for high standing of scholarship and public service would be very hard to duplicate in our history. It contained such names as James G. Blaine, George Pendleton, General Butler, John G. Ingalls, and others of almost equal standing.

In giving the list of authorities approving this proposition, we must ever keep in mind the name of our own colleague the gentleman from Virginia, Mr. A. J. MONTAGUE, who is probably the best informed man in the country on the development of this whole problem and the necessity of this reform. A number of years ago he gave an address before the Pennsylvania Bar Association on this subject, which is so scholarly and complete that it leaves very little to be said.

One of the salient points of that address is that secret Cabinet meetings, combined with secret committee meetings in Congress, tend to destroy that public interest which is vital to a democracy. This system makes for an over-activity of politicians and an indifference in general by the people to problems of government. Both of these evils would be largely overcome by the public appearance of Cabinet members and the open discussion of their views.

Prof. Harold J. Laski, in Harper's Monthly for June of 1928, heartily endorses this proposal and says:

The habit of debate in the House of Representatives would be restored, and with its restoration there would be both an increase in the significance of opposition and a growth of public interest in the process of politics. A Secretary charged with corruption, like Mr. Daugherty or Mr. Fall, would have to meet his accusers face to face, a fact which would, at a stroke, raise the level of political morality in America.

Charles G. Fenwick, of Bryn Mawr College, writes in the American Political Science Review for November 1920 a similar endorsement. Hon. Perry Belmont, at one time Chairman of our Committee on Foreign Affairs of the House of Representatives, writes in the Constitutional Review of July 1928 a very scholarly review of the whole subject, and in that article quotes a conversation which he has had with Hon. Elihu Root, our present representative on the World Court and a man described by President Theodore Roosevelt as the greatest statesman in the world. Mr. Root is quoted as saying:

I have long been of the opinion that it would improve the conduct of both the legislative and executive business of the Government to have the heads of the executive department entitled to seats in the House of Congress with the right to be heard and the duty to give information under appropriate regulation.

Mr. Belmont also quotes Mr. John W. Davis, our Democratic candidate for President in 1924, as being favorable to Cabinet participation.

Dr. Charles A. Beard, the author of The Rise of American Civilization, and probably our outstanding student of governmental problems, in an article in Harper's for July 1930, says:

This (requiring Cabinet members to attend Congress) should have a wholesome influence on both departments of Government. Again and again Congress enacts laws in vague and general terms, leaving interpretation and application to Executive authority. The Water Power Act of 1920 and the Boulder Dam Act of more recent fame are excellent examples. In such cases it frequently happens that the administration departs, or seems to depart, widely from the intention of the legislature, assuming that it was ever clearly formulated. The Members of Congress attack the administration on the floor and the administration fires volleys through the press at Members of Congress. Not an edifying spectacle. Worse than that, it delays, confuses, and hampers the transaction of business. Every issue of this character should be defined on the floor of Congress, with the parties in interest face to face, the press watching and the country informed.

Justice Story, in his Commentaries on the Constitution, by very clear inference approves of such a system, and in section

869 bemoans the secrecy in relationship between executive and legislative branches of the Government.

President Woodrow Wilson, in an article on the subject, says:

The degree of separation now existing between the executive and legislative branches cannot long be preserved without very serious consequences resulting. Congress and the President now treat each other as almost separate governments, so jealous is each of its prerogative. What we need is harmonious, consistent party government instead of a wide dispersion of function and responsibility. We can get it only by connecting the President closely, as closely as may be, with his party in Congress. The natural connecting link is the Cabinet.

Hon. William C. Redfield, after his retirement as Secretary of Commerce in 1919, issued a book entitled "With Congress and Cabinet." He says on page 42:

The weakness of the House as a working part of the Government is insufficient knowledge of economics and of the Government itself. * * * The Halls of Congress are not a source of accurate knowledge concerning the Government.

His solution of the problem was to have Under Secretaries from the executive departments present in Congress at all times.

Chief Justice Charles E. Hughes, who was then Secretary of State, in an address in Albany, N. Y., in 1924, said:

It ought to be possible for Cabinet officers to take part in the debates in both Houses on matters touching their department and thus be able to give exact information and to defend themselves against unjust attacks. * * * Under the present arrangement a Cabinet officer often hears of misunderstandings and of an out-pouring of mistaken notions which a brief statement from him could have corrected, but the misapprehension has been voiced and has gone through the country perhaps never to be overtaken.

The force of Chief Justice Hughes' remarks was impressed upon me this afternoon as I listened to the gentleman from New York [Mr. TABER] discuss the financial condition of the country when he insisted on listing all of the money that the Federal Government has advanced in the form of loans to the States, cities, and home owners of this country as being Federal expenditures. Continuing, Justice Hughes said:

We can preserve the advantages of stability and enhance the opportunity of Executive leadership, not by overriding the cherished prerogatives of the Congress or by attempting to gain an illicit advantage for that leadership but by having a recognized contact through the regular admission of Cabinet officers to the floor of both Houses of Congress.

Hon. James A. Garfield, later a President of the United States, speaking of the same proposal before Congress, said:

Who does not know that the enactment of this law will tend to bring our ablest men into the Cabinet of the Republic? Who does not know that if a man is to be responsible to his executive acts and also be able to tell why he proposes new measures, and to comprehend intelligently the whole scope of his duties, weak men will shrink from taking such places? Who does not know that it will call out the best talent of the land both executive and parliamentary? * * * It is the silent, secret influence that saps and undermines the fabric of republics, and not the open appeal, the collision between intellects, the array of facts. I hope that this measure will be fairly considered. If it does not pass now, the day will come, I believe, when it will pass. When that day comes I expect to see a higher type of American statesmanship, not only in the Cabinet, but in the legislative halls.

Mr. MAY. Will the gentleman yield?

Mr. HARLAN. I yield to the gentleman from Kentucky for one question.

Mr. MAY. In view of the fact that the framers of the Constitution provided for absolute divorcement of the three departments of government, each from the other, and particularly the executive from the legislative, has the gentleman considered the possibility of entangling the executive and legislative branches of the Government by his bill?

Mr. HARLAN. I may say to the gentleman that I will include in my remarks, which I did not intend to do, a statement by James Madison appearing in the Federalist, answering an article by Montesquieu on the question of separation of departments of government:

He (Montesquieu) did not mean that the departments should have no partial agency in the acts of each other. His meaning can amount to no more than this: That where the whole power of one department is exercised by the same hands which possess the whole power of another department, the fundamental principles of a free constitution are subverted.

Former President Taft, in his message to Congress on December 19, 1912, forcibly recommended the adoption of a bill permitting and requiring Cabinet members to participate in legislative matters. In this message he says:

There has been much lost motion in the machinery due to the lack of cooperation and interchange of views face to face between the representatives of the Executive and the Members of the two legislative branches of the Government. It was never intended that they should be separated in the sense of not being in constant effective touch and relationship to each other. The legislative and Executive each perform its own appropriation function, but these functions must be coordinated. * * * I do not think that I am mistaken in saying that the presence of the members of the Cabinet on the floor of each House would greatly contribute to the enactment of beneficial legislation.

Thus we have seen the measure which is now pending to require Cabinet members to enlarge their functions and cooperate with the legislative branch endorsed by the history of the British Empire in its struggle to achieve democratic government. We have seen this experience copied to greater or less degrees by almost all of the later republics, both European and American. We have seen in America an irresistible growth of Executive power, with no apparent instrumentality to control that power on the part of the legislature. We have seen our thinking students of government try to devise a means of working out of this dilemma, and out of this effort—70 years—the first bill to establish cooperation between the Cabinet and the legislature was initiated. That bill has been endorsed by our outstanding students of government everywhere. It has met the express approval of at least three of our Presidents, of a senatorial committee of outstanding ability, of two of our Chief Justices of the Supreme Court, and of our representative on the World Court. Yet we must not proceed in haste, as we are told by the gentleman from Massachusetts, who says that the bill will dangerously increase executive power, while we are also warned by a former Secretary of the Treasury that it will so irritate the legislature that it will be a futility. The choice between these viewpoints is now in our hands, and as one Member of this body I recommend the passage of the bill by this House.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. CASTELLOW].

Mr. CASTELLOW. Mr. Chairman, it was not my purpose to consume any time on this occasion, but, having listened to interesting talks this morning by several distinguished Members of this House, I feel inclined at least to interpose a few comments.

I was especially interested in the discourse of the gentleman from Texas [Mr. MANSFIELD] in the beginning of the debate. He gave us some very interesting information in reference to the cotton situation in the South. The lesson that I drew from his statistics inclines me to make this suggestion. It is now high time that we as a people decide whether we are to be nationalistic and self-contained or remain a factor in the commerce of the world.

If we expect to deal in the markets of the world, it follows necessarily that we must put ourselves in position to compete with others who are dealing in that same market. The gentleman has shown us that while the cotton production of this country decreased last year some 3,000,000 bales, there was a corresponding increase in the production of other countries. Consequently, the world supply was not reduced. If we expect to sell cotton in the markets of the world, necessarily we are going to be compelled, whether we would like it or not, to be in position to compete with those countries that produce the same commodity. This is not only true in the production of cotton, but it is likewise true in the production of any commodity that is to be placed on the counters of the world and offered for barter.

As I have remarked before upon the floor of the House, there is an absolutely logical reason for everything which has transpired or ever will. Why is it that the wealth of the United States, and I might say the wealth of the world, is centered in that part of the country which is intrinsically the poorest part of the United States—I will not say of the world? Why is it that the southern part of the United States, rich in soil, with a wonderful climate, possesses a

negligible portion of the wealth of the United States, while that part of the country inhabited by those we call New Englanders possesses so much of the wealth of the world? There is a reason, an absolutely valid reason, for it. One is that by the decree of Nature men prosper, not when helped but when they rise to meet emergencies and overcome difficulties. They evidently were using their brain while we probably were enjoying our climate.

Until recently, as I understand, the chief difference between the doctrines of the Republican Party and those of the Democratic Party was upon the subject of tariffs. The people of the Democratic Party, the nucleus of which, of course, remains in the South, stood for low tariffs or no tariffs, while the people of the North and the East stood for high tariffs and protective tariffs. Now, what transpired? What was the tragical result of this difference of opinion in regard to the policies which should be enacted into law?

The situation might be illustrated with a game of baseball, for instance, between New York and Washington. The umpire calls into consultation the captains of these teams, and he says to the Washington captain, "Mr. Captain, how many strikes do you say a batter should have before he is out?" And the captain promptly responds, "Three."

He then asks the captain of the New Yorkers, "How many strikes do you contend a batter should have before he is out?" And the captain of the New York team replies, "I think he should have five. Now, what is your decision, Mr. Umpire?" The umpire responds, "Well, I am thoroughly agreeable. I like to please all, so I am going to agree with both you gentlemen. Each batter of the Washington team will be allowed three strikes before he is out; each batter of the New York team will be permitted five strikes before he is out. The game is called!"

The United States has said time and again, "I am going to agree with the Democrats of the South, and I am going to agree with the Republicans of the North and the East; I am going to give you people of the South what you want, a low tariff or no tariff, and I am going to give the people of the North and the East what they want, a high tariff, a protective tariff", thereby forcing the agricultural classes to sell the products of their labor in an open market in competition with the world, and to buy their necessities in a market inflated by a high protective tariff.

We have operated under those rules for 150 years; and is it surprising that we of the South have not won a game yet? [Laughter and applause.]

Now, I am not saying that we are more virtuous than you, and I would be far from admitting that you are more virtuous than we.

The question of tariff seems to be largely a question of expediency as it affects the business interests of respective localities, and in its solution the voice of selfishness and self-interest seems to prevail, as is often clearly demonstrated on both sides of this House.

There are many other things that I should like to say, suggested by the splendid speech of my friend from Texas [Mr. MANSFIELD].

The next speaker was the gentleman from New York [Mr. TABER], from the Republican side. I have listened to the gentleman on many occasions, and I say this: that the truth is the truth, not because any particular one speaks it, but because it is the truth, whether it be in Holy Writ or not. If good comes from this side or that side, I for one am willing and anxious to accept it. Mr. TABER was speaking my convictions when he said he believed the time was near at hand, or even now at hand, when we should at least begin to make some effort to balance our Budget.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes additional time to the gentleman from Georgia.

Mr. CASTELLOW. Mr. Chairman, there are two words in the English language which, according to my judgment, have caused more bankruptcies and more financial failures in private life than anything else that I can think of, and the principle that applies to private life will apply with equal

force to public life, or the life of a State or a municipality. The two words to which I refer are "Charge it." Require a man to pay cash for what he buys, or even if you go further than that and require him to pay in good, new silver dollars, then many a time he will put the dollars back in his pocket and not buy something which he fancied he needed but in reality did not need, or at least could do without. I have considered the Committee on Ways and Means, that is charged with the duty of getting up the money to meet these great expenditures which we are making and have been making.

I deeply sympathize with those gentlemen when the time arrives for them to raise by taxation adequate funds to meet resulting demands upon the Federal Treasury. When this time does arrive, I fear they will become the most unpopular committee, not only in this Congress, but that has ever served in any Congress in the history of the country. I believe further that the committee that is charged with the duty of raising the revenue should have some voice in directing how it should be expended, and I furthermore submit that it would be most expedient, and more in keeping with business principles, to provide the funds before the various appropriations are made. I have never known an individual to achieve much success who contracted obligations before the formation of definite plans whereby they were to be met. If you will determine in advance what funds can be supplied—and before any appropriations are made—in my judgment, the results in the end will be much more satisfactory.

I never did think it was right for the old man, the head of the family, to have to raise and make the money, and have the children, who make nothing, do all of the spending and saying how much. [Applause and laughter.] It never impressed me as good business, and neither do I think it honest.

Next is the question of the tariff. That is a big question. It takes lots of time to discuss it. I never did want to start talking here unless I had at least 2 hours, but rather than have a row with my good friend Mr. TAYLOR, I accepted what he said he could give me, 10 minutes, although I cannot get started in that length of time, particularly upon such a controversial subject.

It has occurred to me that there was much wisdom in the thought suggested by the gentleman from Texas [Mr. SUMNERS] during the last Congress, that we often give too much consideration to the garment in which the thought is to be clothed, rather than to the substance of the thought itself. If we would simply express ourselves with more ease and reason together as men, I believe the aggregate results would be much more satisfactory. I was interested a day or two ago when Mr. MARVIN JONES used an illustration of the automobile—and I approve of it very much, because I used it in my first campaign some years ago.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. CASTELLOW. I shall keep on talking, Brother TAYLOR, just as long as you give me time. I have something to say which I think of real worth, and you yourself might think more of it tomorrow than you do today, if you will give it consideration during the night.

Mr. TAYLOR of Colorado. Does the gentleman desire 5 minutes more?

Mr. CASTELLOW. Yes; although 55 minutes would be better.

Mr. TAYLOR of Colorado. I shall have to limit the gentleman to 5 minutes.

Mr. CASTELLOW. I thank the gentleman very much. Small favors are gratefully received. What Mr. Jones said of the automobile is one of the illustrations that I used in my campaign, as I said. I remarked to my people that I had never seen the Congress in session but that I was convinced if the 435 Representatives constituting its membership would thoughtfully cooperate in an honest effort to relieve the distressing situation, gratifying results would be accomplished.

I asked them to think of the old machine, with its rattling chains and lever control, that Dr. Patterson, of Cuthbert, operated with difficulty but a fixed determination to find something speedier than the horse. It is indeed a fossil now as compared with our splendid machines of today, but it was up-to-date at that time. Consider now the marvelous product of mechanical skill, so much in evidence on every hand, which the greatest mechanic ever employed by Henry Ford or Walter Chrysler, or any other since time began, could never alone have produced, for it represents the contributions of hundreds and thousands of honest and earnest men, not one of whom could have built anything approximating it. It represents the combined thoughts of many. Then, I said, why cannot our Representatives in Congress devote themselves in a practical way—as have our mechanics, who are not lawyers, business men, or bankers—and give us something in the way of a governmental machine which will approximate in efficiency that these mechanics have accomplished in their field?

I believe they could. Just at this point, and speaking about what we have done with machinery, that is largely the trouble with our situation today. We have done so much more in a mechanical way, and machinery has been developed so much more rapidly than we have mentally, that matter has exceeded and seems now to excel what we are pleased to term "brains." Beyond question, I fear, we have not the ability or capacity to cope with the situation which it has produced.

According to my judgment, there are five fundamental causes for the conditions which came upon us in 1929 and have followed since. I arrived at these conclusions prior to my entry into the Congress, and in discussing the situation with my people enumerated them as follows:

First. An inequitable distribution of governmental burdens and an unwarranted tax upon our people by governmental expenditures, which at that time were estimated by the President as being \$13,000,000,000 levied by National, State, and local Governments. But that is one of the smallest of the five.

Second. The alienation of our foreign trade by unwise tariff legislation.

Third. A dissipation of American wealth by unwise investments in foreign securities.

Fourth, and by far the most important of the five, I believe, is the marvelous increase in labor-saving devices, without due regard to the laborers displaced, thereby increasing and multiplying the ranks of the unemployed.

Fifth. The tremendous increase in our obligations to pay a multitude of debts with a handful of money. And I now submit that practically all of our remedial legislation has been to correct some one of these fundamental difficulties. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia [Mr. CASTELLOW] has expired.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, it is a joy indeed to hear from the State of Georgia. October 4 last we heard the views of its Democratic State Convention. I have the platform here. It repudiated everything in the new deal, and it would be a good thing for this House if somebody from the State of Georgia would read to us the keynote speech made at that time. We Republicans could subscribe to that platform. For the encouragement of the State of Georgia, and for the encouragement of the gentleman from New York [Mr. TABER], who has just spoken, it seems that this spending of huge sums of money, which is such a delight to politicians, is now meeting with something in the nature of a set-back. It reminds me of the attractive young lady cashier, about whom I read the other day, who said to her boss that she would have to take a holiday; that she was not looking her best. He said, "Nonsense." "Oh, yes", she said, "I am sure it is necessary. The men are beginning to count their change." [Laughter.]

I think the indications are that we are beginning to count the cost of government. Let me read to you the following:

Our Federal extravagance and improvidence bears a double evil. First, our people and our business cannot carry its excessive burdens of taxation. Second, our credit structure is impaired by the unorthodox Federal financing made necessary by the magnitude of these deficits. The latter is more technical but to my mind the more dangerous. The truth is that our banks are financing these stupendous deficits and that the burden is absorbing their resources. All this is highly undesirable and wholly unnecessary. It arises from one cause only and that is an unbalanced Budget and the continued failure of this administration to take effective steps to balance it.

From President Roosevelt's preelection speech in 1932.

This House ought to be treated to a reading of many of those preelection speeches. The Republicans here could well endorse now practically all of those preelection doctrines, in the light of what has happened since March 4, 1933.

But, Mr. Chairman, I rose particularly in defense of New England. I am proud to do it. Even if our recreational, fishing, and textile industries were suffering severely, Massachusetts paid more in percentage than any of the other States for relief of her people. She stands high in that regard, but we shall be obliged to continue to help pay, for years and years to come, the 99 percent of the relief bills of certain of the other States. So that I feel, under such conditions, that we may justly appeal for assistance for our industries. We were told a day or two ago, when our New England governors came to Washington—all of them or their representatives—that everything they desired by way of legislation had been delegated by Congress to the President of the United States. "Appeal to him." So, after all, these speeches made upon the floor of this House seem to be of little avail.

In fairness, I want to say, relating to the processing tax, about which we have, today and recently, heard so much, that the doctrine of "reward the farmer for not raising cotton; penalize the mills for manufacturing cotton" is certainly not working out as planned. Scarcity and high prices are what this administration seems to desire to bring about in order to restore prosperity. "Reward the cotton farmers for not raising cotton; penalize the mills for manufacturing it." This pithy expression was recently uttered by one of our manufacturers, and it is worth repeating here.

Mr. FORD of California. Will the gentleman yield?

Mr. GIFFORD. I yield, if the gentleman is willing to reward my fishermen for not catching fish.

Mr. FORD of California. I am not a miracle worker, and I could not do that, but I would ask the gentleman this: How many of his customers for textiles are farmers, and is not the processing tax giving those farmers the money to purchase the gentleman's textiles?

Mr. GIFFORD. Yes; and right along that line I think I can please the gentleman when I can say, unlike other New England Congressmen, I acknowledged, when we passed the processing tax, that the consumer would have to pay it, and that the farmer would not benefit at the expense of the manufacturer, who would simply pass it on, if possible. That was the theory advanced.

In practice, however, our mills have been forced to absorb this tax, which was not the intention. The idea behind it might have been good. I have often remarked that if Massachusetts were to say that her textile plants pay this processing tax, then North Carolina could well say that they pay the tobacco tax; but she does not. A stamp is placed on every package of tobacco that is sold. Why can we not devise some sort of stamp to be placed on the manufactured article when it is sold so that everybody may know that the consumer is paying the tax? It was asserted that our people were buying cotton products altogether too cheaply. But in this effort to try to absorb the processing tax and meet competition there has been a direful effect on the textile mills.

Mr. Chairman, I thoroughly understand how difficult it is for us to get sympathy in such a matter; how difficult it is to overcome sectionalism. Every time I bring this up someone will take me by the arm confidentially and say: "Well, after all, the textile mills of the North are poorly located and you have got to come down South, have you not, where labor is more orderly and where the raw product is right at hand." New England is perhaps fighting a hard fight with that viewpoint so clearly in the minds of the majority party. But does the cotton producer want the processing tax and all else besides? I am appealing today that some sentiment may be aroused in the sunny South for New England. It has that God-given chance to raise the cotton, and all her acres are profitable, to some extent at least. I am hoping that some day you will have the buying power down there; but it will come only when you pay your workers a reasonable wage and when you give them better living conditions. How do I know? I went down there to see; and I think I understand the present unfair conditions existing there. I would like to record at this particular moment one answer I got to the question "How can the southern mills make money?" The reply was: "We have no idle machinery; the wheels turn 24 hours a day."

We have overcome that to some extent, under the N. R. A.; we have forced certain sections of the country to come under a minimum wage with the differential of \$1; but the textile industries are claiming that now much more of this nature should be added to the N. R. A.; and are appealing to the President. We cannot appeal here except to arouse your interest, sentiment, and sympathy. Why should they pay practically all workers, including the semiskilled only the minimum wages paid in other sections of the country. Why? Cannot the N. R. A., as demanded by labor, impose a real code of fair competition? That is the intent of it.

Now, let us have these semiskilled and skilled workers put into three or four separate classes, and whether in one section of the country or in another have the workers paid the same. That is the only thing that will add to your purchasing power. Our New England textile mills are in a precarious condition. We have a right to appeal to the Congress, or to the President, if necessary. We have contributed much toward the wealth of this country. Processing taxes must be rearranged as far as this maladjustment occurs; the South must forego the advantage, if you please, of low labor costs and by some method be forced to recognize fair competition. This is a reasonable request.

This afternoon, while we have plenty of opportunity to discuss matters, I wish to follow up my suggestion to the gentleman from California. Can you imagine any industry worse off than the fishing industry? Do you need to be told what an important industry it is, particularly now that food prices, meat prices, are going up, and the slogan has got to be, "Eat more fish"? Were I to portray to you the fisherman's life and the hardships he has to endure, it would be a tale the like of which you have never heard connected with any other industry. Why not now give him the benefits of a processing tax and pay him something for not catching fish? He is asking his Congressmen for assistance such as is given the farmers, and we can only say, "Yes; we know we are your Congressmen, but under conditions existing here we are absolutely helpless."

They ask, "Can you not prevent that trade pact with Canada?"

And we must answer, "No; we handed all the power to the President. On the floor of Congress we may be able to appeal for sympathy and to enlist sympathy, but we are shorn of power to aid our constituents in almost all matters on which they appeal to us. I, with other Congressmen, can get up on the floor and make speeches, just speeches to be read at home; but we experience only the weariness of futility."

Now, Mr. Chairman, I do hope that sometime this government of trial by error shall cease. In closing, I would like to add a little pleasantry, as I did in the beginning, for so many people have been confused about a government of

trial by error. When you are explaining it, to women's clubs especially, tell them a government of trial by error is like this: A lady told her maid to give the baby a bath and put the thermometer in the water to see that its temperature was just right.

The maid replied: "I do not need to. I put the baby in the bath, and if the water is too hot he turns red, and if it is too cold he turns blue, and I can tell."

Everything is turning red or turning blue. Let us get back to the thermometers, the barometers, and to old-fashioned experience, just as Georgia demands. [Applause.]

Mr. CRAWFORD. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I am very much interested in what the gentleman had to say in reference to the scarcity of production. If I remember correctly, the other day someone from Ohio made the statement on the floor to the effect that wages are paid from profit. May I ask the gentleman if, in his opinion, that statement is true, or is it a fact that wages are paid from production?

Mr. GIFFORD. The wages of the textile mills since 1925 have been paid from profits made theretofore. Many of the stockholders of the mills that have been hanging on since 1925 now say, "Let us salvage the ship. Let us get anything we can for our share of stock. We have been patriotic long enough." Our mills are now being dismantled and whatever may be left within them is being sold—auctioned off to get what little they can out of the wreck.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Chairman, I am very sorry that I have not more time than has been allotted to me this afternoon, as I should like to discuss in detail the report of the Committee on Un-American Activities, which is now on the Union Calendar. This committee completed an investigation on behalf of the Congress dealing with subversive activities by the nationals of foreign governments. The committee made great progress, and, in my opinion, presented a great report.

However, I should have liked to have the report go further and make additional recommendations.

Mr. Chairman, I should like to have had additional discussion in detail concerning certain activities of the Nazi government in this country.

I would have condemned the Ambassador from Germany for his activities in the United States in a dual capacity: He represented the German Government here as an Ambassador, and at the same time he was very active in spreading propaganda within the borders of the United States. I hope that at some future time I will have the opportunity to further discuss that question.

Several times during the progress of hearings before the committee Ambassador Luther's name and the German Embassy were brought into prominence and the evidence definitely indicated that he has been acting unjustly toward our people, in that while serving in his official capacity he also represented and gave comfort to groups in this country which were affiliated with a political party of a foreign government and which endeavored to instill in the minds of American citizens the pernicious racial and religious animosities which dominate that foreign political party. Naturally, Ambassador Luther had the opportunity through regular channels to deny these charges, but he did not do so; he probably claims diplomatic immunity.

I should have liked to have taken a number of the consuls representing the German Government and sent them right back home, because, Mr. Chairman, our United States consuls would not dare do abroad what these men have done in this country. The committee found that some of these consuls have dished out thousands upon thousands of dollars in cash to pay propaganda agents and secret spies to strike at the very things that we cherish and which are the very fundamentals of our Government. On the Nazi activities I intend to extend my remarks.

The committee has discovered instance upon instance where German consuls in this country assisted in the printing and the spreading throughout the United States of propaganda designed to align American against American on subjects contrary to the principles of this Government, and that they were a party to the disbursement of funds to carry on this work directly from the German consulates. Most of this money was paid in cash, the purpose being to prevent, and so far as possible, make impossible, the discovery of this financial tie-up; but your committee was able, by very careful examination to uncover these facts by documentary evidence and sworn statements. The amounts of these transactions, uncovered by your committee, ran into the thousands of dollars, but there is no telling how large the amounts were which the committee was unable to uncover in the limited time at its disposal.

I would here give full credit to the millions of people in this country of German ancestry and of German birth, against whom no charge of any un-American activities has been placed, and who have recognized this investigation was in fact a protection to them against unjust criticisms. I would also give appropriate credit to the many German-Americans who have cooperated with me from the very beginning of my unofficial investigation of these alien Nazi activities, up to the time the investigation was authorized by the House of Representatives, and thereby made official.

When alien leaders come to this country under the pretext of being friendly aliens, when in fact they are leaders in their own countries and come here to cement a feeling among people who came originally from their country, or whose ancestry migrated here from that country, and ask them to subscribe to a principle of foreign philosophy of government which leads to a dictatorship and can only have the effect of arousing animosity between American citizens and residents, then I say, that alien leaders of that type are not fit to remain here or to become citizens of the United States. Furthermore, when these alien leaders secure the cooperation of any Americans and by their combined efforts endeavor to inspire our people to act against the interests of the United States through groups controlled by aliens for the purpose of attacking the Government or our people with direct and indirect subsidies paid by the Nazi government which was discovered as beyond dispute and beyond question, then it is time for our Government to call a stop to these activities.

It is not my purpose or intention to advocate the destruction of free speech, free press, or free assembly, but the principle of free speech, free press, or free assembly does not mean the smuggling into our borders of propaganda, which if read, would bring about intolerance, bigotry, religious and racial hatred among our own people. Nor does it mean the smuggling of ammunition, nor the smuggling of uniforms, nor the receiving of orders from foreign dictators, brought in by these aliens for the purpose of educating American people regarding their conduct here or the form of government we should have. Free speech does not mean that the Nazi Party of Germany can threaten American citizens of German birth in an effort to secure them to subscribe to the principles of the National Socialist Labor Party, when those principles require you to be of Aryan blood, forbid your being a Mason or a member of any other fraternal order, and demand that you cannot be a Jew. These principles of free speech, free press, and free assembly, as we understand them, do not require us to subscribe to the principles of these alien leaders under the threat of violence or, if in business, boycott, should the demands of these alien propagandists on behalf of foreign governments be rejected.

Free speech and free assembly do not mean that these Nazi groups shall have the inalienable right to hold secret meetings, pledge allegiance to carry out their pernicious propaganda against our form of government and against our people, to conspire with one another to bring about force and violence and disrepute among the people of this country, to conduct parties on German boats to which are invited innocent victims of American birth who believe they are going there for the purpose of seeing a program of development,

only to find that they are taught by Nazi leaders to believe the principle that Hitler rules the earth. Free speech, free press, and free assembly do not authorize the conducting of un-American schools and un-American youth camps, whether Nazi or Communist, to teach everything that is foreign and un-American—everything that our people will not tolerate, and do not mean the license to deliberately endeavor to destroy every beautiful doctrine that our forefathers died and bled for in their efforts to establish and preserve this Nation. However, these principles have been used as a license rather than a privilege, and have been practiced all over the country by local groups of the Friends of the New Germany, which is the American organization representing the National Socialist Labor Party in Germany.

This organization, the Friends of the New Germany, which is a foreign group, under the leadership of unnaturalized aliens, has been properly declared an un-American group by the Supreme Court of the State of New York when they requested a charter of corporation and same was denied.

Now then, how can the leaders and members of this organization justify their parades with the swastika flag at the head, the use of foreign uniforms, carrying guns, marching along while they sing the national anthem of the National Socialist Labor Party of Germany. People of this type, in my opinion, are not fit to be American citizens or enjoy the privileges of this country.

As I have indicated above, I am in accord with the report of the committee but would have liked to have seen it go a little bit further. I would have recommended that it be made a violation of the criminal statutes for any foreign group to import and wear uniforms while conducting their foreign propaganda; I would have recommended that it be a crime for steamship companies, other companies, or individuals to deliberately and intentionally smuggle these uniforms into the country for propaganda purposes; I would have recommended also that the citizenship be terminated in the case of every individual who holds American citizenship and foreign allegiance in a dual capacity; I would have recommended the making of some specific charge against foreign governments who endeavor to spread propaganda inimical to our country and our people, and who set up machinery of propaganda and appropriate money therefor with the intention that it be used in the United States to spread their foreign ideals.

I have every regard for an alien who comes here for the purpose of making this country his home, and I say that we shall provide him with the means of earning a living; we should facilitate his efforts to become assimilated in our American life; we should give him proper protection while he is here—but in return I would expect such aliens to be law abiding, to help us in our efforts to effect their assimilation, to help us in our own program, to advance American ideals of thought, teachings, and government. But whenever any alien comes here for the sole purpose of doing injustice to his fellow men and seeks through the agency of foreign origin to bring about this discontent, slander, unrest, and intolerance among the people of his adopted country, I say that such an alien does not deserve the protection and opportunities which this country affords, and should be sent back home.

Evidence received by the committee indicated that every industry in Germany is today under the control of the German Government. The Government has confiscated industry, especially in the larger brackets of activity, and although on the surface it may appear that they are conducting their individual businesses, nevertheless the committee has found that the German Dye Trust, German steamship companies, and many other larger industries are absolutely under the direct control of the German Government.

It developed that when Ivy Lee entered into his contract with the German Dye Trust for the purpose of advising them, on the surface this information was intended for that industry; but Ivy Lee told your committee that he felt certain the information was reaching Government officials; and it is needless to say that the German Government evidently had something to do with the \$25,000 fee which Ivy Lee received for each year during the life of the contract. It is a peculiar

circumstance that one of Mr. Lee's sons was taken to Germany by Mr. Lee and by him left in Germany as his contact man at an annual salary of \$33,000, although Mr. Lee testified that they had no business in Germany other than the matter pertaining to the contract between himself and the German Dye Trust.

Another organization in this country about which the committee received information in this propaganda work directed through German railroads and German tourists' bureaus was the organization known as "Carl Byoir and Associates." One of the associates, Mr. Dickey, was subpoenaed and was examined by me in executive session and also by the committee in public session, at which time Carl Byoir was in Europe. In this connection I should like to say to you that a great deal of credit is due Mr. Carl Byoir, the head of this firm, who upon his return from abroad gave evidence of his outstanding character as an American who is in sympathy with the principles of our Government, when he immediately terminated the relationship between his organization and the German Government, and terminated his own relationship, so far as any contract was concerned, between the German Government or any German industry and his concern and also indicated that had he known the facts back of the contract which became the subject of the investigation before this committee, he most certainly would not have permitted his firm to be tied up with it. And in this connection I want to congratulate him for his high-minded attitude.

At some future date I should like to discuss more fully the evidence taken by the committee centering around the names of Gen. Smedley D. Butler, Gerald C. Maguire, and Robert Sterling Clark, but it would be useless at this time to connect a number of links, which General Butler complains that we have not done.

General Butler gave his evidence before the committee in executive session and told a most fantastic tale, but a peculiar fact is that the story was substantiated by many documents submitted by General Butler whose sworn statement was received by the committee, less than a month and a half before the life of the committee terminated. The committee proceeded to conduct an investigation in an effort to secure verification of the essential details of his story.

In that effort the committee subpoenaed Gerald C. Maguire, whose testimony, in my opinion, and I believe in the opinion of the entire membership of the committee, from the start was intended to throw a smoke screen over his real activities. During his examination by myself and other members of the committee, he was endeavoring to show that he represented Mr. Clark for the purchase of bonds for which he was given hundreds of thousands of dollars. There is evidence that he never returned a large part of the money placed at his disposal, there was no evidence to show that he actually purchased any bonds for Mr. Clark, and there were strong inferences that it may be assumed that the money was used for improper purposes among certain groups of people in an effort to bring about the adoption by the American Legion convention in Chicago, of certain proposals in which certain individual members of Wall Street are interested, the ulterior motive being that these Wall Street individuals, by securing a hammer-lock, could use these American Legion sponsored measures against the President of the United States as well as against the Congress. In his efforts to cover up the real motives of his activities Maguire seems to have deliberately committed perjury before the committee, in my opinion.

The committee could not have possibly established the conversations which Butler claimed that he had with Clark, since Clark was not available—he was then in Europe, had been some time previous, and still is. However, the committee did examine Mr. Christmas at the very end of the life of the committee as soon as Mr. Christmas had himself returned from Europe, and he gave testimony which clearly indicated that Maguire had not told the committee the whole truth. The committee has gone as far as it possibly could, but if time and money had permitted, it probably could have gone into the Clark tie-up more thoroughly and in greater detail.

At this time I just want to extend a word of personal credit to radio stations WNYC and WNEW and stations affiliated with these two for transmitting over their network one of the public hearings conducted in New York City by this committee, which was heard by many hundreds of people; as a result of that broadcast the committee received much valuable information regarding subversive activities and movements at various places throughout the United States.

Also I wish especially to publicly express appreciation of myself and on behalf of the committee to the Association of the Bar of the City of New York for all of the courtesies they extended to the committee and myself, and for their generous spirit. Their rooms and the facilities of their building and the willing cooperation of their employees were at all times cheerfully made available for executive and public hearings held in New York City.

The committee has gone into the question of fascism extensively, and I will endeavor to discuss this more fully later.

At this time I want to deal with the question of communism. The question, I admit, is a rather broad one. I want to appeal to this House and to the American people that I think it is most essential for the House to continue the life of the committee. I want you to bear in mind that this committee in December 1934, just about a month before our power expired, went into the matter and investigated the whole Communist situation. The report as presented by the gentleman from Massachusetts [Mr. McCORMACK] presents an illustration of the tie-up that exists between the Communist Party of the United States and the Third Internationale in Russia.

Here is just one thing that happened: I subpoenaed the treasurer of the Communist Party and examined him. I had learned there was an awful lot of money coming in, and I was trying to find out the sources of the financial support of the Communist Party. I wanted to find out how they could spread all over our country. They have schools in New York, in Philadelphia, in Chicago, in Boston, in Cleveland, in Los Angeles, in San Francisco, in Washington, and in practically every big city in the United States. Who is financing these schools and who is supporting them?

Mr. KNUTSON. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Minnesota.

Mr. KNUTSON. May I call the gentleman's attention to the fact they also conduct summer schools for young boys and young girls who are in their early teens.

Mr. DICKSTEIN. That is correct.

Mr. Chairman, in one school they have almost 3,000 students who pay practically nothing. These Communists seem to have a lot of parades. In fact, they parade almost every day. They do not want to work, nor do they want to go back to Russia. I have had my own personal experience with them. They have been picketing my house almost daily because they do not want to be deported. They have been making speeches right in front of my nose. They have defied the Government and its laws, and defied the special committee of this House.

I examined the treasurer of the Communist Party and, Mr. Chairman, I asked him to produce the books and records showing their financial transactions. He told me in substance, not in so many words, that he would refuse to produce the books showing the financial resources of the Communist Party. Why? Mr. Chairman, they are just as we are. They sleep with this proposition every night. They knew that Congress was not in session and they found out that we could not bring them before the bar of the House, although the old laws, sections 102 and 104 of the Revised Statutes, states that one is guilty of a misdemeanor when refusing to obey the mandate of a committee of either House of Congress. However, the law says that it must be within the District of Columbia. In other words, they took advantage of an old statute under which we could not compel them to produce anything while Congress was not in session because the examination did not take place in the

District of Columbia. So I could not get the books. They defied the Congress of the United States.

Mr. Chairman, for this reason alone in the very near future I am going to call upon the Members, including the gentleman from Texas [Mr. BLANTON], to extend the life of this committee so that we may bring these culprits before the bar of justice and make them respect the mandates of this Congress and the last Congress. We have traced hundreds of thousands of dollars, but they refuse to produce the documents because they say: "You are in a new Congress and you cannot bring us before you now."

By direction of the committee, I presented the facts of this matter to the Federal district attorney, in whose jurisdiction this offense was committed by this witness, likewise the counsel for the special committee submitted citations of court decisions on the subject, but we found the committee was unable to bring this contumacious witness before the grand jury in that jurisdiction, nor could we bring him before the bar of the House, since Congress was in recess and would not probably convene again during life of that Congress or during the life of this committee.

I just want to quote from a letter received from the district attorney and received by me on or about October 25 last.

I am obliged to say that after further consideration of section 192 et seq. of title 2, U. S. C., I am still of opinion that section 192 must be read in conjunction with section 194 of the same title, and that reading them together they confer no jurisdiction on the district court of this district to proceed either by information or indictment against this witness.

So this committee was helpless to compel this witness to produce evidence vitally pertinent to the investigation which the House had directed it to make during the Seventy-third Congress.

One of the recommendations made by the committee in the report is that legislation should be enacted to prevent the recurrence of this situation in future investigations ordered by Congress when such examinations are made while Congress is not in session here.

What do you think I found this morning? A fine, young American man came to me this morning for the first time and brought me a certain document showing that the Communist Party is conducting a real theater, with real actors, and all of the plays are based upon communism and are for the purpose of teaching your children and my children the philosophy of communism.

Now, how do they do it? I will show you how keen and smart they are in doing this. They went into Philadelphia a month ago and hired one of the large theaters there. They then accumulated all the Communist forces, including some educators, and each of these Communist groups was given a number of tickets, which were distributed free of charge to small children, to girls and boys, to men and women, and to the unemployed, who came to the theater without paying anything. There was produced the play "Stevadore", a great Communist play, and when you leave the theater they believe you are a converted Communist. Then this troupe of actors, most of whom are Communists, go from one city to another and again distribute thousands of these tickets for nothing and bring poor victims into the theater and produce other plays which would create revolution within the borders of our country.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DICKSTEIN. I say to you, Mr. Chairman, the time has come when we have got to have a show-down. There are two ways—to the right or to the left—one is just as bad as the other in this case. Either these people are going to subscribe to and comply with our laws and our Constitution or we have got to find some method of getting rid of them.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. SHORT. The gentleman may not now know definitely, but is he not of the strong conviction that much of this

strong financial support does not come from abroad; but, perhaps, is supplied here at home?

Mr. DICKSTEIN. For the information of the gentleman, I have a list showing some of the contributors.

Mr. SHORT. Will the gentleman kindly insert that list in his remarks?

Mr. DICKSTEIN. I am going to insert the names of some of those who have been supporting this theater movement that has been going on in all the large cities and in the congested districts of the country, but bear in mind that if you want to get the crux of the whole situation you have got to give this committee a little more time to go into the matter. We are in position to lay our hands on certain people if we can develop certain facts which we have in our possession, and then we can bring you some real, startling information.

Let me quote to you from the list of organizations which have sponsored this theater movement in Philadelphia: Tuesday evening, December 11, United Workers' Organization; Thursday evening, December 13, United Workers' Organization; Friday evening, December 14, United Workers' Organization.

There is a Communist actors' group known as the "Actors Emergency Committee", or a name very similar to that, and the leader of that group is known to be a very radical Communist, according to my informant.

Mr. SHORT. Does not the gentleman feel that our recognition of Soviet Russia has had a tendency to further aid in the spreading of such propaganda in this country?

Mr. DICKSTEIN. I would not want to go that far, but there is some information which I do not think my colleague, the gentleman from New York [Mr. FISH], when he examined into this situation, found out about.

There are a number of manufacturing concerns in my city as well as in Philadelphia, and all the other large cities, that, under threat of violence to property and employees, have been coerced. This "left wing" organized themselves into what they call a strong-arm guard, and they come to you, as a manufacturer, and say, "Now, Mr. Jones, or Mr. Smith, your pay roll is \$10,000 a week. We assess you 3 percent of that pay roll, in addition to what you pay your employees, for the purpose of unemployment relief." This money does not go to unemployment relief, Mr. Chairman. It goes to spread further the doctrine of intolerance and the doctrine of communism, and if you do not pay it, the first thing you know you are going to have a strike on your hands, and the second thing you know, your property will be destroyed and the stocks of goods or merchandise will be mutilated, and before you know it you are out of business.

We have discovered a lot of bank accounts. The smallest balance in these bank accounts is \$40,000. We have discovered about four or five bank accounts that were taking blackmail from a lot of honest business men, and if they had not subscribed to the tax levied upon them by these so-called "left wingers", they would have called a strike and destroyed their property.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. CULKIN. Is the gentleman able to state whether Russia is financing this movement in America?

Mr. DICKSTEIN. If I could get this treasurer whom we directed to produce certain documents, under a subpoena after giving him every opportunity, I could perhaps answer the question. We waited there for almost 8 hours for this man to produce the books that he had seen only that morning. If I could get these books and trace certain information which the committee has, I think I could answer the question and also the question that is in the mind of every Member of this House.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Without regard to whether or not financial contributions have been traced—and of course with the limited time available they were not, and whether they

exist or not, I have no knowledge—but the indisputable fact remains that there is direct continuity between the Third International of Soviet Russia and the Communist Party of the United States. Earl Broder, the leader and head of the Communist Party in the United States, admitted under oath or under affirmation before this committee, that there was direct, political continuity between the party in the United States and the Third International of Soviet Russia.

[Here the gavel fell.]

Mr. ZIONCHECK. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CULKIN. The charge is definitely made, I may say to the gentleman who is making this most interesting speech, that the program in Mexico, where doctrines are being inculcated by the Government akin to the Russian doctrine or propaganda, is being financed by the Soviets.

Mr. DICKSTEIN. Well, there are some suspicious circumstances, but I would not be prepared at this moment to state whether it is a Communist or any other subversive movement. I want to give them the benefit of the doubt.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. TAYLOR of Tennessee. The gentleman is a member of the Committee on Un-American Activities, of which I am also a member—I want to ask the gentleman if there was evidence that Russia had made a substantial contribution to communistic publications in this country?

Mr. DICKSTEIN. That is true; but the main purpose was to produce, from the books of the organizations, the very things that we are all dreaming about, that we are all talking about—and, mind you, there were members of this international group connected with the chairman of the supply system of this country, and we tried to get them but they took the next boat and went out. They are now coming back.

Mr. FISH. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. FISH. I hold in my hand a clipping from a New York newspaper, which says that there has been a protest filed by the Daughters of the American Revolution in Congress against loans from the F. E. R. A. for summer schools for workers which taught subversive propaganda and activities. That is rather hard to believe, but it appeared in the press, backed up by a responsible organization. The article, supported by an affidavit, claimed that these summer workers' schools trained students to promote a general strike, seize industry, and set up a government of workers as was done in Soviet Russia. Has the gentleman any information of that kind?

Mr. DICKSTEIN. No such information at all. We did find back in December that there was one communistic C. C. C. camp but, by the time we were able to get hold of them on January 2, our time expired.

Mr. FISH. I think it is highly important that you should investigate this statement made in good faith, and find out if any of the F. E. R. A. funds are diverted to teaching communism in the summer schools for workers. It is well known that the libraries in the schools financed by Federal funds are largely made up of communistic literature.

Mr. FENERTY. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. FENERTY. The gentleman from New York [Mr. DICKSTEIN] in his admirable presentation of the eagerness of the Russian agents here to destroy American principles of government has given us food for very serious thought. The gentleman has doubtless heard that communistic groups have distributed pamphlets among workers whose purpose is to cast contempt on our courts, to urge the Communist, when arrested for crime, to refuse to give any information, to "pack" the courtroom with Communist agitators in the hope of intimidating American jurors, and to ridicule the procedure and dignity of American justice as a sham provided to confuse defendants and prevent their acting with any intelligence. These pamphlets refer to American laws against sedition and anarchy as "class laws" forged by the "capitalist state" to suppress innocent sovietizers. The arrested Communist is urged to "make capitalism the defendant and himself the prosecutor" by making a class

speech to the courtroom. If the anti-American agitator happens to be an alien, as is so often the case, he is told that deportation is a weapon of the rich to try to weaken the communist class, and so he is directed to refuse to give any information as to the time or place or manner of his entrance into our country. Even demonstrations outside the court toward the end of the trial are recommended to the Communists as a means of terrorizing the courtroom and thus prejudicing the case in favor of the seditionists. Everything that can be urged to destroy respect for America and her institutions is advocated by these professional mischief makers, whose capital is Moscow and whose god is Stalin, the black dictator from Caucasus.

In this regard the gentleman from New York [Mr. CULKIN] was absolutely correct when a moment ago he intimated that Communists are active in Mexico. As a matter of fact, the entire Government and its 6-year plan are modeled on Soviet principles. Mexican delegates have been sent to Moscow to study the Russian principles and methods of government. Red Russia has spent \$18,000,000 for Communist propaganda in Mexico, in the belief, as Russian representatives in Mexico have admitted to American news correspondents, that once Mexico is Russianized, America is next. A peculiar feature of the situation is that the Calles group now oppressing the Mexican people, out-sovieted the Russians by accounting for only three of the eighteen millions. Is it any wonder that the "red czar" of Mexico, Calles, is the third largest depositor in the Bank of England? This Armenian Bolshevist has acquired millions by preaching communism while he plundered the underprivileged workers of the country which he dominates, even though there is some doubt that he is a native. His love for Asiatic ideals and the fact that the circumstances of birth are unknown lend color to the Mexican belief that he is not Mexican at all, but Asiatic.

I need not tell you that the subsidized hirelings representing the Red regime of Mexico in this country will probably deny any connection with the Soviet. They will even deny that there is any persecution of the Catholic, Protestant, and Jewish faiths in Mexico, despite the testimony of American and other eye witnesses. They say that there has been no oppression in Mexico during the last 20 years, but I can show you photographs of their victims hanging lifeless to the telegraph posts along the railroads. I can show you pictures of the posters made for use in the Socialist schools, containing the Russian symbols, the hammer and scythe, all of them clearly Russian in origin, and it is interesting to Americans that at least one poster picturing a Red soldier sweeping out authority and faith from the country suspiciously represents him with a Japanese cast of countenance. Let the Mexican Ambassador or his consul general in New York or any of the Soviet agents now in this country deny that Russian representatives were lately in Mexico, and I will give them the name of the American gentleman who interviewed these representatives there.

Incidentally, as a word of warning to our own peace-loving people, we should emphasize the danger that exists for such organizations as the Rotary, the Lions, the Spanish-American War Veterans, or others who may be contemplating visits to Red Mexico this year. Apart from the fact that, just as in Russia, such tourists are shown only what the Government wants them to see and are filled with Red propaganda by a governmental group that finds it difficult to conceal its contempt for American gullibility, it should be pointed out that such organizations are not only endangering the lives of their own members but running the risk of embroiling our peace-loving people in the quarrels and bloodshed in Mexico. Already there is revolt against the Communist Government in 12 Mexican States. Travel is unsafe. Warnings have come through American correspondents that the railroad lines into Mexico City from Vera Cruz, Laredo, El Paso, and Mazatlan will be cut. The sovietized government group, already tottering, can continue to enrich themselves at the people's expense only if they can alienate sympathy from the oppressed peons. What better way, they figure, than by having some Americans killed or injured and then placing the blame on the now aroused people? It is an old Mexican custom. Throw blood

in the faces of the Americans and blame the people who are attempting to rid themselves of the Calles parasites now living on their substance.

What a sad day it would be for these American organizations if, through lack of knowledge of the real situation, they were to go to Mexico to be wined and dined by the anti-American groups now preaching communism there, only to find that, in good faith and unwittingly, they had become the occasion of shedding more American blood on the sands of Mexico. The Red frontier is not now in Europe; it is at our own door. Americans should not be fooled into visiting and encouraging a system which hopes soon to destroy American traditions and reduce our own land to Red reversalism.

The gentleman from New York probably has these facts at his fingers' ends. He and his committee are doing a laudable work that deserves the support and hearty commendation of all patriotic citizens. I hope the committee is given whatever help it requires from the Members of this House.

Mr. DICKSTEIN. The gentleman is correct. Now, this is not because the committee wants to take on any more work. I think we have done more work now than this Congress can appropriate money for. We have not had sufficient money to cover the scope of these subversive movements in this country. I do not care what other governments want. My argument, and the committee's purpose, is to let them keep their propaganda in their own country. We want no part of it in this country.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. FIESINGER. Did the gentleman find any of these activities in the smaller towns and rural communities?

Mr. DICKSTEIN. Oh, that is their meat. They delight in the rural towns, because they create a religious hatred amongst neighbors. They distribute certain documents which bring in the religious question. Some of these people in these small communities have no radio, some do not get many newspapers, and they almost believe the things they read in those documents. The letters that the committee received, and which I received personally, show that.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. HAMLIN. As a teacher of 25 years' experience in Maine, and a graduate of Bolton College, I ask the gentleman whether it is true, as we read in the Hearst papers, which I am beginning to enjoy very much, that many of the professors of our so-called "high-toned colleges" are going to Russia, or going to Soviet schools the coming summer, and are being financed by us Democrats and Republicans in America?

Mr. DICKSTEIN. I cannot answer the question directly, but I can give the gentleman some information along that line. The German Government, as was shown in the Nazi investigation, obtained a number of professors and "brain trust" men to go to Germany for the purpose of coming back and saying wonderful things about Hitler and his regime, and the Fascist government in Italy is taking American children over to that country to study fascism.

Information came to the committee, too late for a thorough investigation, which seemed to indicate that American-born children of Italian parents were taken from the American schoolrooms back to Italy at the expense of the Italian Government for training and practice of the Fascist principles and when these children arrived back in their home town here in America they were met at the train by members of the staff of the Italian consulate at that place and everybody was greeted with an approved Fascist salute.

Also, that the chief of propaganda for the Mussolini government for foreign countries came to America to spread his philosophy of government, and he succeeded in throwing such a smoke screen about his real purposes that he was apparently given a clean bill of health by our own officials, notwithstanding a most earnest request was filed with some

authorities for his removal or the curtailment of his subversive activities among our citizens of Italian extraction.

Children right here in Washington—the Capital of this Nation—have been pictured in the public press wearing the uniform of the Italian Youth Movement at a function of some sort held in one of the city high schools.

However, all of this information about the Italian Fascist activities has not been authenticated by an investigation by this committee. The fact that it did reach the committee very late from unorganized groups of American citizens of Italian extraction warrants the belief that startling things might be disclosed should this committee be given added time for a thorough investigation of the facts before it now on this subject. So it will be seen they all have some sort of an in and out, and if we can get to the bottom of it, with the power of this Congress, I think we will solve the problem.

Just now the important thing is for this House to extend the life of this special committee, with additional funds at its disposal, in order that the facts already found out may be further looked into. The origin of all this propaganda must be found, and the source of all this foreign money for the spread of this propaganda in this country should be discovered and stopped, and there are other facts which this Congress should have for the purpose of intelligently correcting the evils, so far as they can be remedied by legislation. I thank you. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, of course, with ten or eleven million people out of work in this country, it is to be expected that this should be fertile ground for any troublemaker to sow his seed, whether he be Communist, Socialist, or what not. We can legislate and appoint committees to investigate the activities of these perverse organizations that are seeking to undermine our institutions, but it is not going to do much good until we have restored prosperity in our country. When people are hungry and idle they are not much concerned about the Constitution.

We are not going to restore prosperity in this country until we stop these enormous imports which are coming in from all corners of the earth. The other day I happened to pick up a copy of the Boston Marine News, which contained some startling figures. For instance, it may be news to gentlemen on the other side of the aisle that we are importing thousands of tons of anthracite coal from Europe, that we are importing tens of thousands of barrels of crude oil every week from South America, that we are importing butter from Holland, Denmark, and New Zealand, canned beef from Argentine, manganese ores from Russia, India, and Brazil. And then you wonder why there is unemployment in this country. Thousands of papermakers are out of work because of large importations of pulp and print paper from Canada, Scandinavia, Russia, and the Baltic States.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. We are also importing a considerable quantity of potatoes. I yield to the gentleman from Idaho.

Mr. WHITE. Will the gentleman explain why, when his party was in power, we were unable to get a tariff on manganese?

Mr. KNUTSON. Mr. Chairman, I do not want to show up the gentleman's lack of information, but I am afraid I shall have to do so. The Republicans gave manganese a tariff of \$20 a ton, which has been reduced under the Cuban treaty to \$10 a ton. Does that answer the gentleman? When we went off the gold standard it had the effect of automatically reducing all tariff rates by 41 percent, but that was not enough to suit the free traders. In order to meet the free-trade views of those internationalists down in the State Department, we have since concluded trade agreements with a number of foreign countries which have resulted in a further reduction in the tariff by 50 percent, and then gentlemen wonder why 11,000,000 Americans are walking the streets looking for work.

Why are there 11,000,000 idle Americans? Because of the enormous importation of foreign-produced commodities which are being permitted to come into this country and

displace similar commodities of American origin. We are importing altogether too much from abroad.

According to the report of the Department of Commerce for 1934, I find that during the 12-month period ending December 31 last we imported \$1,634,000,000 worth of merchandise of one kind or another. This enormous importation is classified as follows:

Animals and animal products, edible.....	\$48,971,999
Animals and animal products, inedible.....	109,607,905
Vegetable food products and beverages.....	467,886,069
Vegetable products, inedible, except fibers and wood...	222,097,590
Textile fibers and manufactures.....	240,213,847
Wood and paper.....	181,454,490
Nonmetallic minerals.....	86,444,403
Metals and manufactures, except machinery and vehicles.....	129,743,817
Machinery and vehicles.....	11,799,775
Chemicals and related products.....	65,125,717
Miscellaneous.....	71,487,955

Is there anyone in this Chamber who will contend that when we imported nearly \$13,000,000 worth of meat products last year we helped the American cattle raiser? Surely no one will claim that we helped the Minnesota dairyman when we imported \$10,864,824 worth of dairy products in 1934. Will it be possible to convince the fishermen on Lake Superior and Lake of the Woods that their well-being was promoted when we imported \$23,127,092 of fish. Those who have been employed in our paper mills, but are now out of work, know full well that the reason they are out of work is that we imported \$181,454,490 worth of pulp and print paper last year. The thousands of idle stonecutters and miners realize that they are out of work because we imported \$86,444,303 worth of minerals last year.

A few moments ago the able gentleman from Massachusetts [Mr. GIFFORD] spoke of the very serious unemployment problem in New England. I should like to call the gentleman's attention to the fact that last year we imported textile fibers and manufactures valued at \$240,213,847. We imported vegetable food products and beverages to the tune of \$467,886,069 during the same period.

Now, Mr. Chairman, I come to a situation that is giving me the gravest concern: The tariff on butter, as fixed by the Republican tariff law of 1930, is 14 cents per pound, but when we went off the gold standard it had the effect of reducing all tariff rates by 41 percent, which made us the lowest tariff country in the world, save England. As a result of going off the gold standard, the tariff on butter is now only 8¼ cents, which is not anywhere near enough, as is shown by the fact that this year we have already imported nearly two million pounds of butter from New Zealand and Holland. And on March 5 the steamer *Port Gisbourne* from Wellington, New Zealand, will land a cargo of 31,000 boxes of butter, which will bring the total receipts of butter for January and February and the first 4 days of March up to 4,118,000 pounds.

A colleague recently received a letter from the president of a large dairy company in Michigan, which is engaged in the manufacture of powdered milk. He stated that for years they have sold much of their product to a large buyer on the Atlantic seaboard, and recently this buyer asked him to quote a price on four carloads of powdered milk for delivery in March and April, and he quoted 15 cents per pound delivered. He was advised that the bids submitted by American producers ranged from 14½ to 18½ cents per pound. While the eastern company was considering these bids a cargo of powdered milk came in from Holland upon which was quoted a price of 13¼ cents, which made a difference of about \$300 on the two carloads. The Michigan company was obliged to meet this price, although it represented a positive loss on the transaction, but as the president stated in his letter, he had to meet the price in order to fulfill his contract with the farmers who were furnishing the milk, but that he will not be able to do so indefinitely.

Ladies and gentlemen of the Committee, how much longer are we going to stand patiently by while the very ground is being cut from under us by a competition that we cannot meet. Our dairymen cannot meet the prices set by New Zealand, where the cattle are out on green pasture the year

round, while we must feed our cattle 5 and 6 months in the year, and then we must not lose sight of the fact that all kinds of feed, including hay, have increased in price anywhere from 100 to 300 percent during the last year as a result of the drought. Our paper mills cannot meet the competition of other countries where the wages are comparatively low and the hours long. The same is true of our quarry and mining industries, also of the manufacturing industries.

There can be no return to prosperity until we have put practically all of the ten or eleven million idle Americans back to work. They cannot go back to work so long as we continue this indefensible policy of buying hundreds of millions of dollars worth of products from other countries that we can and should produce here at home. These enormous importations are destroying the morale of our people, and I mean the employers as well as the employees.

If President Roosevelt would announce tomorrow that the dollar is to be stabilized at 59 cents and that the American producer and wage earner are going to be given the American market, the depression would be over in 30 days. That, Mr. Chairman, and the refinancing of agricultural indebtedness at a low rate of interest would result in an era of genuine prosperity in this country such as we have not enjoyed since the golden days before the World War. Let us forget all this internationalism and concentrate upon this one principle that our first duty is to the American people.

I thank you.

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I do not want to blame anybody this afternoon in what I am going to say, but I want to give you the farmer's version of the situation we are in and how we got there. Then it remains for the Members of this Congress, regardless of party, to try to get us out. That is the only question I desire to present.

The immediate thing that caused the collapse of agriculture was the action of the Federal Reserve Board in the city of Washington on the 18th day of May 1920. That is the day we went broke. It is true that we lived a long time afterward, but the critical stroke had been delivered in May 1920.

During the war, representatives of this Government went to every agricultural section of America and encouraged the farmers to raise more grain, raise more foodstuffs, buy more machinery, more horses, and more land. I can well remember the charts they presented, showing the 12 Federal Reserve banks loaded with money. All that credit was available to the farmers if they would move in and raise foodstuffs, because the Government recognized after war was declared that the greatest power of any nation to defend itself was not in guns or men but in food. We went into debt. We bought more land, more horses, and more machinery. When the war was over and when the country was at peace, I want to present to you gentlemen just what happened.

Out of a clear sky the Federal Reserve Board of this Nation, that controlled the finances of America in a private way, on the 18th day of May sat around the table here in the city of Washington and decided that all of this credit that had been given to the farmers to raise more feed to win the war had to be paid. I say to you that I had a difficult time to find the inside proceedings of that board of directors of the Federal Reserve System, but I finally secured a photostat of those proceedings and I have had it reprinted, and I hold it in my hand now. If you gentlemen are unaware of the danger of leaving the finances of this great Nation, its money and credit, in the hands of private interests, I wish you would read the document of the interworkings of that institution, using their own language.

I can well remember that the people in my section, and I was one of them, were compelled to pay. In a period of 5 months in my own instance, and that was the instance of hundreds of men in the livestock business in the West, I saw my sheep fall from \$11.50 a head to 50 cents a head. The

bottom fell out of agricultural products, and the bottom fell out of land, merely because this Federal Reserve Board said to us, "You have to pay." When we all had to pay we were all selling, and you can see the economic result of everybody forced into the market to sell their products.

I say to you the way we have left the finances of this Nation for 150 years is not to the credit of this Congress. It seems to me now is the time, if we are going to put this Nation on its feet and make it responsive to the protection of the men and women who compose it, we should take control of the money and credit of this Nation and put it in the hands of the Government and take it away from private interests. [Applause.] Unless we do that we will continue as we are. I know that under the financial system under which we have been living every 50 years the pioneers of America have lost their homes, and the only reason they have not been on the relief rolls before is because we had new territory to which we could move. The history of my own family is indicative of this situation. We came from Rhode Island. When we moved over the Appalachian Mountains into the Ohio Valley and built a new home in the wilderness, it took my forefathers just 50 years to lose that home they had built.

It was just 50 years before it was taken away by foreclosure, through the operation of high interest rates. We did not go on the county, because there was a great domain ahead of us to which we could go, and we went on to the prairies and forests of Wisconsin and we built another home. At the end of the next 50 years we saw these old homesteaders losing their land in Wisconsin—not going on the county, because there was still a new territory to which they could move. Away back in the late seventies and early eighties, having lost our homes in Wisconsin through this financial system, we moved on to the great Territory of Dakota, where we struggled for the next 50 years. Just 3 years ago we held the fiftieth anniversary of the settlement of that great Territory of Dakota, and there on that day I met men and women who had come into the country in covered wagons, driving the Indians and buffaloes out, and settled on the prairie, where they were given 480 acres of the best land on earth. In that county meeting, with at least 200 pioneers present, not more than a mere handful in the entire county could stand up and say they owned their own homes. They had lost their land. Let me tell you that in that great Territory to which we moved 55 years ago we have already lost 62 percent of all titles to homesteads.

Where can we go now? Here we are, homeless again after 50 years of pioneering in the Great Plains country. We cannot go on West as we used to do. The West is gone; there is no more West. All the homesteads have been taken that are of any value. No; we have now reached the end of the trail, and for the first time in the history of this country we cannot escape that financial pressure which has ever and ever pushed us on to the West. The pressure is now stronger than ever, but, helpless to escape it, we are literally standing with our backs to our own doors fighting for our homes. We ask remedial legislation and emergency legislation, such as the Frazier-Lemke refinance bill, the soldiers' adjusted-compensation bill, the old-age-pension bill, as a means to refinance our homes which we still occupy and which have been taken away from us; we ask that our circulation be increased by the finance of this bill and the soldiers' bonus bill as a means to increase buying power to help industry; we ask an adequate old-age-pension bill that will protect the old, insure jobs for the young, and leave the distribution of relief in the hands of the aged and the sympathetic instead of the cold-blooded, unsympathetic bureaus.

These remedial measures we must have. But the real question before the American people is greater than either of these—it is a question whether the great mass of the American people shall have a right to live under the protection of the Constitution, or whether the money power of the country shall continue to use the Government's money and credit for their own private profit while the millions suffer. Profit must be replaced by service; wealth must be supplanted by patriotism; confidence in government by the

masses must replace special privilege if this Government is to endure.

Why should New England be interested in the situation of the 40,000,000 people engaged in agriculture? New England is distinctly a manufacturing center. Who are her purchasers? In normal times—1914 to 1920—the figures in the Department of Agriculture show that the farmers of America purchased 40 percent of the output of the steel mills, 42 percent of the output of the leather mills, 45 percent of the output of the textile mills. Today the manufacturing plants of New England are not only closed but are being dismantled and sold because there is no business—this upon the authority of the Honorable CHARLES L. GIFFORD. Why is there no business in the New England mills? It is because a great farming empire—North and South—has lost its buying power. The constant and never-ending program of selling their products below the cost of production, while methods of finance, high-interest rates, and taxes has worked on under the assumption that the farmer can always pay, has destroyed the farming business; and with that went the destruction of their buying power. Yes, old New England must get into this farm fight and put the farmer back in a position where he can take over the output of its mills, if either the farmer or the manufacturing interest of New England is to be saved to our civilization. The interest of both groups is interdependent—what will help the one will help the other.

I say to you that the great problem before the American people today, the real problem, is the same conflict that has been carried on in this country for 150 years. You gentlemen of the South ought to feel proud of the men you have produced who stood on the side of the people in this great contest. I refer to Washington, Jefferson, Jackson, Lincoln, all born in the South. If you read the lives of any one of those four men, you will find that the contest which they were fearful of was the coming contest between the people on one side struggling for the mere right to live and on the other a combination of financial men who would think more of profits than they would of patriotism for their own country.

I say, in this Congress we can take some steps now, through the building of a central bank or Government ownership of the Federal Reserve System, that will give to the Congress that which the Constitution guarantees—the power to issue money and regulate the value thereof. That is our job, as I see it. Many things can be done to bridge us over until that time arrives, but it is a challenge to all parties in this Nation, to all men and women who love the institutions that we represent and who believe in this Government and will defend it, to recover this Government from the control of private interests and put it back into the hands of the American people, where it belongs. [Applause.]

[Here the gavel fell.]

A LAME DUCK'S SOLILOQUY

Mr. CROWTHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. CROWTHER. Mr. Speaker, the Members of the House of Representatives who had the privilege of serving with the Honorable Edgar Howard, who represented the Third District of Nebraska, will, I am quite certain, join me in expressing our appreciation of the splendid service he rendered during the 12 years he was associated with us.

He is possessed of gracious and kindly attributes. On more than one occasion he demonstrated by his votes that he had the courage of his convictions, and the siren song of expediency never swerved him from the path of duty. He accepted the verdict of November 6, 1934, in that fine spirit which is indicative of his character.

The following contribution of blank verse entitled "A Lame Duck's Soliloquy" is in my estimation a literary gem, and is just what we might expect from our gentlemanly and scholarly friend. It is my privilege, by permission of the House, to present it to his former colleagues:

A LAME DUCK'S SOLILOQUY

Not by my request nor by my desire,
But by cold and adverse circumstance
I have been relegated to that realm
Which all statesmen view with apprehension.
Try as I may to wear a don't-care smile,
Acting as though I wanted to retire,
Methinks my colleagues view me doubtfully,
Beholding sickness in my bravest smiles.
Through the years many swan songs I have heard
From the lips of other fallen lame ducks,
But, thanks to the gods and good George Norris,
I shall be spared the speaking of swan words.
Never again will I be one of six
To help the good chaplain raise the curtain
For fun or tragedy on a new day
In that arena wherein Jack Garner
Oft hurled verbal barbs at the Mellonites,
Sometimes to wound the opulent bellies
Of Morgan and Mellon, Meyer and Mills—
Sometimes to see them broken on the shield
Of Ohio's always princely Longworth.
Those glad days are gone, never to return
To this lame duck. But the gods were good
In giving me those days. My lame leg hurts,
But the soreness is soothed by memory
Of that high privilege which I enjoyed
In elbow-touching with master mortals
Who hailed me as worthy their friendship
In that highest legislative body
Which ancients or moderns have ever known.

—Edgar Howard.

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, I asked for this time for the purpose of calling the attention of the Committee to what I consider one of the greatest and most destructive economic errors in the history of this or any other civilization. I refer to the mad, insane policy of reclamation as practiced in these United States of America.

Primarily, let me say that in these United States of America there are outside, under the sun, arable acres to the number of 973,000,000. Normally there are in cultivation in continental America approximately 300,000,000 acres. By virtue of the reduction policy of the Agricultural Administration there are now in production approximately 250,000,000 acres, hardly more than one-quarter of the arable lands in these United States; and yet, for a number of years last past, the Federal Government has poured into this policy of reclamation millions of dollars; and, under the drive of departmental propaganda coming from the Department of the Interior, private enterprise has poured into this reclamation folly more than a billion dollars.

The problem of the farmer today, the problem of the farmer yesterday, and for the last 10 years, has been, Mr. Chairman, the problem of surplus. The experience of many of the Members on the floor this afternoon goes back to the days of the Farm Board, by which \$500,000,000 was expended in a vain effort to control the surplus in the various crops. Under the present A. A. A. the policy of control of the surplus was adopted through the medium of legislation that permitted acreage retirement and benefit payment. Yet the Department of the Interior, at loggerheads and at war with the policies of the Department of Agriculture, has pursued this fatal policy of bringing new lands into production. Today, within the confines of America some 3,000,000 additional acres are being brought into production; 3,000,000 additional acres which will add to the surplus and add to the existing distress of the farmers.

My friends of the reclamation States say that is only a fancied, a seeming surplus. They claim, if you please, that crops of all kinds created by reclamation amounts to but 1 percent of the crop production in America. This, gentlemen, is, of course, a definite fiction; in some fields the increased croppage rises as high as 15 percent; in certain crop production it has preempted fields that formerly were not surplus crops and has made them surplus. To meet the surplus-crop objection they say that the money that goes into this insane practice and policy is their own money, that it comes from their own States, from public lands. They are no more entitled to that money, Mr. Chairman, than is the city of New York entitled to the money collected there

from customs. Today, however, they are marching straight into the Treasury of the United States.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. KNUTSON. Would the gentleman put into his remarks the amount of money we are spending to increase production and also the amount of money we are spending to control production?

Mr. CULKIN. I will add those figures later in my remarks.

Mr. KNUTSON. And show by just what amount we are by this insane method wasting literally hundreds of millions of dollars.

Mr. CULKIN. In response to the gentleman's observation, I may state that several of the projects that have been put into effect by Mr. Ickes—Honest Harold, the head of the P. W. A.—have been condemned by Congress; no one knows that fact better than the distinguished chairman of the subcommittee, the gentleman from Colorado [Mr. TAYLOR], a man for whom I have the greatest respect and whom I regard as an able and sincere reclamationist.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. MICHENER. Does the gentleman not know that it has been the fixed policy of Congress during the last few years, up to the Seventy-third Congress, to not authorize or bring into operation any new reclamation projects, because we were troubled with an agricultural surplus; but that the policy has been simply to protect and maintain what we had already invested?

Mr. CULKIN. The gentleman is correct. That was the policy definitely agreed on. That covenant has been violated.

Mr. MICHENER. Before the new deal.

Mr. CULKIN. Yes; until Congress in an evil hour delegated its power to allocate funds to the P. W. A. and its advisers, whoever they are.

Mr. KNUTSON. The gentleman from Michigan mentioned that that had been the policy up to the Seventy-third Congress. I take it he means that that was the policy up to the spring of 1933.

Mr. MICHENER. What I mean is this, and it is generally conceded by those men who have been here any length of time, as has the gentleman from Minnesota; it has been generally conceded and advocated by the gentleman from Colorado [Mr. TAYLOR], the chairman of the subcommittee, that we should not bring into cultivation and operation additional projects; that if we only took care of what we had, then we would have too much; but during 1933 and from then on, under Executive order we have continuously developed and made arrangements to develop these new projects.

Mr. CULKIN. I thank the gentleman for his contribution. I will develop this matter more fully a little later.

Mr. HANCOCK of New York. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. HANCOCK of New York. The gentleman from Michigan is referring to this program of planned economy, is he not?

Mr. CULKIN. Yes; planned economy, Mr. Chairman, where one department is definitely at variance with the plans of another.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. SHORT. At the very time when Secretary of Agriculture Wallace has spent several hundred millions to take 35,000,000 acres out of cultivation, is it not true that Secretary Ickes has authorized over \$100,000,000 to finance reclamation projects that will put 4,000,000 acres into a state where it can be cultivated?

Mr. CULKIN. What the gentleman says is true. I will say to the gentleman and to the Committee that for years there has been a definite struggle going on between the economists of the Department of Agriculture and the pseudo-

empire builders of the Department of the Interior. The A. A. A. is in charge of crop reduction under Mr. Chester Davis, a sincere and able public official. While he is endeavoring to control surplus and bring up the price level for farm produce this Reclamation Bureau is murdering his program. Reclamation should be under the Department of Agriculture. When saner times come it will go there.

The economists of the Department of Agriculture have protested against the introduction of any more land. These empire builders in the Bureau of Reclamation, who had the urge to make two blades of grass grow where one grew before, are insisting upon the development of new land. I will go into that a little more specifically in a moment.

Mr. Chairman, on February 23, 1933, I made some remarks in the House which dealt with this question of reclamation. I make bold to say that the facts contained in those remarks have never been successfully disputed. Those remarks were called to the attention of the reclamation forces in America, and, as a result, I had a call from two distinguished gentlemen who were interested in this proposition. One of them was Marshall Dana, editor of the Portland Oregonian, and the other one was John W. Hawes, agricultural economist of the Northern Pacific Railroad. They were most interesting gentlemen, and in due course they opened up the question of how the House, in my opinion, would stand on future reclamation policies and how it stood upon the continuance of the existing works where a reclamation policy or a reclamation project had actually been put to work.

I assured those gentlemen that so far as I knew it was not the purpose of the House to cripple any existing project, where the community had entered upon a specific development, but that I believed the House was soundly and vigorously against the reclamation of new areas. Then and there these two gentlemen, coming ostensibly from Dr. Mead, of whom I shall speak more fully later, agreed in substance that the policy of reclamation should stop where it was and go no further. They specifically stated that they would fight in the interest of their own people who were already on the land against any further reclamation until America's population had increased substantially. They stated they would particularly oppose the Grand Coulee project, which, if put into effect, will bring into bearing some 1,200,000 acres of land. These gentlemen went their way. I forgot to add, Mr. Chairman, that Marshall Dana at that time was not only the able editor of that great newspaper, the Portland Oregonian, but was also president of the Reclamation States Association of America. Of course, he spoke with some authority on the proposition.

The Congress, in an evil hour, turned over to the President and to the departments some \$3,000,000,000. When Congress had departed, as the distinguished Chairman of the Committee well knows, the Department of the Interior, through these alleged empire builders, who are destroying the American farmers, proceeded to put vast projects to work.

The P. W. A. made an allotment of \$105,390,000 to various reclamation projects last year. This money is not taken out of the revolving funds, so-called, but comes direct from the United States Treasury. Some day the people who toil and who create the wealth of America will have to pay this back. Here is the list:

Federal project no.	Project	Allotment
2	Deschutes, Oreg.....	\$50,000
3,4	Boulder Canyon.....	38,000,000
5	Owyhee, Oreg.....	5,000,000
6	Vale, Oreg.....	1,500,000
7	Yakima-Kittitas, Wash.....	1,000,000
9	Grand Coulee, Wash.....	60,000
10	Denver office.....	15,000,000
11	Casper-Alcova, Wyo.....	20,000
12	Yuma, Ariz.....	12,000,000
13	Boise, Idaho.....	120,000
14	Upper Snake River storage, Idaho.....	40,000
15	Minidoka-Gooding, Idaho.....	4,000,000
16	Bitter Root, Mont.....	30,000
17	Milk River, Mont.....	100,000
		65,000

Federal project no.	Project	Allotment
18	Chain Lakes storage, Montana.....	\$2,000,000
19	Sun River, Mont.....	600,000
20	Truckee storage, Nevada.....	1,500,000
21	Humboldt, Nev.....	2,000,000
22	Rio Grande, N. Mex.-Tex.....	500,000
23	Stanfield, Oreg.....	100,000
24	Hydrum, Utah.....	930,000
25	Ogden, Utah.....	3,000,000
26	All-American Canal, Calif.....	6,000,000
27	Verde, Ariz.....	150,000
28	Parker-Gila, Ariz.....	100,000
29	Provo River, Utah.....	2,700,000
30	Moon Lake, Utah.....	1,500,000
31	Sanpete, Utah.....	300,000
32	Uncompahgre, Colo.....	2,725,000
33	Boulder Canyon.....	25,000
34	Umatilla River, Oreg.....	10,000
35	San Luis, Colo.....	900,000
36	Grande Ronde, Oreg.....	10,000
37	Buffalo Rapids, Wyo.....	20,000
38	Klamath, Oreg.-Calif.....	25,000
39	Caballo, N. Mex.....	100,000
40	Shoshone, Wyo.....	30,000
41	Frenchtown, Mont.....	180,000
		105,390,000

I want to give the Committee today an illustration of several of these projects, and I shall begin with the Casper-Alcova, Wyo., project.

The Casper-Alcova, Wyo., project was condemned by the investigators and economists of the Department of the Interior. You gentlemen will readily find that upon investigation. There was no need for further reclamation in Wyoming, and yet Honest Harold, under some urge, proceeded to put this proposition to work. May I say, Mr. Chairman, that the Casper-Alcova project will cost when completed \$300 an acre, with a nominal deduction for power development. It is a fact, not capable of successful contradiction, that better land than the Casper-Alcova land, with water on it, can be bought at present along the North Platte River, in the State of Wyoming, for the sum of \$40 an acre. The Casper-Alcova land is a sour, inferior land, as appears from the record.

Mr. GREEVER. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Wyoming.

Mr. GREEVER. The gentleman made the statement that there was no further need for reclamation in the State of Wyoming. Is the gentleman familiar with that land?

Mr. CULKIN. I am familiar with the situation, and I may say to the gentleman that I have read the report on the Casper-Alcova project very carefully. May I inquire of the gentleman if he has read it?

Mr. GREEVER. The report on the Casper-Alcova project?

Mr. CULKIN. Yes.

Mr. GREEVER. I have read it a great many times.

Mr. CULKIN. Then the gentleman knows what I am talking about. The gentleman found that the Casper-Alcova land was an inferior land?

Mr. GREEVER. I know the present allotment of land for the Casper-Alcova project is approximately 36,000 acres of very fine land. May I ask the gentleman one more question? Does the gentleman know that Natrona County has contributed from oil royalties something like \$50,000,000?

Mr. CULKIN. That money belongs to the people of the United States just as much as the customs duties collected at the port of New York belong to the people of the United States.

Mr. Chairman, replying further to the gentleman, may I say that I have been over the situation with some care. I do not desire to do injury to any locality. I respect their ambitions and their desire for development. In the last session of Congress the distinguished former Member from Wyoming, Mr. Carter, and I discussed this matter at some length. He knew I had an arrow in my quiver for this project, and he protested vigorously that the land would be used only for sugar-beet production, which was a nonsurplus

crop. Thus he lulled me into a state of quietude. I admired the gentleman. He was a useful Member of the House, and I am sure the gentleman who succeeded him will be as able and distinguished. Subsequent to that, and by a singular turn in the wheel of fate, the Department of Agriculture, through a bill that came from the Department and passed the House, reduced beet-sugar production in America. This procedure had no effect on the mad reclamationists headed by Dr. Mead. This project went on. What I definitely say in response to the gentleman from Wyoming [Mr. GREEVER] is that this Casper-Alcova project proposition is unsound from every angle. I may say also that I know the genesis of it. It is rated unsound in the documents of the Department, and the acreage should not have been put in work costing \$300 an acre, with a nominal reduction for power, when better land in the same State and having water on it can be bought for \$50 an acre.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. KNUTSON. May not all this building activity be promoted on account of the fact that a very prominent gentleman in this administration is very active in the building game? I do not know, but I am simply wondering if the gentleman has any information about that.

Mr. CULKIN. May I say to the gentleman from Minnesota that I have been more or less militant with respect to the Postmaster General, if the gentleman meant him, but I am going to give him a clean bill of health on this. I do not believe that reclamation is within the Postmaster General's cosmos. He is active in other fields.

Now, Mr. Chairman, there is another project in the reclamation hall of fame to which I desire to call the attention of the Committee. I refer to Grand Coulee, that colossal imposition upon the American people, upon every man, woman, and child who toils within the United States, because out of their blood and sweat must eventually come the payment for this folly.

A few minutes ago I called the attention of the Committee to the fact that the distinguished editor of the Portland Oregonian and president of the Reclamation Society of America had told me that he himself would oppose the Grand Coulee at this time. The National Grange opposed the Grand Coulee. Every agricultural influence opposed the Grand Coulee, and Mr. Dana, the president of the Reclamation Society of America, said it should not go on for at least 25 years. Yet when Congress' back was turned Dr. Mead put into work this new, outrageous implement or machinery for creating more surplus. This monster crime against the farmers of America will cost approximately \$250,000,000, bringing into production 1,250,000 additional acres.

Of course, the Department of the Interior, or the P. W. A., in its original break-down on this proposition, called it power, but in fact it had no power phases. That was a red herring that was drawn across the trail. There is nobody to sell power to up in that country except the coyotes and the jack-rabbits. It is not marketable.

Up in that country and on the same Columbia River, at Bonneville, on the lower Columbia, is a development that will cost before it is finished approximately \$50,000,000. I have no quarrel with this. I think it is a sound power and navigation development, and the disbursement a proper one.

However, the original break-down called the Grand Coulee project power, and then a sense of guilt stole over the rather blunt consciousness of Mr. Honest Harold Ickes, and in a second break-down he called it reclamation. He became ashamed and afraid of his fraud on the people of America and called it by its true name, which was and is reclamation.

I am going to call your attention to an interesting fact bearing on the visit of the two gentlemen I have named to my office in the year 1933. Sometime late last year, 1934, the Secretary of the Interior appointed a committee of two members to make a review of the reclamation proposition in America. He appointed F. E. Schmitt, who, I think, is the editor in chief of the Engineering Record, an authoritative magazine. I have no doubt Mr. Schmitt is an able engineer.

He also appointed a gentleman who was one of those who visited me with Mr. Dana, Mr. John W. Haws, an agricultural economist in the employ of the Northern Pacific Railroad. This committee gave a whitewash, if you please, to the projects which Mr. Haws condemned in my office and Mr. Schmitt's magazine had criticized editorially. They gave a whitewash, an unjustifiable whitewash, to this horrible economic crime against America and against the struggling farmer, East and West. They gave a thick coat of whitewash to this proposition and, more particularly, the proposition of the Grand Coulee. This committee was under retainer from the Reclamation Bureau. It was a packed court and packed jury.

The history of this project is interesting. The fate of national leaders has been determined by the Grand Coulee. Heads have fallen into political baskets, and at least one face has ceased to illumine the United States Senate since this project was put in work. An investigation by the gum-shoe division of Secretary Ickes' Department into this project brought peculiar results. As I have said, one man at least disappeared from the political lists last year. It would be too sorrowful to dwell on that. What I wish to emphasize is that in the face of the great quantity of arable land in the United States and in the face of this unparalleled overproduction in every phase of agriculture to which this land in the Grand Coulee or Casper-Alcova is suited, they proceed to put these projects in work.

There is another phase of this matter which I wish to call to your attention. The distinguished President of the United States, after his trip on the Pacific, came overland and made certain speeches en route, more particularly in the Grand Coulee district. If my memory serves me right, the President of the United States told the people there that this development was for the people of the United States, and he urged them to come and settle upon this land. The President was ill-advised on this, for he did not know that the men and women who go on these lands are ruined in advance.

Mr. Chairman, let me tell the Committee that never, in the history of reclamation, has a single project that I know of been financed on its own merits. They either have been financed by private capital, which was wholly or partially lost in these enterprises, or they have been financed in large part by the Government.

There are many of the Federal projects running into millions of dollars which the Government has written off the books. The remaining and existing governmental projects show a period of payments extending as high as 96 years with an annual payment per acre as low as 98 cents. It should be remembered that these are deferred payments not actually beginning until the project had been for many years undergoing conditions.

To give you an illustration of the methods of repayment, I cite you a partial list of these projects with the period of repayment:

Project	State	Period of repayment
		Years
Boise.....	Idaho.....	46
Belle Fourche.....	South Dakota.....	41
Strawberry.....	Utah.....	32
Garland.....	Wyoming.....	40
Kittitas.....	Washington.....	96
Baker.....	Oregon.....	85
Vale.....	do.....	67
Owyhee.....	Oregon-Idaho.....	75

These are typical of the whole and from these figures it will be seen that the grandchildren of the present workers on these projects will be still paying for this land. No further evidence is needed of their absolute futility. With regard to the payments on private projects, the history of the California irrigation districts, which are perhaps the best from the economic standpoint, show a history of bankruptcy and financial compromise. The following table demonstrates my point:

Name of district	Bonded indebtedness incurred	Basis of settlement on bonds
Grapeland.....	\$129,000	No settlement.
East Riverside.....	237,000	25 to 50 cents per dollar.
Alessandro.....	765,000	Bonds held void.
Perris.....	400,000	40 cents per dollar (part, total loss).
San Jacinto and Pleasant Valley.....	225,250	No settlement.
Esccondido.....	350,000	Settled for \$200,000.
Central.....	570,000	35 cents per dollar.
Browns Valley.....	140,000	30 cents per dollar.
Sunset.....	329,500	No settlement.
Alta.....	543,000	75 cents per dollar.
Tulare.....	500,000	50 cents per dollar.
Tipton.....	50,000	72 cents per dollar.
Tule River.....	100,000	50 cents per dollar.
Rialto.....	411,000	12 to 25 cents per dollar.

The widows and orphans whose money was invested in these private reclamation projects could give eloquent testimony of their financial unsoundness.

I want to repeat, if I have already stated the thought, that every man who went onto one of those reclamation projects has suffered; he was first exploited by the locality, then he was up against the proposition that he had little local market, and when he shipped his produce to Denver, Chicago, or New York the market was glutted. So he was ruined and destroyed. The House probably knows that Dr. Mead has been hung in effigy more times than Benedict Arnold.

I will say to the Committee that Dr. Mead, head of the Reclamation Bureau of the Department of the Interior, is the man behind the gun. He wrecked and was driven out of Australia. He partially wrecked agriculture in California, and is now engaged upon wrecking the whole of agricultural America. I charge him anew, as I did last year, with being public enemy no. 1 of these United States, and more particularly the farmers of this Nation.

Mr. GREEVER. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. GREEVER. The gentleman made the statement that there had never been a reclamation project self-supporting.

Mr. CULKIN. Yes.

Mr. GREEVER. Does the gentleman mean public or private—one or both?

Mr. CULKIN. I mean both.

Mr. GREEVER. I know many that are self-supporting.

Mr. CULKIN. The gentleman will have to be specific. What I mean is that the project did not finance itself.

Mr. GREEVER. There are projects in the State of Wyoming that have done that.

Mr. CULKIN. There was a gentleman named Teele, who wrote a book on the economics of reclamation. Probably the gentleman has seen the book. Mr. Teele was at one time in the Department of Agriculture. While he was there he did not dare to write the book, but after he retired he gave it to the world. It should be read by every Member of Congress. That book is sound in its every conclusion, and I commend the reading of it to the gentleman. May I say further that I have no desire to inflict harm upon any locality which has an existing project, or a project in work? What I am fighting against here is the extension of reclamation. In that connection, again taking issue with the unfortunate suggestion of the distinguished President of the United States, and with all due respect to his high position, charming character, and great achievements, I say to the people of the United States who are meditating going on these lands that certain ruin stares them in the face if they do. Exploitation first and then bankruptcy. That is definitely my conclusion, and that is the conclusion of this distinguished economist, Mr. Teele, who tore the mask off the grotesque face of reclamation.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. Yes.

Mr. ZIONCHECK. I have the committee hearings open at page 105, giving the status of the construction costs and the amount of repayment, and, coming down to the line of

repayment, here are the percentages of repayments. The gentleman can get the list of the States on the left-hand side. Arizona project, which is the Salt River project, 100-percent repayments; Arizona-California project, 97.7-percent repayment; California project, the Orland project, 96.2-percent repayment; and, going down the line without mentioning the States, the next one is 100 percent, the next 73.1 percent, the next 100 percent, the next 99.8 percent.

Mr. CULKIN. I do not want the gentleman to make a speech in my time.

Mr. ZIONCHECK. On page 107, the gentleman will get the payments of rentals.

Mr. CULKIN. I hold to my general statement, to the contrary. The bookkeeping in the Reclamation Bureau, if carried on in a bank, would put all concerned in jail.

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent to put this list that I refer to in the RECORD.

Mr. CULKIN. Oh, Mr. Chairman, I object to that. I do not want that poetry inserted in my speech.

Mr. ZIONCHECK. Then I shall ask later on to put it in.

Mr. CULKIN. I shall have no objection to that.

In conclusion, I assert that this reclamation policy as carried on by the Federal Government and as encouraged by the Federal Government on private reclamation projects has really been in large measure the reason for the surplus, that it has no justification in agricultural economics, and is, in fact, one of the chief contributing factors to the condition in which the farmers of America find themselves today.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. Yes.

Mr. CRAWFORD. Did I understand from the gentleman's remarks that the Casper-Alvoca project is suitable principally to the growing of sugar beets?

Mr. CULKIN. That is what I was advised.

Mr. CRAWFORD. Does the gentleman know that at the present time the farmers in the vicinity of Toledo, Ohio, in that rich agricultural belt, are being denied the privilege of growing 17,000 acres of sugar beets this very year?

Mr. CULKIN. I thank the gentleman for his contribution. I urge, Mr. Chairman, that the Congress regain its constitutional control of the Federal Treasury and stop this mad folly. I say that in charity to every community which has a project in work. If it is not stopped, this mad reclamationist, Dr. Mead, will destroy agriculture in America as he destroyed it in Australia and other parts of the world. I submit those thoughts for your careful consideration and appropriate action when legislative opportunity offers. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield myself 10 minutes. In view of some of the statements made by the gentleman from New York [Mr. CULKIN] I think it appropriate to call attention to the hearings of this committee a year ago on this matter. We went into this matter quite fully at that time, and have done so in nearly all of the hearings for the last 12 or 15 years. Last year, on page 70-71 of the hearings, the gentleman from Pennsylvania [Mr. DITTER] cross-examined Dr. Mead before this subcommittee, of which I have the honor to be chairman. Dr. Mead then said, speaking of all the reclamation projects in the United States:

The whole area under production is less than 1 percent of the cultivated area of the United States. That 1 percent is scattered over one-third of the United States, and in that one-third cities and towns today are growing faster than the farmer. The local demand for the things that are grown on Federal reclamation projects grow faster than the production, and the amount that goes outside constantly diminishes. We send very few things East that can be produced in the East. What we send East are things that cannot be produced in the East, like our winter lettuce or our cantaloups or fruit. Nothing could be more harmful to the country than to stop the increase in fruit production.

I was in the city of Yakima a week ago. They are shipping apples today to six of the most important countries of Europe in largely increased quantities. The people who are shipping those apples buy corn in Nebraska. They do not compete with the Middle West in growing corn; they grow a product so superior in quality that they have a world market.

The East gets the benefit of making clothes for the western irrigator, making their automobiles, making their plows, and the eastern workman gives the eastern farmer his trade. We do not compete for it. To say, as is frequently stated, that in the East land is rented to take it out of production and thus reduce the surplus, while the Government is appropriating money to help the western irrigators to increase production and hence add to the surplus, shows a total misconception of the situation in the irrigated regions and of the reasons for providing a better water supply for lands now irrigated. Everyone knows that if there was no irrigation in the arid one-third of the country it would not help the eastern farmers, because the market for products of the eastern factories and stores, which has been created by irrigation, gives employment to people who are fed from the products of the eastern farms. In other words, irrigated agriculture sends very few farm products east; it sends practically all of its orders for manufactured articles to the Eastern States and towns, and the workers who make these goods are fed from the products of the eastern farms. In this way irrigated agriculture supplements and supports the eastern farms rather than competing with them.

Now I may say this is no new subject. The gentleman from New York [Mr. CULKIN] has discussed this matter at great length nearly every year for many years. The fallacy of his criticism is this: In 1902 Congress enacted the irrigation-reclamation law. The law provided for the creation of a revolving fund to be made by collecting 5 percent from the sales of all public lands throughout the West and certain royalties on oil and coal and some other sources entirely from our western country. We of the West, from our own country, have created and furnished every dollar that has ever gone into that fund ourselves. I refer to the projects heretofore built, and built out of the reclamation fund. Not one dollar of all the money that has ever gone into that fund ever came out of the entire State of New York or any other Eastern or Northern or Southern State. It came out of our country, out of our property, and out of our work.

Out of our own development of that great wilderness of the West, one-third of the area of the United States. When we voluntarily created that fund to populate that country, to furnish homes for the surplus population of all the rest of the United States. Our principal crops do not compete scarcely at all with the farm crops of any other parts of our country. Our range cattle and sheep and our sugar beets and alfalfa do not at all affect the farmers of the rest of the country any more than the cotton and tobacco of the South affects us.

Dr. Mead is correct when he says that only 1 percent of the area of all the agricultural crops of the United States is under irrigation on all the reclamation projects throughout the entire country. It seems to me it is utterly nonsensical and ridiculous to say that that infinitesimal amount can injuriously affect the welfare of the farmers of the United States.

Mr. MICHENER. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. MICHENER. Is it not true that today in Washington in every chain store you will find Idaho potatoes, irrigated potatoes? Is it not true that on every fruit stand and in every market you will find Yakima or Washington irrigated apples? You will find them right in our cloakroom, in competition with the Maryland apple and the Michigan and Maine potatoes.

Mr. ZIONCHECK. Would the gentleman insist on inferior potatoes being sold here when better potatoes come from Idaho and from the West?

Mr. MICHENER. Oh, the gentleman is an optimist.

Mr. CULKIN. Will the gentleman yield?

Mr. MICHENER. But I object to the gentleman saying that irrigation does not compete with the farmer of the East. The gentleman read some testimony that they only sent lettuce and cantaloups and a few things like that back East. I am calling attention to the fact that they ship potatoes and lettuce and fruit, which the gentleman will find on his own table tonight.

Mr. TAYLOR of Colorado. I think the eastern advertisements about Idaho potatoes are a good deal like the advertisements are about Rocky Ford cantaloups. There is not the slightest doubt that the Rocky Ford cantaloupe is the finest cantaloupe ever grown on this planet. Those wonderful cantaloups are raised only in Colorado. The truth is

that when they get ripe they are cut in two, the seeds taken out, and luscious cantaloups is thrown out to waste. Thousands of acres of the finest cantaloups on earth go to rot every year. The owners dry the seed and ship and sell that seed at a high price all over the world. The people who buy that seed plant it and raise the cantaloups, and then the eastern stores advertise them everywhere as the famous Rocky Ford cantaloup. They make a pretty good imitation for the first year.

After that they are practically of no account, but they are sold universally throughout the country as "Rockyford cantaloups." Not one out of a thousand ever came from Colorado, and I think some people may be capitalizing the Idaho potatoes the same way. But even if a few western potatoes are sold in the East it is such an insignificant item that it is hardly worth mentioning. It looks like straining at a gnat. Another thing, some of the Members of the House talk as though all the agricultural crops we raise in the West are on governmental irrigation projects. As a matter of fact, not 5 percent of our crops are grown on Federal reclamation projects. A very large percentage of all our crops are raised by irrigation, but it is by privately built and owned and operated canals, ditches, and reservoirs.

Mr. CULKIN. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. CULKIN. I thank the gentleman for his leniency in dealing with me.

Mr. TAYLOR of Colorado. Frankly, I expect, when we reach the consideration in this bill tomorrow of the items for the Bureau of Reclamation, to yield time to some of my western colleagues to further comment on this subject.

Mr. CULKIN. I was going to ask the gentleman if it is not true that fruit and other products grown on arable land that God put under the sun for that purpose, are more prolific in this quality known as "vitamins" than that grown under irrigation?

Mr. TAYLOR of Colorado. I doubt that very much, but I cannot testify as an expert on vitamins. I think we have the finest fruit in the world.

Mr. MICHENER. Will the gentleman yield further?

Mr. TAYLOR of Colorado. I yield.

Mr. MICHENER. The gentleman from Colorado [Mr. TAYLOR] is very courteous and we all appreciate that the West owes much to the gentleman so far as its reclamation projects are concerned. It is the gentleman's fairness that has always helped him get these projects; but is it not true that the gentleman, appreciating the situation in the country, 4 or 5 years ago, assumed an attitude, as did most western reclamationists who were in the House at that time, that they would do well if they maintained the projects which they had, and that they came before the various committees asking for assistance for those projects to keep them going and keep them alive, with the direct understanding with the rest of us that there would be no new projects asked for, so long as we had an agricultural surplus?

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield myself 5 additional minutes.

I ask the gentleman from Michigan if it is not true that us western Members have absolutely kept the faith from that day to this? I do not recall that Congress has enacted a single bill creating any new reclamation project for several years.

Mr. MICHENER. Yes; and as was suggested by the gentleman from New York, the Congress established that policy, a policy agreed to by all interested here; but when the Congress was sent home the last session, the powers that were spending the people's money—money which did not come from the West—went out there and started these various projects in direct opposition to the policy the gentleman from Colorado and others had agreed to. At that time Congress was gone, and no one could object; and we are now confronted with those very projects which will do the very thing suggested by the gentleman from New York.

As stated by the gentleman from Colorado, we are keeping the faith, we are keeping our agreements; but we did not dream at that time that in the near future we would be confronted by another policy which would vitiate and destroy the very agreements we adopted, and which some of us voted for at our own peril because we did not come from reclamation States. We have kept those agreements, but we object to another authority coming along and vitiating the thing with regard to which we have entered into a gentlemen's agreement.

Mr. TAYLOR of Colorado. Let me call the attention of the gentleman from New York, and the House, to page 105 of the testimony taken within the last week by this subcommittee on this bill. That gives a complete construction account of all repayments up to June 30, 1934, on all the 24 existing projects. It shows that 10 of them are paid up 100 percent and 8 are paid up over 99 percent. Two of them are down—one 73.1 percent and the other 74.8 percent. Both of those have good reasons for not paying. But the average percentage of repaid amounts due for all the 24 projects is 98.6 percent. That is a conclusive and wonderfully good showing.

Mr. CULKIN. According to whose books—Mr. Mead's?

Mr. TAYLOR of Colorado. I am quoting from the records of the Reclamation Bureau.

Mr. CULKIN. In my estimation, the gentleman from Colorado is a sincere and able legislator; and I would be content to let the reclamation policy of this Government be decided and controlled by him. That is how much confidence I have in him. [Applause.] I do not have the same measure of confidence in Dr. Mead.

Mr. TAYLOR of Colorado. Let me say that the project that is reported as only having paid 73.1 percent of the amount due is the Uncompahgre project in my district. The reason for that is that about 3 years ago we passed a bill which gave the water users under that project a 5-year moratorium on the construction charges with the understanding that they should expend a certain amount of money each year on drainage work. For that reason they have not been required to pay construction charges for several years.

Mr. CULKIN. And I supported the gentleman in that, did I not?

Mr. TAYLOR of Colorado. Yes; I know the gentleman did, and I very much appreciated his support.

Mr. CULKIN. Yes; I actively supported it; I recall it.

Mr. TAYLOR of Colorado. I think the record of payments on these projects is exceptionally good. The Government is not losing its investment. The reclamation fund is not revolving 100 percent, but it is coming much nearer to it than most enterprises are these days. My committee is assisting in maintaining and completing the projects that we have and making the reclamation fund go as far and do as much good as possible. We do not control the creation of projects by Executive order or their being financed by Public Works money.

Mr. CULKIN. The gentleman had no voice in them.

Mr. TAYLOR of Colorado. No; not a bit.

Mr. CULKIN. The gentleman from Colorado is not responsible for them.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. ZIONCHECK].

Mr. ZIONCHECK. Mr. Chairman, I asked for this time for the purpose of extending my remarks in the RECORD at this point. I would point out to the gentleman from New York and to the gentleman from Michigan that had it not been for the reclamation projects of the West the relief rolls in Michigan and in New York, and the East generally, would have been larger and a greater burden would have been imposed upon them.

Mr. Chairman, I ask unanimous consent to insert in the RECORD at this point various schedules of payments not only for construction costs but for operation and maintenance costs, together with an article here as to the condition and the manner in which settlers come upon these reclaimed lands and the services rendered by the Reclamation Service to them after they get upon the land.

Mr. CULKIN. Mr. Chairman, reserving the right to object, the gentleman referred to an article. Does the gentleman want to insert some statistics; is that all?

Mr. ZIONCHECK. Does the gentleman contend that an official of the Government would deliberately make a false statement before a committee when it could be proven to be otherwise?

Mr. CULKIN. If he were an insane reclamationist he would testify as an insane man would.

Mr. ZIONCHECK. The General Accounting Office certainly would have to pass on these figures.

Mr. CULKIN. If the gentleman will tell me what he wants to insert I can tell whether I have objection to it. I have no objection to any official statement.

Mr. ZIONCHECK. These accounts must go through the General Accounting Office.

Mr. CULKIN. The gentleman referred to an article. What article does the gentleman wish to insert?

Mr. ZIONCHECK. It is not an article; it is part of the record.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MILLARD. Mr. Chairman, will the gentleman yield?

Mr. ZIONCHECK. I yield.

Mr. MILLARD. Is the Okanogan project in the gentleman's State?

Mr. ZIONCHECK. It is.

Mr. MILLARD. I see they have paid only 77 percent of what they owe the Government.

Mr. ZIONCHECK. If the people generally throughout the country were able to pay 77 percent of their debts, this country would be far better off. The gentleman does not mention the other Washington project in Yakima which has paid 99.8 of the payments due.

Mr. Chairman, my only purpose in inserting the following data and information from the hearings is to correct the erroneous impression of the gentleman from New York [Mr. CULKIN]. The other phases of the general question of reclamation will be ably presented by the learned Chairman of this Subcommittee on Appropriations and some of my western colleagues.

Status of construction-account repayments, June 30, 1934

State	Project	Amounts uncollected of amounts due	Percent repaid of amount due
Arizona	Salt River		100.0
Do	Verde		
Arizona-California	Yuma	\$10,160.20	99.7
California	Orland	30,251.84	96.2
Colorado	Grand Valley		100.0
Do	Uncompahgre	180,568.43	73.1
Idaho	Boise		100.0
Do	King Hill	82,800.00	
Do	Minidoka	16,469.84	99.8
Do	Minidoka-Gooding		100.0
Montana	Bitter Root		
Do	Huntley	79.21	99.9
Do	Milk River	55,320.00	5.1
Do	Sun River		100.0
Montana-North Dakota	Lower Yellowstone		100.0
Nebraska-Wyoming	North Platte	55,442.76	98.6
Nevada	Newlands	839.46	99.9
New Mexico	Carlsbad	73.26	99.9
New Mexico-Texas	Rio Grande		100.0
Oregon	Baker		
Do	Deschutes		
Do	Stanfield		
Do	Umatilla	135,488.80	74.8
Do	Vale		
Oregon-California	Klamath	1,015.06	99.9
Oregon-Idaho	Owyhee		
South Dakota	Belle Fourche		100.0
Utah	Hyrum		
Do	Salt Lake Basin		100.0
Do	Strawberry Valley		100.0
Washington	Grand Coulee		
Do	Okanogan	38,271.23	77.8
Do	Yakima	15,689.32	99.8
Wyoming	Casper-Alcova		
Do	Riverton		
Do	Shoshone	392.36	90.9
Total		622,861.77	98.6

Statement of reclamation fund operation and maintenance charges paid and unpaid as of June 30, 1934

State and project	Charges due and unpaid	Percent repaid of amount due
Arizona-California: Yuma	\$35,236.85	99.0
California: Orland	33,169.12	93.3
Colorado:		
Grand Valley	3,115.30	99.0
Uncompahgre		100.0
Idaho:		
Boise		100.0
King Hill		100.0
Minidoka		100.0
Minidoka-Gooding		100.0
Montana:		
Huntley		100.0
Milk River	24,317.97	91.8
Sun River		100.0
Montana-North Dakota: Lower Yellowstone		100.0
Nebraska-Wyoming: North Platte	7,329.78	99.6
Nevada: Newlands		100.0
New Mexico: Carlsbad	48.00	99.9
New Mexico-Texas: Rio Grande	33,080.90	99.1
North Dakota:		
Buford-Trenton		100.0
Williston		100.0
Oregon:		
Umatilla		100.0
Vale	4,250.00	50.0
Oregon-California: Klamath	3,911.45	99.7
South Dakota: Belle Fourche		100.0
Utah: Strawberry Valley		100.0
Washington:		
Okanogan		100.0
Yakima	122,771.13	97.7
Wyoming: Shoshone	981.52	99.8
Total	268,212.02	99.0

Statement of reclamation fund water rental charges paid and unpaid as of June 30, 1934

State and project	Amount due	Amount repaid	Charges due and unpaid
Arizona: Salt River	\$2,246,726.01	\$2,246,726.01	
Arizona-California: Yuma	538,161.88	537,344.89	\$816.99
California: Orland	121,450.85	121,450.85	
Colorado:			
Grand Valley	501,016.68	494,333.85	6,682.83
Uncompahgre	1,223,133.55	1,218,374.56	4,758.99
Idaho:			
Boise	789,938.57	789,938.57	
Minidoka	607,776.44	607,721.44	55.00
Minidoka-Gooding	13,796.00	13,796.00	
Montana:			
Huntley	11,242.84	11,242.84	
Milk River	238,023.57	228,884.93	9,138.64
Sun River	132,243.21	130,902.29	1,340.92
Montana-North Dakota: Lower Yellowstone	135,473.18	135,345.38	127.80
Nebraska-Wyoming: North Platte	344,079.79	344,079.79	
Nevada: Newlands	28,291.16	28,291.16	
New Mexico:			
Carlsbad	39,824.83	39,807.58	17.25
Hondo	9,129.70	9,129.70	
New Mexico-Texas: Rio Grande	1,459,625.48	1,449,893.48	9,732.00
North Dakota:			
Buford-Trenton	31.75	31.75	
Williston	2,117.28	2,117.28	
Oregon:			
Umatilla	95,656.52	69,379.72	26,276.80
Vale	22,234.01	19,495.97	2,738.04
Oregon-California: Klamath	309,475.94	302,882.88	6,593.06
South Dakota: Belle Fourche	9,423.38	9,423.38	
Utah: Strawberry Valley	17,596.13	17,596.13	
Washington:			
Okanogan	110,645.28	110,645.28	
Yakima	181,071.38	171,491.88	9,579.50
Wyoming:			
Riverton	23,952.91	23,912.91	40.00
Shoshone	76,521.90	75,470.43	1,051.47
Total	9,288,660.22	9,209,710.93	78,949.29

CONDITIONS UPON WHICH ENTRIES ARE MADE BY SETTLERS ON RECLAMATION PROJECTS

Mr. ZIONCHECK. To carry on with that question, just how does a new settler get in upon Government land, upon a reclamation project, because what I am leading up to is this rehabilitation program of the President and how it will coordinate. There is a possibility of using this to take the people from the towns that want to do something.

Dr. MEAD. Originally the idea was that any man could get on a piece of land, whether or not he had any money or experience. Originally there was no attempt to control values, so speculation came in. People who had neither capital nor experience came in and filed on the public land, and sometimes land was sold for more than it was worth. People that got caught in those situations

either lost everything or they have had a struggle that they should not have had. In the readjustment act that was passed in 1926 provision was made that there has to be an examining board for every settler that comes in, and that is a board of practical farmers, and they ask him about his capital and about his experience, and about what his plans are.

Mr. ZIONCHECK. Who appoints that board?

Dr. MEAD. We do. The Secretary appoints them.

Mr. ZIONCHECK. And they are right at the locality of the project?

Dr. MEAD. Yes. They are always there at the project, and they know the conditions. There is nothing more helpful to an intending settler. If he is going to bring money into it, he gets an idea from talking with them as to what he is up against, and if he has not capital enough he is excluded at that point. We believe that a farmer needs \$2,000, but a farm worker, who just has 4 or 5 acres, can start without capital, because he depends mainly on wages, and the idea is that he gets cheap living.

The law provides that we can appraise that land, fix the price at which it is to be sold.

Mr. WHITE. You are referring at this point to privately owned land within the district, or are you referring to the Government land?

CONDITIONS UPON WHICH GOVERNMENT LAND IS SECURED

Dr. MEAD. I am referring to privately owned land. The conditions under which Government land is secured are fixed by the Government. Filings are usually under the Homestead Act.

Mr. ZIONCHECK. In both cases you are referring to privately owned land within the boundaries of the district?

Dr. MEAD. Yes. To explain further how these land appraisals operate and the change from the settlement methods which originally prevailed. Originally there was no attempt made to control the price at which privately owned land was sold or the speculative increases in the price of privately owned land before development took place, but now when a new project is under consideration if it includes privately owned land, the owners of that land are required to sign an agreement that they will accept the appraised price, or in some cases if more than the appraised price is secured, one-half of the increase over the appraised price goes to the Government as a payment on the construction charge. To further show how this operates, in one of the districts where the works are under construction or where all the land for which water can be supplied has been settled, the price which the private owners expected to charge was \$50 an acre. Their land was sagebrush without any improvements. Everything needed to convert it into an irrigated farm and enable the settler to make a living had to be done. It had to be cleared, the land leveled, and the buildings put on it. If to these costs there had been added \$50 an acre, the settler would have paid more than the land was worth and he would have assumed a burden that he could not carry.

Mr. ZIONCHECK. They probably bought it at 50 cents an acre?

Dr. MEAD. Part of it was obtained through buying road grants. I do not know how the remainder was obtained, but these owners were nonresidents, and if there had been no control over the price they could have asked, we would have had to reject the project, because the cost of land and water combined would have been too great. Under the law as it is now a board of appraisers was created, familiar with conditions and with the value of irrigated and unirrigated land. The valuation, I think, was liberal, but it was only about \$11 an acre.

Mr. WHITE. Average?

Dr. MEAD. Yes. The result of this appraisal and the acceptance of the appraised price by the owners in effect gave the settler his farm for about \$40 an acre less than it would have cost him if there had been no control over prices, and this \$40 an acre could go into improvements. It made the land attractive, and the project is being settled promptly. Another example is where the land in the district was partly developed. It was leveled and had improvements but an inadequate water supply, and another part of the land was cut-over timberland, rough, where the cost of clearing and leveling ran from \$50 to \$100 an acre. But this was cut up into small tracts and the work could be done by settlers when not otherwise employed.

Here was a severe test of the new plan of fixing prices in advance. Some of the cut-over timberland was valued as low as \$2.50 an acre. Its owners protested that they had paid more than that sum in taxes, but the valuation stood and settlers are acquiring this land at that price. Some of the best lands of the project unimproved was valued at from \$10 to \$15 an acre, and it is so productive that it has been developed and settled as rapidly as the water could be furnished. This is a great advantage to the settler and has hastened the settlement and improvement of farms. In this last instance I am dealing with one of the projects where the cost of construction of canals is the highest yet approved by the Government. It is \$170 an acre, and there were once skeptics who did not believe the Government would ever be repaid. But at a meeting in the valley where this was discussed it was shown that the yearly payments of farmers where land values were kept down is less than the yearly payments of farmers in another district established before speculation was curbed. The construction cost in this older district is only \$50 an acre, but the yearly payments on land and water are more than they are in the other project where the construction cost is \$170 an acre.

Mr. ZIONCHECK. What do you mean by board of appeals? Is there such a board here?

Dr. MEAD. Yes.

Mr. ZIONCHECK. I noticed in one of your reports that certain entries were made by settlers and that all of them were approved except three, and that these were upon appeal.

Dr. MEAD. Yes.

Mr. ZIONCHECK. What do you mean by appeal?

Dr. MEAD. Until recently when land was thrown open to settlement there was no inquiry into the capital, the experience, the character, or anything which would determine whether the settler was qualified to succeed, but under the Adjustment Act of 1926 provision was made for the establishment of a local board which would interview the prospective settlers and advise them as to the conditions which would confront them and advise the Government as to whether they were qualified to succeed. Experience had shown that on farms of say 40 acres or more a settler would need about \$2,000 in money or equipment to make it a safe risk. On smaller areas, say 5 acres, where the settler would depend mainly on wages, and which were in effect farm laborers' allotments, he could be taken on without any capital.

Today the applicants for farms go before these boards and talk over conditions and expenses and probable income, and those who are regarded as good prospects are recommended and are approved. Those that are not regarded as good prospects are advised that they will not be approved. Sometimes those rejected appeal. There are other cases where there are two or more applicants for the same farm. Only one application can be approved and the one who loses out sometimes appeals.

I think the case to which Mr. ZIONCHECK refers was a case in his own State on the Kittitas project where there were 80 applicants for 20 farms, and where some of those who were not approved have appealed, claiming that they have better qualifications than the ones who were approved.

Mr. ZIONCHECK. Who constitutes the board of appeals?

Dr. MEAD. Usually the same board which interviews settlers at first, or it may be a new board if there is complaint of unfairness. In any case it is a local board usually made up of farmers who are familiar with the local conditions and with the cost of changing raw land into a farm, and with the returns which the settlers may expect.

EXPENSES OF DIVISION OF PUBLIC RELATIONS

Mr. ZIONCHECK. Now, Mr. Kubach, turn to page 257 of the bill, in the seventh line, where you have new language. You have deleted the language "reclamation economics", and put in its place the words "public relations." Why do you have that new language, and what is the intention?

Dr. MEAD. That is largely for the dissemination of information to irrigation projects, dissemination of information to the public.

Mr. ZIONCHECK. Dr. Mead, will this public-relations office be something like a public-relations office of a private power company to disseminate propaganda rather than enlightenment, or will this be an enlightening organization?

Dr. MEAD. It is an educational organization, for the people on the projects. We want to give them more instruction than we have been able to give in the past. We want to send experienced, skilled men to all of these projects, to show them how to farm better.

Mr. WIGGLESWORTH. How is that done?

Dr. MEAD. I get good men and send them into the field, to talk to individuals and groups of farmers about their work.

Mr. ZIONCHECK. That is for men who really go out to the settlers and help them to solve the problems as they come up?

Dr. MEAD. Yes. It is a question which is the better term, but economics are largely investigation, and we do not do so much of that. It is more to give instructions to these people.

GIVING INFORMATION TO SETTLERS

Mr. ZIONCHECK. Doctor, on page 271 you have a paragraph reading as follows:

"Giving information to settlers: For the purpose of giving information and advice to settlers on reclamation projects in the selection of lands, equipment, and livestock, the preparation of land for irrigation, the selection of crops, methods of irrigation and agricultural practice, and general farm management, the cost of which shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects; \$20,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year (1934 is continued available for the same purpose for the fiscal year) 1935."

Does this relate to that other item that we just referred to?

Dr. MEAD. Yes; it is now all under public relations.

Mr. ZIONCHECK. You change the language in the previous section, and this coordinates with that?

Dr. MEAD. Yes.

Mr. ZIONCHECK. You have included new language there, the words "together with" right after \$20,000, and that is a new appropriation of \$20,000.

Would you explain the increased appropriation, or, rather, the reason for that appropriation of \$20,000 there?

Dr. MEAD. We have more projects, and we wanted to do more work. For the purpose set forth, \$20,000, together with the unexpended balance of 1935, is requested. On projects where settlement and agricultural development is going on, there is need for the employment by the Bureau of Reclamation of men of sound business training and knowledge of irrigation practice to advise beginners regarding their development and farming operation, together with advising them as to crop rotation and marketing conditions.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming [Mr. GREEVER].

Mr. GREEVER. Mr. Chairman, there have been some things said here relative to reclamation by the gentleman from New York [Mr. CULKIN] which I should like to answer.

In the first place, I have lived within a country containing reclamation projects for the past 15 years. This project is located in the State of Wyoming, in Park County. It contains several thousand acres, and the principal crops of this project are alfalfa, sugar beets, potatoes, and beans. I have observed while living in this locality that some of these crops are shipped out to eastern markets, principal among them being potatoes. I know that a large proportion of the forage crops are fed and disposed of to what may be termed "local" markets. Many cattle and sheep are fed from these forage crops.

The crops are largely noncompetitive with other crops, and may I say in this connection that it is my belief that the gentleman's objection to reclamation, based upon an overproduction in this country, is based upon the fact that there is an overproduction which occurs upon nonproductive land, which production is not profitable to the grower and is economically unsound, but I do not believe that any production which is profitable owing to the excellent character of the soil is an unprofitable venture.

I have noticed in this particular locality and in those of which I have spoken that while there may be a small portion of the crops that are produced shipped out, yet I have seen many, many times carloads of farm machinery, furniture, automobiles, foodstuffs, and articles of almost every kind and nature shipped into this project, where only a few years ago there was no community and which was sagebrush country. I also know that there have been shipments of corn from the Midwest to these reclamation projects for use in connection with the farming activities, thereby providing a market for other agricultural projects instead of depriving them of such markets.

Mr. CULKIN. Will the gentleman yield?

Mr. GREEVER. I yield to the gentleman from New York.

Mr. CULKIN. I would like to have the gentleman put the name of the project to which he refers in the RECORD.

Mr. GREEVER. I am speaking of the Shoshone project in Park County.

Today that project has hundreds of fine homes, and there is no finer place in the United States in which to live. There is no place in the United States where there are better schools and better surroundings with which to equip young people to start out in life.

As the gentleman from Colorado [Mr. TAYLOR] has so ably pointed out, there is less than 1 percent of the crops from the reclamation projects of the United States which are competitive with eastern crops and, therefore, could not contribute to the production any more than that amount.

There is much being said today about the making of homes for people where they can be self-sustaining, and I say to you that it has been my observation that there is no more self-sustaining economic unit in the entire United States, no place where the physical, moral, and mental advantages are greater than upon the reclamation projects in the West.

In a speech recently delivered by Senator POPE, of Idaho, at the national reclamation conference at Salt Lake City, Senator POPE showed that of the \$48,000,000 that had become due by the water users of this country, 99.3 percent had been paid.

The most complete refutation of any purportedly expert financial criticism of irrigation, however, is furnished by a review of the liquidation of moneys advanced by the Bureau of Reclamation for initial irrigation development. At this writing, \$48,000,000 has become due the reclamation fund from water users. Of that amount only \$350,000 has not been paid. In other words, the account of farmers with the Bureau of Reclamation is at present 99.3 percent paid. Moreover, the Bureau of Reclamation is holding for certain irrigation districts \$1,200,000 in actual cash which is not due but is being held as cash credit. I very seriously doubt that any other line of business endeavor could, after a comprehensive survey, boast a similar record of solvency in its capital investments.

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Mr. PIERCE. Will the gentleman yield?

Mr. GREEVER. I yield to the gentleman from Oregon.

Mr. PIERCE. Do not forget that that was our money for western land. That did not come out of taxes.

Mr. GREEVER. That is true.

The gentleman from New York has also referred to the Casper-Alcova project and has stated that it should have never been built. As a matter of fact, Natrona County has paid into the reclamation fund of the United States in excess of \$50,000,000, through oil royalties from governmental leases, and has not received one cent back to replace this lost asset. There will be reclaimed under this project between forty and sixty thousand acres of land which has been classified by the engineers of the United States, some of the most competent engineers in the world, as being very productive land. It offers an opportunity to the people of that section of the country to feed their cattle and sheep from products of this area. The crops that will be raised upon this project will be noncompetitive crops.

In seasons of drought there has been no influence so prominent in equalizing economic conditions caused by the drought as has reclamation. It has been necessary on many occasions to feed the crops raised upon reclamation projects to cattle and sheep and other livestock in order to permit them to survive through the winter. It provides the crops which are so necessary for the maintenance of the sheep and cattle business.

Power plants that have been constructed in connection with irrigation projects have enabled the citizens of communities to have power and light at a rate which they can afford to pay, and this has gone and will go a long way further in the modernization of the home, about which we hear so much today and which is a constructive and far-sighted policy.

Towns and villages have grown up on the reclamation projects which have contributed much to the buying power of the country. Reclamation is feasible and practical. It has been recognized from time immemorial as a necessary factor in the life of any nation, and the application of water to land in the West is, in my opinion, one of the most progressive developments which we have in the United States today. The Honorable Harold L. Ickes, Secretary of the Interior, and the Director of Reclamation, Dr. Mead, have rendered a service to the American Nation through their recognition of these facts.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, I was very much interested in the statement of the gentleman from New York, which seems to give the viewpoint of some of the Members from the East on the question of reclamation. I am wondering how well they are acquainted with the various reclamation districts of the West and with their effect upon the business of manufacturing articles which are finding a market in the Western States.

Mr. Chairman, I have seen the irrigation districts built up from barren sagebrush plains into beautiful, flourishing communities. If there has been money expended by the Government it will be repaid, and we must always remember that additions to territory in this country have been made at some expense. Thomas Jefferson bought Louisiana, and for that vast territory he paid money. We bought Alaska. When we added that great domain we paid money. At the time it was thought to be a foolish investment, but it proved that we received a wonderful territory, practically an empire in itself, which enriched this country and the people manifold.

During the depression, when there was unemployment and distress all over the country, I had the experience of traveling through the irrigated regions of the West and came in contact with the people of those irrigation areas. I found that of all the communities, whether it be in the State of New York or in the Central West, the people in the irrigated communities had withstood the depression and were in a better financial state than were the inhabitants of any

of the other communities I visited. The reason was because those people were producers. They are producing new wealth, and they are producing what they consume. A great deal of the products of those districts are consumed at home, or within the State.

I want to call attention to a further fact. A great deal of the products of those districts find outlets in export. For instance, we export our apples; we export other products from those districts and bring new money into the country.

Mr. Chairman, we have in this country 12,000,000 unemployed people. We do not know what to do with them. We are looking for a place where we may give them a home, where we may allow them to establish new communities. What better or finer place can you find than land that is assured of moisture, assured of crops, and is stable, as are these western irrigated communities?

The philosophy expressed here by the gentleman from New York [Mr. CULKIN] is that we have a surplus of products, a surplus of people, and a surplus of land. All he needs is a big knife to cut off the surplus products and cut off the surplus people and surplus land and put them in the discard.

Let us put the land, the products, and the people together and build up new communities in our country.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. WHITE. Yes.

Mr. CULKIN. The A. A. A. in the Department of Agriculture is giving ample precedent for the procedure the gentleman suggests by killing all the little pigs. Is not that true?

Mr. WHITE. We are reducing production, but to my mind that is a question of finance. Let us straighten out the tangled financial condition in this country and let business grow and develop in the United States. The principles that have been announced here by the gentleman from New York, if they could have been put into operation in the early days, what would have happened to the great State of Illinois, the great Dakotas, and the Central West if we had restricted the development of that country as the gentleman now wants to restrict the development of these great productive areas in the West?

Mr. CULKIN. Let me say to the gentleman, if I may, that in my State, when the farmer's land needs reclaiming or irrigating, he does it himself. This is the doctrine that applies in New York State.

Mr. WHITE. That is what we are doing in the West.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, yesterday I introduced in the House H. R. 6200, which is a bill to authorize the Secretary of Agriculture to investigate and report on traffic conditions with recommendations for corrective legislation. I earnestly ask the members of the committee to help me secure the passage of this bill. It will not involve any additional appropriation. There is enough money in the contingent fund of the Bureau of Public Roads to make the survey. They must complete the survey in 3 months.

During the late World War we all were shocked and saddened by the daily publication of the casualty lists showing the deaths and injuries which resulted from the great conflict.

Today, almost 17 years after the close of hostilities, we read of much greater losses of life and just as extensive injuries, without the emotion and without a second thought as to the cause and prevention of these casualties.

I refer to the daily list of killed and injured on our streets and highways. In the year just passed approximately 36,000 persons lost their lives in traffic accidents—3,000 every month in the year, almost 100 every day. The number is so staggering that it is almost beyond comprehension. It demands immediate thought and consideration and immediate action.

From the year 1913, when figures were first available, the toll of deaths and injuries has steadily mounted, each year

showing a gain over the previous, with the exception of one, 1932.

The tremendous use of motor cars, the increased speeds, and better road conditions, have all been factors in this mounting death rate. At the end of 1933—the latest figures available—there were 23,827,290 motor vehicles registered in the various States. In the past year this figure has been materially increased.

We have spent huge sums of public money to make travel over our highways more comfortable. We have cooperated, through the Federal Bureau of Public Roads, with every State in the Union toward making road conditions better. Our roads are the finest in the world. They are the models for all other nations. They were built for speed and they are used for speed. The average passenger car in good running order travels at the rate of 50 miles an hour upon the open highway with reasonable safety.

Many of our States have uniform, up-to-date, and reasonable traffic laws and regulations. Others have not. Twenty-two States, up to 1930, had no drivers' license law. A few have since adopted regulatory measures. Think of it! Anyone, regardless of age, mentality, physical or other ability, could drive a car in these commonwealths without examination. Is it to be wondered at that a comparison of the records of States with drivers' license laws requiring an examination of all new drivers, and administered by a strong central authority, with those States not having such laws, shows a distinct contrast in motor-vehicle death trends?

A study made by the National Safety Council shows striking evidence of the effectiveness of proper regulation in the records of States before and after the adoption of drivers' license laws.

Aside from the importance of having examined and licensed drivers is the necessity of uniformity of State traffic laws. I am sure that many of you, in driving to your homes, have experienced the necessity of altering your driving in passing from one State to another. In one State you may be permitted to drive at any speed, so long as it is reasonable and with due regard to the safety of others. Passing over the State line, you are greeted with signs warning you that the speed limit is 35 or perhaps 30 miles an hour. Every time you go beyond this limit you are breaking the law. Or perhaps you may go through some city, whose local regulations are unknown to you. Accustomed as you may be to waiting for lights to turn green before turning the corner, you are confused and bewildered by a local ordinance which permits turns on red.

These are just a few of the confusing and troublesome differences in regulations which the average motorist encounters in touring. Is there any wonder there were over 1,000,000 persons injured last year in traffic accidents? Glance at the figures below and note the horrible record of the last year:

Year	Deaths	Per 100,000 population	Per 100,000 cars
1913	4,227	4.4	306.7
1918	10,723	10.4	167.9
1923	18,394	16.5	120.5
1924	19,379	17.1	109.2
1925	21,877	19.0	109.0
1926	23,431	20.1	105.9
1927	25,796	21.8	110.9
1928	27,996	23.3	113.8
1929	31,215	25.7	117.3
1930	32,929	26.7	123.5
1931	33,675	27.1	129.8
1932	29,451	23.6	121.6
1933	31,263	25.0	132.0
1934 (estimated)	35,500	28.1	143.0

Hardly one of us but has had some friend or relative the victim of this confusion and bedlam of regulation or lack of regulation. What are we going to do about it? The toll of pain and misery is increasing even as we deliberate. What can be done to stop it? We cannot go to each of the States and say you must adopt this or that code of laws.

Nor do we want to do that. Cooperation and suggestion will produce the desired results. Coercion will not.

I have given this matter much serious thought, and with the idea of unifying and consolidating the best ideas on the subject I have introduced in Congress a bill. This measure directs the Secretary of Agriculture to use such part as may be necessary of the contingent fund of the Bureau of Public Roads for study and research of traffic conditions and measures for their improvement. He is authorized to cooperate with the State, District of Columbia, and municipal authorities, together with private organizations, educational institutions, and other agencies in his study.

The bill further directs the Secretary of Agriculture to submit a report to Congress as to the status of uniform legislation throughout the country, with recommendations as to any measures which will promote the necessary uniformity in such laws.

This measure does not need an appropriation from Congress. The contingent fund which I have mentioned in my bill is more than ample for the purpose. It is a fund accumulated by the Bureau from the 1½ percent taken from Federal highway appropriations.

Highway and safety officials have assured me that this legislation is a step in the right direction for sane, reasonable, and uniform traffic laws.

Entirely apart from the physical suffering caused by traffic accidents is the tremendous loss in personal property. It is so huge that no true figure can be obtained. It is safe to say that millions of dollars worth of property are destroyed each year in accidents which are avoidable in many cases.

I am well aware that there are many angles to this question. However, the matter has been under study for a long period of years by various private and Government agencies. The bill which I have introduced will consolidate the opinions and ideas of the best authorities in the country on this subject. There is a divergence of opinion between these experts as to the best form of remedial action. Now is the time to weigh carefully each of their suggestions. Start this study and stop this slaughter. It is vital to you and yours.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

CIRCULATING MEDIUM

Mr. PATMAN. Mr. Chairman, I have some interesting information in regard to the circulating media that I would like to insert in the RECORD, and I ask unanimous consent to revise and extend my remarks and to insert such information as I desire that will be explanatory of the statements I make.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Chairman, the circulating medium consists of demand deposits subject to check and the actual currency and coin that is outstanding. The actual currency and coin has not increased or decreased substantially in 15 years in this country. It remains practically the same. Demand deposits have increased and decreased. It is a well-known fact that as money becomes dear everything else measured in money becomes cheap.

From 1926 until 1929 demand deposits subject to check aggregated \$21,000,000,000. As I have said, the actual money outstanding was about \$5,000,000,000. Since that time the banks have called loans and caused deposits to be canceled, until they really have \$14,000,000,000 demand deposits in all the banks of this Nation at this time. Therefore the 15,000 banks have canceled, have destroyed, \$7,000,000,000 of our circulating medium; yet many of us are accused of being radicals because we merely want to restore \$2,000,000,000 of the circulating medium, of which the banks have destroyed \$7,000,000,000.

Mr. FIESINGER. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. FIESINGER. If I understood the gentleman correctly, he said as the circulating medium increased the prices decreased?

Mr. PATMAN. What I meant was that when the price of money is dear, the price of everything else becomes less valuable.

Mr. FIESINGER. But an increase of money would not make money dear, would it?

Mr. PATMAN. No. An increase of money would make money cheaper and interest rates cheaper, as I understand it.

For instance, from 1926 to 1929 we had on an average \$200 per capita circulation of money and credit. To say that so many dollars per capita is in circulation does not mean a thing in the world. The only way to determine the circulating medium is by adding the demand deposits to the money outstanding. An average of \$200 per capita during this period of time. In 1934 the per capita circulation was only \$150, including both money and credit. We have had one-fourth of our circulating medium absolutely destroyed.

Mr. SNELL. Will the gentleman yield for a question?

Mr. PATMAN. I will be glad to yield to the gentleman.

Mr. SNELL. How much of real currency is there at present in circulation?

Mr. PATMAN. About five and one-half billion dollars are presumed to be in circulation. This includes about \$700,000,000 that is normally in the vaults of banks other than Federal Reserve banks.

Mr. SNELL. But is there not more than there was in the period from 1921 to 1927?

Mr. PATMAN. Yes; some more.

Mr. SNELL. I saw a statement a short time ago that there was more real money outstanding at the present time than there was in the year 1929.

Mr. PATMAN. There is not much difference, as I said, because it varies very little. Of course, in 1933, when there was a rush on the banks, the circulating medium outstanding, the actual money, increased about \$2,000,000,000 right away, because the people were afraid and they wanted to convert their deposits into money. All of this money has not been returned to the banks. For that reason there is more money outstanding now.

I shall be glad to insert in the RECORD the amount outstanding for 1914 to 1934, and other related information.

MONEY IN THE UNITED STATES

Statements showing the stock of money in the United States in the years ended June 30, 1914 to 1934, and the imports and exports of merchandise, gold, and silver in the calendar years 1914 to 1933, and the 9 months ended September 30, 1934, follow:

Stock of money in the United States, in the Treasury, in reporting banks, in Federal Reserve banks, and in general circulation, years ended June 30, 1914 to 1934

Year ended June 30	Coin and other money in Treasury as assets ¹		Coin and other money in reporting banks ²		Held by or for Federal Reserve banks and agents		In general circulation, exclusive of amounts held by reporting banks, Federal Reserve banks, and Treasury			
	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Per capita	
1914	\$3,797.8	\$338.4	8.91	\$1,630.0	42.92		\$1,829.4	48.17	\$18.46	
1915	4,050.8	348.2	8.60	1,447.9	35.74	\$383.0	9.45	1,871.7	46.21	18.56
1916	4,541.7	299.1	6.59	1,472.2	32.41	593.3	13.06	2,177.1	47.94	21.24
1917	5,678.8	269.7	4.75	1,487.3	26.19	1,342.7	23.64	2,579.1	45.42	24.74
1918	6,906.2	363.5	5.27	882.7	12.78	2,061.0	29.84	3,595.3	52.11	33.97
1919	7,688.4	585.1	7.61	981.3	12.76	2,226.7	28.99	3,895.3	50.67	36.57
1920	8,158.5	490.7	6.01	1,047.3	12.84	2,200.2	26.97	4,420.3	54.18	41.50
1921	8,174.5	463.6	5.67	926.3	11.33	2,799.9	34.25	3,984.7	48.75	36.71
1922	8,276.1	406.1	4.91	814.0	9.84	3,406.8	41.16	3,649.2	44.09	33.18
1923	8,702.8	386.5	4.44	777.1	8.93	3,493.0	40.14	4,046.2	46.49	36.20
1924	8,846.5	359.4	4.06	900.8	10.18	3,637.8	41.12	3,948.5	44.64	34.69
1925	8,299.4	363.9	4.38	938.3	11.30	3,120.3	37.63	3,876.9	46.69	33.58
1926	8,429.0	353.2	4.19	975.2	11.57	3,190.5	37.85	3,910.1	46.39	33.35
1927	8,667.3	350.9	4.05	985.1	11.36	3,465.1	39.98	3,866.2	44.61	32.57
1928	8,118.1	351.3	4.33	866.5	10.67	2,970.2	36.59	3,930.1	48.41	32.72
1929	8,538.8	373.1	4.37	799.1	9.36	3,419.4	40.04	3,947.2	46.23	32.47
1930	8,906.6	247.2	2.98	853.8	10.28	3,537.3	42.58	3,668.2	44.16	29.76
1931	9,079.6	254.9	2.81	865.5	9.53	4,002.7	44.08	3,956.5	43.58	31.87
1932	9,004.4	278.2	3.09	774.1	8.60	3,031.1	33.66	4,921.0	54.65	39.41
1933	10,078.4	314.5	3.12	649.9	6.45	4,043.2	40.12	5,070.8	60.31	40.32
1934	13,634.4	2,955.9	21.68	689.6	5.06	5,305.0	38.91	4,683.9	34.35	37.03

¹ Public money in national-bank depositories to the credit of the Treasury of the United States not included.

² Money in banks of island possessions not included.

NOTE.—Population estimated at 113,818,432 in 1924; 115,469,094 in 1925; 117,227,000 in 1926; 118,719,000 in 1927; 120,104,000 in 1928; 121,546,108 in 1929; 123,250,000 in 1930; 124,135,800 in 1931; 124,881,806 in 1932; 125,753,206 in 1933; and 126,485,606 in 1934.

The following table in regard to money and credit is self-explanatory:

	Amount of demand deposits subject to check ¹	Amount of money outstanding ²	Amount of money in the vaults or banks ³	Population of the United States (estimated ⁴)	Per capita circulation of money and credit ⁵
	Thousands	Thousands	Thousands		
June 30, 1916.....	\$12,045,909	\$2,177,100	\$2,364,600	100,757,735	\$141.16
June 30, 1917.....	10,632,323	2,579,100	3,099,700	102,172,845	129.30
June 30, 1918.....	12,116,364	3,599,000	3,307,200	103,587,955	151.71
June 30, 1919.....	14,721,725	3,895,300	3,793,100	105,003,065	177.30
June 30, 1920.....	15,679,376	4,420,300	3,738,200	106,543,031	188.65
June 30, 1921.....	16,074,125	4,984,700	4,189,800	108,207,853	185.37
June 30, 1922.....	14,334,122	3,649,200	4,626,900	109,872,675	163.67
June 30, 1923.....	14,248,370	4,046,200	4,656,600	111,537,497	164.02
June 30, 1924.....	15,061,944	3,948,500	4,898,000	113,202,319	167.93
June 30, 1925.....	16,563,201	3,876,900	4,422,500	114,867,141	177.95
June 30, 1926.....	18,208,622	3,910,100	4,518,900	116,531,963	189.81
June 30, 1927.....	21,144,148	3,866,200	4,801,100	118,196,785	211.60
June 30, 1928.....	21,059,876	3,930,100	4,188,000	119,861,607	208.49
June 30, 1929.....	21,427,747	3,947,200	4,591,600	121,526,429	208.80
June 30, 1930.....	21,087,523	3,668,200	4,638,400	123,191,060	200.95
June 30, 1931.....	18,678,236	3,956,500	5,123,100	124,070,000	182.44
June 30, 1932.....	14,327,339	4,921,000	4,083,400	124,822,000	154.21
June 30, 1933.....	13,408,593	5,070,800	5,007,600	125,693,000	147.02
June 30, 1934.....	14,961,774	4,683,900	8,950,500	126,425,000	155.39
Jan. 1, 1935 ⁶					

¹ Individual deposits subject to check in all reporting banks, as shown in the annual reports of the Comptroller of the Currency.

² Figures in this column include only money in general circulation, exclusive of amounts held by reporting banks, Federal Reserve banks, and Treasury. Source: Annual reports of the Comptroller of the Currency.

³ In the Treasury, Federal Reserve banks, and reporting banks. Source: Annual reports of the Comptroller of the Currency.

⁴ Continental United States. Estimates as of the middle of the year. Source: Statistical Abstract of the United States, 1934, p. 10.

⁵ The sum of the first and second columns divided by the population is given in the fourth column.

⁶ Not available.

I want to call attention to what Benjamin Franklin said in his Autobiography, as it is very timely today:

About this time [about the year 1729] there was a cry among the people for more paper money, only fifteen thousand pounds being extant in the province, and that soon to be sunk. The wealthy inhabitants oppos'd any addition, being against all paper currency, from an apprehension that it would depreciate, as it had done in New England, to the prejudice of all creditors. We had discuss'd this point in our Junto where I was on the side of an addition, being persuaded that the first small sum struck in 1723 had done much good by increasing the trade, employment, and number of inhabitants in the province, since I now saw all the old houses inhabited, and many new ones building; whereas I remembered well, that when I first walk'd about the streets of Philadelphia, eating my roll, I saw most of the houses in Walnut-street, between Second and Front streets, with bills on their doors, "To be let"; and many likewise in Chestnut-street and other streets, which made me then think the inhabitants of the city were deserting it one after another.

Our debates possess'd me so fully of the subject, that I wrote and printed an anonymous pamphlet on it, entitled *The Nature and Necessity of a Paper Currency*. It was well receiv'd by the common people in general; but the rich men dislik'd it, for it increas'd and strengthen'd the clamor for more money, and they happening to have no writers among them that were able to answer it, their opposition slacken'd, and the point was carried by a majority in the House. My friends there who conceiv'd I had been of some service, thought fit to reward me by employing me in printing the money; a very profitable job, and a great help to me. This was another advantage gain'd by my being able to write.

The utility of this currency became by time and experience so evident as never afterwards to be much disputed; so that it grew soon to fifty-five thousand pounds, and in 1739 to eighty thousand pounds, since which it arose during the war to upwards of three hundred and fifty thousand pounds, trade, building, and inhabitants all the while increasing, tho' I now think there are limits beyond which the quantity may be hurtful.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WOLCOTT. If I remember the quotation correctly, Franklin was differentiating between a redeemable and an irredeemable paper currency.

Mr. PATMAN. The point is, I may say to the gentleman from Michigan, that the houses in Philadelphia were vacant; "for rent" signs were on the houses on practically every street; but by increasing the circulating medium it caused good times, and people soon filled those homes. In addition to that, trade increased. That is the point I was making.

Mr. WOLCOTT. My point was that Franklin distinguished between the paper money for which there was a clamor and sound paper money which had a base behind it,

a redeemable paper money as against an irredeemable paper money.

Mr. PATMAN. I am not taking issue with the gentleman. I surmise his conclusions are correct, because Franklin states here:

I know there are limits beyond which the quantity may be hurtful.

I agree that there are, of course. In Germany the people deliberately destroyed their currency system; it was not accidentally done; they did not start out with inflation hoping to control it; they did not want to control it. They owed debts they could not pay. They could not possibly pay those debts. They did not want to repudiate them, they could not repudiate them; but they could print the money that these debts were payable in; and they deliberately and purposely printed that money in order to pay those debts, although the money was worthless. A carpenter could work half a day and pay off a \$10,000 mortgage. A farmer could raise a bushel of wheat and pay off all the debts of a lifetime; but they destroyed their currency in order to do it. In this country no one is hoping to go in that direction. We want a controlled expansion of the currency, a sufficient medium of exchange; that is all we want. We want people to be able to pay their debts with dollars that are worth approximately the same as those dollars were worth when they were borrowed. That is all the people of this country want. In order to do this, however, Congress has got to reassume its constitutional duty to coin money and regulate its value. Under our present system this great privilege and right has been farmed out to the banks of the country; and remember when these banks have a right to make this money and charge people for the Government's credit, a blanket mortgage on all the property of all the people, those banks that have this great privilege are not even under the slightest obligation to maintain a sufficient circulating medium.

[Here the gavel fell.]

Mr. PATMAN. The following is inserted as a part of my extension:

MONEY-MANUFACTURING PLANTS

There are 15,000 money-manufacturing plants; 10,000 of them are State banks and 5,000 are national banks.

In order for them to make money, people must give notes to these banks and get a credit in the form of a demand deposit. In order to decrease demand deposits or deposit currency, loans are called and paid, which cancel the demand deposits or money. In order to increase the circulating medium, someone must go in debt and pay interest.

Fifteen years ago there were 30,000 of such banks. The number has been reduced one-half, which reduces the opportunity of the people to increase the circulating medium through loans.

EARNINGS OF BANKS

The total earnings of these banks in 1933 aggregated \$1,700,000,000. Their net earnings aggregated \$525,000,000. These banks have almost ceased to function as intended; all the banks are not responsible. The great privilege has been farmed out to them of lending on an average of \$10 to every \$1 that they have available. They are not even required or obligated in any way to maintain a sufficient circulating medium of exchange. They are given this privilege, and they can honestly and legitimately use it for their own selfish, greedy advantage, without regard to the general welfare and under no obligation whatsoever to serve the general welfare.

CONGRESS RESPONSIBLE

Congress has allowed this privilege to continue, notwithstanding the constitutional requirement that Congress shall coin money and regulate the value thereof.

THREE STATES HAVE ONE-HALF DEPOSITS

The time and demand deposits aggregate about \$41,000,000,000. One-half of this amount is in three States—New York, Pennsylvania, and Massachusetts.

DEPOSIT CURRENCY

Demand deposits subject to check serve the same purpose as currency and are referred to as deposit currency. From

1926 to 1929, inclusive, these deposits amounted to \$21,000,000,000. At the end of the fiscal year in 1934 they amounted to \$14,000,000,000. Therefore, these banks destroyed \$7,000,000,000 of our circulating medium, whereas the actual money outstanding, including paper money and coins, has remained practically the same—about \$5,000,000,000—for 15 years.

It seems to be all right for the banks to destroy \$7,000,000,000 circulating medium, but if some of us attempt to restore \$2,000,000,000 of that circulating medium, we are immediately branded as radicals and fiat-money advocates.

These 15,000 money-manufacturing institutions engage principally in bookkeeping and pencil-mark transactions, but they have at their disposal the Bureau of Engraving and Printing at Washington, which is a stand-by for the purpose of furnishing the actual currency in greenback form when needed.

BANKS AS WELL AS PEOPLE VICTIMS

Let it be understood that I am not opposing individual banks or individual bankers. I am not criticizing them, but I am opposing a system that many of the banks, as well as the people, are victims of.

ISSUE DOLLAR BILL INSTEAD OF DOLLAR BOND

We must have banks. We want safe banks for the people's deposits. Personally, I prefer a 100-percent reserve for all banks and let the Government make the money on the issuance of credit. We will have no more bank failures. These 15,000 banks, having no sort of proper control, have ceased to function as such and are now commercial bookkeepers for hire and holders of Government bonds. These banks hold about \$13,000,000,000 in United States Government bonds, and they receive annually about \$400,000,000 in interest on these bonds. This is a pure subsidy. The Government should not pay interest on its own credit, and as Thomas Edison said:

If the Government can issue a dollar bond, providing for interest, that is good, it can issue a dollar bill that is good.

The banks do not pay one penny tax on these bonds to either the local government or the Federal Government.

If the 100-percent reserve requirement is enacted, we can pay off the national debt and save approximately a billion dollars a year in interest charges.

ONE-EIGHTH OF 1-PERCENT INTEREST RATE

Further, we can refinance the bonds of States, counties, and municipalities which were sold for the purpose of obtaining funds to make public improvements and for educational purposes. This refinancing should be done in a way that the interest rate will not exceed cost to the Government less than one-eighth of 1-percent annual interest. Improvement bonds in the future should be taken up by the Government at the same rate. This will reduce taxes at least 50 percent on the people, including farmers and home owners and other owners of real estate and tangible properties who are the least able to pay anything. One-half the average tax bill is for interest on bonds.

Estimate of additional revenue that would have been derived under the income and excess-profits tax rates of the year 1918 continued in subsequent years, with effect upon the public debt by the application of such additional revenue thereto

INDIVIDUAL—INCOME TAX

Year	Actual net income	Actual tax	Theoretical tax	Excess
1918	\$15,924,639,000	\$1,127,722,000	\$1,127,722,000	-----
1919	19,859,491,000	1,269,630,000	1,406,052,000	\$136,422,000
1920	23,735,629,000	1,075,054,000	1,680,483,000	605,429,000
1921	19,577,213,000	719,387,000	1,386,067,000	666,680,000
1922	21,336,213,000	861,057,000	1,510,604,000	649,547,000
1923	24,777,466,000	661,666,000	1,754,245,000	1,092,579,000
1924	25,656,153,000	704,265,000	1,816,456,000	1,112,191,000
1925	21,894,576,000	734,555,000	1,550,136,000	815,581,000
1926	21,958,506,000	732,471,000	1,554,662,000	822,191,000
Total	178,795,247,000	6,758,085,000	12,658,705,000	6,490,620,000
1927	22,545,091,000	830,639,000	1,596,192,000	765,553,000
Total	201,340,338,000	7,588,724,000	14,254,897,000	7,166,173,000

Estimate of additional revenue that would have been derived under the income and excess-profits tax rates of the year 1918 continued in subsequent years, with effect upon the public debt by the application of such additional revenue thereto—Continued

CORPORATIONS—INCOME AND EXCESS-PROFITS TAXES

Year	Actual net income	Theoretical net income	Actual tax	Theoretical tax	Excess
1918	\$8,361,511,000	-----	\$3,158,764,000	-----	-----
1919	9,411,418,000	\$8,031,704,000	2,175,342,000	\$3,034,137,000	\$858,795,000
1920	7,902,655,000	6,542,608,000	1,625,235,000	2,471,601,000	846,366,000
1921	4,336,048,000	3,399,895,000	701,576,000	1,284,378,000	582,802,000
1922	6,963,811,000	5,222,858,000	783,776,000	1,973,060,000	1,189,284,000
1923	8,321,529,000	6,241,147,000	937,106,000	2,357,743,000	1,420,637,000
1924	7,586,652,000	5,689,989,000	881,550,000	2,149,530,000	1,267,980,000
1925	9,583,684,000	7,187,763,000	1,170,331,000	2,715,350,000	1,545,019,000
1926	9,673,403,000	7,265,052,000	1,229,797,000	2,740,770,000	1,510,973,000
Total	63,779,200,000	49,571,016,000	9,504,713,000	18,726,569,000	9,221,856,000
1927	8,981,884,000	6,736,413,000	1,130,674,000	2,544,842,000	1,414,168,000
Total	72,761,084,000	56,307,429,000	10,635,387,000	21,271,411,000	10,636,024,000

Public debt June 30, 1926..... \$19,643,000,000
 Additional revenue if rates continued through 1926..... \$15,122,476,000
 Probable saving in interest by annual payment of such additional revenue on public debt..... 2,450,000,000
 17,572,476,000

Balance of debt, 1926..... 2,070,524,000

Public debt June 30, 1927..... 18,510,000,000
 Additional revenue if rates continued through 1927..... 17,302,197,000
 Probable saving of interest by annual payment of such additional revenue on public debt..... 2,750,000,000
 20,052,197,000

Surplus after complete payment of public debt.... 1,542,197,000

NOTE.—It is assumed that business profits (net income) would not have been depressed by the high tax.

(This statement prepared by the Joint Committee on Internal Revenue Taxation. Mr. L. H. Parker, Chief of Staff.)

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JOHNSON of West Virginia, indefinitely, on account of illness.

"PINK SLIP" PUBLICITY—A GOVERNMENTAL INVASION OF THE PRIVATE RIGHTS AND SECURITY OF THE CITIZEN

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BACON. Mr. Speaker, I wish to discuss a question which I believe goes to the very fundamentals of our rights and privileges as American citizens—whether or not the personal relationship of the private citizen to his Government on matters pertaining between them alone shall be publicly exposed and exploited.

I refer, of course, to the natural and inherent right of privacy that every law-abiding man and woman has under a democratic form of government, and more specifically to the jeopardy of those rights through the publication of everyone's intimate business and personal affairs through the famous "pink slip" publicity clause in the Revenue Act of 1934.

It appeals to me as a natural, and particularly an American, concept that a citizen's relations with his Government on tax matters, where the general public interest does not

otherwise decree, should be inviolate and of necessity should be held in confidence as against every third person.

While much public sentiment has been aroused, I do not believe it has yet addressed itself adequately to the fundamental and underlying principle that is involved—whether such confidential relations and knowledge shall be published for the use of third persons who cannot possibly justify any logical social right to them.

Involved in the question also, and inseparably mixed with it, is the citizen's right to personal security, which I feel will be seriously jeopardized through the promiscuous broadcasting of the details of his personal and private affairs.

The right to privacy and security has come down to us through the centuries. It is a natural and inherent right.

It is not a gift of law; it is a gift from our forefathers. It should be ours to bequeath on. It is a right independently secured, rooted in developing customs, and recognized by the old common law. It is not such a right that can be capriciously breached or its meaning twisted by new or uncommon interpretations.

But, whether we fully realize it or not, I can see the beginning of a destruction of this inherent and natural right, of this peculiarly American concept of the right to privacy and security. That this threat touches only one group in our country does not affect the principle.

This indefensible situation has been gradually and insidiously developing. Probably unnoticed or not seriously considered by the average citizen as exposing him to any dangerous loss of rights, he has suddenly become faced with the naked realization of all that is involved.

Like so many other governmental policies and tendencies, the growth has been through slight deviations and indirect approaches. In times of depression or national disturbances, this tendency is generally unnoticed, because then the average citizen's vigilance is caught off guard by the necessity of giving practically exclusive consideration to the necessities of his own circumstances, and it is also the time when he may be more or less passive in accepting new laws and rules, which are held out to him as being vitally necessary in the proper running of the country's economic machine.

And so, in the case of the infamous "pink slip" publicity provision of law the citizen finally wakes up, and perhaps too late to defend himself.

In the discussions attending the submission of the income-tax amendment to the people, it was emphatically stated by leaders of all political parties that the information obtained by the Government in levying income taxes would be confidential. At that time this question was very much in the minds of the American Congress, the State legislatures that ratified the amendment, and the American people. And thus we find in the original act of 1913 it was specifically provided that all income-tax returns should be open to inspection only by explicit order of the President himself, under rules and regulations prescribed by the Secretary of the Treasury and having the express approval of the President.

This provision of law was carried intact in all subsequent revenue acts down to 1924. The right given to the President to provide for the inspection of returns, presumably contemplated the possible development of some situation where it would be distinctly in the public interest to have the returns opened to scrutiny. It was no doubt felt that in extraordinary circumstances and where the public interest or the common good demanded it, the right to provide for inspection of income-tax returns should lie within the authority of the President. But conversely, it is fair to assume that the recognition of the confidential relationship between the citizen and his Government in income-tax matters would be held inviolate and not be subjected to transgression except the public interest or the common good demanded it.

So up to 1924 this policy prevailed. However, in that year we find the first definite translation of the agitation to make public income-tax returns. The 1924 law provided that income taxes paid should be made available to public inspection in the office of the collector of internal revenue in each district and any other place the Commissioner of Internal Revenue should determine. The information that

was required to be made public consisted of the name and the post-office address of each person making an income-tax return together with the amount of the income tax paid by each person. In the 1924 act also was included the requirement giving to the Ways and Means Committee of the House of Representatives and the Committee on Finance of the Senate, or any special committee of either House or Senate, the right to call on the Secretary of the Treasury for any data contained in income-tax returns for their inspection and scrutiny.

This latter provision was as patently in the public interest as the first was not. And this latter provision, also, has been in the law since and is in the law now.

But the provision in the 1924 act providing for the exposure of the tax paid to anybody and everybody was the successful beginning of that insistence for full publicity, especially from certain quarters, which finally led to the present "pink slip" provision.

The results of the 1924 provision were misleading, harmful, and generally unfortunate. An aroused citizenship demanded its repeal. The officials of the Treasury themselves testified that no useful purpose was served, and they themselves recommended the repeal of the law. Thus, after the harmful experience of the 1924 law the provision was repealed in the act of 1926.

But agitation for full publicity did not die with the repeal of the 1924 law. The flame of its enthusiasm burned brightly or dimly in the intervening years, depending entirely on the position of the political weathercock, and also, it must be said, on the degree of reception to demagogic appeals to class distinctions which were aroused for obviously selfish political purposes.

I do not include in this charge sincere friends of tax publicity, although I distinctly question the soundness of their reasoning. But in the main the agitation was kept alive by politicians, in and out of Congress, who humbugged some people into thinking that publicity would bring an end to all evils.

In the consideration of the 1932 act a particularly determined effort was made to provide for full publicity, not only of the tax paid, but of every item of whatsoever kind that would be included in the return. This was defeated. And, generally, the right remained in the President to provide for inspections in his discretion when presumably the public interest demanded disclosure.

But the movement toward mandatory and full publication continued on. And in the 1934 act we see included, for the first time, a provision for obligatory income-tax publicity. There we find the addition of the infamous section 55 (b), which provides for the full publication of the information required by the notorious pink slip.

This "pink slip" which all taxpayers have received, requires that the following information be given:

The name and address of the taxpayer; total gross income; total deductions; net income; total credits against net income; and tax payable.

There is no longer any safeguard thrown around this publicity provision—that publicity shall be subject only to rules and regulations prescribed by the Treasury and approved by the President. This is mandatory, and whether the President wills or not, the publicity must be given. I am informed that the Treasury Department feels that in order to carry out the letter and spirit of this section they will feel obligated to furnish to anyone the "pink slip" information.

This means, in a practical way, that sometime after the 15th of March there will be furnished to the press of the country tabulated lists of all those who have filed a return, whether they pay a tax or not. To put it more concretely, every single man or woman who has a net income of \$1,000 a year or over and every married man or woman who has a net income of \$2,500 a year or over will appear on the tabulations that will be furnished to the press of the country.

Every little country newspaper, if it can afford to give space for this free and delectable advertising, can parade the list on its front page of those living in the towns and villages within their circulations. Every newspaper in the

country, whether a city daily or a country weekly, will rush to Washington or the different internal-revenue offices for the information exposing the intimate affairs of the people in their communities to the public gaze.

This is the situation that confronts us today. I am here tonight to appeal to you and all other honest citizens to join together in a nonpartisan and nonpolitical effort to repeal this obnoxious section. I say nonpolitical and nonpartisan advisedly, because I want to recall to your mind the fact that when this section was introduced in the Revenue Act of 1934 it was not advocated or supported by the President or by his Secretary of the Treasury. This section was not in the revenue bill as it came to the House originally. It slipped into the law during the closing days of the last Congress as the final result of an amendment adopted by the Senate providing for full publicity of the entire return. This amendment was offered by Senator LA FOLLETTE and carried by 7 votes, with 21 Senators absent.

The amendment of Senator LA FOLLETTE went much further than the "pink slip" amendment, and when the bill went to conference all the House conferees could do was to modify it as much as they could. The result of this modification is the present "pink slip" section. The conference report came up in the House and was adopted without a roll call in the closing days, and so the "pink slip" section became a law with the President's signature of the revenue bill. It was felt that the compromise, bad as it was, was the best that could be obtained without jeopardizing the passage of the revenue bill.

I want to emphasize, however, again that this proposal was not recommended by the administration. I do not know how it feels toward the "pink slip" section. I should like to know. But, having in mind the fact that it has never availed itself of the right to order public inspections of returns heretofore, I have every hope that the administration will favor its repeal when the time comes.

On February 8 I introduced a bill to repeal section 55 (b), the "pink slip" section, and this measure is now before the Ways and Means Committee of the House. The chairman of the committee and the Speaker of the House have both publicly declared themselves in favor of the repeal of this section. I have requested a hearing and action on my bill, and have been informed that the committee cannot take up this bill or any similar bill until after they have disposed of what is known as the "Economic Security Act", involving old-age pensions and unemployment insurance, and also the different bonus measures. These two measures will take a long time, and hearings on both may be lengthy. However, the proposal to repeal this section is a very simple matter and should not take more than an hour's discussion before coming to a decision.

Let us now turn to the implications and results that will occur should the Congress take no action looking toward the repeal of this section. And in fairness, also, let us examine first the claims of the proponents of this proposal.

In all the years of income-tax publicity agitation, the alleged primary purpose of the movement's leading crusaders is the prevention of tax evasions. They have gone on the theory that full publicity would deter and frighten the potential taxpayer who was flirting with schemes to defraud his government; that full publicity would wield a psychological effect in inducing such honesty as greatly to augment the Government's income. They have argued that the burning light of publicity would make a man think twice before he adopted ingenious schemes to establish losses for deduction purposes, and so keep down his taxes; that it would prevent him from claiming offsets to which he was not entitled; that it would materially cut down the instances of shocking tax evasions that have been brought to light within the past few years.

The argument has been made that to assure secrecy would also assure trickery and fraud on the part of the taxpayer, and that, therefore, it was necessary and in the public interest to expose the returns to public inspection. And one particularly strange suggestion that has been advanced is that it would provide a full opportunity for employees of the

Internal Revenue Bureau, on their own responsibility, to run to Members of Congress and of the Senate and advise them of the things that were rotten, not in Denmark but in the office of the Commissioner of Internal Revenue.

However, these arguments may apply either to the alleged benefits to be gained from full publicity, or under the "pink slip" section, I think it is pretty obvious that they contemplate the presumption of crookedness against the taxpayer. And so far as the Internal Revenue Bureau is concerned it is a rather sad commentary on administration. But admitting for the sake of the discussion that there may be individual instances where taxpayers might resort to false and fraudulent returns, the arguments of the proponents of publicity still remain an indictment of the whole body of taxpayers as a class.

It is here that I think they lose their proper sense of perspective. I do not think they themselves seriously believe that the great body of taxpayers want to defraud the Government. However, the conscientious publicity proponent is so obsessed with the idea of reaching the big and wealthy tax evader that he entirely loses sight of the effects of publicity on that vast majority of citizens whose incomes are moderate, over 90 percent of whom are in the classes with incomes ranging from \$1,000 up to \$5,000.

The honest publicity proponents want to expose the wealthy corporation tax evader. Here again they fall into error in thinking that all corporations are wealthy.

In both cases the publicity proponents are seemingly willing to ruthlessly sacrifice over nine-tenths of all those making returns in order to get the returns of individuals and corporations of large wealth spread out to the scrutiny of the public.

But returning to the "pink slip" and the information it requires, is it to be expected that this requirement will frighten a man into reporting an income he might otherwise conceal; or of making him think twice before he establishes a fictitious loss; or of claiming offsets to which he is not entitled? Hardly. So far as inducing the reporting of a taxable income is concerned, our experience with the 1924 act demonstrates that it will not have any such effect. The psychological effect may well be that it will scare people into not making returns, for fear of the involved publicity.

So far as the other arguments for publicity are concerned, that there is some advantage of utility to the Government in preventing the establishment of fictitious losses and offsets, or collusion between employees of the Internal Revenue Bureau and the taxpayers, I can only answer that the "pink slip" disclosure contains no essence of information that would be of any utility in reaching such evasions. It cannot possibly, by any stretch of the imagination, give any information which might show the juggling of a man's income-tax items. If there is any juggling the Government is in a full position, already, to detect it, because it has the full return in its files, item by item.

There has been honest and dishonest salesmanship of income-tax publicity as a policy. I cannot agree with the reasoning advanced by those honestly adhering to the view of its usefulness in the public interest.

But more often than not, in my estimation, this agitation for publicity has been boiled in the cooking pots of demagogues whose ulterior motives are not the public interest but class cleavage and the creation of class hatreds.

Their appeal for support of their aims has not been one based on exposition and reasoning, but on oratory and bombast calculated to bring distortion to the average man's viewpoint. The effects of their agitation can but breed discord and mutual distrust.

And where their efforts have not been organized with any definite objective in mind the most kindly thing I can say is I suspect it is their hope that with the advent of full publicity for income taxes, or even of the "pink slip" provision, they will be afforded generous opportunities to go on fishing expeditions which will assure them a fair catch—of notoriety and free space in the country's press.

I cannot agree that these "pink slips", these infamous writs of assistance to snoopers, will freshen the flow of revenue

into the Treasury. Rather, they will serve to dam it up. The more obstacles and obstructions we place in the taxpayer's way the more the element of reluctance will appear in his cooperation.

The ideal income-tax provisions would, of course, be those that would create a natural and automatic flow of revenues to the Treasury and that would obviate the necessity of having the vast auditing and checking machinery in vogue, the upkeep of which is in itself an expensive item. Simplicity of return requirements may aid in this direction, but if we are to get full cooperation from the taxpayers, we must presume their honesty, we must respect their confidence, and hold out the hand not of oppression but of cooperation.

To legislate a presumption of crookedness against the taxpayer, as the "pink slip" section does, will not help. It will hurt, and under the "pink slip" section I see a definite encouragement to tax evasion. In this I am generally supported, I believe, by a statement made by the Treasury Department in the hearings on the 1926 revenue bill, which declared:

There is a provision in the present act (1924) for publicity of the amount of tax paid by every taxpayer. The publicity is utterly useless from a Treasury standpoint. * * * All of the supervising internal-revenue agents report that no additional tax has been collected due to the publicity provision, and all of them recommend its repeal. * * * The returns and all information in connection therewith are readily available to the Treasury. The amount of tax paid is no true indication of the income of the individual. There are all kinds of losses and deductions. To make publicity complete would expose every trade secret to the taxpayer's competitor. It would do nothing to aid the Treasury or to increase the Government revenue. On the contrary, publicity encourages further tax evasion and loss of revenue. There is no excuse for the present publicity provision except the gratification of idle curiosity. * * * No other country I know of publishes this information. Why should we in a free country insist on the exposure of the personal affairs of our citizens to the world?

In this connection allow me to draw from the experience of Wisconsin with the publication of income-tax returns. Wisconsin is the only State that has such a law on its books today. In 1930 the Wisconsin Tax Commission, in its formal report, said:

The repeal of the secrecy clause by the 1923 legislature opened all income-tax returns to public inspection. The repeal was urged and passed upon the supposition that public inspection would result in fewer incorrect returns and in discovering much unreported income. These expected results have not materialized in any degree in the administration of either the individual or the corporation returns. There have been no instances where public inspection has brought forth unreported income; and as to its anticipated effect in producing more correct income returns, experience has shown that it has had the opposite effect. Knowing that their returns are open to inspection, taxpayers consolidate and condense their reports to make them as unintelligible as possible to those inspecting them, thus making their auditing by the commission or by the income-tax assessor more arduous, necessitating additional work, considerably more correspondence, and consequent expense and delay. * * *

The commission does not favor any secrecy of returns that would bar examinations in the public interest, but it does suggest that the promiscuous misuse of files for private purposes, to the great inconvenience and annoyance of officials and the expense of the State, ought to be discontinued. No other State or country having such files in custody permits such misuse of them. These files contain the record of the lifeblood and register the pulse of the person and private business affairs of our own taxpayers and should be accessible only when the public interest is concerned.

And on this general point let us see the practice of England. The mother country emphatically does not permit publicity of income-tax returns. In fact, the inspector or surveyor of taxes in Great Britain, who corresponds to our revenue agent, cannot even go to the original books of the taxpayer as a matter of right. The inspector of taxes, on taking office, takes an oath promising not to make public information in respect to income-tax returns.

In the United States appeals in the great majority of cases go to the Board of Tax Appeals, whose hearings have always been public. In Great Britain the general and special commissioners perform the appeal function of our Board of Tax Appeals, and the hearings before such commissioners are secret. The only time a person's income-tax case becomes wholly or partly public in Great Britain is when a case is appealed from the decision of the general or special commissioners to the King's bench division of the high court of

judicature. I have been told by an expert of eminence—these have been his words practically verbatim—that there can be no doubt that Great Britain has pursued a policy of still greater secrecy in income-tax matters than has ever been pursued in this country even before the enactment of the Revenue Act of 1934.

And the highest judicial authority in our land, the United States Supreme Court, has signified its recognition of the serious effects that might flow from not properly safeguarded disclosures of income-tax returns. In one case before it they declared:

The interests of persons compelled, under the revenue laws, to furnish information as to their private business affairs would often be seriously affected if the disclosures so made were not properly guarded.

Let me remind you here that the repeal of this section will in no way affect other provisions of the act making available all income-tax details to the Treasury Department, the committees of Congress, and to States and municipalities which have the right to ask this information of the Federal Government, and even for publication if the President should see fit. Thus the rights of the Government would continue to be fully protected.

Now to turn to some of the evil effects that will flow if this provision is not repealed. Let us try to visualize some of the direct consequences and at the same time balance them against the alleged benefits of publicity. Who will be the most interested parties to scan the publication of these returns? First of all the idle curious, the gossip, and those who take pleasure in snooping into other people's business. Picture, if you will, to yourselves the idle gossips around a country store or the country post office going over the publication of these returns in the local country weekly.

Offhand this might seem to be an innocent pastime. If the amusement, such as it may give, were simply enjoyed for the moment and the information immediately forgotten, the results would not be particularly worrisome. However, in idle and prurient gossip we have a distinct outrage on the citizen's feelings. The man or woman on the advertised list, and their families, become not only the butt for humor of a sort but for malicious stories. All those in the community on the list will be talked about, wondered about; talk will beget talk until ill feelings are bound to become engendered, resulting in the creation of social discord and in definite damage to social standards.

But far more serious than the idle gossip are those classes of people who make it a business of compiling sucker lists to sell. We all know that despite the enactment of the Securities and Exchange Act that there are still going about this land glib salesmen selling fake securities to the gullible, either through the mails or by house-to-house canvasses. With what glee will these issuers of fake securities pounce upon the list of citizens who have a net income of over a thousand dollars a year! The widow or the woman living alone with a small or moderate, or even a comfortable, income will be immediately preyed upon by these contemptible gentry.

You can all readily think of the many kinds of importunities that citizens will be subjected to—the book agent, the fake charity racket, crooked real-estate salesmen, poor relatives, and so on—will all welcome these sucker lists and this information.

During the last few years the daily newspapers have been filled with accounts of racketeers, blackmailers, and kidnapers. In my opinion the publication of these lists will be one of the greatest incentives to crime that can possibly be imagined. The Dillingers, the Carpis, and the "Baby Face" Nelsons and their ilk will eagerly scan each list in his own community for a clue as to possible profitable victims. So far as this criminal element is concerned, the Government, in effect, will be furnishing a "who's who" list of prospects. It might just as well furnish these lists to the kidnaper and racketeer direct and be done with it.

I have referred to the Wisconsin law, and you may be interested to know that the main use made of the publication of the Wisconsin income-tax returns was in the prepara-

tion of lists that were hawked about and sold to those who had no legitimate reason for having them. The result was such a scandal that the Wisconsin Legislature in 1933 was obliged to pass a law to prevent the sale of these lists by those who were hawking them about, and they imposed a severe penalty, a fine or imprisonment, or both.

And let me remind you, in connection with the "pink slip" provision, that there is no safeguard thrown around its publication similar to that afforded by the Wisconsin law. We intend to dish out this information indiscriminately, to permit its compilation and sale, in whole or in part, and for the use of any who may desire it.

One of the most serious abuses that will be brought about by this section is the publication of business information to a man's competitor, and I am not at this moment thinking of large business or industry, as such; but the smaller business men in the cities, and the small merchants in the towns of the country. The disclosure of his intimate business and financial set-up will be eagerly scanned by his competitors and by his creditors.

We have been going through a depression. Many businesses have necessarily met with reverses and many are in the red. To parade their misfortunes at this time particularly would be the height of folly and would retard business recovery. In some cases the small business man's credit might be so affected that it would drive him to the wall. Many individuals have suffered losses in the past 2 years. They have been courageously trying to recover; many are skating on thin ice. To suddenly throw the light of such publicity on their intimate business affairs not only will hurt their credit, if not jeopardize it, but will submit them to unnecessary humiliation and discouragement, and in many instances may thoroughly break down their morale.

In advocating the repeal of this section I have not thought primarily of the man of large means but of the man who groups himself in the smaller brackets, where over 90 percent or more of all the returns are represented. The world knows who the large taxpayers are; the world knows those who have large incomes. Whether their incomes this year or next year, or any year, will be smaller or larger than the public might have expected may be of passing interest, but it will not cause particular comment.

I am primarily concerned with the man or woman, the smaller industry or business, in the lower brackets. They are the ones who will be most seriously injured. They are the ones who live in the smaller towns of the country, and they are the ones who will have to bear the humiliation and see their private affairs spread out on the front page of their country weekly. Many people seem to think that this publicity affects only those of wealth. I cannot too strongly emphasize again that it affects every single man with a net income of a thousand dollars and every married man with a net income of \$2,500 or over, and this whether he pays a tax or not.

I have had a large mail, bringing in protests from all parts of the country. I have yet to identify a single man or woman who has written me as a person of large means. The big body of protests has come from small merchants and business men throughout the country who are concerned over the parading of their intimate business affairs in the press.

And there is the professional man who may not want to advertise his success or have his failure exposed. In this connection it must be remembered that the information on the "pink slips" may be entirely false as to a man's success or failure. A doctor may have sustained a severe loss in the stock market which would wipe out his taxable income, and yet he might be paraded before the world as an unsuccessful doctor without patients. The same thing applies to the lawyer, and in fact to every other professional man.

On the other hand, in the case of the doctor, a small country physician may have made a successful speculation in real estate. His return for the year might be three or five times his ordinary income. We all know that lawyers and doctors are having considerable difficulty collecting their fees at the present time. In the case I have cited his difficulty might be increased tenfold.

I cannot begin, in the short space of an evening, to uncover all the ramifications, embarrassments, distress, humiliation, and discouragements that will put themselves in the way of the smaller taxpayers unless this section is repealed.

There has been a tendency in Washington of late to throw obstruction in the way of business. I, for one, am ready to believe that 99.99 percent of American business men, industrialists, and professional men are honest and law-abiding American citizens.

There are some people, of course, who have been too prone to judge the large majority by the backslidings of the very few. We cannot base our laws in consideration of a small criminal element. If this country is to recover, it will only recover through the common sense, genius, and application to business of the average American. Government should give him a chance; government should assume he is honest, as we all know him to be. This publicity clause is but another obstacle in the way of recovery. I, for one, believe that these obstacles, and this one in particular, should be removed so that the honest, law-abiding American can have a chance to go ahead without the worry and fear of the dead hand of government being stretched out to search and expose and exploit his private intimate business affairs.

I want for a moment to recur again to the broad considerations of principle involved in this question. They are not light or transient. They distinctly affect not only our inalienable right to privacy and security but the happiness of our lives.

Whether I have persuaded your agreement with my viewpoint or not, I feel that our privileges as free citizens are jeopardized by the "pink slip" clause in question.

There is the distinct deprivation of the right of privacy, and there is the jeopardy to our personal security. This may not be immediate, but it exists; our personal security is lessened, not only through fear but by the real threats that are within the range of probability.

In the complex composition of our population we have unfortunately progressed to a point where crime is organized. "Make war on crime" is now a catch phrase. If we admit, as we must, too large an existence of criminal elements and ingenious means to take advantage of information respecting an individual's private income, it is distinctly against the public interest to take any step which would lessen our security from such attacks. If we admit there are risks, then the "pink slip" clause definitely jeopardizes our personal security. It subjects the taxpayer not only to the loss of his privacy but to real fears and disquiet and distress without leaving him with any defense.

The provision smothers the guaranties of privacy and security.

It promotes trespass, even if it is only through the eye.

It is abhorrent to our sense of fair play.

If we remain passive, submissive; if we yield and submit to this rape of our rights; if we prostrate and bow ourselves low, where will the end be?

Will not our timid submission to the publicity section lay us open and make us more vulnerable to even more repulsive governmental practices?

THE 30-HOUR WEEK AND THE MONOPOLY OF THE RADIO

Mr. WOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an address delivered by the gentleman from Massachusetts [Mr. CONNERY] over station WEVD on the 30-hour-week bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by Hon. WILLIAM CONNERY, of Massachusetts, over station WEVD of New York City on the 30-hour week and the Monopoly of the Radio, February 21, 1935:

Friends of WEVD I greet you.

It is a pleasure and a privilege to address the many thousands of industrial workers who make possible the continuation of this real labor station.

The problems of labor—of the industrial workers—were never greater than they are at the present time. With 11,000,000 or more unemployed; with many millions dependent upon Government relief for even a mere existence; with ruthless and callous-hearted captains of industry continuing to exploit the unorganized workers in order that they may pile up additional millions of mere dollars; with social-service workers employed by the Government, most of them receiving large salaries, invading the homes of the workers and virtually telling them what they can eat and where they can live, it is only the strength of the organized labor movement—the American Federation of Labor and its constituent national and international labor unions—which protects the industrial workers of our country from being forced back to where we were before we emerged from serfdom.

President Roosevelt has just asked Congress to continue the National Industrial Recovery Act for another 2-year period. President Roosevelt rightfully states that the N. I. R. A. has virtually abolished child labor; has reduced the hours of labor in most cases to 40 per week, which is too long; has eliminated the cutthroat competition existent in many industries, which was possible only through the sweating of the exploited workers, and had established minimum wages for most of our exploited workers.

Yet had the administration accepted the Connery 30-hour-work-week bill 2 years ago, which bill was unanimously reported to the House by the Labor Committee, of which I have the honor of being chairman, these good conditions would all be the law of the land today. This bill was reported out 2 months or more before the birth of the N. R. A. In addition, the Connery bill established a real partnership of the Government with labor and industry, with labor having equal representation on all boards created. Also the passage of the Connery bill would have provided employment for at least four and possibly six of the eleven or more millions of unemployed. These four or even six million industrial workers, employed at profitable wages, would have been able to care for themselves and their families without being dependent upon Government relief.

It will please you to know that yesterday the subcommittee of the Senate Judiciary Committee voted 4 to 1 to report favorably the 30-hour-work week bill. I understand that the Senate Judiciary Committee will report this week favorably to the Senate after their meeting next Monday.

Every self-respecting American worker seeks work, not charity. Government figures show that if we are ever to emerge from this present depression it will be done only through providing profitable employment for our millions of American industrial workers. It is they who constitute the great mass of purchasing power which has made America the greatest country in the world.

The House Committee on Labor is now holding hearings on the Connery bill, which bill provides that labor shall have equal representation with employers on all boards, codes, and other agencies or commissions set up by our Government. We have heard the testimony of several labor officials, and also we have listened to the testimony of Donald Richberg, one-time noted labor attorney, who is now referred to in Washington as the assistant President. While at one time labor looked to Richberg as their friend, that time has passed, and he has lately been severely criticized and condemned by the great officials of the labor movement.

Testimony has been given to our committee indicating that the N. R. A. has failed due to the fact that most of the codes are controlled and operated by the very people Congress in enacting the N. R. A. set out to penalize—the ruthless and calloused captains of industry. The codes have failed in many instances, due entirely to the fact that very few of the codes provide for any representatives of the workers. The codes have failed because the N. R. A. has not properly enforced section 7A. This was the one section of the bill supposed to guarantee to labor the right to organize. The Congress struck out of the bill a proviso which would have legalized company unions. Yet company unionism, despite the expressed opposition of the Congress, has been recognized and permitted to function under rulings of Richberg and others.

The testimony recently presented to the Committee on Labor by I. M. Ornburn, secretary of the union label trades department of the American Federation of Labor, and president of the Cigar Makers International Union, was most illuminating. Ornburn showed that the cigarette industry, represented for months in the N. R. A. by S. Clay Williams, Chairman of the Administrative Division of the N. R. A., recently put over a code for the cigarette industry which permits of the continued payment to the exploited workers of that industry wages as low as 12 cents per hour. This industry has earned greater profits during the last 4 depression years than they ever earned before. The labor cost of making cigarettes, we were shown, is less than 2 percent of the wholesale value of the cigarettes. That is the type of cooperation which President Roosevelt has received from the great captains of industry whom he placed in executive positions in the N. R. A. in his effort to bring back prosperity to America.

It was shown to our committee—and I am citing this industry simply as an illustration—that while the four large cigarette companies, which you might describe as the "trust", producing almost 90 percent of all the cigarettes produced in America, insisted that they be permitted to continue to exploit their workers, the two large independent cigarette companies, both unionized, who sell the 10-cent packages of cigarettes, were willing and wired the President of their willingness to subscribe to a code with wages 40 percent greater than those provided for in the code put over by the cigarette trust. The efforts of the unionized cigar manu-

facturers to better the conditions of the workers in that industry were in vain, as the influence of big business in the present set-up of N. R. A. is most apparent in Washington.

Incidentally, to show you the unfairness of present-day conditions, the Government imposes a flat tax of 6 cents per package of 20 cigarettes. When those cigarettes sell for 10 cents, which are the cigarettes put out by the unionized factories, the manufacturer has but 4 cents with which to pay for his tobacco, his labor, his printing, his overhead, and his profit; while the nonunion cigarettes, selling for 15 cents or two for a quarter, the product of the exploited workers of the nonunion cigarette manufacturers, after paying the tax of 6 cents, leaves the profiteering manufacturer 9 cents with which to pay for tobacco, his labor, etc.

Is it any wonder that President Roosevelt, in his message to Congress yesterday, said—I quote: "Monopolies and private price fixing within industries must not be allowed or condoned."

President Roosevelt has found that the large industries of this country—while millions of our workers were dependent upon the Government for relief—as a result of the operation of the N. R. A. had added thousands of millions of dollars in profits as a result of the long hours the workers are forced to work and the increased prices which have resulted through the suspension of the anti-trust laws.

Possibly it might be well to use the condition of your own radio station, WEVD, as a further example of how the great captains of industry exploit not only the workers of our country but even the properties of the country as well.

The radio-broadcasting industry is, on the whole, one of the most profitable industries we have. The radio-broadcasting industry exists through a franchise, given to a licensee by the Federal Communications Commission, an agency of Congress. Congress has specifically stated that no holder of a radio license has any property right in the air. The license is renewable every 6 months, and that specification Congress laid down to eliminate, as it thought, monopoly.

Despite the fact that we have eleven or more millions of workers unemployed, and that most American industries are restricted to a 40-hour-work week, the radio broadcasting industry, child of the Power Trust, is able to force its workers to work 48 hours each week. And, apparently, there is no force in the N. R. A. or in the Federal Communications Commission strong enough or interested enough in the workers employed in the radio broadcasting industry to shorten these long hours. In addition, each of the two networks have created company unions, with the full knowledge of the officials of the N. R. A.

This radio station, WEVD, owned as I understand by representatives of the workers and operated for the benefit of the workers, is a legitimate, non-profit-making, labor, educational institution. One of your officers, David Dubinsky, president of the Ladies Garment Workers International Union, has lately been honored with elevation to a vice presidency of the American Federation of Labor. Officials of the American Federation of Labor, with whom I am in constant contact, tell me of the great work President Dubinsky has done for the workers of his industry.

As I stated to you a few moments ago, it was the intent of Congress, expressly written into the law, that there was to be no monopoly in radio broadcasting. Senator Dill, recognized as an authority on radio legislation, stated on March 19, 1932, only 2 years ago—I quote: "Chain organizations are especially guilty of this (referring to attempted monopoly). The National Broadcasting Co. owns or controls 12 stations and most of them on cleared channels with high power. The Columbia owns 5 and controls 3 additional, most of which are on cleared channels with high power. The American people", continued Senator Dill, "will never permit the enlargement of this ownership to any great extent as a permanent policy", end of quotation. And yet, within 2 years of the making of that statement—and while Senator Dill was still a Member of the Senate—the National Broadcasting Co., the child of the Power Trust, added eight additional stations to their chains. Of course, you know, or you should know, that the National Broadcasting Co. is owned and controlled by the Power Trust, with M. H. Aylesworth, former managing director of the National Electric Light Association, in supreme command.

To refresh the memories of some of my listeners I might add that this same Mr. Aylesworth is the same gentleman the Federal Trade Commission, in its report on the Power Trust and public utilities, found expended or authorized the expenditure of large sums of money to influence college professors and teachers in our colleges and schools to write and to lecture on subjects helpful to the enlarged and continued profits of the Power Trust through the continued exploitation of the consumers of gas and electric lights.

Three years ago I was appealed to by representatives of the American Federation of Labor to sponsor legislation directing the Federal Radio Commission, the predecessor of the present Communications Commission, to assign a clear-channel wave length to labor. As a result of the efforts put forth by the friends of the American Federation of Labor in the Congress of the United States, and to prevent the necessity of Congress assigning these invaluable radio facilities, the Federal Radio Commission prevailed upon the National Broadcasting Co. to consent to WCFL, the radio station operated by the Chicago Federation of Labor, having unlimited time with power of 5,000 watts on 970. The National Broadcasting Co. further agreed that no additional radio stations would be assigned to this wave length without the consent of the American Federation of Labor.

The American Federation of Labor recognized the value of their having a clear-channel wave length, and only at the last convention they reaffirmed their demand for the continued ownership of

this wave length, with the further stipulation that no radio station, other than those owned and controlled by labor, be placed on this wave length.

Last Saturday morning, while conversing with one of the news reporters in my office, I was amazed to learn that this wave length is no longer to be the property of the American Federation of Labor, but that additional commercial radio stations in Albany, N. Y., Fort Worth, Tex., and Miami, Fla., are to be placed on the same wave length.

While I am Chairman of the House Committee on Labor, I am not an officer of the American Federation of Labor, and I do not interfere in the internal affairs of the organization.

However, knowing of the good work your radio station has done in the past and realizing how much greater work your radio station would do if it had a more desirable wave length with additional power and unlimited hours, instead of the miserly hours and low power now assigned to you, I voluntarily wrote to the members of the Broadcast Division of the Federal Communications Commission and protested against other stations being assigned to this labor wave length. I also suggested that if they were going to destroy this property of labor by permitting other commercial interests the use of it, that they ought to consider your problem and give this legitimate labor radio station—WEVD—an opportunity of being placed on this wave length.

Former Congressman Anning Prall, of Staten Island, is now the Chairman of the Broadcast Division, and he answered my letter. He suggested that there are other stations in New York which might be interfered with if my suggestion was carried out. My answer to Chairman Prall and to the other members of the Communications Commission is that where there is a will there is a way, and if there is an honest desire on the part of the Commission to give labor in New York a real opportunity of broadcasting to the millions of industrial workers of Greater New York they will easily make the necessary transfers of radio facilities.

However, I was amazed to learn only yesterday of the contempt which the profiteers in radio broadcasting have for the Federal Communications Commission, a Government agency.

It is understood that some weeks ago a number of gentlemen interested in radio met in a hotel room or in a lawyer's office and proceeded, under the direction of a representative of the Power Trust, to divide up this radio wave length which we, in Congress, definitely understood was the property of the American Federation of Labor.

Not only did they actually divide up this property, but they entered into a written agreement, signed and sealed, setting forth the rights of each of the parties, and, then they handed in to the Federal Communications Commission their findings with a request that this governmental agency, supposedly an agency of the Congress of the United States, approve of their action.

To indicate further the monopoly which exists in radio broadcasting, let me illustrate by comparing the radio properties in New York City of the two networks with all other radio properties.

There are 13 radio stations in New York City. One is owned by the city, but is not allowed to operate at night. One station, owned and operated by the Paulist Fathers, an organization which has done wonderful work all over this country, a non-profit-making body, is licensed to operate only 15 hours per week. Seven other radio stations either share time or are not allowed to operate at night. Two other stations, with low power, are permitted to broadcast unlimited hours. The three radio stations owned and operated by the two networks are allowed to broadcast on 50,000 watts with unlimited hours on the most desirable wave lengths.

Is there a radio monopoly? Surely I have given you the answer. Incidentally, one of these New York high-powered stations, operating unlimited hours, is licensed to a radio manufacturing company and leased to the network owned by the Power Trust.

While the licensee holds the license, it has nothing to do with the operation of the station other than to receive an enormous rental, which means added profits to the stockholders at the expense of the people of the United States.

Figures recently released show that the two great networks last year received more than 80 percent of all the revenue received from radio broadcasting. Is there a monopoly in radio?

I should have much preferred to have discussed for your benefit additional labor problems, but, personally, I thought it more fitting, in view of the happenings of the past week and the possible effect upon your radio station WEVD, that you have a knowledge of the power of monopoly. It is due principally to this monopoly in radio that your station is forced to operate on such an undesirable wave length and to share time with other stations.

What is true of monopoly in radio broadcasting is true of monopoly in other industries.

Through monopoly a few are enriched while the masses are exploited.

It is essential, if the workers of America are to preserve the liberties handed down to us by our forefathers who made America great, that you all organize and become members of your respective labor unions, and, with a united front, we in Congress friendly to labor will be able to help you.

I thank you.

THE POST OFFICE DEPARTMENT

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a speech made by the Postmaster General at the dedication of a public building in Sarasota.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, under the leave to extend my remarks in the RECORD, I submit the following address made by Hon. James A. Farley, Postmaster General of the United States, at the dedication of the new Federal building at Sarasota, Fla., on Friday February 15, 1935:

My activities have carried me to all parts of the United States, especially to the larger centers of population; but in all my travels I have never visited any State or community that has given me more pleasure than a visit to Florida at this season of the year.

Your balmy breezes, your invigorating sunshine, and your outdoor life bring health and happiness to everyone who has the good fortune to live here. There is a special advantage in coming to Sarasota, where we find people from every section of the country, all thoroughly enjoying the benefits of your wonderful climate. It is eminently fitting that on the occasion of the dedication of this Federal building that so many residents of other parts of the country should join with the people of Sarasota in these exercises. The dedication of a Government building, which is a symbol of the United States Government—your Government and mine—inspires in every American citizen a deep and wholesome regard for his country and its institutions.

The bonds of patriotism bind us together in mutual affection for our country, regardless of the State or section from which we may come.

Our post offices supply one of the most beneficent objects of government. They are a means of communication which bind friends and families together, shorten and relieve the absence of loved ones, facilitate business and trade, and promote good will.

They should be conducted with the utmost integrity and efficiency. They should also be conducted with economy, bearing in mind that service to the public is the first consideration.

When I took over the management of the Post Office Department on March 4, 1933, President Roosevelt directed that so far as possible the people be relieved of the tremendous tax burdens of postal deficits. These deficits had been increasing from year to year during prior administrations, and when I assumed office I found that the Department had operated during the previous year at a loss of \$153,000,000.

I caused a survey to be made and we instituted a policy of economy, with special attention toward the elimination of waste. We found that there had been a great decline in the volume of mail. We had an estimated surplus of personnel amounting to approximately 15,000 employees.

By diligent effort and the loyal cooperation of the officers and employees of the Postal Service throughout the United States, we were able, in the first full year of the administration, to eliminate the deficit, and last year we had a surplus of over \$12,000,000.

The postal deficit was eliminated by the same means any prudent business man would use in trying to save his business when he saw it going on the rocks.

By not filling vacancies caused by deaths, resignations, and removals for cause among our employees, and through retirement on pension, we were able to solve the problem of the surplus employees. Through this method we were able to care for our surplus personnel without the arbitrary removal of a single employee in any part of the United States, and without the drastic salary cuts such as occurred in private industry amounting at times to 50 percent.

A rigid investigation of our transportation service, discontinuance of duplicated service, and better terms in the reletting of contracts, effected savings of over \$14,000,000 during the same period.

We did not stop there but continued our work of saving the people's money. On our supplies and equipment we saved over \$6,000,000. On our post-office leases we saved over \$3,000,000. We reduced our travel expenses by more than \$1,000,000. And on odds and ends, we saved approximately \$275,000.

We feel that we have answered the demand of the people as expressed by the President for relief from the burdensome tax of a postal deficit. It has been done without impairing the service. In fact, increasing business has warranted increased service, and it has been supplied.

Last April, I called before me 25 experienced post-office inspectors and had them make a Nation-wide survey for complaints of inadequate service and to determine the need for increased facilities. As a result, some 1,885 clerks and carriers were added to the force, and additional service provided. Complaints of unsatisfactory service are now rare and when received they are promptly adjusted.

We shall endeavor to keep the Post Office Department on a self-sustaining basis and believe we shall have the earnest support of the people and Congress in this purpose.

I recommend the retention of the present 3-cent postage rate on letter mail. A reduction of a penny on first-class postage would mean a loss of revenue amounting to \$75,000,000 annually. I believe the people who use the mails are willing to pay the additional penny rather than have this tax loaded on the backs of the taxpaying public. A reduction of the 3-cent rate should not come until the mails have increased in sufficient volume to warrant such a reduction.

The financial outlook in the Post Office Department is encouraging. Reviving business in the industrial, financial, and agricultural world is being reflected in our increasing post-office receipts throughout the Nation. The people of the United States have weathered the storms of adversity, the sunshine of prosperity is beginning again to brighten our land, and you of Florida have done your part to bring this about.

The Post Office Department is your own organization. You should patronize it to the fullest extent. The service rendered is inexpensive, safe, and swift.

Our organization in Washington and in the field, down to the last man, is devoted to your service. It is a body of trained experts. At the present time there is a larger number of widely experienced career men in the Postal Service than there has ever been before. Each was selected because of his integrity, his ability, and his long experience in the civil service. We have a well-organized business unit, manned by loyal and efficient officers and employees who are interested in providing the best mail service of any country in the world.

In this connection I wish to pay tribute to the vast army of postal employees, men and women, who have so loyally cooperated with me in the work of the Post Office Department. In the course of my duties I have visited many post offices in various parts of the country, and wherever I have gone I have received the most generous welcome and hospitality from the thousands of employees I have met. I want them to know how deeply I appreciate their fine spirit of service, and long after I have left the Department I shall cherish the memories of this fine body of postal workers in the whole-hearted assistance they extended to me during my tenure of office.

In conclusion, I congratulate the people of Sarasota on this splendid new structure. It will add greatly to the beauty of your city, and I trust it will promote the convenience of all your citizens and aid them in their business enterprises.

ADMINISTRATION OF THE FEDERAL HOUSING ACT NOT SUCCESSFUL TO DATE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the bill I introduced today to amend the National Housing Act, and to include also a communication from the Cleveland Federation of Labor.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Mr. Speaker, it was my privilege 1 year ago, during the session of the Seventy-third Congress, to lead a delegation of the Members of the House of Representatives to the White House to confer with the Chief Executive, in an effort to enlist the support of the administration in legislation creating a national housing act.

The delegation comprised Republicans, Democrats, and Farmer-Laborites, representing a cross section of the industrial districts of the country. It was the consensus of opinion of the delegation, and expressed to the President of the United States, that there was an urgent need for legislation to provide funds for renovating, repairing, and modernizing of homes, and a strong demand for the construction of new homes.

At that time there were hundreds of thousands of skilled mechanics unemployed in the Nation. I mentioned to the President that in Cleveland there were approximately 60,000 members of the building trades idle for 3 or more years, and we anticipated that through this legislation the unemployment jam could be broken, and many thousands of the unemployed would be absorbed in gainful occupation.

The President of the United States gave respectful hearing to the appeal of this delegation and expressed his sympathy and desire that such legislation be enacted. It was significant that shortly thereafter the National Emergency Council created the machinery that resulted in what is now known as the "National Housing Act."

The opposition to this proposed legislation was freely expressed in debates when the act was before the House for consideration. The opposition came chiefly from the building-and-loan institutions of the country, which institutions had collapsed entirely in a large part, and were not in a position to loan for the purpose indicated by the then pending legislation.

Since the creation of this legislation no material benefits have come to the building-trades craft of the country for whom the act was primarily designed to benefit. On the contrary the financial institutions, who qualify under the act, are not making loans for new construction. Too much

attention is paid to the administration of title I, and large amounts of money are being spent to advertise the products of certain capital-goods industries.

While some financial results have been obtained through the administration of title I, to wit, the repairing and modernizing of homes, and in the installation of refrigeration plants, and so forth, greater good could be obtained by paying more attention to the administration of title II, and providing funds for new construction. It is apparent that the banks and financial institutions will not respond in making loans for new construction in the fashion anticipated by the proponents of the National Housing Act. Unless the Government comes to the rescue by making loans direct to individuals for construction purposes, we can reasonably expect no material benefits resulting from the administration of title II under the present set-up.

In an effort to secure action that would be beneficial to the prospective home owners and give employment to the building-trades craftsmen, I have introduced H. R. 6239, which is now before the Committee on Banking and Currency. I respectfully submit that this measure, although it only allocated \$500,000,000 for direct loans for new construction, it is a step in the right direction and will force the financial institutions who qualify under the act to be more liberal and more responsive to the applicants for loans for new construction, when they will be in direct competition with the Federal Government. I insert the bill referred to, H. R. 6239:

A bill to amend title II of the National Housing Act, to authorize home-mortgage loans, and to appropriate the sum of \$500,000,000 therefor, and for other purposes

Be it enacted, etc., That subsection (2) of paragraph (b) of section 203 of the National Housing Act be amended to read as follows:

"(2) Involve a principal obligation (including such initial service charges and appraisal and other fees as the Administrator shall approve) in an amount not to exceed \$16,000, and not to exceed 80 percent of the appraised value of the property as of the date the mortgage is insured."

Sec. 2. That the following sections be added to title II of said act:

"Sec. 210. The Administrator is further authorized and empowered to make loans for the construction of dwellings as defined in section 201 of this title upon the security of mortgages as defined in said section 201, which mortgages are either insured or for which commitments for the insuring thereof have been made as in said section provided.

"Sec. 211. The Administrator is further authorized to purchase or to agree to purchase from any mortgagee approved by the Administrator under the provisions of paragraph (b) of section 201 hereof, any mortgage, together with the credit instruments, if any, secured thereby which is insured under the provisions of this title, and covers property or low-cost housing projects constructed after the passage of this act.

"Sec. 212. Such loans shall be made and the purchase or the agreement to purchase such mortgages shall be made at such rates and under such rules and regulations as the Administrator may prescribe, and all agreements to purchase such mortgages shall be completed prior to December 31, 1938.

"Sec. 213. The amount of the loans which the Administrator may make under section 210 hereof and the amount of the mortgages which he may purchase under section 211 hereof shall not exceed in the aggregate \$500,000,000 and the Reconstruction Finance Corporation shall make available to the Administrator said sum of \$500,000,000 or such part thereof as he may from time to time deem necessary, and the amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized and empowered to have outstanding at any one time under existing law is hereby increased by an amount sufficient to provide such funds: *Provided*, That the President, in his discretion, is authorized to provide such funds or any portion thereof by allotment to the Administrator from any funds that are available, or may hereafter be made available, to the President for emergency purposes."

The recent amendment I presented to the R. F. C. Act, and which was adopted by the House, provides for assistance in the creation of national mortgage associations by giving opportunity to secure funds from the R. F. C. for initial capital investment and undoubtedly will pave the way to activity in the mortgage market by permitting these associations to buy and sell mortgages created as a result of the administration of this act.

I respectfully submit that despite the statement of the Chairman of the Federal Housing Administration that the New York Life Insurance Co. and other similar institutions

are now ready to loan for new construction at low interest rates an amortized plan of long-term credit will not solve the problem, as in many communities institutions of this type will not loan for new construction where they have many real properties on their hands, and upon which they are inevitably bound to sustain a substantial loss.

I respectfully submit for the consideration of the House and the Nation communication forwarded to me under date of February 18, 1935, over the signature of Mr. Dan Moley, secretary of the Cleveland Federation of Labor. Through unanimous consent I have the privilege to insert this communication in the RECORD for the benefit of my colleagues in the House of Representatives.

CLEVELAND FEDERATION OF LABOR,
Cleveland, Ohio, February 18, 1935.

HON. MARTIN L. SWEENEY,
Member of Congress, House Office Building,
Washington, D. C.

DEAR CONGRESSMAN SWEENEY: Enclosed herewith is a proposed bill to amend the National Housing Act. The amendment to the R. F. C. bill which you introduced was a very important forward step in that it authorized the R. F. C. to subscribe for or make loans upon the stock of the national mortgage associations. However, we have no assurance as to how much of the \$100,000,000 will go into the national mortgage associations. This R. F. C. amendment is not a substitution for the amendment contained in the proposed bill.

Under the amendment which we are proposing to the Housing Act the Administrator is authorized to make loans for the construction of dwellings upon the security of mortgages which are insured under the Housing Act, or to purchase construction mortgages insured under the Housing Act. This is a clear, definite, distinct, and direct way to attack the present problem. We need new construction and we need it badly. The men in the building industry are out of work and hundreds of thousands of owners want to build, and the only way that the desire of those who want to build can be utilized to put the unemployed to work is through construction loans. Such loans are not available in most localities.

The Federal Housing Administration argues that it is necessary to amend the State banking laws in many of the States regardless of the fact that the national banks are now enabled to make loans and are so liquid that they do not know what to do with their funds. If this be true, then it is up to the Government to make loans until such a time as these banks are put in a position to make loans.

It is also stated that the moratorium laws in certain States, whereby foreclosures are postponed, are another stumbling block to the lending institutions. If that be true, that is another argument for the making of direct loans by the Government. The building industry and the large number of employees depending upon it cannot wait longer, regardless of what arguments or excuses are made.

Under provisions of the amendment to the R. F. C. Act, in order that construction loans may become available it must subscribe for stock in or make loans upon stock of national mortgage associations or other financial institutions. I do not believe that the existing financial institutions will avail themselves of this opportunity to obtain funds. Similar opportunities have been open for many months past for such institutions to borrow money through the Federal home-loan bank or to obtain additional funds by conversion into Federal savings-and-loan associations. Existing institutions do not care to sell stock or borrow money for the purpose of stimulating new construction.

It is true that some relief might come through the formation of national mortgage associations, though the failure of such organizations to be created in the 9 months since the Housing Act was enacted argues that there will be few, if any, created in the future. There is evidently something wrong with the set-up of the national mortgage associations or such organizations would already be functioning.

The very existence of funds to lend in the hands of the Housing Administrator would stir the existing agencies having money to lend to come into the mortgage field. As long as no other mortgage companies are making loans, the existing agencies are willing to withhold their funds, believing—though erroneously—that delay in new construction will better enable them to dispose of the properties they have acquired.

There is no better security for the investment of funds today than a well-secured and insured mortgage on new real estate. You can rest assured that if existing institutions with money to lend see these mortgages being taken up by someone else they will come into the field and furnish the necessary funds.

I suggest there be a caucus held by the Ohio delegation for the purpose of organizing to gather all the strength possible to have these amendments adopted, and, further, that this Ohio delegation draw in their colleagues from the other States and form a congressional delegation to present to President Roosevelt the true situation. I am firmly convinced that he does not know that one of the measures which he depends upon to relieve unemployment and stimulate business has not been administered to the best interests of those for whom it was created. Any resolutions that the industry or their labor might present will not be effective

because, in the first place, the President does not have time to read such resolutions and, in the second place, because they are oftentimes routed through to the administrative official whom they are criticizing. We know from our experience in the past that it was only when a congressional delegation called upon the President personally that definite action was taken.

It seems to me that, as Ohio is second only to Pennsylvania in the employment of men in the manufacture and distribution of building materials, every Ohio legislator should make this the first order of business. We know from past experience that there are several hundred Congressmen throughout the country who realize that something must be done, and you should experience no difficulty in having them accompany you to see the President.

Kiplinger, in his last article in the current issue of Nation's Business magazine, states that Congress will probably put fire under the Federal Housing Administration. I understand that the National Retail Lumber Dealers Association are meeting in Washington for the purpose of putting out a Nation-wide protest.

It does seem to us that if the administration is serious about this matter every necessary thing will be done rather than have criticism come from business men and the unemployed first and then do something later.

I am addressing this letter to you because you were instrumental in forming the last delegation to the President, but I have also written Senators BULKLEY and DONAHEY and the other Congressmen from this district this same letter.

Although the National Housing Act was passed as an emergency measure to put men to work, it is perfectly obvious to everyone that unemployment has not been relieved to any great extent, and it is perfectly true that there has not been enough new construction started to even talk about it. The real reason is the desire on the part of the lending institutions to sell the properties on their hands before they allow any new construction. This whole argument was threshed out pro and con during the session of the Seventy-third Congress. Unless something is done to stimulate new construction, building-trades men will be out of work for the rest of this year; and if something is not done by the Congress, it means they will face another winter without work.

There is plenty of demand throughout the country for homes, but the financing is not available and will not be unless the banks know that the Government is in a position to make direct loans. If this Federal Housing Administration does not fulfill the promises held out by President Roosevelt you can look for a tremendous backlash during the 1936 campaign. This National Housing Act can be the foundation for recovery and one of the best arguments for a continuance in power of the Democratic Party, but if it is not carried out properly and if construction is not started it will be a boomerang that will be hard to catch.

The great mass of people know little about the gold-standard argument, the World Court, a big Navy, or many other such issues; but this National Housing Act has had so much publicity and advertising that the citizens of every little hamlet in the country have looked forward with hope to better business through it.

I know from my own experience that the citizens of Ohio are getting sick and tired of promises of what the National Housing Act is going to do for them, and in the various meetings that we held there was a strained atmosphere and the people were in a critical mood. It is my opinion that the legislator who plays a prominent part in seeing that this law is put into operation properly or is the proponent of amendments which will make it more effective will have something substantial to talk about to the greatest number of people. The entire building industry, including labor, will forever be grateful. It seems to me an opportunity too wonderful for our Ohio legislators to miss, and I trust that they will take these amendments and jam them through this Congress as quickly as they can, as well as take every other step necessary to put us in a position to carry out the purposes of the National Housing Act.

I should like to have an expression of your views on this matter as soon as possible, because the situation in Ohio is serious. Suggest that this letter or parts thereof be read on the floor of Congress and introduced into the RECORD.

Very truly yours,

DAN MOLEY,

Secretary, the Cleveland Federation of Labor.

Mr. Speaker, again I repeat the prime objective of the National Housing Act was to absorb the unemployed skilled laborers and mechanics, and to meet the demand for the construction of new homes, which demand is apparent to those who care to seriously study the question. This season of the year in normal times generally expands into activity, especially in the building lines. Every advantage should be taken of the opportunity afforded by those in charge of the administration of the National Housing Act to carry out the expressed intent of Congress, especially the administration of title II and to pay less attention to the campaign being conducted for the purpose of publicizing the household appliances manufactured and sold by the General Motors Co., the Johns-Manville Co., the General Electric Co., and one or two others who have a monopoly on the production of these special appliances.

Mr. FIESINGER. Mr. Speaker, I ask unanimous consent to extend my remarks by including an address I made last evening to the "Little Congress."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FIESINGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the address I made last evening to the "Little Congress", as follows:

I am glad for this opportunity to address you. This assemblage is quite famously known throughout the length and breadth of the land. References to your proceedings are not infrequently noted in the local press of America. I take it that most of you, if not all of you, are ambitious as you become qualified by age and experience to take a larger part in the political affairs of this country. If it were within the compass of my capabilities to help you in furthering your ambitions, I should feel that I have done, not only for you but for the country, a real service.

What is it basically that has caused the perplexities of the past, the present, and is surely to engage the future, or, in other words, what is the issue that we have grappled with in the past, ensnared the present, and will become paramount in the future?

It is the question of price levels. If the capitalistic system is to survive, if the country and the world is to avoid chaos, we must treat price levels. This is the great problem of statesmanship of our day, and will be in your day and a long time thereafter. Time does not permit of reference to the past nor to the future, and only to the present in a limited way.

What was the basic, fundamental thing that brought on the Roosevelt administration? It was not reform, although that helped; it was not work or direct relief, because that came afterward; but it was the confidence of the people that price levels of the products of our farms, our mines, and our forests would be raised to that point where the average man engaged in such pursuits, with average energy, ability, and facility, could make the cost of production plus a reasonable profit. And that means a rather high price level if we are going to pay our public and private debt, cope with high taxes, and furnish the standard of living that Americans are accustomed to.

Now, I do not care how successful this administration may be in its efforts for reform—and I am for that within reason—or how generous and just it may be to the recipients of relief, and how equitable it may be to the taxpayers who will eventually pay the bill, or what public improvements and conveniences it may set up, or what credits it may extend to anyone, it will fail and go out of power unless it is successful either by design or chance or, rather, may I say, luck, to bring about the price level for prime commodities that I have already alluded to.

To state the matter concretely, in 1929 the value of the new wealth taken from the ground, so to speak, was \$20,000,000,000, equivalent to 5 percent on our then existing national-wealth structure of \$400,000,000,000. In 1932 this new wealth had a money value of about \$8,000,000,000, hardly able to sustain a wealth structure of \$200,000,000,000. This sum hardly supports our debts in this country. So, taken as a whole, this Nation was at that time bankrupt. It is a little better now, but still has a long way to go.

Now, I have said nothing about labor, industrial, financial, and commercial enterprise. I need not say anything about these, because, if you solve the problem of the price level for the producers of prime commodities, these other things will take care of themselves and do it handsomely. I do not mean to say that these things will not have problems, and the people have problems with reference to them. The intricate social relationships of these days will require legislatively some checks and balances with reference to these things. What I mean to say is that the unemployment will cease to vex us, labor will have high wages, productive industry reasonable profits, and capital will secure its just reward.

I refuse to accept as a permanent policy and look about it with misgivings even as temporary the policy of production control of prime commodities. The problem of statesmanship is to take care of 40,000,000 unemployed men in the world by putting them to work at remunerative tasks. Restore the value of prime commodities, or, to state it in another way, restore price levels, and 40,000,000 men will go back to work and pay for consuming those commodities. As has been said many times, overproduction is not the problem, but underconsumption due to lack of purchasing power.

Cutting down production by Government action will not generate purchasing power in the long run. We shall come to realize such actions to be a delusion. Let the grinding force of economic law regulate it. If your ambition is to be statesmen worthy of the name, my advice to you is not to monkey too much with economic law. It is a buzz saw. There is a field for statesmanship to which I want to particularly call your attention, and that is social insurance, and by that I mean old age, unemployment, blind, infant, mothers, and so forth.

The nations have made some progress and there is a heap more to be accomplished, but do not get the cart before the horse and use these things to get yourselves out of depressions. It just can't be done. What you want to do is to treat price levels as I said, for during a period of depression these things tend to depress price levels, and that makes more depression—for what is depression but depressed price levels? Cure your price levels and producers of

wealth will gladly kick in to support reasonable social insurance plans; and they should. What they are kicking about now is paying while operating in the red. Give them some black ink and then make them pay, and they will rise up and call you blessed.

Now, I know you are saying to yourself this all sounds good but it is strange and queer. I'll admit that common sense does sound strange and queer in these days, but I am talking to statesmen of the future.

Prosperity, with rare exceptions, always has been and always will be a vital issue. Proper price levels, not artificially engendered, mean prosperity; low price levels mean depression.

You naturally inquire of yourself: Well, how can I operate on the prosperity end and not on the depression end of this thing? The one means in power and the other means out of power. Out of power is the purgatory of a statesman's life. Everybody hates purgatory. I cannot tell you exactly how to get on the prosperity end and stay on it. I can, however, give you some things to think about. In my judgment, the key to prosperity price levels is to regulate the value of purchasing power of gold.

The money of the world is gold, claims on gold, and gold equivalents. Wheat, cotton, copper, rubber, sugar, coffee, and whatnot are measured in terms of the value of gold. Gold itself is a commodity, and its value is subject to the law of supply and demand. It is a supreme commodity that measures all other commodities.

Gold, though its price be fixed, fluctuates nevertheless in value or purchasing power. This fluctuation engenders two movements with reference to price levels.

As gold expands in purchasing power, currency and bank deposits, which are claims on gold, lose velocity, because buyers withhold commitments, feeling they will get more for their money, hence lower price levels. The other movement is, as gold contracts in purchasing power, currency and bank deposits gain velocity, because buyers want to invest for profit in the various forms of property—result, higher price levels. To apply the language of the stock market, one is a long and the other a short operation.

I do not say that the claims on gold in the form of currency or bank credits have not an influence on price levels. They do, but not in the interests of higher price levels, when gold is expanding in purchasing power, or while people think it will expand in purchasing power.

When gold is expanding in purchasing power or people think it will, they hoard it and claims upon it. Then, even though you have plenty of currency for all normal purposes, you will have the phenomena of the people complaining that there is not enough money in circulation, most people broke, depression price levels; and the way to cure this condition is to start the printing presses going or adopt some "damphool" idea with reference to silver with the idea of artificially raising price levels. This is inflation.

Of course, inflation can come another way when the Government gets so heavily in debt that confidence diminishes in its ability to eventually pay its obligations in gold. But I must not get off the track about inflation. That's worse than purgatory—that's hell. Before I got off the track I wanted to say that by your statesmanship you must regulate the value of gold in the interests of prosperity price levels. When your price levels reach a certain point consistent with equity to debtor and creditor alike, tax obligations and reasonable profit to producers of prime commodities, then you must stop and stabilize, and then your aim must be to keep your money of constant purchasing power from generation to generation. That is the ideal of statesmanship.

I offered a bill in the Seventy-second Congress and again in the Seventy-third, H. R. 1577, designed to accomplish these results. In short, it recognized a corner on gold, a hoarding of gold and claims on gold; and, in order to break the corner, the bill provided that silver be given legal-tender qualities for its world-accepted value. This bill recognizes gold as the single standard of measurement, but uses silver in limited amounts in competition with gold to reduce gold to a normal purchasing power and then stabilize it, thus making it the servant rather than the master of mankind.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 330. An act for the relief of Sophie de Sota;

H. R. 3373. An act for the relief of Anna S. Carrigan; and

H. J. Res. 94. Joint resolution providing for the participation of the United States in the California-Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936, authorizing an appropriation therefor, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p. m.) the House adjourned until tomorrow, Thursday, February 28, 1935, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

237. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting supplemental estimates of appropriations for certain independent establishments, amounting to \$94,760,000 for the fiscal year 1935 and \$550,000 for the fiscal year 1936, in all \$95,310,000 (H. Doc. No. 114), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR of Colorado: Committee on Appropriations. H. R. 6223. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes; without amendment (Rept. No. 249). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Joint Resolution 189. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners; without amendment (Rept. No. 250). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Rules. House Resolution 133. Resolution for the consideration of H. R. 5529; without amendment (Rept. No. 251). Referred to the House Calendar.

Mr. WARREN: Committee on Accounts. H. R. 6028. A bill to provide for additional clerk hire in the House of Representatives, and for other purposes; with amendment (Rept. No. 252). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Texas: Committee on Foreign Affairs. House Joint Resolution 164. Joint resolution authorizing the President to invite foreign countries to participate in the Pacific Exposition of 1938 at Los Angeles, Calif.; without amendment (Rept. No. 253). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. 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; with amendment (Rept. No. 254). Referred to the Committee of the Whole House on the state of the Union.

Mr. FADDIS: Committee on Military Affairs. H. R. 4754. A bill to provide for the protection and preservation of domestic sources of tin; without amendment (Rept. No. 257). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARSONS: Committee on the Territories. H. R. 6084. A bill to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes; without amendment (Rept. No. 258). Referred to the House Calendar.

Mr. MEAD: Committee on the Post Office and Post Roads. House Report 259. A report of the investigation of the Post Office Department pursuant to House Resolution 33. Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3662. A bill for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; with amendment (Rept. No. 255). Referred to the Committee of the Whole House.

Mr. HARTER: Committee on Military Affairs. H. R. 604. A bill for the relief of Thomas Stokes; with amendment (Rept. No. 256). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes; to the Committee on Appropriations.

By Mr. BRUNNER: A bill (H. R. 6224) to provide for the local delivery rate on certain first-class mail matter; to the Committee on Ways and Means.

By Mr. CROSBY: A bill (H. R. 6225) to divide the State of Pennsylvania into four judicial districts, and for other purposes; to the Committee on the Judiciary.

By Mr. DISNEY: A bill (H. R. 6226) authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States; to the Committee on Indian Affairs.

By Mr. FORD of Mississippi: A bill (H. R. 6227) to authorize the Reconstruction Finance Corporation to make loans to counties, parishes, road districts, and school districts in the several States for the purpose of assisting and enabling such counties, parishes, road districts, and school districts to reduce and refinance their outstanding bonded indebtedness, and for other purposes; to the Committee on Banking and Currency.

By Mr. KNUTSON: A bill (H. R. 6228) authorizing a capital fund for the Chippewa Indian Cooperative Marketing Association; to the Committee on Indian Affairs.

By Mr. LAMNECK: A bill (H. R. 6229) to amend the Revenue Act of 1934; to the Committee on Ways and Means.

Also, a bill (H. R. 6230) to amend subsection (a) of section 313 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mrs. NORTON (by request): A bill (H. R. 6231) to amend an act approved June 25, 1934, authorizing loans from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 6232) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes; to the Committee on the District of Columbia.

By Mr. ROGERS of New Hampshire: A bill (H. R. 6233) to insure domestic tranquillity, to provide for the common defense, and to promote the general welfare of the United States by improving the navigability, controlling the flood waters, and eliminating the pollution of the Merrimack River and its tributaries; by providing for the development and improvement of forest reserves, recreational grounds, parks, and highways, and the preservation of wildlife; by promoting agriculture and industry, and by producing electrical energy for interstate transmission, and also by providing healthy water supplies; and for the relief of unemployment among the people in the Merrimack River Valley and neighborhood; and further, for the creation of a corporation to carry out the aforesaid; to the Committee on Flood Control.

By Mr. ROGERS of Oklahoma: A bill (H. R. 6234) to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6235) transferring certain national-forest lands to the Zuni Indian Reservation, N. Mex.; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6236) to authorize the creation of an Indian village within the Shoalwater Indian Reservation, Wash., and for other purposes; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6237) to reserve 80 acres on the public domain for the use and benefit of the Kanosh Band of Indians in the State of Utah; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6238) to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws; to the Committee on Indian Affairs.

By Mr. SWEENEY: A bill (H. R. 6239) to amend title II of the National Housing Act, to authorize home-mortgage loans, and to appropriate the sum of \$500,000,000 therefor, and for other purposes; to the Committee on Banking and Currency.

By Mr. WALLGREN: A bill (H. R. 6240) to provide for the construction of a bridge across the Portage Canal between Marrowstone Island and the mainland, Jefferson County, State of Washington; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6241) to authorize certain changes in final roll of the Puyallup Tribe of Indians in the State of Washington; to the Committee on Indian Affairs.

By Mr. LAMNECK: A bill (H. R. 6242) permitting the deduction for income-tax purposes of certain deposits in closed banks on December 31, 1934; to the Committee on Ways and Means.

By Mr. CANNON of Wisconsin: A bill (H. R. 6243) reducing the Membership of the House of Representatives; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. CLARK of Idaho: A bill (H. R. 6244) to provide for the establishment of a game management supply depot and laboratory, and for other purposes; to the Committee on Agriculture.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6245) to provide for the erection of a monument in honor of the soldiers buried in the churchyard of Washington Church, Knox County, Tenn.; to the Committee on Military Affairs.

By Mr. WHITE: A bill (H. R. 6246) to prohibit manufacturers' special rebates or discounts to chain- or branch-store organizations competing with independent retail establishments, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EKWALL: A bill (H. R. 6247) for the acquisition of a site and the erection thereon of buildings and the equipment thereof, for the use of the diplomatic and consular establishments at Helsingfors, Finland; to the Committee on Foreign Affairs.

By Mr. FISH: A bill (H. R. 6248) for the acquisition of a site and the erection thereon of buildings and the equipment thereof for the use of the diplomatic and consular establishments at Helsingfors, Finland; to the Committee on Foreign Affairs.

By Mr. SUMNERS of Texas: A bill (H. R. 6249) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. THOMASON: A bill (H. R. 6250) to amend the National Defense Act; to the Committee on Military Affairs.

By Mr. McFARLANE: Resolution (H. Res. 134) requesting William P. MacCracken, Jr., to immediately resign his membership on the National Advisory Committee for Aeronautics; to the Committee on the Judiciary.

By Mr. STEAGALL: Resolution (H. Res. 135) for the consideration of H. R. 6021; to the Committee on Rules.

By Mr. FENERTY: Joint resolution (H. J. Res. 190) directing the President to proclaim October 11 of each year General Pulaski Memorial Day for the observance and commemora-

tion of the death of Brig. Gen. Casimir Pulaski, and authorizing the Postmaster General to issue a special series of postage stamps; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Mexico, opposing the Federal tax on gasoline; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ASHBROOK: A bill (H. R. 6251) granting an increase of pension to Margaret V. Myers; to the Committee on Invalid Pensions.

By Mr. BOEHNE: A bill (H. R. 6252) granting a pension to Caroline Harris; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 6253) granting a pension to Jennie Welborn; to the Committee on Invalid Pensions.

By Mr. COOPER of Ohio: A bill (H. R. 6254) for the relief of David N. Aiken; to the Committee on Naval Affairs.

Also, a bill (H. R. 6255) for the relief of Harry H. Viall; to the Committee on the Civil Service.

By Mr. DALY: A bill (H. R. 6256) for the relief of Stanford Anderson; to the Committee on Naval Affairs.

Also, a bill (H. R. 6257) granting a pension to Emma Hendrickson; to the Committee on Pensions.

By Mr. DEMPSEY: A bill (H. R. 6258) for the relief of D. E. Woodward; to the Committee on Claims.

By Mr. DINGELL: A bill (H. R. 6259) for the relief of Ajun Khan; to the Committee on Claims.

By Mr. FLETCHER: A bill (H. R. 6260) for the relief of Theodore John Campbell; to the Committee on Military Affairs.

Also, a bill (H. R. 6261) granting an increase of pension to Barbara Cook; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 6262) granting a pension to John D. Pearson; to the Committee on Pensions.

By Mr. LANHAM: A bill (H. R. 6263) for the relief of W. D. Davis; to the Committee on Claims.

By Mr. LEA of California: A bill (H. R. 6264) for the relief of Anna Lueger; to the Committee on Claims.

By Mr. O'BRIEN: A bill (H. R. 6265) for the relief of John P. Hart; to the Committee on Claims.

By Mr. PIERCE: A bill (H. R. 6266) granting a pension to Matilda Jane Hart; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 6267) for the relief of Wint Rowland; to the Committee on Claims.

Also, a bill (H. R. 6268) for the relief of W. C. Wright; to the Committee on Claims.

Also, a bill (H. R. 6269) for the relief of W. H. Keyes; to the Committee on Claims.

By Mr. ROMJUE: A bill (H. R. 6270) granting an increase of pension to Sarah A. Lindsey; to the Committee on Invalid Pensions.

By Mr. SHANLEY: A bill (H. R. 6271) for the relief of Horace M. Case; to the Committee on Naval Affairs.

By Mr. STACK: A bill (H. R. 6272) granting a pension to Anna D. Berger; to the Committee on Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 6273) for the relief of J. H. Knott; to the Committee on Claims.

By Mr. VINSON of Kentucky: A bill (H. R. 6274) directing the Secretary of the Treasury to pay the sum of \$2,000 to Capt. Charles F. See; to the Committee on Claims.

By Mr. WHITTINGTON: A bill (H. R. 6275) for the relief of John Livingston and Mrs. John Livingston; to the Committee on Military Affairs.

By Mr. GRISWOLD: A bill (H. R. 6276) for the relief of Anton Wenzel Kaukus; to the Committee on Naval Affairs.

By Mr. SMITH of Washington: A bill (H. R. 6277) providing for a survey of Shelton Harbor, Wash.; to the Committee on Rivers and Harbors.

PETITIONS, ETC.

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

2080. By Mr. ANDREWS of New York: Resolution adopted by Group 1856, Polish National Alliance, of Niagara Falls, N. Y., memorializing Congress to enact legislation commemorating the death of Gen. Casimir Pulaski; to the Committee on the Judiciary.

2081. Also, resolution adopted by the Common Council of North Tonawanda, N. Y., memorializing Congress to enact legislation commemorating the death of Gen. Casimir Pulaski; to the Committee on the Judiciary.

2082. By Mr. BACON: Petition of Council No. 1206, Knights of Columbus, Oyster Bay, N. Y., protesting against conditions of religious persecution in Mexico; to the Committee on Foreign Affairs.

2083. By Mr. BOYLAN: Petition signed by W. O. Hay, Jr., and other residents of New York City, protesting against the Rayburn public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2084. By Mr. BRUNNER: Resolution of the Holy Name Society, of St. Thomas the Apostle Roman Catholic Church, Woodhaven, N. Y., regarding the conditions in Mexico; to the Committee on Foreign Affairs.

2085. Also, resolution of the Maris Stella Council, No. 378, Knights of Columbus, Far Rockaway, N. Y., protesting against the reign of terror and religious persecution in Mexico; to the Committee on Foreign Affairs.

2086. Also, resolution of the Polish National Alliance of the United States of North America, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2087. By Mr. BUCKLER of Minnesota: Petition of Alf N. Solwald, chairman, and Borghild Melbye, secretary, representing the Clay County (Minn.) Farmer-Labor Association Central Committee, praying for immediate legislation to pay the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

2088. Also, petition of H. A. Paulson, commander, and members of the Jess-Omundson Post, No. 1676, of the Veterans of Foreign Wars, urging the immediate cash payment of the soldiers' adjusted-service certificates in Treasury notes according to the Patman bill H. R. 1; to the Committee on Ways and Means.

2089. By Mr. CITRON: Petition of sundry employees of the Bullard Co., of Bridgeport, Conn., objecting to Senate bill 87; to the Committee on Labor.

2090. Also, petition of the Common Council of Stamford, Conn., urging Congress to make October 11 of each year General Pulaski's Memorial Day; to the Committee on the Judiciary.

2091. By Mr. CROWTHER: Petition of Group No. 1947, Polish National Alliance of the United States, Schenectady, N. Y., favoring enactment of House Joint Resolution 81; to the Committee on the Judiciary.

2092. Also, petition of Group No. 509, Polish National Alliance of the United States, Schenectady, N. Y., favoring enactment of House Joint Resolution 81; to the Committee on the Judiciary.

2093. By Mr. EATON: Petition of the State of New Jersey; to the Committee on the Judiciary.

2094. By Mr. ELLENBOGEN: Petition of Group No. 2673 of the Polish National Alliance of the United States; to the Committee on the Judiciary.

2095. By Mr. FENERTY: Petition of sundry citizens of the twentieth ward of the city of Philadelphia, Pa., urging enactment of legislation providing a pension of from \$30 to

\$50 a month for every man and woman over the age of 60 years, to be financed on an income tax; to the Committee on Ways and Means.

2096. By Mr. FISH: Petition of 694 residents of the Twenty-sixth Congressional District of New York, opposing Senate bill 1725 and House bill 5423, providing for the abolishment of public-utility holding companies as being detrimental to the public interest; to the Committee on Interstate and Foreign Commerce.

2097. By Mr. GOODWIN: Petition of 250 residents of Monticello, Swan Lake, Liberty, Youngsville, and Chatham, N. Y., requesting that the public-utility bills (S. 1725 and H. R. 5423) be defeated; to the Committee on Interstate and Foreign Commerce.

2098. Also, petition of 275 residents of Columbia County, N. Y., particularly the town of Chatham, protesting against the enactment of the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2099. By Mr. HALLECK: Petition of veterans and friends of veterans at Rochester, Ind., favoring the legislative program of the National American Legion, including the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

2100. By Mr. KINZER: Petitions signed by 99 citizens of the Tenth Congressional District of Pennsylvania, protesting against the public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2101. By Mr. LUCAS: Petition of Roscoe Orten and 14 other citizens of White Hall, Ill., relating to old-age pension legislation; to the Committee on Ways and Means.

2102. Also, petition of E. E. Linkogel and 14 other citizens of Hardin, Ill., endorsing old-age pension legislation; to the Committee on Ways and Means.

2103. Also, petition of D. S. Bond and 14 other citizens of Beardstown, Ill., endorsing old-age pension legislation; to the Committee on Ways and Means.

2104. By Mr. MAPES: Petition of Group No. 248, of Grand Rapids, Mich., of the Polish National Alliance of the United States of North America, recommending the issuance of a proclamation designating October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2105. Also, petition of Gmina No. 10, Grand Rapids, Mich., of the Polish National Alliance of the United States of North America, recommending the issuance of a proclamation designating October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2106. By Mr. MERRITT of New York: Petition of John Howard Hanway and other citizens of Pelham Manor, N. Y., urging Congress to defeat the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2107. Also, petition of P. Hornby and other citizens of Whitestone, N. Y., urging Congress to defeat the Rayburn and Wheeler public-utility bills; to the Committee on Interstate and Foreign Commerce.

2108. Also, petition of Alfred F. Beltz, of Brooklyn, and other citizens of New York State, opposing the proposed Wheeler-Rayburn utility bills and calling upon Congress to defeat these measures; to the Committee on Interstate and Foreign Commerce.

2109. Also, petition of Frank Shea, of Brooklyn, N. Y., and other citizens of Brooklyn and vicinity, opposing the Rayburn public-utility bill (H. R. 5423) and the Wheeler public-utility bill (S. 1725), etc.; to the Committee on Interstate and Foreign Commerce.

2110. Also, resolution of Forest Hills Post, No. 630, of Forest Hills, Long Island, N. Y., urging that facilities of the Brooklyn Naval Hospital should be made available to the veterans of the World War; to the Committee on Naval Affairs.

2111. By Mr. MILLARD: Petition signed by residents of Westchester County, N. Y., protesting the enactment of the holding company bill; to the Committee on Interstate and Foreign Commerce.

2112. By Mr. MILLER: Petition of citizens of Herpel, in the State of Arkansas, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2113. Also, petition of citizens of Dowdy, in the State of Arkansas, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2114. By Mr. O'BRIEN: Petition of group no. 5, of the Polish National Alliance of the United States of America, relating to House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2115. By Mr. O'CONNELL: Resolution of the General Assembly of the State of Rhode Island, endorsing the work of the United States Senate committee, created for the investigating of the activities and operations of individuals and corporations engaged in the manufacture, sale, and distribution of armaments and munitions of war, and recommending the continuance of this investigation; to the Committee on Military Affairs.

2116. By Mr. PFEIFER: Petition of the Brooklyn Chamber of Commerce, Brooklyn, N. Y., concerning amendment to the 1934 income-tax law; to the Committee on Ways and Means.

2117. Also, petition of the R. H. Comey Brooklyn Co., Brooklyn, N. Y., concerning the Black 30-hour-week bill; to the Committee on Labor.

2118. Also, petition of General John R. Brooke Camp, No. 29, National Indian War Veterans, United States Army, of New York, urging favorable consideration of House bill 2857; to the Committee on Ways and Means.

2119. Also, telegram from George F. Trommer, president Trommers Brewery, C. G. Christie, William A. Strassel, Brooklyn, N. Y., concerning the Rayburn-Wheeler bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2120. By Mr. PIERCE: Petition of the mayor and Common Council of the City of Cove, Oreg., relating to the Townsend plan; to the Committee on Ways and Means.

2121. Also, petition of the Common Council of the City of Klamath Falls, Oreg., urging Congress to pass General Pulaski's Memorial Day resolution; to the Committee on the Judiciary.

2122. By Mr. POLK: Petition signed by Oscar M. Bishop and other members of Mount Orab Council, No. 392, Junior Order of United American Mechanics, urging support of House Joint Resolution No. 69, creating the Department of Justice Bureau of Alien Deportation, etc.; to the Committee on Immigration and Naturalization.

2123. By Mr. RANSLEY: Memorial of the Philadelphia Board of Trade, opposing House bills 304 and 311, the first, known as the "train-limit bill", placing a limit upon the length of trains, and the second, known as the "full-crew bill", prescribing the number of employees required for the operation of locomotives and trains; to the Committee on Interstate and Foreign Commerce.

2124. By Mr. REED of Illinois: Petition signed by Louis J. Ceithaml and 17 others, requesting immediate payment of the adjusted-service compensation certificates; to the Committee on Ways and Means.

2125. By Mr. RICH: Petition of citizens of Tioga County, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2126. By Mr. ROGERS of Oklahoma: Petition of W. S. Canan, of Antioch, and 179 others in the State of West Vir-

ginia, urging passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, known as the "Pope plan for direct Federal old-age pensions of \$30 to \$50 per month", beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2127. Also, petition of citizens of the State of New Jersey, residents of the county of Salem, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2128. Also, petition of citizens of the State of Nebraska, residents of the county of Lancaster, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2129. Also, petition of citizens of the State of Iowa, residents of the county of Boone, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2130. Also, petitions of citizens of Archuleta and Mesa Counties, State of Colorado, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2131. Also, petitions of citizens of Doddridge, Grant, McDowell, Monongalia, and Preston Counties, State of West Virginia, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2132. Also, petitions of citizens of Dickenson, Scott, Wise, and Wythe Counties, State of Virginia, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2133. Also, petitions of citizens of Bexar, Dallas, Dewitt, Dickens, Erath, Grimes, Hardin, Harrison, Haskell, Hill, Jefferson, Nacogdoches, Newton, Runnels, Tarrant, Titus, Wharton, and Young Counties, State of Texas, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2134. Also, petitions of citizens of Blount, Carroll, Chester, Clay, Crockett, Davidson, De Kalb, Gibson, Greene, Grundy, Hamilton, Hardeman, Haywood, Henry, Knox, Lauderdale, Macon, Marion, Montgomery, Morgan, Rhea, Robertson, Rutherford, Sequatchie, Shelby, Stewart, Sullivan, Sumner, Tipton, White, and Wilson Counties, State of Tennessee, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2135. Also, petitions of citizens of Anderson, Cherokee, Clarendon, Colleton, Lancaster, Laurens, Marlboro, Newberry, Oconee, Pickens, and Spartanburg Counties, State of South Carolina, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2136. Also, petitions of citizens of Beaver and Fayette Counties, State of Pennsylvania, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2137. Also, petitions of citizens of Atoka, Caddo, Coal, Creek, Grady, Latimer, McCurtain, Muskogee, Osage, and Wagoner Counties, State of Oklahoma, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2138. Also, petitions of citizens of Columbus, Graham, Guilford, McDowell, and Wake Counties, State of North Carolina, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2139. Also, petitions of citizens of Colfax, Lincoln, Mora, Rio Arriba, and Santa Fe Counties, State of New Mexico, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2140. Also, petitions of citizens of Bates, Douglas, Dunklin, Jackson, Jefferson, New Madrid, Pemiscot, St. Francis, and St. Louis Counties, State of Missouri, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2141. Also, petitions of citizens of Alcorn, Bolivar, Calhoun, Carroll, Chickasaw, Claiborne, Clarke, Coahoma, Copiah, De Soto, Greene, Hinds, Holmes, Itawamba, Jefferson, Jones, Lauderdale, Leflore, Lowndes, Monroe, Neshoba, Noxubee, Rankin, Scott, Simpson, Sunflower, Tallahatchie, Tishomingo, Walthall, Yalobusha, and Yazoo Counties, State of Mississippi, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2142. Also, petitions of citizens of Bienville, Caddo, Franklin, Iberville, LaFourche, Natchitoches, Orleans, Ouachita, Pointe Coupee, Rapides, Sabine, and Webster Parishes, State of Louisiana, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2143. Also, petitions of citizens of Grayson, Marshall, Pulaski, Simpson, Todd, Trigg, Warren, Webster, and Whitley Counties, State of Kentucky, all numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide, impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2144. Also, petitions of citizens of Allen, Bourbon, and Wilson Counties, State of Kansas, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2145. Also, petitions of citizens of Elkhart and Lake Counties, State of Indiana, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State partici-

pation or State interference; to the Committee on Ways and Means.

2146. Also, petitions of citizens of Cook, Dewitt, Effingham, Franklin, Green, Iroquois, Jefferson, Madison, Marion, Pike, Posey, Richland, Sangamon, St. Clair, Vermillion, Wabash, and Williamson Counties, State of Illinois, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2147. Also, petitions of citizens of Forsyth, Franklin, Gilmer, Grady, Gwinnett, Hall, Johnson, Laurens, Madison, Muscogee, Upson, Wheeler, and White Counties, State of Georgia, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2148. Also, petitions of citizens of Bay, Duval, Hillsborough, and Polk Counties, State of Florida, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2149. Also, petitions of citizens of Bradley, Conway, Desha, Drew, Faulkner, Greene, Jefferson, Lincoln, Little River, Lonoche, Mississippi, Nevada, Ouachita, Phillips, Poinsett, Pulaski, Sebastian, Sevier, Union, and Woodruff Counties, State of Arkansas, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2150. Also, petitions of citizens of Barbour, Bibb, Blount, Butler, Calhoun, Clarke, Clay, Colbert, Covington, Crenshaw, De Kalb, Fayette, Geneva, Greene, Henry, Lauderdale, Limestone, Marshall, Mobile, Monroe, Pike, Russell, Sumter, Tuscaloosa, Walker, and Winston Counties, State of Alabama, numerous signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2151. By Mr. RUDD: Petition of the Irving Civic Association, Inc., of the Boroughs of Brooklyn and Queens, 637 Knickerbocker Avenue, Brooklyn, N. Y., concerning taxes to be equally levied on all Federal, State, and municipal employees as well as on privately employed individuals; to the Committee on Ways and Means.

2152. Also, petition of the Irving Civic Association, Inc., of the Boroughs of Brooklyn and Queens, 637 Knickerbocker Avenue, Brooklyn, N. Y., concerning old-age pensions for all citizens, irrespective of financial standing, and that the revenue for same be obtained through a Federal sales tax; to the Committee on Ways and Means.

2153. Also, petition of Mary E. Wancura, 281 Weirfield Street, Brooklyn, N. Y., and three other citizens of Brooklyn, N. Y., concerning the Rayburn-Wheeler public utility holding companies bills (H. R. 5423 and S. 1725); to the Committee on Interstate and Foreign Commerce.

2154. Also, petition of Julia V. C. Thorn, 87-50 Ninety-fifth Street, Woodhaven, Long Island, N. Y., and 18 other citizens of Woodhaven, concerning House bill 5423 and Senate bill 1725, public utility holding companies legislation; to the Committee on Interstate and Foreign Commerce.

2155. Also, petition of Irene B. Fries, 179 Pine Street, and 10 other citizens of Brooklyn, N. Y., concerning House bill 5423, public utilities holding companies bill; to the Committee on Interstate and Foreign Commerce.

2156. By Mr. SCHNEIDER: Memorial of the City Council of Green Bay, Wis., favoring passage of General Pulaski's Memorial Day resolution for memorial services commemorating death of General Pulaski on October 11; to the Committee on the Judiciary.

2157. By Mr. SHANLEY: Petition of the State Court of Connecticut, Catholic Daughters of America, regarding the Mexican situation; to the Committee on Foreign Affairs.

2158. Also, petition of Hollis D. Immick, of Meriden, Conn., protesting against section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

2159. Also, petition of the Grand Executive Council of the Connecticut Grand Lodge of the Order of the Sons of Italy in America, regarding legislation pertaining to old-age pension; to the Committee on Ways and Means.

2160. Also, petition of the Branford Branch 1538, Connecticut National Association of Letter Carriers, referring to the observance of Armistice Day as a postal holiday; to the Committee on the Post Office and Post Roads.

2161. Also, petition of Group No. 356 of the Polish National Alliance of the United States of North America, referring to General Pulaski's Memorial Day; to the Committee on the Judiciary.

2162. By Mr. SPENCE: Resolution adopted by the Sixth District Conference of the American Legion of Kentucky; to the Committee on Ways and Means.

2163. Also, petition of John Gilligan and others, urging Congress that a uniform Federal old-age-pension law be enacted; to the Committee on Ways and Means.

2164. By Mr. SUTPHIN: Petition by Council of the Borough of Point Pleasant, N. J., favoring an old-age-pension plan; to the Committee on Ways and Means.

2165. Also, petition of Point Pleasant Lodge of the Independent Order of Odd Fellows, New Jersey, favoring old-age pensions; to the Committee on Ways and Means.

2166. Also, petition of the city of Plainfield, N. J., praying that October 11 of each year be proclaimed as Pulaski Day and known as a "national holiday"; to the Committee on the Judiciary.

2167. Also, petition of the State of New Jersey, opposing mob violence and lynching; to the Committee on the Judiciary.

2168. Petition of the Board of Commissioners of New Brunswick, N. J., opposing any form of Federal taxation that may be interpreted to impose a burden or obligation upon States and their political subdivisions, districts, or agencies; to the Committee on Ways and Means.

2169. Also petition of the Point Pleasant Borough Civic Club, New Jersey, favoring an old-age-pension plan; to the Committee on Ways and Means.

2170. Also, petition of the Board of Commissioners of Newark, N. J., urging that October 11 of each year be proclaimed a national holiday to be known as "Pulaski Day"; to the Committee on the Judiciary.

2171. By Mr. SWEENEY: Petition of the Baptist Ministers' Conference of Cleveland, Ohio, regarding antilynching legislation; to the Committee on the Judiciary.

2172. By Mr. TINKHAM: Petition of citizens of Boston, Mass., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Ways and Means.

2173. Also, petition of citizens of Boston, Mass., protesting against conditions in Mexico and requesting the recall of Ambassador Josephus Daniels; to the Committee on Foreign Affairs.

2174. Also, resolution of Group No. 228, Boston, of the Polish National Alliance of the United States of North America, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2175. Also, resolutions of the General Court of Massachusetts, memorializing the Congress of the United States, relative to prevention and punishment of the crime of lynching; to the Committee on the Judiciary.

2176. By Mr. TRUAX: Petition of F. Hilbrant and other citizens of Norwalk, Ohio, urging support of the Townsend pension bill; to the Committee on Ways and Means.

2177. Also, petition of Trumbull Lodge, No. 73, Amalgamated Association of Iron, Steel, and Tin Workers, Warren, Ohio, by their corresponding representative, Calvin Love,

urging support of the McCarran amendment on prevailing wages as they fear without the amendment the relief bill will destroy their wages and what standard of living they now have; to the Committee on Appropriations.

2178. Also, petition of the Polish American Citizens Club, of Cleveland, Ohio, by their secretary, Henry Skezeckoski, urging support of House bill 2827, knowing as they do the opposite measure which does not provide unemployment insurance for those who have jobs at the present time; to the Committee on Labor.

2179. Also, petition of John L. Swank and other citizens of Toledo, Ohio, urging the Congress of the United States to pass a bill obligating the Government of the United States to pay every citizen of said Government, whose record is free of habitual criminality and who has attained the age of 60 years, a monthly pension of \$200 until the end of his life upon the sole condition that he agree, under oath, to spend the entire amount of the pension within the confines of the United States during the current month in which it is received; to the Committee on Ways and Means.

2180. Also, petition of the Moniuszko Singing Society of Polish National Alliance, of Cleveland, Ohio, by their secretary, Vincenty Cikacz, urging support of House bill 2827; to the Committee on Labor.

2181. By Mr. TURNER: Petition regarding an act for relief of retired warrant officers of the Army who served honorably as commissioned officers during the World War; to the Committee on Ways and Means.

2182. By Mr. WALLGREN: Petition of the House of Representatives, State of Washington; to the Committee on Ways and Means.

2183. By Mr. WOLCOTT: Petition of Clarence Kelch, of Silverwood, Mich., and 48 other members of Farmers Unions, in Lapeer and Tuscola Counties, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2184. Also, petition of Fred Elftman, Jr., of Pigeon, Mich., and 49 other members of Pigeon Local, No. 124, of the Farmers Union, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2185. Also, petition of Archie Waggoner, of Vassar, Mich., and 49 other members of the Farmers Union, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2186. By the SPEAKER: Petition of the Townsend Revolving Club, of Leroy, Ill.; to the Committee on Ways and Means.

SENATE

THURSDAY, FEBRUARY 28, 1935

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

Father of mercies, in whom are the springs of all parental grace; we thank Thee for the spirit that breathes upon this earth of ours with patience, kindly care, and gracious works, wherein Thou dost reveal Thy loving-kindness in the morning and Thy faithfulness every night. Above all, we bless Thee for the precious human things of life: for the hearts that love and trust us, for the teaching of sorrow, for the ministry and use of pain, and for the healing touch of time, bringing to us wider thoughts and an ever-growing sympathy for all who are oppressed with wrong. Do Thou guard and garrison the hearts of all Thy people with the inestimable gift of peace, and enable us to accept, without repining, the discipline of the present time as the means whereby we may press forward to the goal of a high and holy influence among the nations of the world. We ask it in the name of Jesus Christ our Lord and Savior. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, February 26, 1935, was dispensed with, and the Journal was approved.