

Progress Administration after April 1; to the Committee on Appropriations.

1255. By Mr. PFEIFER: Petition of the New York State Waterways Association, Albany, N. Y., concerning the Lea bill (H. R. 2531); to the Committee on Interstate and Foreign Commerce.

1256. By Mr. REES of Kansas: Petition of the Chamber of Commerce of Lehigh, Kans., together with other citizens; to the Committee on Labor.

1257. By Mr. RICH: Petition of citizens of McKean County, Pa., proposing that Frances Perkins, Secretary of Labor, be replaced by a man with suitable qualifications to properly fulfill the duties of Secretary of Labor, because the petitioners feel that labor should have representation in the Cabinet second to none; to the Committee on Labor.

1258. By Mr. SCHAEFER of Illinois: Petition of N. L. Phillips of East St. Louis, Ill., and others, suggesting Federal regulation of mileage as a method of returning thousands of railroad employees to their jobs; to the Committee on Interstate and Foreign Commerce.

1259. Also, petition of the Washington County Trades and Labor Assembly, Langley E. Wade, secretary, Nashville, Ill., requesting Congress to adopt amendments to the National Labor Relations Act as proposed by the American Federation of Labor; to the Committee on Labor.

1260. By the SPEAKER: Petition of the Methodist Church of Elkhart, Ill., petitioning consideration of their resolution with reference to eliminate color and racial tests from the immigration and naturalization laws of the United States; to the Committee on Immigration and Naturalization.

SENATE

WEDNESDAY, FEBRUARY 22, 1939

(Legislative day of Monday, February 20, 1939)

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

Rev. Albert Joseph McCartney, D. D., minister of the Covenant First Presbyterian Church, Washington, D. C., offered the following prayer:

Seek ye the Lord while He may be found; call ye upon Him while He is near. Let the wicked forsake his way and the unrighteous man his thoughts, and let him return unto the Lord, for He will have mercy upon him, and to our God, for He will abundantly pardon.

Let us pray.

O merciful Father, who in compassion for Thy sinful children didst send Thy Son, Jesus Christ, to take away the sin of the world, we join with our fellow believers everywhere on this Ash Wednesday in humbling ourselves before Thee. Grant us grace to acknowledge and lament our share in the evil that besets this unhappy world today. Help us by self-denial, prayer, and meditation to prepare our hearts for a deeper penitence and a better life.

And now upon this day, dedicated to the first President, we remember in gratitude those who with him fashioned our Government and established for our state the foundations of civil and religious liberty. We bless Thee for the glorious heritage of faith and freedom. Help us to be true to the great ideals for which they stood, and may our country ever be the home of justice, liberty, and true brotherhood, and may the President of the United States and these Thy servants, and all our citizenry, hear in the memory of the one whose name we honor today the strongest summons to be good and true.

This we ask in Jesus' name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, February 21, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Caloway, one of its reading clerks, announced that the House

had passed a bill (H. R. 4011) to continue the functions of the Commodity Credit Corporation and the Export-Import Bank of Washington, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Davis	Johnson, Colo.	Russell
Andrews	Donahey	King	Schwartz
Ashurst	Downey	La Follette	Sheppard
Austin	Ellender	Lee	Shipstead
Bailey	Frazier	Logan	Smathers
Bankhead	George	Lucas	Stewart
Barbour	Gibson	Lundeen	Taft
Barkley	Gillette	McKellar	Thomas, Okla.
Bone	Glass	McNary	Thomas, Utah
Borah	Green	Mead	Tobey
Bridges	Guffey	Miller	Truman
Brown	Gurney	Minton	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Hayden	Norris	Wagner
Byrnes	Herring	Overton	Walsh
Capper	Hill	Pepper	Wheeler
Chavez	Holman	Pittman	White
Clark, Idaho	Holt	Radcliffe	Wiley
Connally	Hughes	Reed	
Danaher	Johnson, Calif.	Reynolds	

Mr. MINTON. I announce that the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Washington [Mr. SCHWELLENBACH] are detained from the Senate because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Missouri [Mr. CLARK], the Senator from Connecticut [Mr. MALONEY], the Senator from Nevada [Mr. McCARRAN], and the Senator from South Carolina [Mr. SMITH] are detained on important public business.

The Senator from Illinois [Mr. LEWIS] is unavoidably detained.

Mr. WALSH. I announce that my colleague the junior Senator from Massachusetts [Mr. LODGE] is absent because of a death in his family.

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

READING OF WASHINGTON'S FAREWELL ADDRESS

The VICE PRESIDENT. Under an order made by the Senate in 1901, the Chair has designated the Senator from Ohio [Mr. TAFT] to read George Washington's Farewell Address on this day. If the Senator from Ohio will approach the desk and perform that duty, the Senate will be obliged to him.

Mr. TAFT advanced to the desk and read the Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and

to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you 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 a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end, but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it,

your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts com-

bined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalry alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter. Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by geographical discriminations,—*northern and southern—Atlantic and western*; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in

the distribution of its powers, uniting security with energy, and maintaining within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however spacious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foment occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts

of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good 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 mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, 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! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it,

therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe; my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that

degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
19th September, 1796.

Mr. KING. Mr. President after listening to the patriotic and immortal address of the Father of his Country it seems to me appropriate that we supplement it by having read into the Record his prayer for the United States of America. I ask unanimous consent to have the clerk read the prayer of General Washington.

The VICE PRESIDENT. Without objection the prayer will be read.

The Chief Clerk read as follows:

WASHINGTON'S PRAYER FOR THE UNITED STATES OF AMERICA

(The concluding paragraph of the circular letter addressed by General Washington to the Governors of all the States on disbanding the Army. Issued at headquarters, Newburgh, June 8, 1783)

I now make it my earnest prayer that God would have you, and the State over which you preside, in His holy protection; that He would incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; to entertain a brotherly affection and love for one another, for their fellow citizens of the United States at large, and particularly for their brethren who have served in the field; and, finally, that He would most graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of mind, which were the characteristics of the Divine Author of our blessed religion, and without an humble imitation of whose example in these things, we can never hope to be a happy nation.

CONTINUANCE OF FUNCTIONS OF THE R. F. C.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1102) to continue the functions of the Reconstruction Finance Corporation, and for other purposes, which was to strike out all after the enacting clause and insert:

That (a) section 1 of the act approved January 26, 1937 (50 Stat. 5), is hereby amended by striking therefrom "June 30, 1939" and inserting in lieu thereof "June 30, 1941"; (b) section 1 of the act approved March 31, 1936 (49 Stat. 1186), as amended, is hereby further amended by striking from the first sentence thereof "June 30, 1939" and inserting in lieu thereof "June 30, 1941"; (c) section 9 of the Reconstruction Finance Corporation Act (47 Stat. 9), as amended, is hereby further amended by inserting after the second sentence thereof the following sentence: "Such obligations may mature subsequent to the period of succession of the Corporation as provided by section 4 hereof."; and (d) the act approved February 11, 1937 (50 Stat. 19), as amended, is amended by striking from the first sentence "\$20,000,000" and inserting in lieu thereof "\$40,000,000"; and by striking from the second paragraph "or 1938" and inserting in lieu thereof "1938, 1939, or 1940."

Mr. LA FOLLETTE. May we have an explanation of the amendment?

Mr. GLASS. The amendment simply increases the amount of the capital stock of the Disaster Loan Corporation from \$20,000,000 to \$40,000,000, and extends the authority for loans

because of floods or other catastrophes through the year 1940.

I move that the Senate concur in the amendment of the House.

The motion was agreed to.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the Kanawha County Industrial Union Council, Charleston, W. Va., protesting against the enactment of the so-called Walsh-Green bill, being Senate bill 1,000, to amend the National Labor Relations Act, which was referred to the Committee on Education and Labor.

He also laid before the Senate a petition of sundry citizens of Puerto Rico, praying that the United States adhere to the general policy of neutrality as enunciated in existing law and extend the law to include civil as well as international conflicts, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Washington (D. C.) Alumni Chapter of Kappa Alpha Psi, praying for the taking of measures to increase Negro personnel in the Regular Army and integrate it into all branches of the Military Establishment, which was referred to the Committee on Military Affairs.

Mr. GIBSON presented a petition of several citizens of Poultney, Bridgewater, and Proctorsville, in the State of Vermont, praying for the enactment of House bill 11, a general-welfare bill providing old-age assistance, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of the State of Vermont, praying that necessary action be taken to prevent the resources of the Government and American citizens from being used directly or indirectly to aid Japan in her operations in China, which was referred to the Committee on Foreign Relations.

Mr. MEAD presented a memorial of sundry citizens of New York City and vicinity, remonstrating against amendment or repeal of the neutrality law, which was referred to the Committee on Foreign Relations.

He also presented memorials, numerously signed, of sundry citizens of the State of New York, remonstrating against the imposition and collection of a processing tax on wheat, which were referred to the Committee on Agriculture and Forestry.

He also presented a paper in the nature of a petition from Major Sebastian Baumann Unit, No. 998, of the Steuben Society of America, Huntington Station, N. Y., praying for the adoption of the so-called Ludlow war-referendum resolution, which was referred to the Committee on Foreign Relations.

He also presented memorials, numerously signed, of sundry citizens of the State of New York, remonstrating against the enactment of House bill 1, the so-called Patman bill, imposing taxes upon chain stores, which were referred to the Committee on Interstate Commerce.

Mr. MINTON presented a petition of sundry citizens of Muncie and vicinity, Indiana, praying for the enactment of House bill 11, a general-welfare bill granting old-age assistance, which was referred to the Committee on Finance.

He also presented petitions, numerously signed, of sundry citizens of the State of Indiana, praying for the enactment of legislation to regulate the advertising of intoxicating beverages by press and radio, which were referred to the Committee on Interstate Commerce.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. MILLER:

S. 1541. A bill to amend the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes"; to the Committee on the Judiciary.

By Mr. GUFFEY:

S. 1542. A bill to authorize the Director of the Geological Survey, under the general supervision of the Secretary of the

Interior, to acquire certain collections for the United States; to the Committee on Mines and Mining.

By Mr. MEAD:

S. 1543. A bill for the relief of the Wilson Co., a New Mexico corporation; to the Committee on Claims.

S. 1544. A bill to require an 8-hour day for seamen on merchant vessels of less than 100 tons gross; to the Committee on Commerce.

By Mr. MURRAY and Mr. McCARRAN:

S. J. Res. 76. Joint resolution to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 60 days; to the Committee on Post Offices and Post Roads.

REPORT OF COMMITTEE ON FINANCE

Mr. BROWN, from the Committee on Finance, to which was referred the resolution (S. Res. 86) extending the time for filing of a report pursuant to Senate Resolution 303, Seventy-fifth Congress, a resolution establishing a Special Committee on the Taxation of Governmental Securities and Salaries, reported it without amendment.

ADDRESS BY SENATOR PEPPER BEFORE NATIONAL CANNERS' ASSOCIATION

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD excerpts from an address delivered by Senator PEPPER before the National Canners' Association at Chicago, Ill., January 24, 1939, which appear in the Appendix.]

BITUMINOUS-COAL INDUSTRY—ARTICLE FROM BLUEFIELD DAILY TELEGRAPH

[Mr. HOLT asked and obtained leave to have printed in the RECORD an article with reference to the bituminous-coal industry, published in the Bluefield (W. Va.) Daily Telegraph of February 21, 1939, which appears in the Appendix.]

ADMISSION OF GERMAN REFUGEE CHILDREN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an editorial entitled "Let Them Come In," from the February 25, 1939, issue of Pathfinder, which appears in the Appendix.]

INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3743) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes.

The VICE PRESIDENT. The question before the Senate is on the motion of the Senator from South Carolina [Mr. BYRNES] to suspend paragraph 4 of rule XVI, so that the amendment offered by him yesterday may be in order.

Mr. LA FOLLETTE. Mr. President, yesterday I made a point of order against the amendment offered by the Senator from South Carolina, upon information which at the time I believed to be accurate and reliable. Upon further investigation I find that in some important respects that information was erroneous. Therefore, I ask unanimous consent to withdraw the point of order.

The VICE PRESIDENT. Without objection, the point of order is withdrawn.

Mr. BYRNES. Then I withdraw my motion to suspend the rules.

The VICE PRESIDENT. Without objection, the motion is withdrawn. The question is on the amendment offered by the Senator from South Carolina [Mr. BYRNES], which will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

No part of any appropriation contained in this or any other act for the fiscal year ending June 30, 1940, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of 3 months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1940, notwithstanding the applicable provisions of sections 9 and 10 of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922 (37 U. S. C., 13, 16).

The amendment was agreed to.

Mr. BYRNES. On behalf of the committee, I send to the desk an amendment providing a title for the last portion of the bill. I ask to have the amendment stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 56, after line 12, it is proposed to insert the caption "Emergency agencies."

The amendment was agreed to.

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

The bill was read the third time and passed.

Mr. GLASS. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer (Mr. KING in the chair) appointed Mr. GLASS, Mr. BYRNES, Mr. RUSSELL, Mr. ADAMS, Mr. McCARRAN, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate.

SOIL-CONSERVATION PROJECTS—AMENDMENT

Mr. LEE. Mr. President, I ask unanimous consent to submit at this time a proposed amendment to a House bill.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. LEE. Mr. President, this amendment is intended to be proposed to the Emergency Relief appropriation bill. I ask unanimous consent to have the amendment printed in the usual form, printed also at this point in the RECORD as part of my remarks, and that it be referred to the Committee on Appropriations.

There being no objection, the amendment intended to be proposed by Mr. LEE was referred to the Committee on Appropriations, ordered to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. LEE (for himself and Mr. MILLER) to the bill (H. R. —), the Emergency Relief appropriation bill. At the proper place insert the following:

"Sec. —. Not to exceed \$— of the sum appropriated to the Works Progress Administration by section — of this act, may be expended for the prosecution of projects sponsored by soil conservation districts established under State laws and involving the carrying out upon any lands included within such districts of practices designed to conserve the soil and water resources of such lands. In the case of projects under this section the Soil Conservation Service or other appropriate agency in the Department of Agriculture shall be responsible for supplying technical guidance and supervision in planning and performing the work to be done and for making recommendations to the W. P. A. upon proposed projects. In the prosecution of any such project, the Works Progress Administration shall not enter, or perform labor, upon any privately owned land without the consent of the owner of such land."

Mr. LEE. Mr. President, in brief, the amendment provides that W. P. A. labor may be used, under the supervision of the Soil Conservation Service, within legally established soil-conservation districts to conserve the soil and water resources on any land within such districts. In other words, under the proposed amendment W. P. A. labor could be used to build terraces and small reservoirs on farms within such conservation districts.

During the early stages of the Soil Conservation Service, when demonstrational areas were established in the various States for the purpose of putting into practice the comprehensive soil-conservation and water-control program of the Department of Agriculture, the Works Progress Administration officials approved a Federal project which gave the Soil Conservation Service the benefit of W. P. A. labor to be used within the confines of these demonstrational areas.

Since the expiration of this Federal project the Works Progress Administration has not felt that it had authority to approve projects initiated by local soil-conservation districts. The amendment which I propose gives the W. P. A. such authority.

In 26 States of the Union, State legislatures have enacted legislation providing for the establishment of soil-conservation districts. One hundred and nineteen districts have been established in the 26 States as of January 1, 1939, and approximately 30 more are now being organized. In my own State of Oklahoma 25 districts have been established. These 25 districts are located in all sections of the State. The

object of establishing the district is that by cooperative effort the land owners within the confines of the district may, under the supervision and the assistance of the Soil Conservation Service, carry out sound land- and water-conservation practices.

If this amendment is enacted by the Congress, it will then be possible for a soil-conservation district to initiate and sponsor a W. P. A. project in the same manner in which the county commissioners, school boards, and so forth, have been sponsoring projects since the inception of the W. P. A. The technical supervision will be furnished by the Soil Conservation Service and the labor will be supplied from the regular work rolls of the W. P. A.

I have long advocated spending Government funds for soil-conservation purposes as a sound investment. For every dollar spent, an equal amount of wealth is returned in the improved fertility of the soil.

While we are spending huge sums for the construction of giant flood-control projects, which I have consistently favored, we should give equal consideration to projects that tend to keep the water on the land where it falls, and save the rich topsoil from eroding and washing.

Such a program would be encouraged by the proposed amendment. It would give the farmer the help he wants. It would speed up the program of conserving the soil of the Nation. It would give W. P. A. officials sound constructive projects on which to furnish W. P. A. labor. It would give employment to the unemployed on projects that will merit public approval.

Therefore, I hope the Congress will give serious consideration to this amendment when the emergency relief appropriation bill is considered.

CONSIDERATION OF THE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the clerk call the calendar for the consideration of unobjected-to bills. I adopt that procedure at this time for the reason that the Committee on Finance this morning ordered a report on the bill recently passed by the House of Representatives taxing certain State salaries and other income affected by the sixteenth amendment. Also, I am informed that the Committee on Military Affairs may today report the national-defense bill. In view of that fact, we probably shall have some business for the next few days; and I think we might clean up the brief calendar at this time.

The PRESIDING OFFICER (Mr. KING in the chair). Without objection, the Senate will now proceed to the consideration of unobjected-to bills on the calendar, and the clerk will state in order the bills on the calendar.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 326) for the payment of awards and appraisals heretofore made in favor of citizens of the United States in claims presented under the General Claims Convention of September 8, 1923, United States and Mexico, was announced as first in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

The bill (S. 1093) for the relief of Mike Chetkovich was announced as next in order.

Mr. VANDENBERG. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 58) providing that a calendar day's notice shall suffice in connection with suspension of a rule, was announced as next in order.

Mr. GEORGE. I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 74) providing for a Committee on Civil Aviation, was announced as next in order.

Mr. VANDENBERG. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 884) for the relief of disbursing officers and other officers and employees of the United States for disallow-

ance and charges on account of airplane travel was announced as next in order.

The PRESIDING OFFICER. The present occupant of the chair will ask that the bill be passed over.

The bill (S. 1367) to extend the time for making loans by the Disaster Loan Corporation and increasing its capital stock was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LT. MALCOLM A. HUFTY, UNITED STATES NAVY

The bill (S. 1115) for the relief of Lt. Malcolm A. Hufty, United States Navy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Lt. Malcolm A. Hufty, United States Navy, for refund of \$285.52, in full satisfaction against the United States for the cost of commercial transportation furnished this officer on a foreign registered vessel, in accordance with orders issued by the commander in chief, United States Asiatic Fleet, and subsequently deducted by the General Accounting Office in settlement of the amount awarded this officer pursuant to judgment on another claim.

BILLS PASSED OVER

The bill (S. 828) to permit the President to acquire and convert as well as to construct certain auxiliary vessels for the Navy was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 829) to authorize alterations and repairs to certain naval vessels, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. WALSH] not being in the Chamber, the present occupant of the chair takes the liberty, as if he were on the floor, to ask that the bill go over.

The bill (S. 1045) to give effect to the International Agreement for the Regulation of Whaling, signed at London, June 8, 1937, and for other purposes, was announced as next in order.

Mr. VANDENBERG. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PREVENTION OF STREAM POLLUTION

The bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The present occupant of the chair will ask that the bill go over.

Mr. BARKLEY. Mr. President, I wish, if possible, to dissuade my friend from Utah, who is now in the chair, from objecting to the present consideration of this bill. It is similar to a bill passed in the last Congress, practically unanimously, by both Houses but which was vetoed by the President because the provisions of the bill did not require the appropriation authorized to go through the Budget. For that reason alone the President vetoed the bill. The bill has been reintroduced in terms which were agreed to by the conference committee after long deliberation between the two Houses at the last session of the Congress.

The question of stream pollution and the purification of water to be consumed by the people on our navigable streams has become very acute in many sections of the country. I do not wish to designate any particular locality, but there are some localities whose sanitary officers and public-health agencies have practically condemned the use of the water taken from large navigable streams. In those localities both the municipalities and the private streams that have contributed and are now contributing to the pollution of the streams do not have the facilities at hand with which to inaugurate purification plans or to install purification devices.

There is nothing compulsory about this bill. It authorizes two or more States to enter into compacts providing for the mutual purification of their streams. It authorizes the appropriation of \$300,000 for the administration of the act. It authorizes setting up in the Public Health Service a Division

of Water Pollution Control. It authorizes a study of the question. It authorizes cooperation between the Public Health Service, through the Division to be created, and public-health agencies in counties, cities, and States.

It further authorizes loans and grants to cities and to private industries up to one-third of the cost of the installation of devices designed to bring about purification of water. There is a total appropriation of \$700,000 a year for that purpose, making a million dollars in all.

This bill was agreed to, I may add, in the last Congress after long study by the Committee on Rivers and Harbors of the House and the Committee on Commerce of the Senate. The then Senator from Connecticut [Mr. Lonergan] was greatly interested and had been for years interested in legislation of this character. The real outstanding difference between the advocates of the bill was the degree of compulsion which should be included so far as the Federal Government is concerned. We finally eliminated that controversy by providing that there should be no compulsion; and there is no compulsion under the bill, either by criminal process or by injunction, against any city or any industry. It is a purely cooperative measure, making a modest step in the direction of trying to purify our streams, which are the source of the drinking water in many cities and communities throughout the country.

I do not see how there can be any objection to the bill. I am anxious to have it passed so that it may go to the other House and be considered there by the Committee on Rivers and Harbors, in order that the proposed legislation may be enacted. It would now be a law if we had not made what the President thought was a mistake in not providing that the appropriation authorized should go through the Bureau of the Budget instead of going around the Budget Bureau. We have accepted the President's conclusions about that and have modified the bill accordingly.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Virginia?

Mr. BARKLEY. I yield.

Mr. GLASS. I should like to know how the bill would affect a situation in Virginia. There has been intense complaint against the pollution of the waters of Hampton Roads, the claim being made that it has largely impaired, and in some respects destroyed, the oyster industry. I should like to know how this bill would affect that situation.

Mr. BARKLEY. The bill by its terms provides that it shall not only apply to purification of water for human consumption but shall have regard also to the effect upon the aquatic life within the waters themselves. For instance, under the bill, the local sanitary or health officer would cooperate with the Bureau of Public Health through the Division of Water Pollution Control. If, in Hampton Roads or any of the cities along the shores of Virginia or in Maryland, it is desired to install facilities for the purification of the water, they could cooperate one with another to bring about a plan by which it would be done through the Division of Water Pollution Control in the Public Health Service, subject, of course, to the regulation of the Army engineers with respect to navigation, for that is always to be considered. They could install such devices or such plants if they were able financially to do so, or the municipalities involved or the corporations involved in the pollution of a stream, if not wholly able themselves to bear the expense, could apply to the Division of Water Pollution Control for loans and grants up to one-third of the cost, and proceed to install them.

Mr. GLASS. But if there is no compulsion, as the Senator says, of what worth would it be?

Mr. BARKLEY. That is a legitimate question, but, frankly, we could not secure the enactment of legislation that carried compulsory provisions. We have got to make a beginning; and it is hoped that the experience of this modest beginning in voluntary cooperation among the States and the Federal Government may bring about the gathering of experience that may enable us to take a further step later on when we

find, from the experience gained and from the administration of the proposed law, that it is necessary. However, the compulsory feature had to be eliminated in order that we might make a start in cleaning up the rivers by voluntary cooperation.

Mr. ADAMS. Mr. President—

The PRESIDING OFFICER (Mr. Hatch in the chair). Does the Senator from Kentucky yield to the Senator from Colorado?

Mr. BARKLEY. I yield.

Mr. ADAMS. I note on page 5 of the bill a provision authorizing the making of grants and loans in aid of the construction of necessary treatment works by private individuals. It is my understanding that no individual and no corporation has a right to pollute a stream. I know that is the case in my section of the country, where stream pollution has been stopped by injunctive process.

Mr. BARKLEY. That is, of course, probably under the laws of the State; but, as a matter of fact, without intending to do it, for I do not think that anybody would deliberately and with premeditation pollute the waters of a stream which is the source of water consumed by people generally, in many States the character of manufacturing being carried on and the disposition of waste which finally finds its way into the streams result in pollution. Some of the streams are wholly within one State, while others are boundaries between States, and the latter, of course, are subject to the control of the Federal Government. If in such cases, without intending it by design, private industry is operating in such a manner as to pollute a stream, the object of the provision of the bill referred to is to help private industries install such devices as will enable the stream to be purified without requiring them to put up the entire amount of money in cash at the time of the installation.

Mr. KING. Mr. President, I regret exceedingly to differ from my distinguished leader, whom I am always anxious to follow, but this is a very important bill; I have one or two amendments as a result of some suggestions which I have received which I should like to have considered, and I ask my friend not to press the consideration of the bill at this time. I will be perfectly willing at the next meeting of the Senate to have the bill taken up for consideration. So I now object.

The PRESIDING OFFICER. Objection is heard.

Mr. BARKLEY. Very well; let the bill go over, under the circumstances.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 439) to confer the Distinguished Service Medal on Col. Richard C. Patterson was announced as next in order.

Mr. VANDENBERG. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1084) to continue the function of the Commodity Credit Corporation and the Export-Import Bank of Washington, and for other purposes, was announced as next in order.

Mr. VANDENBERG. I also ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CLAIMS OF TURTLE MOUNTAIN BANDS OF INDIANS, NORTH DAKOTA

The Senate proceeded to consider the bill (S. 88) referring the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for finding of fact and recommendations to the Congress, which was read, as follows:

Be it enacted, etc., That the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota, including the band of Chief or Thomas Little Shell and other isolated bands of Chippewa Indians of North Dakota and Montana, of whatsoever nature, not heretofore determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States, arising under or as the result of violation of any treaty, act of Congress, agreement, Executive order, or treaty with any other tribes or nations of Indians, or relating to, affecting, or otherwise violating the land occupancy or other rights, as recognized by the officials of the United States, of said band or bands of Indians are hereby referred to the Court of Claims; and jurisdiction is hereby conferred upon said Court of Claims to proceed, according to the principles of law and equity, to find the facts with reference to any claim or claims presented hereunder and report

the same to the Congress, together with recommendations hereinafter referred to. The said court shall consider all such claims de novo, without regard to any decision, findings, or settlement heretofore had in respect of any of such claims.

SEC. 2. That any and all claims against the United States under this act shall be forever barred unless the said Turtle Mountain Band or Bands of Indians shall within 3 years from the date of the approval of this act file a petition or petitions in said court setting forth said claims. The claim or claims of the band or bands aforementioned may be presented separately or jointly by petition or petitions, subject, however, to amendment in the discretion of the court at any time prior to final hearing in the matter. The petition or petitions shall be verified by the respective attorney or attorneys employed to prosecute such claim or claims under contract with the Turtle Mountain Band or Bands of Chippewa Indians, approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as provided by law. Official letters, papers, documents, reports, and records, or certified copies thereof, may be used in evidence; and the departments of the Government shall give access to the attorney or attorneys of said Turtle Mountain Band or Bands to such treaties, agreements, papers, reports, correspondence, or records as may be needed by the attorney or attorneys of said band or bands of Indians.

SEC. 3. That said court shall determine the facts as to all claims submitted hereunder, and shall make findings of fact and recommendations to the Congress thereon, notwithstanding lapse of time or statutes of limitation; any payment which may have been made by the United States upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as a set-off; and the United States shall be allowed credit for any sum or sums proved to have been heretofore paid or expended directly for said band or bands of Indians, subsequent to the date of any law, treaty, agreement, or Executive order under which the claims arise.

SEC. 4. That said court is hereby authorized and empowered to make findings of fact and to report the same to the Congress of the United States, together with recommendations, (1) relative to any loss sustained by said Indians by reason of the delay in ratification of the agreement of 1892 (33 Stat. 189); (2) as to the acceptance of the amendments made by Congress to said agreement of 1892, whether the acceptance of said amendments by the Indians was voluntary or whether made under compulsion or duress, and as to the loss or damage sustained by said Indians by reason of any action on the part of the United States in securing said acceptance; (3) whether said agreement of 1892 was consented to and ratified by the band of Chief or Thomas Little Shell and the amount of any loss to said band resulting from actions taken under said agreement without the consent of said band; (4) whether said lands to which the band of Chief or Thomas Little Shell had title by occupancy were taken from it without the consent of said band and the value thereof; (5) as to any losses, as near in amount as can be determined, sustained by said Indians by reason of the appropriation of lands ceded by said agreement of 1892 prior to its ratification, and the failure of the United States to reserve sufficient lands to enable the said Indians, including the band of Chief or Thomas Little Shell, to obtain suitable and adequate allotments as provided in said agreement; (6) the costs incurred by said Indians in acquiring allotments on the public domain as a result of any violation of said agreement; (7) as to whether, under said agreement of 1892, the said band or bands of Indians by mistake or otherwise ceded lands which were intended to be retained as a reservation, in particular an area lying about 30 miles west of Red River, being 15 miles in width, for a distance of 65 miles along the Canadian border, and the value of said tract at the time of said cession; (8) as to whether the United States, by Executive order, set aside approximately 1,000,000 acres of the territory occupied by said Indians as a reservation for any other Indian tribe or tribes, without compensating said Indians for the land so taken; (9) whether said Indians had legal or equitable title to said lands so set aside for any other tribe or tribes of Indians, and the reasonable value of said lands at the time of the issuance of the said Executive order; (10) as to the negotiation and execution of said agreement of 1892, and whether the United States obtained cessions of land thereunder from said band or bands of Indians in violation of or contrary to the terms of said agreement authorizing said cession of lands; (11) whether the United States obtained lands from said Indians under mistake of fact; (12) whether the consideration paid by the United States under said agreement of 1892 was adequate and whether any lands were taken from said band or bands of Indians without paying any consideration therefor. Said court shall make its findings with respect to all claims presented hereunder, including any and all other claims which may be presented to the court by said band or bands of Indians not specifically hereinabove set forth, and shall report said findings to the Congress, and shall determine the value of said lands under said claims at the time they were ceded to or taken from said Indians by the United States, and shall recommend to the Congress such amount as may appeal to the conscience of said court under the principles of equity and justice as proper to be paid to said band or bands of Indians in payment for the lands so taken, and damages suffered, including interest thereon from the date of such taking, and in full satisfaction of all claims determined pursuant to this act.

SEC. 5. Upon the final determination of such suit or suits the Court of Claims shall have jurisdiction to recommend a reasonable

fee, not to exceed 10 percent of the recovery in each instance, together with all necessary and proper expenses incurred in preparation and prosecution of the suit or suits, to be paid to the respective attorneys employed by the said band or bands of Indians under contracts approved by the Commissioner of Indian Affairs and the Secretary of the Interior as provided by law, and the same shall be included in the findings of said court and shall be paid out of any sum or sums appropriated by the Congress pursuant to this act. The court shall have jurisdiction and is hereby further authorized to determine and recommend to the Congress what amounts, if any, shall be awarded to the respective bands who bring suit or suits hereunder.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit or suits any other tribe or band of Indians deemed by it necessary or proper to the final determination of the matters in controversy. A copy of the petition or petitions shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and represent the interests of the United States in such case.

SEC. 7. The proceeds of all amounts, if any, found to be due said Indians and duly appropriated by the Congress, less fees and expenses, shall, upon said appropriation, be deposited in the Treasury of the United States to the credit of the said band or bands of Indians as found by said court to be entitled thereto.

Mr. KING. I should like to have an explanation of the bill.

Mr. FRAZIER. Mr. President, this bill refers to the Court of Claims the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota. A similar bill passed the Senate at the last session of Congress, but, owing to the lateness of the session, did not get through the other House. The bill is approved by the Department. It merely allows the Indians to go into the Court of Claims to establish their claims against the Government.

Mr. KING. Mr. President, doubtless the Senator has heard the statement repeatedly—and it is authentic—that we have passed so many Indian claims bills that the amount of money involved, if liability were established, would aggregate several billion dollars. I have felt—and I am in part responsible for some of the bills—that we have been rather too inconsiderate of the Public Treasury and have not devoted sufficient consideration to the merits of the claims which are considered. I do not think we ought to devolve upon the courts long suits and protracted litigation when there is no warrant for such action.

Mr. FRAZIER. In this particular case, Mr. President, a treaty was made with the Indians, and it was agreed that they would be given sufficient land to provide for homes for all of them. The treaty was held up by the Congress for several years. I do not remember all the circumstances; but, in the meantime, the white settlers have come in and homesteaded the lands, and now there are 4,000 Indians on two townships of land. The treaty never has been carried out. They have not sufficient land, nor have they an adequate number of schools to educate their children.

Mr. KING. Then, as I understand the Senator, it is contended that the Government has violated a treaty with the Indians, has taken their land, and has made no compensation for it.

Mr. FRAZIER. That is an absolutely correct statement.

Mr. KING. Is this bill only for the purpose of determining the damages, if I may use that expression, to which the Indians would be entitled by reason of having been deprived of their property in contravention of the terms of the treaty?

Mr. FRAZIER. The bill is to establish the facts in the matter; to show what the Indians are entitled to, if anything.

Mr. KING. I have no objection.

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

INDIANS OF FORT BERTHOLD RESERVATION, N. DAK.

The Senate proceeded to consider the bill (S. 414) for the relief of the Indians of the Fort Berthold Reservation in North Dakota, which was read, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$400,000 in full and final settlement of all claims and demands of the Indians of the Fort Berthold Indian Reservation in North Dakota, composed of the Arickarees, Gros

Ventres, and Mandans, which claims are based upon stipulations of an unratified treaty dated July 27, 1866 (Kappler's Laws and Treaties, vol. 2, p. 1052): *Provided*, That the amount when appropriated shall be deposited in the Treasury of the United States to the credit of the Indians of the Fort Berthold Reservation and shall draw interest in accordance with existing laws: *Provided further*, That not to exceed 10 percent of the amount herein authorized may be used by the Secretary of the Interior for payment of fees and expenses of attorneys employed under contract approved in accordance with existing law.

Mr. KING. Mr. President, is this bill in the same category as the former one?

Mr. FRAZIER. No, Mr. President. The bill is similar to one which was passed at the last session, but the situation is a little different.

The Government agreed to pay these Indians, for the use of their lands, \$20,000 a year for 20 years. It has never been paid. Another claim was paid to the Indians, but this amount was not considered at the time. The Department feels that they are entitled to it. A similar bill was passed by the Senate last year, and was reported by the Indian Affairs Committee of the other House and placed on their calendar, but did not pass the House.

Mr. McKELLAR. Mr. President, may I ask the Senator how much is involved in this claim?

Mr. FRAZIER. In this bill, \$400,000.

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

CROW TRIBE OF INDIANS

The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807), was announced as next in order.

Mr. McKELLAR. Mr. President, may I ask the Senator from North Dakota how much is involved in this joint resolution?

Mr. FRAZIER. This is a Montana case. I have forgotten the particular facts involved.

Mr. KING. My recollection is that a number of measures dealing with the Crow Indians have been before the Senate.

Mr. FRAZIER. This measure also is similar to one which was passed last year.

Mr. KING. Let the joint resolution go over.

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

That completes the calendar.

DISASTER LOAN CORPORATION

Mr. WAGNER. Mr. President, unfortunately I was detained before coming to the Senate Chamber. I understand that during my absence Senate bill 1367 was reached on the calendar, and an objection was made to its consideration. Is the Senator present who made the objection?

The PRESIDING OFFICER. The Senator who made the objection is not present.

Mr. McNARY. Mr. President, does the record indicate who objected?

The PRESIDING OFFICER. The Senator from Michigan [Mr. VANDENBERG] objected.

Mr. McNARY. He is absent; so, of course, we would not want to take action during his absence.

Mr. WAGNER. Mr. President, as the Senator will remember, last year and the year before we passed bills similar to this by unanimous vote of both Houses. The bill deals with the Disaster Loan Corporation. I suppose, in the absence of the Senator who objected, we cannot do anything about the matter; but the difficulty, if I may explain it, is that there is no authority to make loans for any of the disasters as a result of floods since January 1, and there have been some recently. Applications are pouring in to the R. F. C. in very distressed cases.

Mr. McNARY. Mr. President, I supported the original legislation.

Mr. WAGNER. I know the Senator did.

Mr. McNARY. I am in favor of its continuance. I have sent a messenger for the Senator from Michigan [Mr. VANDENBERG], and he will return to the Chamber in a moment.

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

Mr. WAGNER. Yes.

Mr. KING. My recollection is that either the Senator from New York, or the report of the committee, or some Member upon the floor of the Senate, stated that the funds heretofore appropriated had not been exhausted; and I was wondering whether there is any necessity of augmenting the fund by \$20,000,000 when the \$20,000,000 heretofore appropriated has not been exhausted?

Mr. BARKLEY. Mr. President, the other day, when this matter was brought up, I stated that the original \$20,000,000 which became the capital of the Disaster Loan Corporation had not all been exhausted; but this increase is made necessary because of the desirability and necessity of making loans in New England to take care of timber which was destroyed or blown down by the recent hurricane. The amount of money necessary to do that is about \$15,000,000, so that makes up the large item of increase made necessary. Of course, in some cases involving floods, loans ought to be continued, which would absorb the balance of the amount. It seems to me to be a very worthy thing, and the Disaster Loan Corporation has served a good purpose in that regard. The bill only provides for the capital stock which was originally contemplated when the Disaster Loan Corporation was created.

Mr. WAGNER. Mr. President, supplementing what has been said, permit me to add that it is estimated that more than \$15,000,000 in the way of loans will be required to take care of the down timber in the New England States. About 3,000,000 feet of timber is down as a result of the hurricane. Twenty million dollars is not sufficient to take care of loans already made and those which it is contemplated to make to the timber owners, particularly of the New England States. If the timber is to be salvaged at all, it must be done at once, so that it will reach the water by the summertime.

I know that all the States, and particularly the New England States, are very much concerned in this proposed legislation. Furthermore, there have been some floods since January 1, and a hurricane occurred just the other day. I am informed that there are some very distressed cases as the result of those particular disasters.

The PRESIDING OFFICER. If the Senator from New York will permit the Chair briefly to explain the parliamentary situation, which has arisen probably without the knowledge of the Senator, the Chair's attention has been called by the clerk to the fact that the text of this identical bill has been added by the House to a Senate bill as an amendment, and the Senate today concurred in the amendment.

Mr. WAGNER. Very well, then.

The PRESIDING OFFICER. That action was taken earlier in the day. That amendment being identical with the measure about which the Senator is now speaking, has been concurred in by the Senate. This bill, therefore, probably should be indefinitely postponed.

Mr. WAGNER. Has the Senate bill, with the House amendment, been considered and passed?

The PRESIDING OFFICER. It has been.

Mr. WAGNER. Then, if that be so, I suppose a motion would be in order to postpone indefinitely the consideration of Senate bill 1367. I make that motion.

Mr. BARKLEY. The amendment was reported to the Senate earlier in the day. It was not generally known what its terms were, or that it applied to this situation. The bill is a Senate bill which was amended in the House, and the Senate concurred in the House amendment, so that it is now a part of the bill.

Mr. WAGNER. Very well. I may say that portions of the House amendment are identical with a bill which the Senate has already passed extending the power of the R. F. C., so, in concurring in the amendment, we were not considering entirely new legislation.

The PRESIDING OFFICER. Without objection, the motion of the Senator from New York [Mr. WAGNER] to postpone indefinitely action on Senate bill 1367 is agreed to.

COMMODITY CREDIT CORPORATION—EXPORT-IMPORT BANK

Mr. BARKLEY. Mr. President, earlier in the day a message was received from the House of Representatives announcing the passage of a bill extending the time for the operation of the Commodity Credit Corporation and the Export-Import Bank. The Committee on Banking and Currency has favorably reported a similar measure. I suggest that it is not necessary to refer the House bill to the committee, but that it may go to the calendar, in view of the action already taken on the Senate bill of similar import.

Mr. WAGNER. I suggest that the House bill, which is identical with the bill reported yesterday by the Committee on Banking and Currency, be placed upon the calendar, so that when we consider the subject matter we may consider the House bill instead of the Senate bill.

Mr. BARKLEY. Yes; that is the suggestion I have just made.

Mr. McNARY. Mr. President, that is extraordinary unless the bills are identical in language. It is always customary to refer House bills to the committee having jurisdiction. The action proposed could be taken if the bills are identical, and I should have no objection if I knew positively that there is no difference at all.

Mr. WAGNER. I give the Senator my assurance that the bills are absolutely identical.

Mr. McNARY. Has the Senate bill been favorably reported?

Mr. WAGNER. The Senate bill has been favorably reported and is upon the calendar.

Mr. McNARY. And it is identical with the House bill?

Mr. WAGNER. It is absolutely identical with the House bill.

Mr. McNARY. The Senator now desires to substitute the House bill for the Senate bill?

Mr. WAGNER. For the present, let us leave both upon the calendar.

Mr. McNARY. Very well.

Mr. WAGNER. Then when we come to consider the subject matter we will consider the House bill. Would not that be the better procedure?

Mr. BARKLEY. That was the suggestion I made.

Mr. McNARY. The procedure would be in this fashion: We have placed both of the bills on the calendar, without objection; and when we come to consider the subject matter we will substitute the House bill for the Senate bill, if that is the Senator's desire.

Mr. WAGNER. That is what I propose to do when we take up the subject matter for consideration.

Mr. McNARY. I have no objection to that procedure.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 4011) to continue the functions of the Commodity Credit Corporation and the Export-Import Bank of Washington, and for other purposes, was read twice by its title and ordered to be placed on the Calendar.

AUTHORIZATION FOR COMMITTEE ON MILITARY AFFAIRS TO REPORT BILL

Mr. BARKLEY. Mr. President, I am informed that the Committee on Military Affairs probably will very soon vote out the bill recently passed by the House, authorizing certain national-defense expenditures. I ask unanimous consent that during the adjournment or recess of the Senate the committee may be authorized to report the bill.

Mr. McNARY. Mr. President, I have no objection to the request if it is coupled with an understanding that if any Senator desires, the bill shall go over for the usual time, 1 day, before its consideration. I make this statement for the reason that I think the senior Senator from North Dakota [Mr. NYE] would like to be present when the bill is considered, and I am informed he is out of the city today. If he is present tomorrow and is prepared to go forward, I will have no objection to the request.

Mr. BARKLEY. I have no desire to press consideration of the bill tomorrow unless it is agreeable to all Senators.

Mr. McNARY. Very well. If that is the mutual agreement and understanding, I have no objection to the committee reporting.

The PRESIDING OFFICER. Without objection, the request of the Senator from Kentucky is agreed to.

ORDER OF BUSINESS

Mr. WAGNER. Mr. President, I should like to make an inquiry of the Senator from Kentucky. As the Senator knows, there is on the calendar a bill to continue the function of the Commodity Credit Corporation and the Export-Import Bank of Washington. I take it that there will be some controversy over the proposed legislation, and I wondered whether the Senator from Kentucky had determined when we should consider it.

Mr. BARKLEY. The bill was objected to when it was called on the calendar today. It may be possible to take it up tomorrow, if we have a session tomorrow.

Mr. WAGNER. A number of Senators are absent today. Would it be possible to have the bill set down for a definite time; say, Monday?

Mr. BARKLEY. The difficulty about that is that if the Committee on Military Affairs reports today or tomorrow on the national-defense bill, we will probably want to take it up not later than Monday. In addition to that, the Committee on Finance has today ordered a report on a bill recently passed by the House of Representatives providing for the taxation of State salaries and other income of that sort involved in the sixteenth amendment. That bill will be on the calendar tomorrow, and it may be desirable to consider it. I am anxious to get the bank bill through, and we may be able to consider it tomorrow, if it is agreeable.

Mr. WAGNER. It is agreeable to me. I was wondering whether the Senator knew how many Senators would be absent. It is a controversial matter.

Mr. BARKLEY. Tomorrow will be Thursday, the middle of the week. I do not know that there will be an unusual number of Senators absent.

Mr. BROWN. Mr. President, I do not think it will be possible to take up the tax bill tomorrow, because the hearings will not be printed until at least day after tomorrow, and it is going to take a little time to prepare the report, as the subject is more than usually complicated. I do not think the bill could be considered tomorrow.

Mr. BARKLEY. I may say to the Senator from New York that probably we can take up the Export-Import Bank bill tomorrow, and I do not think there will be so many Senators absent as to affect the situation. I think we can take it up and dispose of it, either on a call of the calendar or the Senator may move to take it up.

Mr. KING. Mr. President, if that bill is taken up, if any hearings have been had, either in the House committee or in the Senate committee, I submit that Senators ought to be advised of that fact and have an opportunity to examine the report of the hearings.

Mr. BARKLEY. I know there were hearings in the Senate committee. Mr. Jones made an exhaustive statement about it, as I think he did before the House committee.

Mr. WAGNER. We had hearings on two different days. We concluded hearings yesterday. We had a hearing a week ago, a very complete hearing, with a full attendance of the committee, the subject matter was thoroughly discussed, and the bill was reported without a dissenting vote, so far as I recall.

Mr. KING. Of course, we have a great deal of respect for Senate committees, and give to them due consideration, but it seems to me that in matters of great importance, if testimony has been taken to fortify the bills themselves, we ought to have an opportunity to read the testimony. If hearings have been had, I respectfully submit to the Senator that he make a report of them available at the earliest possible moment, so that some of us who may not have the knowledge he and his committee have concerning this important measure may have the benefit of the hearings.

Mr. WAGNER. If it is to be necessary to furnish printed transcripts of the hearings, I am afraid that cannot be done by tomorrow.

Mr. BARKLEY. A report of the hearings which were had yesterday might not be ready by tomorrow, but I am sure a report of the hearings before the House committee is available.

Mr. WAGNER. That may be.

ADDITIONAL REPORT OF A COMMITTEE

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress, reported it with amendments and submitted a report (No. 80) thereon.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nominations of sundry persons for appointment as Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service.

The PRESIDING OFFICER (Mr. HATCH in the chair). The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of Mabel Gittinger to be collector of customs for the collection district of Des Moines, Iowa.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph J. Cunningham to be collector of customs for the collection district of Providence, R. I.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Public Health Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Public Health Service are confirmed en bloc.

ADJOURNMENT

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate adjourn.

The motion was agreed to; and (at 1 o'clock and 23 minutes p. m.) the Senate adjourned until tomorrow, Thursday, February 23, 1939, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 22 (legislative day of February 20), 1939

COLLECTORS OF CUSTOMS

Mabel Gittinger to be collector of customs for customs collection district No. 44, with headquarters at Des Moines, Iowa.

Joseph J. Cunningham to be collector of customs for customs collection district No. 5, with headquarters at Providence, R. I.

UNITED STATES PUBLIC HEALTH SERVICE

Albert T. Morrison to be surgeon.

Langdon R. White to be surgeon.

John D. Lane, Jr., to be passed assistant surgeon.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 22, 1939

The House met at 11 o'clock a. m.

The Reverend Joseph M. M. Gray, D. D., Litt. D., chancellor of American University, Washington, D. C., offered the following prayer:

Our Father, we give Thee thanks for all those great spirits who in the past determined the national ideals by which we have been led, for all those adventurous minds who across the years have given our accomplishments distinction. Today particularly we remember that tall figure standing at the beginning of our national history, a light of shelter and of hope. On this his natal day we pray Thee refresh our recollections with new impulses of Thy spirit that something of the dignity which he conferred on public service may be regained in our less reverent and sober day, that something of his far sight may be vouchsafed to these who lead us within the American fashion of our modern world that our national path may be more clearly seen, and that something of his wisdom may preserve our legislators, our executives, and our courts from the confusions born of strife of tongue.

Renew, we pray Thee, to those who govern us the graces of devotion and to us who are governed the patriotism of fortitude and patience. Teach us to incarnate in a bickering generation the truth that no man is alien who is at one with Thy purposes. Inspire our citizenship with tolerance and reinforce our institutions with human sympathy. Keep us aloof from the avarice of banded forces, national and individual. Let us associate with all motions for righteousness throughout a world to which no peoples can be immune. In reverence and in courage sustain us on the path of our noblest aspirations.

We ask in the name of our Lord. Amen.

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

SELECT COMMITTEE ON GOVERNMENT ORGANIZATION

Mr. WARREN. Mr. Speaker, I offer a privileged resolution to the Committee on Accounts and ask its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 95

Resolved, That the expenses of conducting the business authorized by House Resolution 60 incurred by the Select Committee on Government Organization, acting as a whole or by subcommittee, not to exceed \$5,000, including expenditures for the employment of experts and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof and approved by the Committee on Accounts.

Sec. 2. That the official committee reporters may be used at all hearings held in the District of Columbia if not otherwise officially engaged.

Sec. 3. The head of each executive department is hereby requested to detail to said select committee such number of legal and expert assistants as said committee may from time to time deem necessary.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MALADMINISTRATION OF W. P. A.

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. TABER. Mr. Speaker, I have been calling attention to the abuses of spending W. P. A. funds from time to time. Today I wish to move from Cleveland, which I discussed yesterday, to Racine, Wis.

I hold in my hand a list showing the names of 138 aliens who are employed at this city by the W. P. A., with their certificate numbers, and the numbers of the projects on which they are employed. I understand that there are 65 veterans who are eligible for employment in that immediate territory.

Of course, we understand that aliens have been given preference for employment with the W. P. A. in many places in this country. It is a most ridiculous situation, and now that the law prohibits it—but it is still being done—the aliens on the rolls should be taken off and we should clean up that situation. It will readily be seen that if we get rid of the alien cases who have no place on the roll and clean up the W. P. A. rolls, there will be plenty of room and money to take care of needy citizens and let us save \$150,000,000 out of the \$725,000,000 which was appropriated instead of asking for more money.

If Mr. Roosevelt wants specific examples of how relief money has been wasted, here it is. Let him come forward with clean hands when we attempt to tackle a permanent relief policy later on in the session. Otherwise, his recommendations will be entitled to no consideration from anyone. [Applause.]

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein some short statements concerning bills of interest to the people of Puerto Rico now under consideration by committees.

The SPEAKER. Is there objection to the request of the Commissioner from Puerto Rico?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

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

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the press of recent days has been carrying considerable self-praise dished out by Attorney General Murphy, the one-time Governor of Michigan; the gentleman who, after 2 years' silence, brought to light a letter which he said he had written but never sent to Homer Martin and John L. Lewis, advising them that the law, which their sit-down strikers had defied for 40 days, must be obeyed—the letter former Governor Murphy, now Attorney General Murphy, said he read to Lewis, although he never has announced that he read or delivered it to Martin, a day or two before the plants at Flint were evacuated by Lewis' sit-down strikers.

The ex-Governor also ignored the fact that, at the time, reserve officers were being sworn in at Flint, with the avowed purpose of ejecting the sit-down strikers by force and that his course of maintaining the sit-down strikers in possession of Flint factories, with the aid of State police and 3,700 National Guardsmen, was about to be challenged and his bluff at law-enforcement called.

Not so long ago the Governor let it be known that he had breakfast with Judge Manton and that, following that breakfast, the judge had retired. Again the failure of the Attorney General to announce all the news was most significant. He neglected to say that a district attorney in New York had previously made an investigation of Manton's conduct and had called the attention of Federal agencies to the judge's misconduct. He let it be inferred that the judge resigned, not because of District Attorney Dewey's investigations, but because he, Murphy, after breakfast, had advised the judge that such a course would be advisable.

On another recent occasion we learned through the papers that Attorney General Murphy was about to create a separate bureau in the Department of Justice to protect the civil liberties of American citizens.

Probably no one in Michigan knows more about the violation of civil liberties, with the protection of the law-enforcing agencies, of which Governor Murphy was the head at the time, than Governor Murphy. If ever any man in high official position winked at the violation of, and connived with those who were depriving citizens of, their civil liberties, that man is Attorney General Murphy.

The press of this morning carries the further notice that Attorney General Murphy, now in Florida—and he seems

to be one of those who makes a practice of serving the Government at some place other than the seat of government—has generously announced that J. Edgar Hoover, Director of the Federal Bureau of Investigation, will not be fired, but will be permitted to retain his office. Now, is not that generous of Murphy?

Some others would doubtless be pleased with the firing of Edgar, notably Al Capone. But the firing of Hoover is one job Murphy had better forget; and talking about retaining him, when even Murphy would not dare fire him, is a cheap way of assuming a pious attitude.

He might, however, suggest to Hoover that he or some of his agents investigate and determine just how much of the salary which Murphy drew as High Commissioner of the Philippine Islands while he was electioneering as a candidate for Governor in Michigan should be returned to the Federal Treasury.

Murphy poses—and it is a pose—as a friend of civil service. In that connection, let me here quote what was said in the Times-Herald this morning by George D. Riley on the spoils system. He writes:

MURPHY IGNORES STAFF FOR "MAN BACK HOME"

There are two forms of spoils system. One political. One personal. They are identical in the broad aspect, for each gravitates around a personal acquaintance or attachment basis. Neither system is a merit system, for we are told merit means advancement and recognition of one within the service who rises on the basis of true worth.

Thus, when the Attorney General sees fit to reach outside, back home, to bring into Justice a personnel director, he pursues an ancient type spoils system—personal patronage. He knew William G. Brownrigg, his State employment-service commissioner. He now takes aboard for duty here the same man he knew "back home."

The Rockefeller Fueled Civil Service Assembly would never open sessions unless Brownrigg were present. He is a dynamo in this subsidized group, another of the organization darlings of the Brownlow get-up.

We do not question Brownrigg's plentiful abilities and energies. But we do question the propriety of ignoring every man and woman in the Federal service and practicing just what the Rockefeller crowd refer to as local patriotism, which is just what Mr. Murphy does when he appoints one he "knew when."

Scratch some progressives and you find deep-dyed conservatives. The Rockefeller program means inculcation of the so-called British civil-service system, a caste system which permits only the elite to rise within the service. Mr. Murphy has made a great start toward keeping his personnel "heads down" by going back home to the man he "knew when." It all becomes the more sanctified when we know that it is Michigan, the Attorney General's own home State, which ranks tops in this open competitive examination.

These are the physical aspects. The Attorney General may care to explain what really happened. We fail to see how Mr. Murphy can make his selection endure past his own regime.

If Mr. Riley was as well acquainted with Murphy's "sayings" and "doings" as are the people of Michigan, he would realize that, when Murphy talks, an avalanche of pious platitudes flows forth; but when he acts, citizens lose their civil liberties if Murphy's political fortunes demand that course.

Murphy thought he could make the people of Michigan believe he was Little Red Riding Hood's grandmother, but they learned what he really was long before election day and, on that day, they gave notice to the Nation that Michigan wanted him no longer.

In Roosevelt's official family, he is in congenial company and he and his chief are now in a position to carry on the activities of their mutual admiration society without running up a \$2,000 telephone bill for Michigan taxpayers to liquidate.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the Record and include therein a short article from this morning's edition of a Washington paper with regard to the spoils system.

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

There was no objection.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, in order that all Members may have an opportunity to hear the gentleman from Texas [Mr. LANHAM] read Washington's Farewell Address, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 17]

Allen, Ill.	Dickstein	Kennedy, Michael	Rutherford
Andrews	Dies	Knutson	Sabath
Austin	Dingell	Kocialkowski	Sacks
Beam	Disney	Lambertson	Sasser
Bender	Ditter	Lemke	Satterfield
Bolton	Doughton	Lesinski	Schafer, Wis.
Bradley, Mich.	Edmiston	McArdle	Schuetz
Brooks	Elliott	McDowell	Seger
Bryson	Evans	McGranery	Shafer, Mich.
Buck	Fay	McKeough	Smith, Conn.
Buckley, N. Y.	Ferguson	McReynolds	Smith, Ill.
Bulwinkle	Fish	Maciejewski	Smith, Maine
Cartwright	Flaherty	Maloney	Smith, Va.
Case, S. Dak.	Fulmer	Mansfield	Somers, N. Y.
Casey, Mass.	Gehrman	Marcantonio	Sullivan
Chandler	Gerlach	Mason	Sumners, Tex.
Chapman	Goldsborough	Mitchell	Sweeney
Coffee, Nebr.	Grant, Ind.	Mouton	Thill
Cooley	Guyer, Kans.	Mundt	Thomas, N. J.
Corbett	Hartley	Murdock, Ariz.	Vreeland
Crawford	Havener	O'Brien	Wadsworth
Creal	Houston	O'Connor	Wolfenden, Pa.
Culkin	Jarrett	O'Leary	Wolverton, N. J.
Curley	Jenks, N. H.	Osmers	Wood
Daly	Jenkins, Ohio	O'Toole	Woodrum, Va.
Darden	Johnson, Okla.	Parsons	
Delaney	Johnson, W. Va.	Patrick	
DeRouen	Kelly	Rockefeller	

The SPEAKER. Three hundred and twenty-four Members have answered to their names—a quorum.

On motion of Mr. RAYBURN, further proceedings under the call were dispensed with.

WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Under a previous order of the House, and by designation of the Speaker, the Farewell Address of President George Washington to the American people will now be read by the Representative from Texas [Mr. LANHAM].

Mr. LANHAM read Washington's Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and

am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you 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 a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your

political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the secure enjoyment of indispensable outlets for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalry alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your

liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its bands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western*; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and maintaining within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presupposes the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authori-

ties, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles

the animosity of one part against another; foment occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by

cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes, that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good 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 mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, 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! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or

a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalry, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand: neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as

experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe; my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to

realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,

19th September, 1796.

PERMISSION TO ADDRESS THE HOUSE

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

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

There was no objection.

BIRTHDAY BAKE OF MAINE POTATOES

Mr. BREWSTER. Mr. Speaker, I cannot, in the spirit of this nonpartisan occasion, offer the House a birthday cake today, but perhaps something better. It is a great pleasure for me on this anniversary to commend the wisdom of the present administration in selecting 1,000,000 pounds of Maine potatoes to feed our fighting men down in the Caribbean. These potatoes may now perhaps be properly known as "the fighting Irish." Since we are not able to be with them and their distinguished Commander in Chief today on the high seas, the State of Maine has been most happy to enable you to share their fare by providing an ample supply of Maine "bakers" for the House restaurant today. [Applause.]

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of business on the Speaker's table and the legislative program of the day, I may be permitted to address the House for 20 minutes.

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

There was no objection.

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent that on next Wednesday, after disposition of matters on the Speaker's desk and the legislative program of the day, I may be permitted to address the House for 20 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri asked and was given permission to extend his own remarks in the RECORD.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address I delivered last Sunday on national defense.

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

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech by the Honorable Harry Woodring, Secretary of War.

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

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3743. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GLASS, Mr. BYRNES, Mr. RUSSELL, Mr. ADAMS, Mr. McCARRAN, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

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

S. 1102. An act to continue the functions of the Reconstruction Finance Corporation, and for other purposes.

NAVAL AVIATION FACILITIES

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4278) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

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 further consideration of the bill H. R. 4278, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed, out of order, on a nonpartisan, patriotic subject.

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

There was no objection.

Mr. MARTIN of Colorado. Mr. Chairman, the birthday of George Washington is a proper time to observe that only two nights ago in the city of New York, where George Washington took the oath of office as the first President of the United States, there occurred a mass demonstration of aliens, many of them wearing the military uniform of a foreign dictator, the greatest enemy in the world of everything that George Washington stood for and of everything that America typifies. Men of the blood and fealty of the hired Hessians of the Revolution. Men of the blood and fealty of the German Embassy at Washington prior to the World War, plotting to incite the sister Republic of Mexico to make war on this country and sabotaging American industry, until they were officially driven from our shores.

Every man in that mass meeting who was in sympathy with it is a traitor to American democracy and government, whether he is still an unnaturalized alien or was born on American soil. In the World War their fealty was to the Kaiser. Now it is to Hitler.

Among other delusions growing out of the World War was the delusion that it had rid us of the hyphenated American, only to find that we have in his place the 100-percent hun, on whose lips the words "my fellow Christian Americans" is nothing less than a barefaced mockery. "My fellow Christian Americans" are the words taken by the press from the lips of the fuhrer in America of a pagan dictatorship which has denied God, suppressed the Bible, persecuted Christianity, and reviled the founder of the Christian religion as "a dirty Jew pig."

They have no more conception of democracy than if no such political philosophy existed in the minds of men, and it is their sworn mission to destroy that Americanism and to destroy that democracy. They are the blood-bound, oath-sworn enemies of everything sacred to America. Article I of the Nazi creed is that "once a German, always a German"; that there are no national boundaries, only racial; and they are carrying on in this country a system of pressure proselyting to effect the unity of their blood for nazi-ism and against America. "The time will come," the American agent of Hitler is quoted as saying at the meeting, "the time will come when no one will stand in our way."

The American fuhrer would do well to recall the famous rejoinder of Ambassador Gerard to the threat of the Kaiser, that 500,000 loyal Germans in America were ready to spring to the defense of their fatherland. "Yes," said Gerard, "and there are 500,000 lampposts in America."

Said Theodore Roosevelt in 1917:

We can have no 50-50 allegiance in this country. Either a man is an American and nothing else, or is not an American at all.

Says Foreign Nazi-ism (KNSAP) in 1939:

Today we know that the German is a German everywhere. Not countries or continents, not climate or environment, but blood and race determine the German mentality. We only know the concept of the complete German who as a citizen of his country is always and everywhere a German.

When I saw the pictures of these uniformed and swaggering minions of an alien dictator on the pages of the morning papers, and read what they said, I felt that if I had the power not one of them would be breathing the free air of America in 24 hours. A man would have to pinch himself to see if he was awake and in the United States. They cheered the names of misguided Americans who are lending aid and comfort to nazi-ism and they jeered and booed the President of the United States and every spokesman of democracy who has incurred the wrath of Berlin. I had rather my name remained forever unknown than to have it acclaimed by such a gathering. If these misguided men who are giving aid and comfort to the enemy were in Berlin and pursued the same attitude toward nazi-ism that they do toward their own Government they would be in concentration camps, or decorating stone walls.

Shades of Washington, must such things be tolerated in the name of liberty on the free soil of America? God save America from Nazi Christian Americanism!

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

Mr. TABER. Mr. Chairman, I want to talk about the problem that we have before us from perhaps a different standpoint from that that has been presented here today. For my own part, I have had 10 years' experience upon the Naval Appropriations Subcommittee, 4 years upon the Military Appropriations Subcommittee, and 6 years' experience upon the Deficiency Appropriations Subcommittee. I have been in close touch with the operations of the Army and the Navy. I have been in close touch with the situation that was presented here immediately after the World War. I have seen how, in connection with that World War, our defense strength was wasted and spent upon projects that could not possibly be of any use to us in that undertaking. In 1917 and 1918 we spent millions upon millions of dollars building ships that could not possibly be of use to us in the war, that could not possibly be finished in time to be of use to us in the war. We spent millions upon millions of dollars building warships that could not possibly be of use. They were poorly constructed, they were poorly designed, they were not effective. What is the situation that is presented to us by the committee that has come in with this bill? If we are facing an emergency, then we are facing an emergency that is not 2 years hence, but that is current. What should we be doing if this bill is to prepare America for defense against such an emergency? We should be confining our efforts to those things that can be and absolutely must be done if we are to meet a trouble of that kind. We should not be embarking upon a program which cannot be of service to America for defense purposes until 2 or 3 or 4 years hence. For my own part, I think it is time to take stock of our situation and devote our energies to those things that can be useful. Take this Guam situation.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield for a question?

Mr. TABER. Yes; for a question.

Mr. SIROVICH. The distinguished gentleman from New York calls attention to the millions of dollars that we spent in building a merchant marine during the last World War. Am I correct in that?

Mr. TABER. Yes.

Mr. SIROVICH. If we had not been so niggardly in our attitude toward the merchant marine for 30 years before that time—

Mr. TABER. Oh, the gentleman's question is not pertinent to this bill and I decline to yield further. The gentleman entirely misses the point of this bill, he entirely fails to grasp that this is a bill to spend a lot of money on such a proposition as this Guam harbor matter, where it cannot possibly be of use for current defense purposes, and cannot

possibly be got into shape where it could be useful for 3 or 4 or 5 or 6 years. Referring to a policy with reference to building up the merchant marine for years back in the 1900's does not possibly have any bearing on this situation.

Mr. SIROVICH rose.

Mr. TABER. I decline to yield further. Let me say to the gentleman that this idea of spending \$5,000,000 on developing the harbor of Guam at this time is embarking on a program that will take at least 2 years to fix up the harbor. You cannot spend that amount of money in that kind of place and get anywhere in less time. You are just tying yourself into something that if we are facing an emergency is a waste of funds and of energy. When it comes to these stations on the mainland, in Hawaii, and out in the Pacific not so far, you are in a little different position, but when you come to go along and embark on a proposition that cannot be ready to use in an emergency, then you are wasting your money and spending your energy upon something that is absolutely useless and is a waste. I hope when we approach the problem of voting on this bill, and the items in it, that we will consider the question of national defense, that we will consider the question of coordinating our efforts and confining them to those things that can be prepared and fixed up so that they would help us to meet such an emergency.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. VINSON of Georgia. Will the gentleman explain to the House how he sponsored the other day the staggering of the production of airplanes for 3 years?

Mr. TABER. Because I know and the gentleman knows that we cannot go ahead and build 5,500 airplanes in less than 3 years and have them good and have them efficient. I did that in the interest of national defense. The gentleman supported the position he did in pursuance of that 1917-18 policy of waste and scattering our resources so that our defense could not be as effective as it would if we had a better quality of planes.

That is the situation, and I hope that the gentleman will coordinate the efforts that he makes in his committee to get things in shape so that the defense can be effective and not scattered all over the lot. You cannot go ahead and build a lot of planes right off the bat and step up your production and get the kind of planes that we ought to have in the Army and the Navy. We cannot scatter our efforts all over the lot and do a lot of things that cannot be done in time to meet an emergency, and at the same time do the things that need to be done and that can be effective for defense. I hope the gentleman in the future will follow that kind of policy instead of a policy of driving ahead and spending money regardless of whether it is effective or not.

Mr. VINSON of Georgia. The gentleman is arguing now that we should not do this work at Guam because it will take 3 years. The gentleman is by no means consistent with his vote in staggering the building of airplanes.

Mr. TABER. I am entirely consistent, because a staggered production would provide all of the production that we can get out efficiently. The proposition in Guam is something that has nothing whatever to do with defense, and we should not go into that sort of thing.

We should coordinate our resources and get them in shape where we can make defense effective and not wasteful and extravagant, and destroy the effectiveness of it.

I hope the Committee, when it comes to vote, will have some of these things in mind. [Applause.]

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman has consumed 9 minutes.

Mr. MAAS. Mr. Chairman, I yield 15 minutes to the gentleman from Montana [Mr. THORKE].

Mr. THORKE. Mr. Chairman, yesterday a few of my Republican and Democratic colleagues appeared to be apprehensive and expressed fear that Japan might not look favorably upon breakwater construction, dredging, and har-

bor improvements in the island of Guam. This improvement is to cost \$5,000,000. As I sat by, listening, to the many objections of this sound policy, I wondered where our national courage had gone. It took me back to the days when one of our admirals said, "Damn the torpedoes! Go ahead!" I also recalled 1898, when Admiral Dewey signaled to the German commander at Manila to move his fleet from the line of fire or take the consequences. It was on June 21, 1898, when the cruiser *Charleston* captured the island of Guam. Neither one of these commanders cared about Japan or anyone else, for they had a united Nation behind them. That is what we need today, a united Nation, and united representatives in this Congress to work for the greater interest of the United States instead of raising party animosities. I have no patience when anyone plays party politics for the purpose of establishing a record to prove at a later date that one party was wrong. It is well for my colleagues to bear in mind that the Republican Party is not free from blunders, and that the Democratic Party is wearing the same garment.

The abject fear of those who felt that harbor improvements in Guam was paramount to carrying a chip on the shoulder to invite war with Japan is incomprehensible to me. Japan did not ask the permission of the United States when she sank the *Panay*, destroyed American property, wounded and killed American officers. Japan did not ask the permission nor did she consider the United States when she destroyed American property in China—yes, in a nation which has been the best customer of the United States.

Yet here we are, cringing and creeping before Japan, when in reality we ought to tell Japan to mind her own business and keep her nose out of ours.

The assumption by some of my colleagues that the road to peace lies in retreat is not supported by history. All nations that have adopted a policy of peace at any price are pitiful objects of past glory today. No nation has been less offensive and more peaceful than China. Where is she today? I may say the same of Ethiopia, of South Africa, of Australia, of Spain, of the past splendor of Greece, and, if you please, the richness and splendors of Egypt. All those nations were active at one time, and willing to maintain the standard before the people, during which period they were prosperous and secure. When they struck the flag and stored their armaments, they destroyed national pride and they left themselves open to attack.

Gentlemen, the President is not an issue with me, and I hold no malice toward him. If his policy is sound, he shall have my support, and if it is unsound, he shall not fail to receive my condemnation. This policy of colonial improvement is not the policy of President Roosevelt. It is instead a national policy in which every farmer, businessman, and laborer in the United States is interested because of greater distribution of farm and manufactured products.

The policy of arming colonies is not the policy of President Roosevelt. It is instead a national policy in which every citizen within the United States is interested. Armed colonies protect foreign markets, protect our merchant marine, furnish safe harbors for repair and ports for redistribution of merchandise for the greater advantage of our own business people. It furnishes employment for our idle men and women, and establishes national pride and greater opportunities for those who possess the courage to go forward.

Armed colonies are the most convincing argument to maintain peace, and the only one that aggressive nations understand today. If we arm the Philippines and plant the Stars and Stripes forever on the rocks of the islands, we have in such action discouraged attack on our own coast to any oriental power which might feel so inclined. Every nation with conquest in mind will think several times before it tries to pass our armed colonies to attack either our coast line or the Panama Canal. This is particularly true of the Canal, because it offers the only route for our fleet from one coast to another.

The President of the United States believes in a good neighborly policy. I believe in the same thing, if everybody

understands it. But unfortunately, it is often considered by others as a sign of weakness, and I believe that is clearly evident in the recent Mexican fiasco. That nation confiscates our property, hits us first on one cheek, then on the other, and then kicks us out of Mexico.

I realize that this is not the issue for consideration today, but I do want to call your attention to the fact that nothing is gained by waving the white flag, for the best way to maintain peace is to discourage the other fellow from making war, and you cannot do that with a powder puff.

My reason for deviating from the subject which is actually under discussion is due to the attitude my colleagues assumed on the floor here yesterday. I shall now return to the subject under consideration.

Let us get this thing straight—the Navy is not asking for \$5,000,000 to arm Guam, it is only asking for an appropriation to improve harbor facilities for a new mode of transportation, the new commercial air lines. Such request is not unreasonable, particularly if we bear in mind that this little island is paying its own expenses. Guam earned in 1938 \$14,166.73, and it bought from the United States \$275,000 worth of merchandise, and from other countries an additional half a million more. So it is a good investment.

The United States owns a number of these islands, including 7,083 in the Philippine group, more than 7,100 islands altogether.

I am not in sympathy with attacks on the President, for after all he is not responsible. I am agreeable to cooperating with all the Members of Congress for the general welfare of the United States.

Mr. Chairman, I am very happy to have this opportunity of speaking to the Members of the House on the value of colonies as a market for our products. We are, indeed, in need of colonies and should foster trade with them instead of setting them free and turning their markets over to other nations.

Holland, Belgium, and Portugal—three countries no larger than our smaller States—are prosperous because they own colonies. Japan, France, Italy, and England cannot exist as first-class powers without colonies.

I do not believe anyone here will question this statement, nor disagree with me, when I say that colonies should be acquired and held by us as important outlets or markets for our products and sources of raw materials.

It is, therefore, obvious, that colonies are needed if we contemplate remaining a strong and vigorous commercial nation. Overseas or colonial trade assures us of a permanent and steady market for our production.

Movement of merchandise to foreign markets stimulates our transportation system on land, as well as on the ocean. Stimulation of foreign and colonial trade keeps our railroads busy hauling our merchandise to coastal shipping points, where it can be reshipped by our merchant marine to its destination. Such transportation should be encouraged by Congress because it places each transportation system in its proper sphere of operation—the railroads and inland transportation within the continental limits of the United States and marine transportation from export centers to other countries. In this manner vicious competition between the shipping industry and transcontinental railroads is minimized or eliminated.

Our colonial policy is open to the most severe criticism and the release of colonies is not for the general welfare of the United States but is instead for the welfare of the larger American exploiters, who carry on trade with the United States after such colonies are set free. In other words, our own people are victimized when we abandon colonies because we no longer share in the profits which accrue from trade with them, but we become instead a market for such colonies, after they are free, at the expense of our own producers. That situation is true in Cuba and is evidenced in the large importation of sugar to the United States from American-owned companies operated by American capital at the expense of our own sugar producers throughout the United States.

The fact that our colonies, after being released, can sustain themselves and become prosperous is evidence that colonies are valuable. The fact that they are handled improperly is due to our colonial policy, which is established by Congress, and should not be charged to colonial possessions; so, looking at it again from a selfish viewpoint, after we develop colonies, a certain group of our so-called money changers begin to agitate for their independence, hoping that they may retain their interests and operate free from American regulations, and at the expense of the American producers.

We, the people of Montana, ensconced in the Rocky Mountains far removed from salt water, realize the value of colonies—not only as outlets for our farming and mining production, but as valuable outposts for the protection of our shipping industry. We also appreciate the value as a protection for an important source of food supply; that is, the salmon industry and other fishing industry in Alaska. We also understand that the Pacific islands may become a potential source of food supply in the development of their fishing grounds, and we are in accord with a policy which has for its purpose the fortification of the island of Guam, and its development as a protective base for the islands of Hawaii, and other important points in the Pacific Ocean.

I am not only in favor of spending \$5,000,000 for the improvement of the harbor to facilitate shipping, but I am in favor of spending sufficient money to fortify this outpost as a permanent protection for the Panama Canal, the west coast of the United States, and Alaska, including our commercial air routes.

There is no sound reason why the United States should accede to or comply with the wishes of any oriental power that does not live within its own promises and guaranties to nations that have always been friendly with them. I am not looking for war, but we may expect one of two things—submergence by aggressor nations, like Japan and Germany, or combat if we do not develop sufficient strength to maintain peace. So let us add \$5,000,000 in addition to that which is now requested, and nail the Stars and Stripes permanently to the masthead in the island of Guam.

I am sure the citizens of Montana are in favor of a first-class Navy and bases from which such ships may operate to the greatest advantage and for the general welfare of the United States of America. I am sure that those of you who are living on the coast of the United States realize the truth of my statement, coming as it does from one who is not in danger of naval attack.

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

Mr. THORKEKELSON. I yield.

Mr. COLE of New York. When the gentleman says he is in favor of fortifying the island of Guam I wonder if he realizes just what it would cost to do that.

Mr. THORKEKELSON. It would not cost very much, because Guam can be used only for one purpose, a submarine base.

Mr. COLE of New York. Of course, the evidence showed that it would cost \$200,000,000 to fortify the island.

Mr. THORKEKELSON. It would not cost that much to use it for a submarine base.

Mr. COLE of New York. But the gentleman said he favors fortifying the island, which is much greater than a submarine base.

Mr. THORKEKELSON. I understand that, too. It is also the duty of Congress to provide for such protection, and justification for such expenditure may be found in the Constitution. Congress, of course, has the power to declare war, but Congress cannot always control and maintain peace, so it becomes the duty of Congress to maintain sufficient military and naval forces to assure peace. Realizing the danger of unpreparedness, the Constitution makes it obligatory upon Congress—

To raise and support armies; to provide and maintain a Navy; to make rules for the government and regulation of the land and naval forces; to provide for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions; to provide for organizing, arming, and disciplining the militia.

These powers are very important for the common defense and general welfare of the United States.

I cannot fail but to remind Congress that it is justified in dredging harbors and maintaining navigation in the island of Guam, and that there is no reasonable excuse for Congress to neglect its responsibility in this respect.

The Marianas Islands extend in a line almost north and south for a distance of some 420 miles, between the thirteenth and twentieth parallels of north latitude, along the one hundred and forty-fifth meridian of longitude east from Greenwich. The 17 islands of the group are of volcanic origin, but the southern members have long been free from volcanic action. Guam, at the southern end of the chain, is the largest and most populous of the group. It lies about 5,100 miles from San Francisco, 3,400 from Honolulu, 1,500 from Manila, and 1,400 from Yokohama. Guam is a possession of the United States, while the remainder of the Marianas Islands are governed by Japan by League of Nations' mandate.

This island has an area of about 225 square miles, being about 30 miles in length and from 4 to 8½ miles in width. The southern part is high and mountainous with a range of hills along the west coast ranging from 700 to 1,300 feet in height. Numerous rivers, with their tributaries, rise in this ridge and empty into the sea on the east coast. The northern part of the island is a plateau ranging from 200 to 600 feet in elevation, with only a few small brooks near Mount Santa Rosa on the northeast coast.

The anchorage in Apra Harbor is 8 miles from Agana, the capital. It is approached by a channel through coral reefs, and with a moderate amount of dredging and the construction of a breakwater it will make an excellent harbor for the operation of both naval patrol planes and commercial air liners.

The population of Guam on July 1, 1938, was 22,314, divided as follows: Native born, 20,880; foreign-born and their families, 755; naval establishment, 679, including families.

The Governor of Guam is a naval officer appointed by the President. The system of government is predominantly naval in character, with a garrison of approximately 570 marines and sailors stationed on the island. The naval government activities of Guam are financed chiefly by the revenues from taxes paid by the citizens of Guam.

Located at Guam is the important cable station of the commercial Pacific Cable Co. It is from here that messages from San Francisco are relayed to the Philippines, China, and Japan.

The Globe Wireless Co. maintains a radio station at Guam, and communication with the United States, the Hawaiian, and Philippine Islands, and Guam are possible through this system.

According to statement rendered, the island is not an expense to the United States, but is, instead, able to maintain itself. Guam imported, in 1938, \$635,112.42. Our share in these imports to the island amounted to \$274,687.85. We should, of course, strive to obtain as much of the total imports as possible.

The island exported to the United States in 1938 \$117,282.18, so that shows a favorable trade balance.

The agricultural products of Guam are copra, alligator pears, bananas, pineapples, oranges, lemons, mangoes, papayas, breadfruit, coffee, limes, cacao, grapefruit, corn, taro, sweetpotatoes, yams, tobacco, rice, cassava, arrowroot, sugarcane, and kapok.

Copra is the principal crop of the island and is the main item of export, although soap, coconut oil, and "aggag" woven products are showing healthy increases. The rapidity of jungle growth over most of the island makes constant clearing necessary, and in the northern part, although the soil is fertile, it is shallow.

It is my desire to enumerate the possibilities that may be developed in this island as a market for our production, and I am sure that, if the island is operated under a colonial policy, similar to that employed by Holland in the regulation of its colonies, the island will show a profit to the United States.

I shall now discuss its greater and more important value to us, namely, that of protection.

Guam is vitally important to the United States from the standpoint of naval and commercial aviation; it is an essential link in any overseas movement of naval patrol planes to the Philippines as well as an important stepping stone in the commercial air and submarine base from which to protect our oversea commerce from the Dutch East Indies, where essential strategic raw materials necessary to maintain our industries are obtained; it is of value as the site of a possible naval station to support the Asiatic Fleet when the United States withdraws from the Philippines in 1946; its strategic position in the western Pacific makes it of inestimable value to the United States as a possible defense base which would act as a strong deterrent to any Asiatic power contemplating a hostile move toward the Hawaiian Islands or the American continent.

It is my desire to call Congress' attention to the value of the Philippine Islands, which we contemplate setting free in 1946. This will be another blunder, which generations hence will regret. A base in the Philippine Islands is absolutely necessary for the development of oriental trade, and Congress should under no circumstances set these islands free without military control over the islands. Much of the production in the Philippines is of inestimable value to the United States, but their most important value rests upon their position in relation to oriental trade and as a protection for the trade routes to the Orient. The Philippine Islands can be developed and become producers of silk and other raw materials which we need in the United States.

The greatness and strength of our Nation depends upon its vigor in trade competition. To sit idly by while other nations absorb foreign markets and even invade our own markets can only end in total loss of foreign trade. It follows, therefore, that if we resign ourselves to the same indifference which has prevailed in China, India, and Africa, the ultimate result can be no different than that which has befallen these nations.

We must, therefore, carry on in the same spirit as our forefathers by establishing markets abroad and protecting our markets at home. To carry this to a successful conclusion, we must promote trade and protect our trade lanes for the general welfare of our own people.

As justification for such policy we need go no further than the Orient. China has been satisfied for several centuries to exist as a recipient of such trade as could easily be procured without any particular effort on her part. In this indifference, national deterioration has been constant—to the point where the people have lost interest in their own land. They have not maintained an army or navy, either for home protection or for protection of their shipping, because they have been indifferent to both. The result of that indifference is evident today by the invasion of Japan and in destruction of life and confiscation of property in China.

Our greatness will, therefore, depend largely upon the interest we take in international affairs and the force we use to establish international respect for our people and for our flag. It follows, therefore, that we cannot retreat, but must instead go ahead as other nations have done before us. We must maintain and operate colonies on a protective basis instead of political expediency.

The income derived from colonies is not different from that earned at home, but it is of greater value to us because it creates wider distribution of our products and aids in the development in land and water commerce.

The nation with the largest merchant marine and with colonies upon which the sun never sets is the most prosperous and secure nation in the world. This is particularly true and applicable to the United States because of its greater land area in North America. We should, therefore, try to secure colonies so that we will be placed in the position of being the most prosperous and secure, instead of trying to get rid of them. [Applause.]

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

Mr. MAAS. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. THORKEKELSON. Mr. Chairman, the island of Guam is 13 miles long and from 8 to 4½ miles wide. There is considerable export trade from the island. The harbor that we are preparing there is the harbor of Apra. It is on the north side of the island. There is a reef lying to the north of it, and with a breakwater on it it will make a very good harbor. As far as fortification goes, which seems to be the fear of the gentlemen here, I can only say that it is not going to be fortified with large guns or any other guns. I want you to bear in mind that the Navy is not asking for money to fortify this island. They are simply asking for money to build a breakwater on the northern side of the harbor so the ships can land without bouncing around in rough seas. That is all the Navy is asking for. They are not asking to place guns on this island. They do not want to use it for an armed base. They want to use it as a safe harbor for the landing of aircraft, and they are entitled to have that.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. THORKEKELSON. I yield.

Mr. BATES of Massachusetts. Is it not planned by the Hepburn Board to completely fortify Guam, and is not the building of a breakwater and the dredging of the harbor the beginning of the fortification works?

Mr. THORKEKELSON. It is not.

Mr. BATES of Massachusetts. What else is it?

Mr. THORKEKELSON. It is as I said. The only purpose is to provide a harbor for the landing of aircraft.

Mr. BATES of Massachusetts. That will not be necessary if we are going to completely fortify the island.

Mr. THORKEKELSON. We are not going to fortify the island.

Mr. BATES of Massachusetts. Upon the recommendation of the Hepburn Board we are to fortify the island in the future.

Mr. THORKEKELSON. I beg to differ with the gentleman. That was not the recommendation of the Hepburn Board. The recommendation is to build a breakwater at the northern side of this harbor so that airplanes may be able to land here, and that is all.

Mr. BATES of Massachusetts. Will the gentleman yield further?

Mr. THORKEKELSON. I would prefer to finish about this harbor.

The CHAIRMAN. The gentleman from Montana declines to yield.

Mr. THORKEKELSON. This harbor is 15 fathoms deep. Toward the shore half of it is only 2½ or 3 fathoms deep. That is from 12 to 18 feet deep. They cannot dredge this harbor because it is filled with coral reef and it cannot be prepared for large craft and large warships. So the only purpose for which it could ever be used would be for ships of light draft. But the purpose of this improvement in the harbor is not for that. It is simply to build a breakwater here so that these ships can land without injury or danger of stoving in the hulls of the ships and the loss of the lives of the passengers.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield further?

Mr. THORKEKELSON. I yield briefly.

Mr. BATES of Massachusetts. In the fortification of Guam is it not necessary to deepen to quite a considerable extent, 25 or 30 feet, in order to get your supply ships into the harbor, and is that not a part of the program?

Mr. THORKEKELSON. That is not a part of the program.

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

Mr. VINSON of Georgia. Mr. Chairman, I yield 15 minutes to the gentleman from Connecticut [Mr. SHANLEY].

Mr. SHANLEY. Mr. Chairman and my colleagues, I think I may submit to this House that from the Farewell Address of George Washington and the implication of all his actions as President and as Commander in Chief of the Continental Armies, there must be two conclusions: One, opposition to permanent alliances for ordinary emergencies, and the other, permission or approval of "temporary alliances for extraordi-

nary emergencies." I think his references to his profound aversion to "artificial ties in the ordinary vicissitudes" of Europe's politics and the "ordinary combinations of her friendships or enmities" are well stressed, but I submit his recognition of the fact that there may be permissible departures for our "safely trusting to temporary alliances for extraordinary emergencies."

May I submit also that the foreign policy of our Government may be divided into two classes? One concerns its detail and content; the other its negotiation or management. In our history there have been three men with a commanding, superb knowledge of foreign affairs. The first President of our country had the benefit of the advice and genius of two of them—Thomas Jefferson and Benjamin Franklin. The third is the present occupant of the White House. [Applause.]

It is my opinion that when the merciless sandblasts of history remove the veneer of superficial criticism and display the awful background of world affairs with which he has had to deal that it will accord to him this accolade of worthy placement with those magnificent figures of our colonial, continental, and constitutional development—Thomas Jefferson and Benjamin Franklin.

It will be my purpose to bring to you the uncommon sanction from the highest judicial tribunal of our land in the matter of Presidential powers in foreign affairs. That judicial imprimatur of those powers will point out to you the unique avenues of the President's information, unavailable to you and to me. It will give to those extraordinary privileges of his a recognition that will be hardly expected by most people. This will be doubly surprising, for the Court that accords this high prerogative is not the so-called liberal bench with the acquisitions of Justices Black, Reed, and Frankfurter, but the equally so-called conservative tribunal with the predecessors of these new additions—the famous 5 to 4 bench.

To my mind there is nothing so terrifying or so solemn in its functioning as the reception of news, opinions, trends, analyses that pour into our State Department by the minute from every part of the world. For one man to take those with an appraising eye in these days requires rare courage, restraint, poise, and understanding. Much as I may differ with the administration on its foreign policy, I can never adequately point out its rights under the Constitution and the restraint with which it has acted under the most parlous circumstances in our history. To me those hectic hours are far more challenging, far more threatening than the pre-World War days, because we have the horror of that war's diplomacy to give us thoughtful pause.

I would add that despite this tremendous authority in the President, with the exalted endorsement of our Supreme Court, he has employed restraint and caution. Few men in all our history could have been energized, as he must have been in his Chicago speech, to recommend such drastic action; yet once he found the reaction of his people, accept their decision. He has tried to lead, but never has he forced us into acceptance of his ideological beliefs. I am thus confident that once the epidermis of artificial glosses, partisanship strategy, and superficial reactions are examined he will emerge as a superb example of one who had a thorough understanding of foreign affairs.

I departed from my original speech on the rush of thoughts that came to me in the reading of the Farewell Address by my distinguished and learned friend from Fort Worth, Tex., Representative FRITZ LANHAM. I did this so that I may point out the practical implications of President Washington's understanding of the danger of permanent alliances for temporary emergencies and his sufferance of "temporary alliances for extraordinary emergencies."

Let me remind you that President Washington was well aware of our diplomatic relations with France. He knew the price we were obliged to pay for the vital clinching assistance that came to us at the Battle of Saratoga from the French. He knew the degradation into which world diplomacy had fallen in his day, and he knew that caution, prudence, and

a price were necessary. He, probably as well as all the affected leaders of our country, had little hope that we could obtain a unilateral treaty from France giving us recognition and military assistance. With all the knowledge that those great men had of France's hatred of England they never hoped to drive such a one-sided bargain. They did not.

We paid the price in the treaty of amity and commerce and the pact of a conditional and defensive alliance in anticipation of any war between France and England. In the latter contingency we would fight with France and neither would capitulate with the enemy without the formal approval of the other. On their side France would continue the fight until our independence was won. That aid won the Battle of Saratoga. That help really gave us recognition. These treaties meant eventual victory. I should like to develop the difficulties of these treaties later.

The problems of those alliances are in many ways similar to those of our own day. Within the last month we have seen the air redolent with bristling charges, fantastic inferences, but small proof. Even today in the course of this debate we hear references to foreign policy and what the President says and does not say.

Mr. RICHARDS. Will the gentleman yield?

Mr. SHANLEY. I am glad to yield to the gentleman from South Carolina.

Mr. RICHARDS. I want to ask my distinguished friend from Connecticut whom I consider to be one of the foremost authorities on foreign affairs in this House whether or not the House has had any word, or the country has had any word, from President Roosevelt to the effect that he would endorse the proposal to fortify Guam?

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SHANLEY. I yield to the distinguished chairman of the Committee on Naval Affairs in whose hands the control of this debate has been placed.

Mr. VINSON of Georgia. I may say to the gentleman from South Carolina that the mere fact that bill is here answers his question.

Mr. RICHARDS. I am asking the gentleman from Connecticut his viewpoint on that subject. I do not think the fact that the bill is here is any proof of that.

Mr. SHANLEY. I must concur in the belief of the chairman of the Committee on Naval Affairs. I suppose that he must have had some contact with the occupant of the White House. I suppose also that in dealing with this Hepburn report there must be an implication that the White House has some belief in its necessity for Guam; and when I use the word "fortify" I probably should add parenthetically that I shall vote for the \$5,000,000 carried for Guam in the bill, because I believe it is necessary as an adjunct to our air-commerce stepping stones across the vast Pacific, but not to fortify Guam.

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

Mr. SHANLEY. I yield.

Mr. RICHARDS. The gentleman is aware of the fact that in 1934, I think in March or April, the President sent a message to Congress indicating his policy to be that of abandoning all fortifications in the Philippines. This is correct, is it not?

Mr. SHANLEY. Absolutely.

Mr. RICHARDS. If it is the intention of the President to abandon any idea of fortifications in the Philippines or if it is his idea not to establish fortifications there, is this position with reference to the fortification of Guam tenable?

Mr. SHANLEY. Of course, we are going to withdraw from the Philippines but withdraw where? I do not think the President specifically specified to what island or group of islands we would use as a continental or insular frontier.

Mr. RICHARDS. May I ask the gentleman one further question? Does he not think it is entirely possible that the fortification of the island of Guam would tend toward a change in our foreign policy on account of the fact it tends toward a direct line of defense between the United States and Great Britain's possessions in the Far East?

Mr. SHANLEY. I think if we are going through with complete fortification, which, according to my understanding, means an expenditure of \$220,000,000, and making it completely impregnable such as Hawaii, it would result in a change in our foreign policy, the creation of a quasi British Far East Gibraltar.

Mr. RICHARDS. It is reasonable to suppose, then, that we are not going to stop with an expenditure of \$5,000,000 for the island of Guam?

Mr. SHANLEY. Yes; I think so. So far as I am concerned, I am willing to vote for this \$5,000,000. Frankly, I have doubts as to the implications of any further expenditure. The mere fact that it is going to take 2 years to complete, as everyone admits, gives us the opportunity for a breathing spell. No one can speak for the White House, and I think it is a dangerous thing anyway; but we must assume that the heads of our various committees, whether it be the chairman of the Committee on Foreign Affairs, the chairman of the Committee on Military Affairs, or the chairman of the Committee on Naval Affairs, must have some idea that what they are doing will not be displeasing to the President, the Commander in Chief of all our forces.

Mr. RICHARDS. But it is inconsistent with his former statement in reference to establishing defenses in the East if the President does approve this.

Mr. SHANLEY. Only if we assume an implied withdrawal to Hawaii. I appreciate the gentleman's concern.

Mr. MAGNUSON. Will the gentleman yield?

Mr. SHANLEY. I yield to the gentleman from Washington.

Mr. MAGNUSON. May I say to the gentleman that the proposition in reference to the island of Guam has nothing to do with the Philippines. The Navy Department, according to the testimony given before our committee, is of the opinion that if Guam is established as a semi- or quasi-military base, any hostile power advancing across the Pacific would of necessity have to submerge and take Guam before they could move any farther east; therefore the Navy Department believes Guam is a necessary link, like the Alaskan chain, the Johnston Island chain. The Philippines are absolutely removed from any consideration, and I may say that Guam is not a protection to the Philippines.

Mr. RICHARDS. You cannot remove the Philippines from the consideration of this matter.

Mr. MAGNUSON. The Navy Department has its expert testimony.

Mr. RICHARDS. If the gentleman will examine the testimony given by the officials of the Navy Department from beginning to end, he will find the Navy Department does not remove the Philippines from consideration because it is elementary that we cannot keep Guam if we give up the Philippines. We have promised to give up the Philippines, so that if we fortify Guam the conclusion to be arrived at is we are going to abandon what we have already promised.

Mr. SIROVICH. Will the gentleman yield?

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

Mr. SIROVICH. In view of the magnificent contribution the gentleman is giving to this interesting discussion, may I call his attention to the fact that we never had a foreign policy until the Spanish-American War, in which we took over the Philippines.

Mr. SHANLEY. I thank the gentleman. That was called the "great aberration" of our foreign policy. The students of our foreign policy, such as Prof. Samuel Bemis as well as Professor Griswold, termed our acquisition of the Philippines the "great aberration" and a blunder. They consider that was one of the great mistakes so far as the American far eastern policy is concerned. May I say that no foreign policy can be definitely stated? There must be some elastic authority given the President. You cannot put him out there with his hands tied. When I am critical I want to be traversing safer ground than exists at the present time.

Mr. Chairman and my colleagues, I wish to yield as much as possible, but may I develop my thought further on the tremendous powers given to the President?

May I say right here and now that we ought not to be deceived by those who charge usurpation of those powers, for there is resident within the control of the Chief Executive more constitutional prerogatives than perhaps in any other branch of the Government? That amazing field of power has been sanctified by a score of Supreme Court decisions. President George Washington fought for those powers just as President Herbert Hoover asserted their possession in 1930. Those powers are unique and unprecedentedly unchecked so far as our system of checks and balances goes, but they are the President's.

There was a time when Daniel Webster could well say that "Politics ends at the water's edge." That time has passed. Today there is as much partisanship in foreign affairs as in farm relief or the tariff. But fortunately the oft-dusted-off doctrine "the defense of States' rights" and "usurpation of power" cannot enter into our international relations. That is fortunate. But let us look at our foreign policy in the light of its historical constitutional development. It should be remembered that prior to the Constitution there was a vast general conglomeration of domestic powers possessed by the confederated States themselves. In essence the establishment of the Constitution meant a practical surrender of various powers to the contemplated Central Government. That is the philosophy of the enumeration of powers. The Federal Government only got what was given specifically and such implied powers as are necessary and proper to carry out the purposes of those surrendered. But this is not so in external affairs.

In their very able book on the Constitution, Magruder and Clair have this to say about the genesis of Presidential powers in the Constitutional Convention and even before that in the Articles of Confederation:

The President has power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur. Congress possessed the sole power of making treaties under the Articles of Confederation. It was necessary for nine States to concur. In the Constitutional Convention there was difference of opinion as to whether the treaty-making power should be vested in the President, the Senate, Congress as a whole, or in the President and Senate. The last view prevailed. The difficulty which has been experienced in getting treaties approved by the Senate after they have been negotiated may reasonably lead to the belief that even the provision which was adopted was an unreasonable check on the power of the President.

But these several States prior to the Constitution never possessed international powers. They could not surrender what they did not have. Whence comes the power of the Federal Government to conduct diplomatic relations?

The Colonies did not have it. It therefore belonged in no uncertain way to the Crown and passed to the Colonies in their collective and corporate capacity. Sovereignty over external affairs never did pass to the Colonies or their later political successors, the States. Sovereignty went to the Union, and this Union was in existence before the establishment of the Constitution, for in the preamble we read: "We the people, in order to form a more perfect Union," certainly a presupposition of a prior union which needed shoring.

It is enlightening to note the use of the word "United" in our early history. In the Declaration of Independence we are "the representatives of the United States of America"; "that these United Colonies." In the Articles of Confederation it is "the delegates of the United States of America"; "the United States in Congress assembled shall have the sole and exclusive right and power of determining on peace and war"; of "sending and receiving ambassadors"; "entering into treaties and alliances"; all of the attributes, as we shall see, of sovereignty in international relations. Yes, we signed the treaty of peace in 1783 with His Britannic Majesty as "the United States of America." Never the "several States," always the "United."

Sovereignty or supremacy in external or foreign affairs means the right to form alliances, conclude treaties, make war or peace, maintain diplomatic relations, acquire territory, by discovery and occupation, speak and hear as a nation, expel aliens, and in our later developments conclude agreements with other nations not amounting to treaties. Of course, all

foreign agreements are not treaties. Here is what one authority says:

When our President agrees upon a mutual action with the chief executive of another country without the authority of the Constitution or of Congress, the agreement is not legally binding; it is merely a sort of gentlemen's agreement. For instance, when the Senate refused to ratify a treaty with Santo Domingo providing that officials appointed by our President should collect the customs due in Santo Domingo and pay the debts of the country to prevent European intervention, President Theodore Roosevelt accomplished the same by an executive agreement with the President of Santo Domingo. The arrangement worked so well that the Senate subsequently ratified a treaty making the arrangement legally binding upon subsequent Presidents as well as President Roosevelt. Likewise, President Roosevelt agreed with Japan that he would discourage interference with Japanese immigration to the United States if Japan would refuse passports to coolies. Though this agreement, too, was not legally binding, subsequent Presidents abided by this arrangement until the Immigration Act of 1924, when Congress ignored the wishes of our Chief Executive.

This was a convenient usage adopted by the Chief Executive to overcome a halting tempo in the Constitution itself. It is also interesting to read, in connection with this, the really remarkable, even if indirect, authority in the President.

I quote from *The Foreign Relations of the Federal State*, by Harold Stokes:

The Constitution of the United States does not describe the organization which shall carry on relations between this country and foreign states, nor does it outline in detail the extent and limits of the powers to be exercised. It vests in the President, as the representative authority of the Nation, the power to appoint Ambassadors, ministers, and consuls, and, with the advice and consent of two-thirds of the Senate, to make treaties. He also is the representative of the United States in receiving all ministers and diplomats from foreign countries.

A number of other powers which the President possesses gives him an additional influence over the foreign relations of the Nation. As Commander in Chief of the Army and Navy he may bring the United States into intimate and perhaps dangerous contact with other governments. He may dismiss the diplomatic representative of another nation and thereby affect our relations with the nation concerned. His power of receiving diplomatic representatives may be the means of recognizing a new political community or government—a means which has been employed a number of times.

But the most formal, definite, and solemn recognition of this comes from the early and modern United States Supreme Court. I might say it is the same modern Court that stood the brunt of the reorganization plan, the Court that in comparison to the present Court must be fairly termed conservative—the Court of Sutherland, Stone, Roberts, Hughes, Van Devanter, McReynolds, Butler, Brandeis, and Cardozo. It has said:

In this vast external realm, with its important, complicated, delicate, and manifold problems, the President alone has the power to speak or listen as a representative of the Nation.

It quoted Chief Justice Marshall, architect of our wide centralized power, to this effect:

The President is the sole organ of the Nation in its external relations and its sole representative with foreign nations.

This quotation of Chief Justice Marshall, coming as it did in the beginning of the nineteenth century, and this latest one of our highest judicial tribunal, brackets the great history of our country in a judicial sense. The similarity is astonishing.

If more is needed, we quote:

As Marshall said in his great argument of March 7, 1800, in the House of Representatives, the President is the sole organ of the Nation in its external relations and its sole representative with foreign nations. He is responsible to his own conscience and discretion and the remote electoral vote.

Coming down to the twentieth century to the Curtiss-Wright case, from which we extracted the quotation above, I continue in the Supreme Court's quotations from the famous United States Senate Reports of the Committee on Foreign Relations and their statement, the most thorough study of foreign affairs in our history. They say this about the powers of the President:

He manages our concerns with foreign nations and must necessarily be most competent to determine how, when, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee considers this responsibility to be the surest pledge for his faithful discharge of his duty. They think that interference of

the Senate in the direction of foreign negotiation calculated to diminish that responsibility and thereby to impair the best security for national safety. The nature of the transaction with foreign nations, moreover, belies caution and unity of design, and their success frequently depends on secrecy and dispatch.

Not content with a quotation on the importance of secrecy and dispatch, the Court elaborates on the exceptional, surpassingly unique power of the President as the sole organ of the Federal Government in the field of international relations. It warns that unless serious embarrassment is to be avoided there must "often be given to the Chief Executive a degree of discretion and freedom not admissible in domestic affairs." Then they come in with the killing blow that seals the knock-out of senatorial participation and congressional curiosity:

Moreover he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries; and especially is this true in time of war. He has his confidential sources of information; he has his agents, in the form of diplomatic, consular, and other officials. The secrecy in respect of information gathered by them may be highly necessary and the premature disclosure of it productive of harmful results.

They refer also to the refusal of President Washington to permit the House and Senate to see the instructions, correspondence, and documents relating to the legitima of the Jay treaty. Does anyone doubt that wisdom as elaborated by President Washington?

I personally think this thought of the President as important as that outlined in his Farewell Address. Recall that he had come through one of the greatest and certainly the earliest crisis in our constitutional history—the decision on what to do about the French alliance—the pact that had resulted in rushing to America those indispensable needs for the early campaigns and the aid that clinched Saratoga. Recall also that we hated to enter any agreement involving a tie-up with Europe, but we wanted a recognition of our independence, and we were in deadly need of military aid and protection. We were forced to pay the price—the treaty of "amity and commerce" and the "conditional and defensive alliance," the latter providing that in case war should break out between France and Great Britain we should join arms and pledge to make a treaty only with the formal consent of France. That left a shackled future.

What would happen in case of war between France and England? War came on February 1, 1793. We decided on neutrality. Hamilton desired to suspend the treaties, but Jefferson insisted on their sanctity. Genet came. But France did not decide to invoke the alliance, for a benevolent neutrality was better to France. Genet's activities are too well known to need repetition, but fortunately for us his actions alienated many of those who were naturally predisposed toward France. We squeezed out of a very awkward situation.

Then followed the Jay treaty, which caused an uproar from those who were interested in France. Washington felt these attacks and knew the dangers of foreign sympathy and entanglements. When the House of Representatives demanded the correspondence and documents dealing with the Jay treaty, he refused. Here is his ringing statement of Presidential power and prerogative:

The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely impolitic; for this might have a pernicious influence on future negotiations, or produce immediate inconveniences, perhaps danger and mischief, in relation to other powers. The necessity of such caution and secrecy was one cogent reason for vesting the power of making treaties in the President, with the advice and consent of the Senate, the principle on which that body was formed confining it to a small number of members. To admit, then, a right in the House of Representatives to demand and to have as a matter of course all the papers respecting a negotiation with a foreign power would be to establish a dangerous precedent.

Over a hundred years later President Herbert Hoover, facing the same type of demand, made this reply:

I have received Senate Resolution No. 320, asking me, if not incompatible with the public interest, to submit to the Senate all letters, cablegrams, minutes, memoranda, instructions, and dispatches, and all records, files, and other information touching the negotiations of the London Naval Treaty.

This treaty, like all other international negotiations, has involved statement, reports, tentative and informal proposals as to subjects, persons, and governments given to me in confidence. The Executive, under the duty of guarding the interests of the United States, in the protection of future negotiations, and in maintaining relations of amity with other nations, must not allow himself to become guilty of a breach of trust by betrayal of these confidences. He must not affront representatives of other nations, and thus make future dealings with those nations more difficult and less frank. To make public in debate or in the press such confidences would violate the invariable practice of nations. It would close to the United States those avenues of information which are essential for future negotiations and amicable intercourse with the nations of the world. I am sure the Senate does not wish me to commit such a breach of trust.

My present problem, however, is to only point out the absolute constitutionality of everything the President is doing in the very mooted questions of foreign policy. To my mind, no better preparation for the study of this decision is possible than this book of former Justice Sutherland.

In his last chapter, in a reflective sense on the lessons of the war, he adds this significant chapter:

In this broadened field of endeavor we must cease to think in terms of States and State rights and think only in terms of nationality. We must cease to measure the authority of the General Government only by what the Constitution affirmatively grants, and consider it also in the light of what the Constitution permits from failure to deny. There is no danger that we shall thereby destroy the reserved rights of the States or overrun the domain of local government—against these unfortunate consequences we must always be on our guard—but we shall avoid the unspeakable absurd confusion of having an agency to speak for us upon all matters of legitimate international concern with a vocabulary so limited that upon some of them—and, in the light of our expanded world relations, not inconceivably the most vital of them—it cannot speak at all.

He adds later that—

The complete overthrow of the Central Powers will be followed by an indefinitely long-continued period of peace. * * * The causes of war among nations and peoples lie very deep in the nature of mankind—far deeper than armaments, or land hunger, or kings, or capitalists, or forms of government * * * they are protean * * * they frequently spring from sentiments of the most sacredly justifying character. * * * The fighting spirit is one which it is to be hoped we shall never lose. * * * It is not enough for a nation to desire justice; it must have the will and, when needed, the power to enforce it. * * * It is right to teach the desirability of peace * * * but we should keep before ourselves always the clear danger of war, and at our peril be prepared to meet it. * * * The dove is a pacifist; the eagle is not. * * * The dove falls a victim to rapacity; the eagle is immune. * * * Yield nothing to the aggressor.

He has placed in the book what he thought should be the judgment of history upon our countrymen:

They respected the liberties of others because they were just, and kept their own because they were strong and resolute.

He quotes:

It is highly desirable that we should keep alive the new spirit of nationalism, which has been born of the war, and which is fast fusing the heterogeneous groups of German-Americans and Irish-Americans, and other hyphenated tribal collections, into a homogeneous body of American citizens who are for the first time beginning to realize their essential unity. If no other benefit should result from the dreadful struggle, the firm establishment of this new spirit of national concord would justify every sacrifice we have made, or might have been called upon to make, however terrible; for it is certain that only thus have we been brought to an understanding of, and a deliverance from, the sinister peril of a divided allegiance which threatened our very existence as a separate and independent people.

Here is a quotation from the Curtiss-Wright case which, I believe, will cause more difficulty in its interpretation than anything else:

When the President is to be authorized by legislation to act in respect of a matter intended to affect a situation in foreign territory the legislator properly bears in mind the important consideration that the form of the President's action—or, indeed, whether he shall act at all—may well depend, among other things, upon the nature of the confidential information which he has or may thereafter receive, or upon the effect which his action may have upon our foreign relations.

The decision, of course, was written by Justice George Sutherland, who was a former Senator from Utah, and author of *Constitutional Power and World Affairs*, a book written in 1919, right after the World War, and obviously in the shadows of extraordinary and remarkable powers of the President.

The book itself has a chapter on War Powers: Nature and Distribution, and another one on War Powers: Extent and Limitations. It is submitted that Justice Sutherland in his book brought out to the fullest that the advice and consent of the Senate only considers the power of the President to make, not to negotiate, treaties. He does admit that the Senate may initiate the first step by passing a resolution requesting the Chief Executive to begin such negotiations by a declaration, but the President consults his own views.

In his opinion—

Negotiation with foreign governments is a matter of such delicacy that it can be carried on far better by a single person, like the President, than by a large number of officials, like the Senate; while the combined judgment of the larger number—including both President and Senate—respecting the value and wisdom of the result of the negotiation will generally prove a safer reliance.

It will be found that much of the philosophy and, in fact, the very wording of his book is duplicated in the decision. I want to say, as a matter of fairness, that constitutional lawyers are somewhat dismayed by the tremendous expanse of the power thus given to the President by this decision. As I said in the earlier part of my speech, it may be necessary to place brackets upon these powers at some future date. For those of us who believe that the Treaty of Versailles fastened upon the defeated nation intolerable financial burdens, unfair unilateral disarmament mandates, and a rapacious handling of colonies, these thoughts of his are illuminating:

The world has grown to a condition of vast complexity, with a multitude of diverse and conflicting interests. Some nations have all the territory they wish and are anxious only to be left undisturbed. Such is the case of Great Britain; such is our own case. Other nations living in cramped quarters are land hungry and long for expansion. Such was the case of Germany; such is the case of Japan. The pressure for an outlet for the surplus populations of growing countries of limited area is not likely to become less, and will always constitute a possible incitement to warlike aggression. There is the problem of the uncivilized and partially civilized races; the problem of the small and the submerged nationalities, and a vast number of other problems which have vexed humanity from the beginning and are not likely to be eliminated in the near future. It is greatly to be desired that some feasible method should be devised for a peaceful determination of international disputes arising out of these and similar conditions whenever they become acute; but the method must be practicable as well as righteous. We would better endure the ills we have than accept any plan, however alluring, whose highly probable failure would result in a revival of the old conditions in perhaps an intensified and more stubborn form. It is preeminently a time and situation for the sort of action which will take us forward securely, even if slowly, rather than to a doubtful ending in great haste. I think, therefore, we shall, in the long run, secure better and more lasting results by a gradual extension of the principles and plans already initiated by the Hague Conferences than by adopting the more ambitious and more adventurous plan now suggested for the League of Nations, including as its distinguishing feature the use of some form of international force. Few countries were ready for such a plan before the war, and there is grave danger that any radical provision for peace enforcement adopted under the present tense and excited condition of world thought will be found unworkable after we shall have returned to a normal state of mind.

I call to your attention that there will be a problem coming before this America of ours within a few years, if not sooner, when there will have to be a determination of how far prerogatives in foreign affairs can be given. I may say that our failure to write into the Constitution something about the right of secession brought on the Civil War. Let me say now, with all the emphasis and stress that I can, that the President of the United States has acted within every one of those proud privileges and prerogatives. I ask any man to show me where the President of the United States in attempting to lead us—although we may consider the path a little devious—has ever pushed us. I have to be convinced that there is any better residence for the control than in the hands of the President. But I will listen—

Mr. DONDERO. Will the gentleman yield?

Mr. SHANLEY. I yield to the gentleman from Michigan, for I know the question of Guam is uppermost.

Mr. DONDERO. I recognize the gentleman as an authority on this question, but may I ask him this question? Suppose the conditions were completely reversed, and that Guam was a Japanese possession near our shores. Suppose that Japan proposed to do what we are proposing to do. What

does the gentleman think the attitude of this Nation would be under those circumstances?

Mr. SHANLEY. A Gibraltarlike fortification I submit would be unwarranted.

Mr. SIROVICH. Will the gentleman yield to me also on that question?

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

Mr. SIROVICH. We have 96 islands, called the mandated islands, that belong to Japan. When the treaty was made Japan promised never to fortify those islands. She will not permit an American to go over there to see them, because she has fortified them in order to be able to make any further excursions into the Pacific which she may deem necessary.

Mr. DONDERO. Was that in violation of a treaty agreement?

Mr. SIROVICH. That was in violation of a treaty agreement.

Mr. SHANLEY. Permit me to quote some authorities on this subject:

Prof. A. Whitney Griswold has this to say in his *Far Eastern Policy of the United States*, page 317:

By promising not to fortify Guam, Pago Pago, the Philippines, and the Aleutians, the United States virtually ruled out the possibility of conducting offensive naval operations against Japan in her own waters. The same was true of the British promise regarding Hong Kong. Under these circumstances Kato was willing to accept the inferior capital-ship ratio allotted him by the naval treaty. He could do so in the comforting knowledge that the inferiority would tend to disappear should either the United States or Great Britain, or both, attempt to attack Japan from California, Hawaii, or Singapore, their nearest bases.

On the other hand, Secretary Stimson, in speaking of the Washington Conference of 1922, has this to say:

It must be remembered also that this treaty was one of several treaties and agreements entered into at the Washington Conference by the various powers concerned, all of which were interrelated and interdependent. * * * The willingness of the American Government to surrender its then commanding lead in battleship construction and to leave its positions at Guam and in the Philippines without further fortification was predicated upon, among other things, the self-denying covenants contained in the Nine Power Treaty, which assured the nations of the world not only of equal opportunity for their eastern trade but also against the military aggrandizement of any other power at the expense of China. One cannot discuss the possibility of modifying or abrogating those provisions of the Nine Power Treaty without considering at the same time the other promises upon which they were really dependent.

[Applause.]

[Here the gavel fell.]

Mr. VINSON of Georgia. I yield 3 additional minutes to the gentleman from Connecticut.

Mr. SHANLEY. I thank the generous chairman for this additional 3 minutes. I thought he was most gracious in his first allotment of 15, but this additament is indeed most generous.

Frank Simons, in his American foreign policy in the post-war years, has this to say, that Japan surrendered the Anglo-Japanese alliance in return for a Japanese-British ratio of 5-5-3 and a renunciation by the British of the right to extend her fortifications in Hong Kong and our promise not to expand in the Philippines, Alaska, or Guam. He said:

Thus, in fact, the Japanese threw the British back on Singapore and the Americans on Hawaii as advanced naval bases, and deprived both of them of the power to interfere with their Manchurian demands. Nominally, to be sure, the Japanese tied their own hands by signing the famous Washington treaty, which pledged each of the signatory powers to respect the rights of each other, and China was a signatory power, and to come to council in case any country broke its solemn pledge. In reality, however, at the price of a scrap of paper Japan acquired for herself a free hand in our foreign dealings with China * * *. In some ways therefore the results of the Washington conference were twofold. Japan acquired tactical supremacy in the Far East for her navy. Great Britain rid herself of the danger of sinking to second place in the battleship line without resigning her decisive hold in cruisers, but thereafter there was no reason possible for the United States to defend the Philippines, and it had not yet acquired parity with Great Britain in naval strength.

This served also to reestablish the conviction that American diplomacy had been outgeneraled by American innocence; that Balfour had been able to outgeneral Hughes in Washington as Lloyd George did Wilson in Paris. However, the London Naval Conference of 1930 saw the settlement of the parity issue. This was effected by

a conference in advance between Ramsay MacDonald and Herbert Hoover on the Rapidan. The terms of the resultant agreement imposed upon the United States the way of spending approximately \$1,000,000,000 in attaining the long-sought equality.

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

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

Mr. COLE of New York. Is it not correct that the treaty of which the gentleman is now speaking expired by its own terms in 1936?

Mr. SHANLEY. Under right as a signatory to the Washington Treaty, Japan in December 1934 gave formal notice of the cessation of any continuation of that agreement after its lifetime. Japan, of course, bolted the conference in London in 1935.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. SHANLEY. Would the gentleman permit me to proceed?

I have never approved of what we have done. The Japanese have been the target of every irritant we could possibly throw their way, but they have not been fair either. I do not defend their actions, neither do I defend the blunders we have made in our diplomatic missions. The errors have been made by all administrations. The history of our diplomacy is a reversal of position from one administration to another, because every President and every Secretary of State—and they are all honest, sincere, and logical men, attempting to protect this country—make mistakes. In view of what we did to Japan when we refused at Versailles to give the Japanese racial equality and when we refused to give them naval parity in 1935, I do not believe what we propose to do at Guam can be regarded as an attempt to thrust a dagger into the breast of Japan. We are not making an impregnable fortress of Guam, as the British have in the Far East, especially if only dredging a harbor is considered. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, it is a peculiar coincidence that the present bill, suggesting, as many of us feel, a distinct change in our traditional foreign policy, should be under consideration on the day we celebrate the birth of our first President. George Washington's advice is as timely today as it was in the early days of the Republic. His words, "Cultivate peace and harmony with all," command our attention as ominous signs appear of indiscretions which may disturb our friendly relations with other nations.

The bill now before us comes from the Committee on Naval Affairs. It authorizes the Navy Department to establish, develop, or increase naval facilities for the purposes of national defense pursuant to the recommendations of a special board of naval officers headed by Admiral Hepburn.

There appears to be little objection to the bill as a whole. Considerable controversy has arisen, however, over one item, the proposed expenditure of \$5,000,000 for naval facilities at the island of Guam, which is within 1,500 miles of Japan. The implications of such a move are apparent. When the reports of the Government's intention were made public they caused immediate and widespread protests at home and repercussions abroad—to such an extent, in fact, that a very large part of the hearings held on this bill were devoted to a discussion of this one item and the part Guam would play in the national-defense plans. The protests are based upon two meritorious objections, the first of which is admitted by naval experts, and the other evident to every impartial observer. The first objection is that Guam is not a necessary link in the defensive system of the country. This is the uncontroverted testimony of Admiral Hepburn, who was appointed by the Secretary of the Navy to head the special board to investigate the needs for national defense. The second objection is that the proposal would be a provocative act, conducive to international ill will and an irritant to the preservation of world peace. No one can deny that it would have the effect of aggravating a situation already tense and delicate.

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As a result of the hostility of public opinion to the undertaking, the committee attempted to sugar-coat the distasteful proposal by resorting to the subterfuge that the project was nothing "more than is done year after year by this country in improving our harbors." That contention, I submit, Mr. Chairman, is untenable. Surrounding circumstances, attendant conditions and page after page of the hearings on the bill refute this alleged purpose. Common sense tells us that if this were a river and harbor project, the proposal would come not from the Committee on Naval Affairs but from the Committee on Rivers and Harbors, with the Army engineers in charge of the operations. All of us know that the item originated in the Navy Department and that the witnesses urging the proposal were not Army engineers or representatives of commercial airlines or spokesmen for the Civil Aeronautics Authority. Who were the witnesses? Let us call the roll—the Assistant Secretary of the Navy, the Chief of Naval Operations, the Chief of the Bureau of Naval Aeronautics and the head of the special naval board appointed to recommend improvements for our national defense. Moreover, the expressed purpose of the bill, including this item, is to carry out the recommendations of the Hepburn Board, the board created not for the purpose of river and harbor improvements but charged with the serious obligation to investigate and report on the need for purposes of national defense, for the establishment of additional submarine, destroyer, mine, and naval air bases on the coasts of the United States, its Territories, and possessions. These are the circumstances and conditions, Mr. Chairman, which give the lie to the contention that the proposal is "no more than is done year after year by this country in improving our harbors." Were these circumstances and conditions not enough to refute the sugar-coating effort, we might turn to the hearings on the bill where more than ample corroboration can be found of these convincing circumstances and conditions. Time will not permit quotations at great length from the hearings, but from the lips of the Chief of Naval Operations we learn that the purpose of the item for Guam is among other things, "for the construction of initial shore facilities." The word initial can have but one meaning. Other shore facilities are to follow, and mark you they will be facilities for naval operations. Intelligence and honesty can come to no other conclusion. Read for yourself page after page of the hearings as one after the other of these naval experts, witnesses from the Navy Department, point out the part which they plan for Guam to play in the event of war. I submit, Mr. Chairman, there is something more sinister than the improvement of rivers and harbors in this proposal. Let us clear away the fog and put the question where it really belongs—right into our national-defense program. How does Guam fit into our national defense? It is a small island in the western Pacific, more than 6,000 miles from our mainland and more than 3,800 miles from our Territory of Hawaii. On the other hand, it is but 1,500 miles from Yokahama.

Our concern is primarily with the defense of continental United States. We have been led to understand that our line of defense in the Pacific is just west of Hawaii. With that object in mind, we have developed Hawaii as a great military and naval base. No expense has been spared to make it a powerful base of naval operations. That our defense line was heretofore just west of Hawaii was established a year ago by the present Chief of Naval Operations when he testified before the Naval Affairs Committee that—

The defensive line of the American Navy at the present time reaches from the Aleutian Islands to the Hawaiian Islands, to Samoa and to the Canal.

Guam, you will recall, is more than 3,800 miles beyond Hawaii. What, we ask, has happened to change that line? Why should we have an outpost 3,800 miles beyond an outpost?

The members of the Naval Affairs Committee who have undertaken to justify this intrusion into the Far East made desperate efforts during the hearings to have it appear that Guam was "a necessary link in the defensive system of the country." But their efforts fell flat. Even though they

resorted to the most leading questions, trying at every turn to put words into the mouth of the witness, and even though the witnesses were their own selection, the best they could get was that "it would greatly simplify" the national defense. Admiral Hepburn's opinion gave the proposal a body blow when he said Guam was "not essential" to our national defense. To add insult to injury he subsequently testified that the improvements proposed for Guam "were not necessary for defense." I contend, Mr. Chairman, that if this proposal had any justification as a necessary part of an adequate national defense, the very able chairman of the Naval Affairs Committee, devoted as he is to the Navy, would not have to hide behind the sugar-coating process of a rivers and harbors project. He would not strike his colors. His flag would be flying. An adequate national defense cannot by any stretch of the imagination require proposals that are not essential nor necessary.

Before embarking on this project we should be mindful that it is but the first step—the Chief of Naval Operations used the word "initial"—in the development of Guam as a naval base, which would involve the expenditure of at least \$150,000,000. A recognized authority on national defense takes exception to the use of the word "base" in describing the place Guam would occupy. He declares it to be an advanced salient, which Gen. Hugh Johnson describes as "something like a nose or thumb stuck into the enemy's mouth, where he can bite it off without much effort." [Applause.] At all events, whether it be a base or an advanced salient, it involves the expenditure of a large sum of money for a project neither essential nor necessary to national defense. Mr. Chairman, I have supported consistently every measure looking toward the establishment and maintenance of an adequate national defense. I shall continue to do so. But to embark on the expenditure of \$5,000,000 as the initial cost of a project which will cost \$150,000,000, and which is not essential nor necessary to our national defense, cannot be justified. Every dollar that is needed for the defense of the Nation should be spent—but not one cent more.

One of the gravest dangers that we face today is the enthusiasm of extremists—pendulum pullers. They are a real peril. They are active and articulate, especially on matters of national defense. There are pacifists who would scuttle every armed vessel carrying our flag. There are those who go to the other extreme. I submit, Mr. Chairman, a wise course will be a more cautious course, a course which will avoid either of these extremes. To maintain armed forces less than those which are necessary for the adequate defense of the Nation invites disaster. To maintain more than is necessary will place us inevitably in the category of an aggressor, creating as it must the suspicions and fears of other nations. And we know only too well that suspicions and fears lead to but one thing—and that is war. [Applause.]

There is but one basis upon which we can justify authorizations for national defense, and that is national need. Authorizations for armed forces beyond the point of national need destroy the hopes and yearnings which our people have had for a pathway of peace. By so doing we join hands with the other maddened war lords in a campaign of carnage and destruction. Is this our mission? By so doing the aspirations which we have cherished and which I believe millions of our people still cherish, for the amicable adjustment of differences between nations are dashed to the ground. Is this our purpose? Have we forsaken our faith that "righteousness exalteth a nation"? Professions of peaceful intentions, no matter how pious and profuse, become shameful insincerities by the establishment and maintenance of armed forces greater than our national need. Again I repeat, what is not essential nor necessary is outside the limits of our national need.

All of us are aware of the tense world conditions. It is not an overstatement to say that they are extremely delicate. Shall it be said that we intend to aggravate the international situation by initiating a project such as this? Are we to contribute an irritant to efforts to preserve world peace? Would it be a peaceful gesture or a provocative move? These are questions that should concern us. They

are tremendously important. This is the nub of the whole matter. I believe the overwhelming majority of the American people want peace and that they charge us with the responsibility of maintaining peace so long as our rights are recognized and our good name is respected by other nations. [Applause.] The devastations and disasters of war challenge us to be cautious and considerate today.

Let me fortify my position on this phase of the subject by calling as a witness, Maj. Gen. William C. Rivers, a brilliant Army officer, whose lifetime experience in the Army stamps him as an authority on national defense. In a letter to Senator Borah, he said, "For the United States to establish a naval air, submarine, and destroyer base at Guam near and on the strategic flank of Japan would be, I believe, the most markedly aggressive and provocative military step of the kind which I have seen on our part in the fifty-odd years since I entered West Point." Mark well those words, markedly, aggressive, and provocative. Shall we be considerate or shall we plunge headlong?

Do we intend to accelerate the surge of suspicions, hates, and ill wills which can lead to but one thing—ultimate disaster? Are we to blindly follow the lead of other nations whose courses of hostility threaten our civilization? Dare we no longer be a leader among the nations of the world to translate the emotions of peace and good will into realities? Have we forsaken the faith that was ours that the moral forces of friendliness can be more persuasive than the welter of war? These are the issues involved here today. There is no middle ground. By the approval or disapproval of the project at Guam, we shall make commitments on our national policy which will need no interpretation. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. THORKELOSON].

Mr. THORKELOSON. Mr. Chairman, I can see no reason for shedding tears about spending \$5,000,000 to improve the harbor at Guam. The Navy Board has stated distinctly the purpose of this expenditure. It is to build a breakwater in the harbor so commercial air-line planes may land without destroying the hulls of the ships.

Commerce is not provocative of war. Commerce is productive of friendship and establishes friendship between nations. The building of a breakwater and dredging of the harbor in no sense can be understood as a measure to promote war.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. THORKELOSON. I yield to the gentleman from Montana.

Mr. O'CONNOR. Can this expenditure be justified from the standpoint of expanding the commerce of the United States?

Mr. THORKELOSON. Yes, it can be so justified. It is for that purpose.

Mr. O'CONNOR. Is it in the picture as far as preparing ourselves for defense only is concerned?

Mr. THORKELOSON. It is not in that picture at all, because no guns are to be placed on the island. The harbor is not to be dredged to a point where it can take care of large craft. The only purpose of this expenditure is to build a breakwater for the protection of the harbor. This cannot be classed in any sense as a war measure, except for the fact that we have there an air-communications station and a cable station.

Mr. O'CONNOR. The gentleman has served in the Navy?

Mr. THORKELOSON. Yes.

Mr. O'CONNOR. And the gentleman has been in that territory?

Mr. THORKELOSON. Yes; I have.

Mr. O'CONNOR. Are Navy men agreed that this improvement at Guam should be made?

Mr. THORKELOSON. They are, for the simple reason that we must have some means whereby we can take care of our commercial air lines. We must have harbors where the ships can land. That is the purpose of this improvement. It is not for war purposes.

Mr. O'CONNOR. What is the extent of our trade with Guam?

Mr. THORKELSON. In 1938 we sold to Guam \$275,000 worth of merchandise, and Guam bought approximately \$500,000 worth of merchandise from other countries throughout the world. Guam pays its own operating expenses each and every year. Last year it earned \$14,000 above the ordinary running expenses which are required to maintain the government of the island. This little island bought \$275,000 of merchandise from the United States, which comprises farm and other products. It is an aid to the farmers, an aid to the producers, and of general benefit to all business within the United States. Such trade should be encouraged instead of being destroyed. The building of a harbor will not only benefit the people who are living at Guam but will be of inestimable value in delivering our merchandise safely to the shores of the island.

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

Mr. THORKELSON. I will be glad to yield to the gentleman.

Mr. MILLER. I would like to ask the gentleman if there was any testimony before the committee from any representative of a commercial air line and also in what way this breakwater would aid a commercial air line using Guam.

Mr. THORKELSON. I do not know whether there was any testimony of that sort before the committee or not.

Mr. MILLER. The second question is in what way can this breakwater aid commercial air lines using Guam.

Mr. THORKELSON. The harbor is a half moon, and there is a reef lying to the north of it, and at high tide the water will break over and be rough in the harbor itself. When the ships land they land reasonably fast, about 70 miles an hour, and if they hit high waves there they are liable to destroy the hull of the ship or they might develop a leak or even capsize.

Mr. MILLER. That has not happened as yet?

Mr. THORKELSON. It has not happened yet, but evidently they have trouble at times in landing, and the purpose of their building the breakwater is to make it a quiet harbor. That is all. The real value of the island is in the recent expansion of commercial air lines, and air line traffic is not provocative of war but is instead a measure toward peace.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 30 minutes to the distinguished gentleman from Missouri [Mr. SHANNON].

Mr. SHANNON. Mr. Chairman, just a word concerning the remarks of the gentleman from Montana [Mr. THORKELSON], who preceded me. He said that this was something in the nature of a base for commercial purposes. If it is not a gesture of war, then it is a subsidy for private enterprise, and I want to say to you that one is bad and the other is worse. [Applause.]

Home caucuses of American families are being held nightly all over the United States, and the subject under discussion is, surely Congress will not do anything that will throw our boys into the hell of European or Asiatic war. The voting of the appropriation for Guam at this moment will cause almost every father and mother to have the jitters.

This body, if polled, would be found overwhelmingly against war. If it is against war, how can it explain itself when it makes gestures that may lead to war?

Remember that one of the nations engaged in slaughtering human beings at this moment will not permit you to reach the stage where you will vote "yes" or "no" on war. This particular nation will start its war without a declaration and dispose of it as an "incident." Hence, we should give that nation no excuse for the explanation that war was started because of our own aggressive acts.

THE PHILIPPINES ENTITLED TO INDEPENDENCE

Let me discuss the Philippines question just a bit. It became an American question during the first administration of William McKinley. He insisted that we were in the Philippines only until such time as they were qualified to take over their own government. This declaration, similarly made by all Presidents, reached its acme when Woodrow Wilson, in 1920, said:

Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and have thus fulfilled the condition set by Congress as precedent to a consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those islands by granting them the independence which they so honorably covet.

Only yesterday on the floor of this House a Member declared, in defiance of all statements made by all administrations, that we have got to hold the Philippines, meaning thereby that Congress should make the appropriation which will lead eventually to an attempt to fortify Guam.

THE FOREIGN POLICY OF OUR FOUNDING FATHERS

I long for a leadership that will bring us back nationally to the doctrines of the founders of this Republic as to our foreign policy. I want our leaders to feel on the subject just as George Washington did. I want them to feel just as Thomas Jefferson felt. We think of savages over there in the Far East, but remember that Jefferson once referred to European war lords as cannibals and said, "The cannibals are eating each other again." He had reference then to Turkey and Russia. Jefferson and Washington warned us to keep out of foreign affairs except peaceful pursuits. We want, today, a leadership that will make us isolationists of the kind that Thomas Jefferson and George Washington were. [Applause.]

In making the peace settlement with Spain, our Government paid \$20,000,000 in cash for the cession of the Philippines, Puerto Rico, and Guam. Guam was the only one of the Ladrone Islands ceded by Spain to the United States. Subsequently Spain sold the other Ladrone Islands to Germany for \$4,875,000.

Following the World War, the islands thus acquired by Germany were mandated under the Versailles treaty to Japan, which has since exercised jurisdiction. It is significant that high naval officers appearing before the House Naval Committee were unable to say whether or to what extent Japan has fortified them.

JAPANESE REACTION TO WASHINGTON TREATY OF 1921

It is unfortunately true that our relations bearing upon Asiatic situations have consistently given affront to the Japanese. They have never forgiven us for the Exclusion Act. They blame us for the peace following the Russo-Japanese War. They blame us for the Washington Treaty of 1921 at which the 5-5-3 naval ratio was agreed upon.

Of Japanese reaction to the Washington treaty, we learn from *Powerful America*, a book written by Edward J. Young, of the staff of the *New York Times*, that—

The Japanese delegates went home to be met with a riotous demonstration of patriots who believed they had betrayed their country. They became marked men, the targets of the nationalists, militarists, and navalists, who refused to accept the settlements as binding in the future, and regarded them as arrangements to be upset as soon as Japan could make itself strong enough to defy Britain and America.

Are the problems of today the fruit of secret understandings reached in the past? The late Adolph S. Ochs, publisher of the *New York Times*, had conferred prior to the Washington treaty with Lord Lee, of England, and was "startled" when told that the English Government "would wish to have it unofficially communicated to Washington that they were prepared to abandon their traditional policy of a two-power navy and enter into an agreement with the United States for equality."

Lord Lee discussed with Mr. Ochs "the fear of the United States of a possible conflict with Japan," saying that, "under such an arrangement as he proposed, the United States could, if it thought necessary, concentrate its Navy in the Pacific Ocean and the English Navy could be relied on for protection in the Atlantic Ocean."

It was the recognized pro-English attitude of the *New York Times* that encouraged Lord Lee to suggest this naval understanding to the American publisher.

Mr. Young suggests in his book that "other revelations on the secret negotiations attending the conference will come in time."

PHILIPPINES CANNOT BE SUCCESSFULLY DEFENDED

On the question as to whether or not the Philippine Islands can be successfully defended by the United States in the event of a war with Japan, it is worth while to consider their location, characteristics, and their vulnerability.

The Philippine Archipelago consists of 7,083 islands, 4,622 of which are unnamed, and the coasts of many of which are uncharted. Only 342 are inhabited; 462 have an area of more than 1 square mile, and 6,621 have an area of less than 1 square mile. The total land area is 114,400 square miles. These islands extend 1,152 statute miles north and south, and 682 miles from east to west. They have a coast line of 11,444 miles, compared with the 13,000-mile coast line of the United States and the 18,000-mile coast line of Japan. There are 21 fine harbors and 8 landlocked straits. The coasts are, as a rule, bordered with coral reefs, and but few of the harbors are easy of access. The largest, Manila Bay, has an area of 770 square miles and a circumference of 120 square miles. It is too wide for safe anchorage and would be difficult to adequately fortify. An aggressor nation could easily seize and fortify several of the principal harbors, and it would be practically impossible to prevent an invasion and exceedingly difficult to dislodge the invader.

For every square mile of territory there is a mile of coast line to defend. The invaders could quickly lay mines in the entrance to the harbors and along the lanes of ocean traffic. It would not be difficult to place long-range guns on the shore which could be utilized with telling effect on our vessels should we attempt to displace the invaders.

It would cost at least \$5,000,000,000 to fortify a few of the larger islands if we are to prevent their capture in the initial stages of a war with any first-class power. It would also be necessary to station in the Far East a naval force largely in excess of our present entire Naval Establishment. Reference has been made to the fact that Great Britain has, at an expenditure of several hundred million dollars, fortified Singapore, but that was child's play compared with adequately fortifying the Philippine Islands so as to resist the attack of a world power. The location of Singapore is ideal for defense, and at a comparatively small expense it can be made invulnerable. Singapore contains only 206 square miles, with a short shore line, a small territory in one block, well adapted for a safe naval and military base. But, as I have pointed out, the Philippines have a shore line of 11,444 miles, and the territory to be defended contains 114,400 square miles, and covers an area 1,152 miles long by 682 miles wide. In all the tide of time, no nation has ever attempted to fortify such a large area, and not only would the cost be a tremendous burden upon the American people, but the construction of these defensive works would require at least a quarter of a century.

It will not be denied that practically all students of military and naval affairs, and all other persons who have made a study of the subject, agree that the United States cannot defend and hold the Philippines should we, unhappily, become involved in a war with Japan. A few years ago Gen. James Parker, of the United States Army, spoke of the Philippines as a "strategic weakness" easily "captured from us." Gen. Enoch H. Crowder, who served in the Philippines, 1898-1901, and who during the World War was provost marshal general in charge of the selective draft system, stated that in case of a war with Japan there would be no attempt on the part of the United States to protect the Philippines, and if they should be captured we could not retake them without too great a cost. Frank G. Carpenter, the world traveler and a newspaper correspondent of international reputation, in a syndicated article published a few years before his death, stated that in the event of war between Japan and the United States the former would overrun and occupy the Philippines, and that the United States could only overcome that by the expenditure of at least \$50,000,000,000 and the loss of perhaps two or three million American lives. I am quite confident that he underestimated the price the American people would have to pay, in money and blood, to hold these faraway possessions.

In recent years the great weight of opinion among high-ranking officers of the Army and Navy is to the effect that it would be practically impossible for us, in a war with Japan, to hold the Philippines; that they could not be recovered without an expenditure of blood and treasure unparalleled in the history of mankind.

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

Mr. SHANNON. I yield.

Mr. CULKIN. Does the gentleman recall the historic incident of President Roosevelt writing a letter to Secretary Taft, who was then, I believe, Secretary of War and had been Governor General of the Philippines, telling him to get out of the Philippines as soon as possible?

Mr. SHANNON. Yes; I do.

Mr. CULKIN. I think that letter is in the RECORD.

Mr. SHANNON. I think I have it in the speech I have here.

Mr. CULKIN. He stated it was impossible to defend that line because it was too long.

Mr. SHANNON. Yes; and many others like him have said the same thing.

Mr. CULKIN. That was Theodore Roosevelt.

Mr. SHANNON. That was Roosevelt No. 1.

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

Mr. SHANNON. Yes.

Mr. CRAWFORD. Does the gentleman feel or believe that the Philippines are fully cognizant of the situation which the gentleman is so well describing, and does the gentleman not also think that the Filipinos have reconciled themselves to the philosophy that in case of trouble the United States will not protect them, and for that reason they are proceeding to ally themselves with Japan just as rapidly as they can?

Mr. SHANNON. The gentleman did not say that yesterday in his speech. What the gentleman said was, get us in.

Mr. CRAWFORD. Oh, I did not say that, and I challenge the gentleman's statement.

Mr. SHANNON. What is it the gentleman did say?

Mr. CRAWFORD. I ask the gentleman to read the RECORD.

Mr. SHANNON. I heard the gentleman.

Mr. CRAWFORD. It is in the RECORD, and he does not have to dispute it. The gentleman can take the facts out of the RECORD.

Mr. SHANNON. I am opposed to Guam being in this bill. It means trouble, regardless of what we say or what is said in the Philippines.

OUR "HEEL OF ACHILLES"

This is what President Theodore Roosevelt said:

Any kind of position by us in the Philippines merely results in making them our heel of Achilles if we are attacked by a foreign power. They can be of no compensating benefit to us. They are a source of weakness to us.

Secretary of War Garrison and Senator Henry Cabot Lodge in 1915-16 declared that the Philippines are a military liability to the United States. Gen. J. Franklin Bell declared in 1913:

The possession of the Philippine Islands is not in the slightest degree necessary to the welfare of the United States insofar as the military or strategical requirements are concerned. They are an absolute military weakness to the United States.

And Secretary of War Weeks declared in 1924:

If I were going to view this question entirely from (the standpoint of) military or other benefits to the United States, I would say, let the Philippines go.

For many years the Navy League crowded the columns of our newspapers with articles in which it was boldly asserted that in a war with any great foreign power our loss of the Philippines would be inevitable, and while much of this publicity was designed to stimulate public sentiment in favor of the building of a United States Navy comparable with that of any other nation, still no thoughtful student of Philippine affairs and of world conditions has ever denied our absolute helplessness and inability to hold the Philippines in the event of a war with Japan.

JAPAN A VIOLATOR OF TREATIES

I quote from testimony in a hearing before the House Committee on Insular Affairs in 1924:

How can they have forgotten, or how can anyone forget, that during the life of those who are still children, Japan, within 6 years after solemnly guaranteeing the integrity of Korea, absorbed and subjected that country of 15,000,000 people as completely and ruthlessly as did any monarch in the ancient world.

And the record of Japan in Manchuria, and later in China, further convincingly demonstrates that no nine-power pact, no solemn treaty or national pledge of any character, will be kept by Japan in its unalterable determination to ravish the Orient and establish unchallenged Japanese supremacy in the Far East.

As Cochin China or French East India, Singapore, and Netherlands India at the present time constitute a barrier to Japan's penetration of the East Indian Archipelago, in like manner the Philippines are directly in the path of the Japanese march toward the Tropics, and sooner or later the United States will find itself in a war with Japan over the possession of these rich but defenseless islands.

The Japanese statesmen consider the Philippines as the sword pointing at the heart of Japan. I quote from Parker Thomas Moon, who, in Imperialism and World Politics, said:

The Philippines were in Japanese eyes a naval outpost which could be only of use against Japan in an offensive rather than defensive operations.

Undeniably, Japan is very much concerned over Great Britain's fortification of Singapore, and if we should foolishly determine to fortify the Philippines, Japan would undoubtedly take measures to prevent our successful consummation of such a project.

Obviously, in the event of a war in the Orient, the Philippines would be a liability rather than an asset. The initial expenditure of \$5,000,000 in Guam is a foolish waste of money unless the American people are prepared to tax themselves to the extent of many billion dollars and to sacrifice several million American lives to hold these oriental possessions.

Yesterday a Member of this House, in speaking on behalf of the Guam project, remarked:

Why, just think; there would only be \$5,000,000 involved at the outmost.

AMERICAN LIVES MORE IMPORTANT THAN DOLLARS

I have something far more precious than dollars in mind; I am thinking of the lives and welfare of American boys who may become involved through this seemingly innocuous proposal.

We are told that the construction of these "improvements" at Guam would have no warlike significance. Why, then, was it incorporated in this naval bill, and why was it sent to the Naval Committee for consideration? Ordinary improvements of this nature are properly matters of consideration by the Rivers and Harbors Committee, a committee with no military implications.

Guam is only a relatively short distance from Japan. What would be the reaction of the American people if Japan were to undertake the preparation for military purposes of an island so close to our shores? This Government would, I feel sure, lose no time in massing its naval forces to prevent such a threat to its safety. To me it seems obvious that we are about to do the thing which we would not permit Japan to do.

Every American boy will have a right to hold his Congressman responsible for his attitude on this question. He must look to his Congressman for representation, and he will wonder why common sense was not used, first, in the selection of the bill in which to include this project; and, second, in the selection of the time for improvements at Guam. He will wonder why a time was selected when such improvements would inevitably be looked upon as an unfriendly act; a time when the whole world trembles lest war be in the making.

This boy stands ready to do his duty, to defend his country in time of need. But would he not be justified in feeling that his Congressman had failed him if he voted for a project of this kind at a time when ordinary common sense should warn him of its dangers?

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

Mr. SHANNON. Yes.

Mr. ZIMMERMAN. I appreciate the interest of my colleague in the cause of peace and ask him what he would suggest that we do with Guam, which is a part of our country.

Mr. SHANNON. I refer the gentleman to what every President, up to and including the present one, has said about Guam. The gentleman can get his information there as to what we should do with Guam and the Philippines both. I cannot make it clearer than they did. If the gentleman wants me to answer it, I will answer it in this way: I heard John Sharp Williams one day in the United States Senate talk on a similar question. It was a naval question like this. We were having trouble in Mexico at Tampico. The American fleet went into that harbor and was not given the customary salute. Naval officers took exception to this lack of proper respect. Now, Mexico at that time was not even recognized by us as a government, yet the naval group wanted this country to go to war with her because of this affront. John Sharp Williams said, "You do not recognize Mexico as a government, yet because you were not given a proper salute you want us to fight." And I say to the gentleman as my answer to him about Guam, what John Sharp Williams said on that day of long ago: "All the naval punctilio this side of hell, and Guam itself, are not worth one American boy's life." [Applause.]

Mr. ZIMMERMAN. That does not quite answer the question.

Mr. SHANNON. I know, but I have answered it in my way.

Of course, the Congressman does not know who injected the Guam issue at this particular time.

Mr. VINCENT of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SHANNON. Yes.

Mr. VINCENT of Kentucky. And who does the gentleman say did inject it?

Mr. SHANNON. Wait until I have finished my speech and the gentleman will get it. That information is withheld from him. And his response to the boy can only be, "I answered the call of the man whose name I do not know, and he was simply relaying the call from French Cochin China, fairly well fortified; the Dutch East Indies, not fortified at all; Australia, well fortified; and Singapore—oh, ever so well fortified. And I answered the call of ever so many dependencies of Great Britain. I answered the call by putting Guam in this bill.

"But I haven't forgotten you. I will remember you in time." Of course that will be later and will be somewhat similar to the bankers' meeting held in my community. They had a magnificent spread and after they had well wined and dined, one banker arose and said, "Mr. Chairman, we have forgotten something." The chairman asked, "What is it?" The banker answered, "We have forgotten the poor."

The chairman said, "Yes, indeed. And what would you suggest?" The banker replied, "I suggest we give three cheers for the poor."

And so, when the boy answers the draft, he will not be forgotten. Oh, no. And when the boy marches away to the hell of war in Europe or Asia, the Congressman will be there to pat him on the back and say, "Three cheers to you, brave fellow." [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. Izac].

Mr. IZAC. Mr. Chairman, in the last session of the Seventy-fifth Congress we passed an act, section 10 of which reads as follows:

The Secretary of the Navy is hereby authorized and directed to appoint a board consisting of not less than five officers to investigate and report upon the need for purposes of national defense for the establishment of additional submarine, destroyer, mine, and naval air bases on the coast of the United States, its Territories, and possessions.

(b) The Secretary of the Navy is further directed to cause a report of the board authorized by this section to be transmitted to the Speaker of the House of Representatives during the first session of the Seventy-sixth Congress.

We have before us, at least I am sure every one was given a copy of the letter from the Secretary of the Navy transmitting this report, and it will be noticed that this report is signed by six or seven high ranking naval officers, several of whom I know personally. When Congress assigns a job to a board of naval experts, you can be assured of one thing, and that is that the board is going to come back with a report that is absolutely honest and has the best interest of the country at heart. So I suggest that everyone read the letter of the Secretary of the Navy and the report of this board. However, to refresh your mind on one of the points raised about this question of Guam—and Guam, as you know, is one of the stations recommended for an initial development—we find on page 28 of the report a statement that on December 18, 1919, in other words, a few months after the close of the World War, when we still had the lessons of that war vividly before us, a joint Army and Navy board recommended that Guam be fortified and garrisoned adequate to its defense against any force that could be brought against it, and that a first-class naval base be prepared in Apra Harbor.

Three years later we decided that only one thing more was needed to make the world safe for democracy, and that was the disarmament conference which was held in the city of Washington. In that conference we did our part. This country, in fact, did more than its share. It not only agreed to the destruction of many of the finest men-of-war that any nation had ever projected or built, but we also entered into a treaty that said "we would not fortify Guam." Mind you, in the opinion of the people of this country who have the best understanding of national defense it has always been considered that Guam should be fortified; but we were willing to sacrifice that, because it would make for good feeling among nations, and especially would it appease Japan.

I have been hearing that Japan will have its feelings hurt if we should go into Guam and dredge out a harbor sufficient for a few submarines and seaplanes and the like. But let me point out to you that Japan utterly ignores the Nine Power Treaty. She utterly ignores the fact that she may be acting ill-disposed toward other nations. I do not see for the life of me why she should contend at this time that we were doing something that was unfriendly and that it would make her any more angry toward us than apparently she is at the present time, because, if she wanted our good will, all she would have to do would be to live up to the provisions of the Nine Power Treaty, keep open the open door to China, and just treat the rest of the nations that agreed on the integrity of China as they ask that they be treated.

Now, let us look at the situation of this island of Guam. Do you realize that Guam lies 1,450 miles from Tokyo? Do you also realize that the Azores are nearly that far distant from the city of Washington? Still, if Portugal happened to be a first-class nation today and wanted to fortify the Azores and put them athwart the air line and the sea line of Europe, we could not say a word about it. I grant that Guam lies on the flank of Japan. It will nullify any attempt of hers, if we want to use it, looking to the reduction of the Philippines. But I am not so much interested in the Philippines, because if this country wants to give complete independence to the Philippines, wash our hands of their affairs, I am perfectly willing to go along; but I would still be in favor of this base at Guam, and I will tell you why. All of us hope there will be no wars—certainly not in our day. I want to calm the feelings of the American people by saying I do not think there is going to be any war in the near future in which we will have to engage. I cannot see it at all. So what I say is not predicated on the fact that I think we are going to have a war in the very near future; but if there comes a time when we do have to go to war, I will say to the gentleman from Missouri, for whom I have the greatest respect, that he will save American lives by having that outpost of Guam, because

that outpost means that no oriental power will ever cross that line until the outpost is reduced. That outpost is not going to be reduced, because if we fortify it properly it will hold out until the American Fleet places itself in front of the enemy. Why do we have the American Fleet? It is to interpose itself between the enemy and our beloved country. Its objective is to search out and sink the enemy wherever it may be found. I want that enemy to be found as far away from the shores of this country as is possible. [Applause.]

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

Mr. IZAC. I yield.

Mr. MICHENER. The gentleman would agree with the philosophy that if Germany was our enemy, the Rhine should be our frontier?

Mr. IZAC. I should say yes, if some friendly country on the west of the Rhine would like to go over and rescue us from the necessity of sending our boys over there. I would be glad to have them do it. [Applause.]

Mr. VINCENT of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield.

Mr. VINCENT of Kentucky. I will ask the gentleman if John Paul Jones did not ride into the English Channel and carry the fight of the Revolutionary War to England, and that probably won the war because we had sunk their shipping?

Mr. IZAC. Rather than on the shores of the United States; yes. I thank the gentleman.

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

Mr. IZAC. I yield.

Mr. COLE of New York. The gentleman has referred to the membership of the Hepburn board which made the recommendation to fortify Guam, and apparently has complete confidence in the expert opinion and judgment of the membership of that board. I wonder if the gentleman is familiar with the fact that the chairman of the board, Admiral Hepburn, himself recommended that if anything is done in a military way at Guam it should be done to the limit rather than piecemeal, as is provided for in this bill?

Mr. IZAC. I agree with the admiral's findings. I should say that while we are engaged today in a discussion of only the dredging and preparing of a harbor, let us say, for seaplane, submarine, and tender occupancy, nevertheless we have there a wonderful asset. Guam is a wonderful asset, and if we feel that the keeping of foreign war away from our shores is worth a quarter of a billion dollars, I believe this country is going to spend that amount of money and properly fortify it.

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

Mr. MAAS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, there seems to be a great deal of misunderstanding about the item of Guam in this bill, and I think we are making a mountain out of a molehill. A great deal has been said about the foreign policy involved. As a matter of fact, no foreign policy is involved in this legislation at all as proposed.

The bill is before us because of the action of the Congress last year in expanding the aviation arm of the Navy. We required that there should be not less than 3,000 airplanes in the Navy. In order to build up to that program it is necessary that the Navy provide the air bases from which these planes will train and operate. It is unfortunate, perhaps, that Guam is included in this particular bill, because it is not the intention nor the proposal to establish a naval air base at Guam. The proposal to dredge the harbor of Apra and build a breakwater, which is all that is involved in this bill so far as Guam is concerned, was recommended by one of the bureaus of the Navy to the Navy Department 3 years ago, long before the Hepburn Board was ever created or conceived.

Guam is one of the regular stops on the trans-Pacific air line. Pan-American is the only line now operating in the Pacific, but there will undoubtedly be competitors as time goes on. Guam is one of its regular stops. They have built

a hotel at Guam and it is a regular overnight stop of the Pan-American route.

America has pioneered in the merchant marine of the air, and we are proud of our trans-Pacific and South American service. Soon we are to have a trans-Atlantic service. If America is to continue to keep her superiority in the air and maintain it, it will be necessary that we pay the bill, as proposed in this item. While Pan-American ships are able to operate at the harbor of Guam now, with the newer type of ships they intend to put into service it will be no longer possible for them to operate on this harbor unless some dredging is done and unless a breakwater is built, because these big ships cannot take off from this harbor. There are coral heads in the harbor that will have to be removed, for these ships need from 3 to 4 miles in which to take off. Such a free seaway does not exist today because of these coral heads.

There is no proposal to make a naval base out of this island. There is no proposal even to establish a naval aviation squadron there. What we are proposing to do is absolutely essential, independent of everything else, if we are going to continue to have trans-Pacific airplanes operate.

We all recognize the necessity of increasing our aviation facilities. We recognized this last year. I think it is just as essential today to have an adequate air force as part of the Navy as it is to have any other element in the Navy. There is no departure in national policy to dredge a harbor at Guam as a civil project and then permitting naval planes to go there, when the harbor is dredged, in their training program. They can go any place in America today. There is no foreign policy involved in that. Much mystery seems to be implied because of the fact that the Navy is going to do this dredging, and sinister purposes are attributed to the fact that this item is in a Navy bill. If you will only understand that the island of Guam is a naval island, you will understand why it is put in this bill. Guam has a peculiar status in our American body politic. There is no civil administration in the island of Guam. It is a naval island. Every bit of public works done in Guam is done by the Navy. Any relief administered in Guam is administered by the Navy. Any work of any kind in Guam is done under the administration of the Navy. It is a naval island, and the Governor of the island is a naval officer. There is nothing new about this fact, because for 40 years Guam has had this status and no question has been raised about it. If the harbor is dredged, it should, of course, be dredged by the Navy. I do not intend to stand before you and say that this project is self-liquidating. It will not be, because the expenditure of \$5,000,000, while it will be of tremendous assistance commercially in our airplane traffic through Guam, will not pay its own way. It will, however, be very cheap expenditure to provide the additional training facilities for our naval planes in time of peace.

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

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

Mr. COLE of New York. If the dredging at Guam has to be done by the Navy, I do not understand why similar dredging at Midway was done by the Army engineers.

Mr. MAAS. I will explain that. We had two treaties with Japan. One was a specific treaty between the United States and Japan which had nothing to do with the arms-limitation conference, which was entirely independent of that and which still is in effect, which prohibits the fortification of the mandated islands; the other, the Washington treaty, prohibited our making any improvements in our island possessions excepting Hawaii. Midway is considered a part of Hawaii, but to lean over backwards, so there would be no question about it, that work at Midway was done by the Army engineers. It could have been done by the Navy, but the treaty was still in effect, and to eliminate any possible question of doubt the Army did it. The Army could do it in Guam. The proper procedure in the case of Midway, of course, would have been for the Navy to do it, but in order to avoid any possible implication the Army did it; we leaned over backwards so as to comply with both the spirit and the letter of our treaty obligations.

Mr. COLE of New York. Can the gentleman give us any other instances where the Navy has dredged a harbor purely for the accommodation of commercial traffic.

Mr. MAAS. No; I do not think the Navy has previously done it. There are only a few islands controlled by the Navy.

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

Mr. MAAS. I yield.

Mr. HESS. Is not the reason that this item is contained in this bill, a naval bill, not only because there will be dredging of the harbor but construction of shore facilities for the Navy?

Mr. MAAS. No; that is not true. There are no shore facilities of any peculiar use to the Navy. They are necessary for any operation of the harbor even commercially and they could just as well be built by the Army engineers; but the proper, the fair, the square way to do it was to have it done by the Navy; and the Navy came forward without subterfuge and put their cards on the table, and told us what they wanted to do. Do you want them to trick us and hide their purpose from us?

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

Mr. MAAS. I yield.

Mr. CHURCH. I refer the gentleman to the bill we had before the committee, H. R. 2880. That is the only bill we had before us in the committee. I refer particularly to the language at the top of page 2:

Toward accomplishing the recommendations made by the board pursuant to section 10 of the act.

Section 10 has to do with the board known as the Hepburn board. Does the gentleman mean to say here that in view of the statement of the chairman yesterday, namely, that paragraph 1 of that report authorized the Secretary of the Navy to proceed with the construction of certain aviation facilities in line with the recommendation of the board of officers appointed in accordance with the act of May 17, 1938—

Mr. MAAS. I know the gentleman's point. I get his point.

Mr. CHURCH. Does that mean, in view of the testimony of Admiral Hepburn, that all of this should be done?

Mr. MAAS. I hope the gentleman will not take any more of my time. I will explain that. The Hepburn Board recommended something entirely different from what the committee is proposing. The Hepburn Board went way beyond what the committee is recommending. True, the board's proposal would require the work the committee is proposing, in any event. That would be part of it. But the committee did not bring in a bill to carry out the Hepburn Board's recommendation. That is not the bill the committee brought forward at all. We brought in a new bill, a committee bill.

Mr. CHURCH. But that is the report before the House now?

Mr. MAAS. The gentleman is correct. It is in line with it; but "in line with it" does not mean it follows it to the letter, and we did not follow it to the letter.

Mr. CHURCH. It says "toward accomplishing that purpose."

Mr. MAAS. Yes; toward accomplishing that purpose; but not in itself the complete accomplishment of the purpose.

Mr. SIROVICH. Will the gentleman yield?

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

Mr. SIROVICH. I believe every Member of this Congress concedes that America does not desire to take one inch of land that belongs to Japan. Why should Japan or any other country object to us fortifying our own islands in order to protect our own country and to see that no one takes one inch of land that rightfully belongs to us?

Mr. MAAS. Of course, Japan knows we are not going to invade it. Japan ought to know that we are not going to interfere with her affairs in China. What Japan does fear is that we may attempt to hold them to their treaty agreements for an open door in China. Whether we ought to or not—we probably will not—but that is what they fear.

Let me explain that there can be no possible threat to Japan or any other nation on earth by the little simple

dredging that is proposed by this bill. Even if we were to fortify it and make a Singapore out of it, that would not be a threat to any other nation on earth unless such nation had sinister designs toward us.

Mr. Chairman, you do not invade a nation with fortifications. You protect a nation with fortifications. The Siegfried and the Maginot lines are no aggressive threat to either country. They are only a threat against aggression by the other nation.

Mr. COLE of New York. Will the gentleman yield?

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

Mr. COLE of New York. Is it not possible, however, to invade a nation from a naval air base?

Mr. MAAS. No; absolutely not. The gentleman gives those of us who are aviators too much credit. From a naval air base you cannot invade anything nor anywhere.

Mr. COLE of New York. Then, why is London so fearful of Berlin at the present time?

Mr. MAAS. That is entirely different. They are next door to each other, with thousands of land-based planes always ready to take the air. The most planes we can possibly have at Guam would be 24. The maximum range of those planes for fighting purposes is 1,200 miles, and it is 1,400 miles to Tokyo. Twenty-four planes are no threat. But it might mean the difference between a short and long war; yes, the difference between victory and defeat for us to have a dredged harbor in Guam.

Let me finish my statement with reference to the necessity for this development from a commercial standpoint. The United States is not self-sufficient. Unfortunately, we have to import certain absolutely essential raw materials, such as tin, tungsten, and rubber, all of which we have to get in commercial quantities from the Far East, and without which our peacetime industries would collapse in the United States. It might be possible to import those products by air under certain conditions. If we could not send our merchant ships over there, we might continue to import them in probably sufficient quantities by air; therefore, to reach the Orient and prevent interruption of essential imports it is necessary that we have adequate aviation facilities on the island of Guam or some other island over there, and Guam is the only island we have at the present time.

May I proceed to a statement of the defense value of Guam. It has great defensive value merely as a dredged harbor. It is not a threat to anybody as a harbor. It could not interfere with anyone, excepting a nation that had hostile intentions toward us. It might interfere with such nation. The minute war started we would lose Guam, because we would drop back from it, if the island was not fortified. I am assuming we are not going to fortify it. I am not in favor of that, on the basis of the present information. I am not saying, though, I would not be in favor of that proposition if we had some testimony on it, or if it had been recommended and urged by the Navy Department.

Maybe I would be for it, I do not know; but on the basis of the present testimony, which had to do only with the dredging of the harbor, I am not in favor of fortifying Guam at this time. There is no plan to fortify it. There is no proposition here of the camel getting his nose under the tent, unless you are afraid he will get his nose under your tent, because the Congress will have to pass on any other plans that may be presented. If you fear this, then you are fearful of yourselves, because it will have to be presented to you and you will have plenty of time to deal with it if the matter ever comes before you.

Mr. LORD. Will the gentleman yield?

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

Mr. LORD. Would the island of Guam be valuable to Japan?

Mr. MAAS. Not at all. It would be immensely valuable to us from a scouting standpoint even without any fortifications at all. If we had planes training over there, or some of our scouting planes were temporarily operating out of Guam, and they were able to locate the possible movement of an enemy fleet in our direction, they would drop back to Hawaii; our

fleet commanders would be notified of the fact and we would be in a favorable position to meet the oncoming fleet.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, it would be of no value to Japan at all, even if the harbor were dredged. Japan has a number of mandated islands which are already dredged and probably fortified.

Japan has islands a thousand miles nearer Hawaii than Guam that are probably better than Guam. Why would they bother taking Guam, which would not be of any value to them at all? Certainly the fact that we might have planes in Guam that could detect the beginning of an enemy fleet movement toward this Nation or toward South or North America might far exceed in value to the fleet commander the value of, say, a battleship, yet the cost of this construction is but \$5,000,000. If we do not have the island of Guam prepared so naval pilots in peacetime can take training in making hops over there and becoming more familiar with the Pacific and with the air conditions and weather conditions in that area, then if times should become very critical it would be necessary for the fleet commander to send out some very expensive surface craft which might be essential to the fleet, perhaps destroyers or cruisers even, and they undoubtedly would be destroyed in the mission of scouting for essential information about an enemy's fleet movements. They would probably be caught by the enemy and destroyed, and yet they might form a very essential part of the fleet. It might cripple the fleet to lose such vessels. If the planes, the eyes of the Navy, were not permitted to see the movements of an enemy fleet, we would have to send surface craft out, crippling the fleet to do it, and thereby risk the loss of American ships manned by American boys. On the other hand, we would not lose a single airplane in getting the same information. All we would do would be to drop back from Guam, and if we were not at Guam there would be no purpose in capturing the island. Japan now has much more valuable islands that are nearer to us; islands that are certainly prepared for fortification and probably already fortified. The Japanese have an island, which I am personally convinced is fortified, that is closer to Hawaii than Guam is to Japan.

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

Mr. MAAS. Briefly for a question.

Mr. CHURCH. The gentleman has no information—

Mr. MAAS. Is the gentleman telling me or asking me?

Mr. CHURCH. Has the gentleman any information as to any fortification whatsoever of the mandated islands?

Mr. MAAS. Yes; I have very excellent information.

Mr. CHURCH. Did the gentleman furnish the committee any information whatever as to the fortification of the 98 mandated islands surrounding Guam?

Mr. MAAS. Yes; considerable.

Mr. CHURCH. Will the gentleman state what that information was?

Mr. MAAS. First of all, that planes of Japan have been seen flying over the island of Guam, and they were of such a size and nature that they could not possibly have come from more than a few hundred miles away, six or seven hundred miles at most. They were seaplanes, therefore, that were based on the water. They were not based at any land base or on a ship. They had to be based somewhere in those islands. They could not have been flown from more than six or seven hundred miles away. They have been flying back and forth across Guam and apparently taking photographs of what we are doing there. They had to have a base to operate from, somewhere nearby Guam.

Mr. CHURCH. Is that all the information the gentleman has?

Mr. MAAS. No; I have lots more.

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

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

Mr. SIROVICH. The Aleutian Islands, which belong to the United States, are being fortified, and they are nearer to Japan than is Guam.

Mr. MAAS. Of course.

Mr. SIROVICH. Then why should objection be made to this development at Guam?

Mr. MAAS. I want to tell you that if Guam were not in this bill, the opponents would be picking on Wake; and if Wake were not in it, they would be picking on Kodiak; and if Kodiak were not in the bill, they would be picking on San Francisco. [Applause.] They are determined to pick on this bill, that is all.

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

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

Mr. COLE of New York. Perhaps that is the very reason why Guam is in the bill, to take the curse off the rest of it.

Mr. MAAS. Maybe; but the harbor development at Guam is essential for continued commercial aviation in the Pacific and highly desirable for peacetime training of our naval aviators.

Mr. Chairman, I fear there may be some foreign-policy implications in what is proposed; that is, in the striking of Guam from this bill. I do not believe there is any foreign policy involved in improvement of our own territory, wherever it may be, but I fear that when we start joining some of the European powers in a policy of appeasement we are getting on very dangerous ground. When we surrender our rights to sovereign American territory because of newspaper threats in a foreign country, we are on the road to decline, and we will go down the road France and England are going, selling out in advance because they are not prepared to defend themselves. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield myself 5 additional minutes.

Once you start a policy of appeasement there is no end to it. You give the first inch and before you are through you have to give a mile. Once they get you on the run you never stop. We had better never start. We do not need to. [Applause.]

We are today the most powerful nation on earth. The greatest crime we can commit, the greatest disservice we can do to peace and democracy, is to yield voluntarily this position of strength and power. Everyone knows we have no aggressive intentions toward any other nation. Do you think a militaristic nation such as they would have you believe Guam represents would have 21 sovereign free republics to the south of us and a sovereign dominion to the north of us? There has not been a time in the last 100 years that the United States, from the pure standpoint of military power, could not have gobbled up both the North and South American Continents. Yet we have protected these dominions and countries from being gobbled up. This is hardly a record that would make any foreign power fear the United States. No; most of the hysteria about Guam is in this country, and most of it is in this Chamber; very little of it is in Japan.

You know you people here seem to be a whale of a lot more concerned about the fear Japan has over this than anybody in Japan.

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

Mr. MAAS. Not at this moment. I want to read you a statement of the Japanese Navy Minister made in the Japanese Parliament a couple of days ago. They were debating their defense program, and Admiral Yonai, the Navy Minister, was asked whether our developments in Guam were going to necessitate an increase in the Japanese naval expenditures because of such activities in Guam.

A member of the Diet asked Yonai, during the discussion of the budget, whether American plans to fortify Guam would necessitate additional Japanese appropriations.

Understand, his answer was made to the question of whether the fortifying the island—and we do not even propose that, but just to dredge the harbor, and here is his answer:

There is at present no reason why Japanese-American relations should be tense. Japanese policy is based on nonaggression. Therefore, Japan's armament is at the minimum consistent with national defense.

Now, get this, gentlemen on both sides of the aisle:

Anyone who believes that the United States is pursuing aggressive designs against Japan grossly misunderstands the situation. Therefore, the Japanese Navy is not attaching much importance to the Guam issue.

Most of the importance is being attached to it in this House.

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

Mr. MAAS. I yield.

Mr. COLE of New York. In order to give proper weight to the statement of Yonai, which the gentleman has just read, does not the gentleman think that some emphasis should be placed on the words of that statement to the effect that "Japanese policy is based on nonaggression?" Does not that give the lie to the entire statement? [Applause.]

Mr. MAAS. Not necessarily, because he was answering his own people in his own Parliament, and the greatest value of his answer is that they did not ask for additional naval or military appropriations because of our plans with respect to Guam. I grant you I would not believe anything they said, but in this case his statement is borne out by the facts because they did not ask for any more money, and that is the reason I do believe him.

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

Mr. MAAS. I yield.

Mr. SIROVICH. The very fact that the Navy Minister said that Japan believes in nonaggression and is bombarding and destroying all China with that nonaggression should fortify us all the more in our determination to protect Guam so that she cannot do the same here.

Mr. MAAS. I want to leave you with what seems to me to be fundamental to America. We have no aggressive intentions toward anybody on the face of the earth. We have proved that in 150 years and, certainly, in the last 40 years when we rescued the Philippines from the Spanish and after spending millions of dollars to train them in self-education, have voted them their complete independence. By the same token I say that if we want peace in the world—

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MAAS. I believe that it should be fundamental that while we are never going to invade foreign countries, we are never going to send soldiers overseas for the purpose of aggression or acquiring territory, by the same token we must make it clear to the world that American territory must always be respected, that wherever American territory may be now, regardless of the question of how we acquired it, whether wisely or unwisely, that our territory must be respected, and I take it as a fundamental American doctrine that we want the world to know that we intend to defend every inch of every bit of American soil anywhere, at any time, from anybody. [Applause.] To do less than this means that we are no longer a great Nation; to do more exceeds any policy or any desire of the American people; and I warn you that to do less than that will do more to stimulate the dictators in their contempt for democracies than anything I can imagine. If we, as a great democracy desiring to lead the world in the view that a democracy can survive, are ourselves to survive, and if we are to set that example, then we must make it clear to the dictators of the world or any other form of government, whether communistic or otherwise, that we are ready to meet all comers at any time to keep our own borders inviolate. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Chairman, today, possibly because it is the anniversary of the birthday of the Father of his Country, it seems to be the general practice to summon from the past some of the statesmen of former days of this country for their contribution to the arguments on this floor. Therefore I summon today one of the eminent statesmen of the past, a man I consider to be one of the wisest statesmen this country ever produced. That man, Mr. Chairman, is

Benjamin Franklin, who once said, "If you make yourself a sheep, the wolves will eat you." That is a principle that has been true throughout this world as long as we have any trace of mankind, and every nation through the history of the past that reduced itself to a state of impotency has gone down the road to destruction, which led to oblivion from which there is no return.

Mr. Chairman, in this matter of the improvement of the harbor on the island of Guam, we seem to take mainly into consideration whether or not it will be objectionable to Japan. I say right here that if we allow the objections of Japan to deter us in our handling of our own territory wherever it may be in the world, in our own manner, then the time will not be far distant when the Japanese Empire will presume to dictate the size of our Navy, and it may not be far distant when occurrences such as happened the other day in New York, of which the gentleman from Colorado [Mr. MARTIN] spoke so eloquently a short time ago, will be very much more prevalent throughout this Nation than they have been in the past.

Therefore, in considering whether or not we will carry out the provisions of this bill as it applies to Guam, let us consider only what the sentiment of the House of Representatives is in respect to this action, and not allow any consideration of the objection of any foreign nation to weigh our decision in that respect, and especially that of Japan, a nation which has never scrupled to disregard her pledged obligations to the world whenever she has deemed it expedient to do so.

Let us consider this matter solely upon the advice of the Naval Board of the United States, and from that alone determine the proper policy for this Nation.

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

Mr. FADDIS. I yield.

Mr. SACKS. Is it not true that the objections by other nations to anything that we may do in this matter should not be of importance, because this is basically a great economic defense for us?

Mr. FADDIS. That is what I have been trying to say. As far as we are concerned, this is one of the outposts of the Nation. If we are attacked from the east, it is an interference which will meet that attack and which will carry back and warn this Nation of the coming attack. It will be a point in the western Pacific where information can be collected, evaluated, and forwarded, which may be of vital importance to this Nation in time of emergency.

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

Mr. FADDIS. I yield.

Mr. CHURCH. Guam has been an outpost for a great many years, has it not, and there has been no move to fortify it or improve it?

Mr. FADDIS. It may be that we would need it like a man needs a gun sometimes. When a man needs a gun, he does not have time to run back home and get it out of the bureau drawer.

Mr. CHURCH. You pick up the gun now and start a war that will be a great expense.

Mr. FADDIS. That would be the part of some people who would prefer a policy of impotency, that would invite impositions on this Nation. If the gentleman would like to follow that in his own personal daily affairs, he is welcome to do it. For me, I prefer to follow a policy that will protect the Nation as I would protect myself. [Applause.]

Mr. Chairman, the first power conferred upon the President by the Constitution is as follows:

The President shall be Commander in Chief of the Army and Navy of the United States and of the militia of the several States when called into the actual service of the United States.

Now, the armed forces of the United States exist for but one reason, the protection of the Nation and its interests. We have been accustomed to refer to our policy regarding our armed forces as our policy for national defense. This policy should today be called our policy for national security. In a military sense there is a vast difference between "defend" and "secure." To defend means to prevent the enemy from seizing and occupying. To secure has a broader meaning.

It means to prevent the enemy from getting in position where, by means of his weapons, he may cause damage to the locality or territory in question. Into a program founded upon this theory the island of Guam is an integral and a necessary part.

Anyone who is at all informed regarding modern armament knows full well that during the past quarter of a century advances along the line of armament have been as rapid as those in any other mechanical field. What we may expect tomorrow, no one knows, but certainly the least we can expect is more advancement. Just as there has been a speeding up in the mechanics of the instruments of warfare, so has there been a decided speeding up in the method of calling them into action. Today war comes with almost incredible swiftness. We will need outposts at a distance to give ample warning and to furnish early interference. Such an outpost will be Guam. Also it is a well-recognized fact today that there are other threats to the security of a nation as dangerous as the threat of lethal weapons. These threats must be guarded against just as vigilantly as must the threats from sources of a lethal nature. From whatever quarter, on whatever front, or from whatever cause, our national security is threatened, we must be prepared to combat that threat.

In guarding against any threat from purely lethal sources we would certainly make use of the most purely lethal means possible to procure. We would not hamper the Commander in Chief by requiring him to resort to the use of obsolete mechanical weapons. Why, then, should we hamper him with any other archaic means of preserving the security of the Nation?

The President in his constitutional function of Commander in Chief of our armed forces is charged with the maintenance of our national security. His duty in this respect is a broader duty than that of a mere commander of our armed forces. It is a double duty, one which also includes the direction and shaping of the affairs of the Nation in order to prevent us from being embroiled in any difficulty, or to enable us to be in a secure position if we do become embroiled. He must at all times keep before him the thought that the national security is paramount above every other consideration. In his conduct of the affairs of the Nation he must at all times keep the matter of what we might term "position" before, during, and after any probable hostilities in mind. His viewpoint must be broader and he must be allowed more latitude than must those who are concerned only with our mechanical means for national security.

Of course there are those professional isolationists who insist that our proper foreign policy is to imitate a tortoise and withdraw into our shell at the first sign of danger. They would have us abandon our traditional policy of the freedom of the seas, which would mean the loss of our foreign trade. From our former experiences, in endeavoring to absorb our own surpluses, there is little doubt but that this would be a calamity greater than war. It is just as essential to steer clear of domestic difficulties as it is to circumvent foreign difficulties. This school of thought advocates economic boycott against nations, the foreign policies of which we disapprove. To my mind, economic boycott may easily prove to be more disastrous and more lasting to the boycotter than to the boycottee.

Hermit nations are backward nations, just as hermit individuals are backward individuals. It has been wisely said that "international trade is the lifeblood of civilization." The exchange of surplus commodities is the factor which raised mankind from the stage of savagery. If permitted or forced to practice a hermit policy, any nation will quickly revert to the primitive, as history proves by many instances. Are we ready to proclaim to the world that we have no interest in the affairs of the rest of the world and that the name of the United States is meaningless? If so, would we be permitted to impersonate the turtle? We may isolate ourselves from the rest of the world, but can we isolate the rest of the world from us? I doubt it.

Japan endeavored to do so once but was unsuccessful. Armed ships of various nations, and some of them flew the Stars and Stripes, thundered at her doors and forced them

open. This policy of isolation may sound well as a theory to those who do not think the matter through, but as a concrete solution to a practical situation, it is but the path of least resistance, leading toward the dim distant past, and we do not wish to head in that direction.

What is the meaning of all of this criticism coming from the platform, over the radio, and from the press over the refusal of the President and the Department of State to cry from the housetops or on the street corners all about our foreign relations? Demands have been made that the foreign policy of this Nation be made known to the American people. The cry of gag meetings of committees has been raised and attempts have been made to attribute a sinister meaning to what has always been regarded, in this and all other nations, as a natural, necessary, and logical method of procedure—namely the conducting of the foreign affairs of this Nation in a manner sanctioned by custom, recognized by precedent, and in conformity with the Constitution.

These carping critics speak as if it has always been the custom of an administration to publish in black and white a foreign policy as definite and defined, as indelible and inflexible as the Ten Commandments. They imply that the President and the Department of State are withholding from the Congress and from the Nation facts which should be made public. They darkly hint that the responsible officials of this Nation are uninformed and ignorant of the true facts regarding our foreign relations.

Of course, some of this outcry is pure demagoguery and is easily recognized as such from the source. Much more of it is a poorly advised attempt to make political capital out of a nonpolitical matter. Some of it comes from individuals whose vanity has been wounded because they were not called to sit in the executive meetings. Some of it comes from professional objectors to any foreign policy of this Nation—bitter-end isolationists. Some of it comes from those who wish to keep their names before the public, in order that their services may be in better demand from the platform and over the radio.

To conduct the foreign affairs of the Nation, without apprising the world in general of every move, is a privilege which has been enjoyed by every President of this Nation. Every other nation in the world which has any foreign relations conducts theirs in a like manner. In a nation such as this, composed of a population having so many different racial sympathies, it would be utterly impossible to conduct it in any other manner. We have a representative form of government and our officials operate by means of delegated powers. Foreign affairs are delicate problems and must be handled in a manner so as to cause as little misunderstanding as possible, abroad. It is the sincere desire of this Nation and of its officials that a general world conflict may be avoided. No one of any responsibility can claim that we will not be scorched by the conflagration nor guarantee that we will not be drawn into it. Any misunderstanding which may arise most certainly increases the danger that we may be involved.

The fact is, that there exists in Europe and in Asia a situation for which the administration is by no means responsible and one which is not to the liking of the American people. A school of political thought, which is repugnant to our social and political ideas, has become, for a time at least, a threatening factor. It is all very well to say that the existence of such is no concern of ours. To say so is to lose sight of the fact that we have a moral and a financial interest in the world as a whole. Our moral interest is our concern for the fate of democracy everywhere throughout the world. Our financial interest, is our concern for our trade, its markets, trade lanes and access to raw materials.

Much has been said of the Farewell Address of the Father of his Country and usually with the implication that his parting advice was to keep out of any foreign alliances. It has also been implied that this set up an iron-bound foreign policy which has been strictly adhered to. In fact the parting advice of Washington was, "to steer clear of any permanent alliances with any portion of the foreign world."

That Washington was, however, far too wise and far too well trained, both as a soldier and a statesman, to ignore the advantage of temporary alliances, is proven by these words in his Farewell Address, which we have just heard read, "taking care always to keep ourselves, by suitable establishments, on (sic) a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies."

In his recent action of extending the assistance of our industrial resources to those nations whose political philosophy is compatible with ours, President Roosevelt is only following in deed and interest what has always been the foreign policy of this Nation. He is only recognizing for this time, and under the conditions which prevail now, the same policy which was recognized when the Monroe Doctrine was promulgated as a policy of defense. He is but exercising that constitutional authority granted to every President, which gives him a field of wide latitude in which to function, while carrying out his duty in his dual nature of both military and civic head of the Nation.

In extending the gesture of friendship toward those nations, with which because of tradition, blood, and democratic ideas we feel we have the most in common, he seems to have awakened a hymn of hate among the disciples of dictatorship. This is proof that there are still those who remember 1918 and the sight of that huge American flag which flew over Ehrenbreitstein and the memory of that sight is sufficiently potent to dispel any visions of the return of the fabled glories of the Nibelungen Epic. [Applause.]

Mr. CHURCH. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BOLLES].

Mr. BOLLES. Mr. Chairman, before I proceed with these few remarks I will remove from my coat a United States flag made in Japan. [Laughter.]

I have been having a lesson in geography, and I think it is a good thing for the House itself. I noticed the other day, when this map was brought here by the gentleman from Georgia [Mr. PAGE], that hardly a Member knew where Guam was. They hunted all over the place. Guam is a little island entirely surrounded by Japan. One hundred and twenty-one miles north of it is the Japanese island of Saipan, with a most excellent harbor. Nobody has mentioned it. It is near enough to the bases of Japan, the end of the Nipponese islands, to be dangerous to the island of Guam. But I am not afraid of Japan. I am not afraid of war over there on account of dredging out a harbor. I am not afraid that Apra is going to be occupied by the Japanese, but I cannot understand the economic idea of spending \$5,000,000 to fix up this island in order that Japan may have \$5,000,000 more of value when she takes it. [Laughter and applause.]

For 41 years we have owned this island. Its government has been of the Navy. We have a fine electric plant over there, and we are too far away to get T. V. A. [Laughter.] I wish the gentleman from Mississippi [Mr. RANKIN] were here so he could make a note of that. We have built some waterworks over there. We have dredged out the harbor from time to time. We have ordered the natives that they shall have 12 chickens, one rooster, a few pigs, and raise a few crops to keep them from being on W. P. A. [Laughter.] We have done a great work over there. If the Committee on Naval Affairs had carried out the recommendations of the Governor of Guam, you would have found this:

Recommend that development of Apra Harbor be undertaken for the purpose of facilitating the proper handling of commercial cargoes, commercial cargo carriers, and commercial aircraft; such development to include:

- A commercial pier with terminal warehouse.
 - Commercial shore storage for fuel oil, Diesel oil, and gasoline.
 - The dredging of coral heads and reefs dangerous to navigation and anchorage of commercial shipping.
 - Protective seawall on the surrounding reef.
- These developments have been made the subject of separate correspondence to the Navy Department.

This is signed by James P. Alexander, commissioner, naval station of Guam.

In 40 years of naval occupation by the United States we have developed this island insofar as possible, with but 20,880

natives and 1,300 white men on the island, and very few Japanese. We do not allow Japanese on this island, you know. They are not permitted there. Japanese ships are not permitted to run in there except one or two of the Shu-Mazi Line. The landing of the clippers last year is shown on the pages of this document, the annual report, and they had plenty of room to land the *China Clipper*. So it would be useless and a waste of money to make a sinister attempt to take the first steps in fortification.

If I had my way, if I were going to do this, instead of doing it piecemeal I would have it all fortified and make it worth something. As it is now it is simply a small kumquat in the hand of Japan. All Japan has to do to destroy the kumquat or put it out of business is just to close the fist.

Guam is at present—

Said the Secretary of the Navy in his report—

practically defenseless against determined attack by any first-class power based in the western Pacific. With adequate air and submarine protection securely based on Guam the island could be made secure against anything but a major effort on the part of any probable enemy.

What enemy?

If Japan is at peace, if Japan has no aggressor intentions, if she has no idea of aggression, then what enemy have we in the Pacific?

Why should it be made such a base, 3,300 miles from Hawaii, 6,000 miles from San Francisco by way of Hawaii, 7,900 miles from Panama? Why should it be made a base to secure against anything but a major effort on the part of any probable enemy?

The speakers on this floor have stated that Guam would fall in just a minute or two. I am of the opinion that before this question came to the House—and I am glad it is here—the Members of this House thought that Guam was like Boston, a state of mind.

I believe some of the Members thought it was like Boston, just a state of mind. I am tempted to paraphrase some of that great classical speech by Proctor Knott, when he talked of Duluth, the zenith city of the unsalted sea. But this is no place for levity. Guam is a reality. It is hard to find in the island-sprinkled Pacific—like picking out one grain of pepper from the box and identifying it. I am moved to emotion when I think of all the millions of our people—the aliens on W. P. A., the mountain girls who are curling their hair with T. V. A. electricity, college graduates and Government employees who live and perhaps may die without knowing of the beauties and glories of the lizard and rat-inhabited Guam—Guam the incomprehensible, where without a St. Patrick there are no snakes and where the girls started the red-lips habit by chewing betel nut. That is a great saving. She does not have to stop on the street and use a mirror.

Strange land is this! There are no indigenous quadrupeds. Everything on four legs has been introduced from the outside world. Hogs are raised but there has never been enough of them to warrant a pig-killing program. A plant is used to stupefy fish—make them drunk. A writer watching this bait work tells of what he saw:

Nothing more striking could be imagined than the picture presented by the conglomeration of strange shapes and bright colors—snakelike sea eels; voracious lizardfishes; garlike houndfishes, with their jaws prolonged into a sharp beak; long-snouted trumpetfishes; flounders; porcupinefish, bristling with spines; squirrelfishes of the brightest and most beautiful colors—scarlet, rose color and silver, and yellow and blue; parrotfishes (*Scarus*), with large scales, parrotlike beaks, and intense colors, some of them a deep greenish blue, others looking as though painted with blue and pink ocaque colors; variegated Chaetodonts, called sea butterflies by the natives; trunkfishes with horns and armor; leopard-spotted groupers; hideous-looking, warty toadfishes, "nuñ," armed with poisonous spines, much dreaded by the natives; and a blackfish with a spur on its forehead.

What a place for a battleship on a fishing expedition!

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BOLLES. I yield.

Mr. MARTIN of Colorado. Did I understand the gentleman to take the position that Japan is a nonaggressor nation?

Mr. BOLLES. I do not take any position on Japan, as to whether she is an aggressor nation or a nonaggressor nation. I leave that to the brilliant experts who have occupied this floor before me.

Mr. MARTIN of Colorado. It strikes me that the gentleman's argument pretty nearly involves the necessity of a decision as to which she is.

Mr. BOLLES. That Japan is an aggressor nation?

Mr. MARTIN of Colorado. Yes.

Mr. BOLLES. So far as the United States is concerned, no.

Mr. MARTIN of Colorado. Not even potential?

Mr. BOLLES. Any nation is potentially an aggressor nation if she thinks she has an excuse.

Mr. MARTIN of Colorado. Yes; and the United States will find she is more than an aggressor nation potentially unless the United States gets herself in a position to stop her.

Mr. BOLLES. I would like to sit down and argue the war, but I am making a speech on Guam. [Laughter.] This island of Guam, you must understand, is so far west that it is in the East. [Laughter.] Many years ago, in a spirit of adventure, I sailed around Guam up to Saipan, 121 miles, a large island owned by Japan, past a little island called Roto. I think that is where the Rotary Club started. [Laughter.] But the fact is, this little volcanic island, this island of Saipan, has excellent harbors for small craft.

Now, I want to get back just a minute to the commerce of Guam. Twenty-two thousand chemise-clad natives constitute its population. [Laughter.] You must understand that up in Saipan, where the Japanese are, where they own this island, they use the G-string as the chief article of sartorial adornment. [Laughter.] But Chamorras down in Guam are still so civilized that they wear the chemise.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BOLLES. I yield.

Mr. SCHAFER of Wisconsin. Why not send these warlike New Dealers, Mr. Ickes, Mr. Wallace, and Mr. Pittman over to Guam to lead the army of these chemise-clad natives?

Mr. BOLLES. Not being a paid officer of the Navy, I cannot answer that. [Laughter.]

[Here the gavel fell.]

Mr. CHURCH. Mr. Chairman, I yield 20 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, I wish all Members of the House could have had the opportunity to hear the gentleman from California [Mr. IZAC] and the gentleman from Minnesota [Mr. MAAS] in the debate upon this bill this afternoon. You may not be aware of it, all of you, but you have just had the privilege of listening to two Members of the Congress who are naval experts. One is a former commander in the Regular Navy—a professional naval officer with an outstanding war record. The other, during the World War, was a very active flyer in the Marine Corps. His activity in that field has never ceased, and he is at present a colonel in the Marine Corps Reserve. I am sure the information they have given today will be of great value to all of you when it comes to deciding what you should do in regard to this bill and particularly in regard to the controversial item of Guam.

I assure you that in saying what I shall have to say upon this bill I do not claim to speak as an expert. I could not qualify as a naval expert, because I am not a member of the naval profession, any more than I could qualify as a medical expert, because I am not a member of the medical profession.

The best I can say of myself in this regard is that I am tremendously interested in the problem of national defense; that as a member of the Naval Affairs Committee of the House I have tried to be as good and as careful a student of the problem as I could; and that as a member of that committee it has been my privilege and part of my business to listen to the testimony and advice of naval experts, to try to evaluate that testimony and advice, and to do my best to

help the committee to report as good naval legislation as possible to the House for its consideration.

Now, in the first place, I want to make it as plain as I can that the purpose of this bill is not to extend our present lines of naval defense. There seems to be a great deal of confusion upon this point, many Members being of the opinion that to undertake the development of Guam, as contemplated in this bill, would be to extend our line of defense in the Pacific. This is not the case, and no naval expert that I know of has ever interpreted this development of Guam as extending our line of defense. Certainly there was no such testimony before the committee, and the committee was most thorough and exhaustive in its inquiry upon this very point. I think even if Guam were fortified it would not extend the line of defense; it would implement it, to be sure, but it would not extend it. The line of defense is not altered by the Guam item. It remains the same as it has been for many years.

I think it was when the Navy expansion bill was before the House in the last Congress that a very definite statement was made by the Navy Department as to what our line of defense is and where it is. The recognized outer line of the naval defense of the United States, as you know, is the Aleutian-Hawaii-Panama Canal line in the Pacific, and the line from Panama to San Juan and Guantanamo in the Caribbean Sea and then north through the Atlantic up to the northeastern corner of the United States. That is our outer line of defense, and that will remain the line whether the Guam item is retained in this bill or not.

The Guam item provides for dredging the Apra Harbor, for building a breakwater, and for constructing a ramp for seaplanes. And that is all it does provide for. It includes no fortification of any kind and no naval base of any kind. It will, however, in addition to aiding commercial navigation and aviation, make this harbor available for the use of naval planes, so that they can be used there if and when they are needed.

This development is not a threat to any nation. In time of war, however, it would be of the greatest value to our own Nation. It would enable us to patrol the area to scout an enemy fleet advancing on Hawaii or any other Pacific possession of the United States, and thus give timely warning to our fleet and enable it to engage the enemy fully prepared, and at a location of our own choosing.

This briefly is the situation in regard to Guam. Guam is not a part of our line of defense. It never will be. But with the improvement of the harbor, Guam can be made to serve as a valuable aid in enabling us to defend our line, even though it is not a part of that line. Prudence and foresight should persuade us, therefore, that this improvement should be made.

I wish to discuss briefly now our real lines of defense in the Pacific which through this bill will be strengthened and implemented.

The Aleutian-Hawaii-Panama line of defense is, of course, just what its name indicates. It is a line, an imaginary line, drawn through the eastern part of the Pacific Ocean from Dutch Harbor in the Aleutian Islands of Alaska to the Hawaiian Islands and thence to the Panama Canal Zone, and it constitutes the first or outer line of the naval defense of the western coast of the United States, in event we should become involved in a war with an Asiatic power. An Asiatic power, as you know, is the polite or diplomatic way of referring to Japan when we have occasion to talk about the possibility of an attack upon the United States by way of the Pacific. No other Asiatic power would have any reason for attacking us, and certainly no other would have the ability to do so, at least not in the very near future.

The Aleutian-Hawaii-Panama line consists of three major naval bases: The base at Pearl Harbor in the Hawaiian Archipelago, which is probably the strongest naval base in the world; the base at Panama, which is beyond question the most vital part of the line, because the capture or destruction of the Panama Canal would be disastrous in any major war, and the proposed base at Dutch Harbor, which has already been authorized by the Congress and upon which construction will commence in the immediate future.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Has the gentleman ever crossed the Isthmus of Panama?

Mr. MOTT. Yes.

Mr. WHITE of Idaho. Is it not a fact there is no means of communication by way of a road across the Panama Canal except the Panama Railroad?

Mr. MOTT. There is no highway.

Mr. WHITE of Idaho. In the event of an emergency on one side of the Canal, there would be no way of moving armament or forces across to the other side except by railroad?

Mr. MOTT. The railroad and the Canal itself. That I think is a very unfortunate situation and ought to be remedied.

Mr. WHITE of Idaho. One well-placed bomb in Lake Gatun would put that railroad out of commission.

Mr. MOTT. That would be a possibility.

Mr. WHITE of Idaho. And we would be entirely defenseless from one side to the other?

Mr. MOTT. We would be seriously crippled, at least.

Mr. WHITE of Idaho. Can the gentleman tell the committee the reason why no road has been built across the Isthmus?

Mr. MOTT. If I undertook to go into that, I am afraid I would not have any time left to speak on this bill.

Mr. WHITE of Idaho. The gentleman just explained to the Committee the importance of defending the Canal. Can we defend it if we have no communication from one side to the other?

Mr. MOTT. I may touch on that if I have time.

The theory upon which this line of defense rests is that if these three major bases—Unalaska, Hawaii, and Panama—are made impregnable against attack from an enemy, and if our Navy operating from these bases is kept intact, and in force superior to any opposing navy, then in event of war with Japan, the Japanese Navy could never reach our shores. And, unless and until an enemy navy attacking from the Pacific can reach the coast line of North America at some point between and including Dutch Harbor and Panama, then no enemy force could possibly be landed. As a matter of fact, so long as this advanced or outer line of defense holds fast no enemy fleet could even challenge our inner line of defenses, which runs along the coast of North America from Dutch Harbor to Panama. This inner line of defense, by the way, is just as important in our defense system as the outer line. The two must be considered together, and I shall have something more to say about that inner line later in these remarks.

You will have noticed that in stating the theory of the defense of the west coast by the Aleutian-Hawaii-Panama line I have used a number of "ifs." This line of defense is good only if the bases which comprise it are impregnable; it is good only if the Navy, operating from the bases upon it, is kept intact; and it is good only if the Navy, defending the line, is superior to any opposing naval force that may be brought against it. It should be the proper business of the Congress, therefore, if we intend to maintain that line of defense at all, to see that all of these "ifs" are, insofar as may be possible, eliminated, so that the bases will in fact be impregnable; so that our fleet, manned by the best sailors in the world, will be kept intact, and so that our naval force in the Pacific will always and under all circumstances be superior to any foreign navy or combination of foreign navies which may undertake to break through this outer line.

Now, I have been assuming thus far for the sake of outlining the character, importance, purpose, and value of the Aleutian-Hawaii-Panama line of defense that this line, if it were made as impregnable as possible, could be held in any probable contingency and that thus, by defending that line, the coast of continental United States, Alaska, and Panama could be made secure from attack. But, as a matter of fact, I do not believe we are warranted in making any such assumption in the light of world developments during the past few years. If we were attacked by Japan alone, and if we had a

superior naval force in the Pacific properly disposed at the time of the attack, I think there could be no question as to the outcome. But that may not be the case if we should find ourselves called upon in the future to defend this line. My own opinion is that if that time comes we will not be facing one enemy alone, but very likely two and perhaps three enemies at the same time.

The reason I think that to be the probability is this: We have always considered Japan to be our principal potential enemy, and we have planned accordingly in event of that unfortunate contingency. But Japan is not the only nation in the world which has been casting longing eyes at the Western Hemisphere.

The two other dictatorships, Germany and Italy, have, as a matter of fact, already made greater economic inroads into South and Central America than Japan has. It has always been the policy of all three of these nations, ever since they came under the rule of the mad men who control them, to try, as soon as they considered it feasible to do so, to translate their economic conquests of weaker countries into actual physical occupation and domination of those countries. And the method by which they have accomplished this has always been war or the threat of war against those who opposed their ambitions in this regard.

To those who have carefully followed the current history of the dictatorships I am sure I need not undertake to prove my statement by detailed citation of examples. Witness the conquest of China by Japan, the conquest of Ethiopia by Italy, the conquest of Austria and the dismemberment of Czechoslovakia by Germany. But some may say: "These are weak, undefended countries. The dictators would quickly change their policies if in order to carry them out they were obliged to wage war with a major power."

I wish I were able to concur in that view, but unfortunately, in my opinion there is nothing in the evidence to substantiate it, either in the acts of the dictators themselves or in the philosophy upon which the modern dictatorships are based. When Hitler demanded of Czechoslovakia the cession of the Sudetenland France and England had an unconditional treaty, a military alliance, with that little country under which those two great powers had agreed and were solemnly bound to defend the territorial integrity of Czechoslovakia whenever and by whomever it should be threatened. Did this deter Hitler? Not in the least. He simply thumbed his nose at these two great nations. He said that unless the Sudetenland were surrendered to him by a certain hour upon a certain day he would march his army into Czechoslovakia and he defied France and Britain to stop him. And did France and Britain try to stop him? Why, instead they not only backed down completely but they asked Hitler to invite them to sit around the table with him and help him carve up and dismember their brave little ally. They even asked Mussolini to be in on the kill with them, so that the Italian dictator might not feel slighted.

Did Japan stop her butchery in China for fear of a war with a major power? She not only dared Russia to intervene but she also showed her contempt for Britain's interest in China by shooting and wounding the British Ambassador to China, and her contempt for the United States by blowing up one of our gunboats.

Mussolini's ambitions are by no means confined to the subjugation of defenseless nations like Ethiopia where his son machine-gunned helpless women and children from the air and publicly described it as an exciting sport. Today we find him taking an active part in the Spanish civil war and demanding territorial concessions from France and Africa.

This reckless and, thus far, wholly successful onward march of the dictators is by no means an accident. They are following a very definite program, and I think they are following it under the terms of a very definite understanding and agreement between the three of them. Behind the hideous acts of these paranoid tyrants there is a philosophy and policy of government which they believe they must and can put into operation. That policy and that ambition is to

make their countries self-sustaining through the acquisition by force or threat of force, of lands which they can exploit and which they believe will furnish them not only the raw materials they require but at the same time furnish them a completely controlled and dominated market in which to sell their manufactured products.

Now, where do such lands lie? Not in central Europe to which Hitler is presently directing his attention; not in Tunisia, a part of which Mussolini is now demanding of France; and not in China, which Japan is overrunning with fire and sword. The only lands sufficient either in extent or resources to make the dictator nations self-sustaining lie in the Western Hemisphere, in South and Central America and in Mexico, all defenseless. Each of the three dictator nations, as I have said, has already begun its economic conquest there upon a far larger scale than most of us realize. And the history, the fundamental policy, and the every act of these nations in previous similar circumstances should, it seems to me, be sufficient to persuade us that they will continue their economic conquest of these lands up to a certain point, as they have always done elsewhere, and that they will then undertake to translate it into a physical conquest, if they think they can do so successfully. And in that event the only thing that will stop them will be force, because force is the only instrumentality of policy which the dictators understand or to which they have ever paid the slightest attention.

In this connection, it is unnecessary to remind you, I am sure, the Monroe Doctrine is an integral part of our national policy and that its defense is vital to the security of the United States. An attack upon any country of the Western Hemisphere would be precisely equivalent to an attack upon continental United States and such an attack would, of course, mean war.

I am quite aware that some authorities, for whom I have much respect, consider the probability of concerted action against Central and South America to be so remote that it is unnecessary for us to be prepared for it. My own humble opinion, however, and I could cite many reasons for it which seem to me to be sound, is that the probability of a concerted action by these dictators is greater than the probability of an attack from one of them alone. One reason is that concerted action by all three of them, from the Pacific and the Atlantic at the same time, would have infinitely greater possibility of success than separate action on the part of any one of the dictators. This fact must not be overlooked in the formulating of our defense policy. If we do overlook it you may be sure that neither Japan nor Germany nor Italy will overlook it in event they should decide to move upon this hemisphere.

Now, if such concerted attack should come, unless we should have a superior naval force in both oceans at the same time, we would either have to divide the fleet—which would be a risky business—or else we would have to abandon at least partially the outer line of defense in one ocean while we endeavored to meet the situation in the other ocean separately with the major portion of the fleet. In such a contingency if we were obliged to abandon the Aleutian-Hawaii-Panama line of defense, or so weaken it that we could not risk a major battle there, that would automatically bring the war in the Pacific to the secondary line—that is to say to our very coast line—and there, for a time at least, the battle would be fought and there the issue, so far as naval defense of this country on the west coast is concerned, would be settled.

This is only one of the many reasons why our secondary line, as well as our advanced line, of defense must be made as strong as we can possibly make it. And now let me sound a warning as seriously as I can. As a chain is no stronger than its weakest link, we must see to it that there are no weak links in that secondary line.

Unfortunately, none of the links of our inner defense line are as strong as they ought to be, and some of the links are so weak that they may as well not exist in event an assault on them should be made.

Consider, for example, the vital Columbia River area between San Francisco Bay and Puget Sound. Between these two bases there is a 750-mile stretch of coast line without any defense or naval establishment whatever. Here between them is the great Columbia River, the second largest river on this continent. The estuary of the Columbia is a fresh-water harbor 20 miles long and averaging 5 miles in width, in which the entire fleet of the United States can ride at anchor. On this great river is Portland, a city of 350,000 inhabitants. On it is the huge Bonneville Dam and power project owned by the Government and also, farther up the river, Grand Coulee Dam, the largest irrigation and reclamation project in the world.

An isolated air raid could destroy it all, even with the fleet intact upon the Aleutian-Hawaii-Panama line. But if that line were broken and the fleet divided or destroyed, an enemy force could and would immediately land there without the slightest inconvenience, and would immediately occupy and fortify one of the richest, most important and most strategic areas of the United States.

This bill will correct this vital defect and a number of other defects in the defense system of the Pacific coast and it will give us an inner line of defense the whole, and not merely a part of which, we can successfully defend.

And so, in conclusion, may I summarize very briefly by repeating that the maintenance of the Aleutian-Hawaii-Panama line is, in the opinion of nearly all authorities, indispensable to the security of the United States; that Guam does not extend that line, but may help us better to defend it; that insofar as may be possible this outer defense line should be made impregnable from successful attack by any enemy fleet or combination of enemy fleets which we may have to oppose there; that unless we are able to maintain a Navy superior in strength to any naval force that may be brought against us, it is entirely possible for a combination of enemies to break this line; that we are not warranted in assuming that there is no probability of concerted action against us by two or more nations at the same time, and that if it is probable such concerted action may be made, we ought to prepare now for the contingency which would develop if the Aleutian-Hawaii-Panama line of defense should be broken; that in the circumstances it is indispensable to our security that we maintain a complete secondary line of defense from Dutch Harbor to Panama, and that every vital area upon that line, without exception, be made absolutely impregnable, at all costs, and in event of any contingency that may reasonably be foreseen in a probable future war. This bill is an important step in the direction of accomplishing this. With such protection as this the safety of the Nation is, I believe, secure. Without it our security may be placed in jeopardy. Certainly, as a Member of the Congress, as a representative of the people of the United States in this body, I would not care to take the responsibility of denying that protection and that security to the people of the United States. [Applause.]

Mr. MAAS. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. YOUNGDAHL].

Mr. YOUNGDAHL. Mr. Chairman, while I agree with 90 percent of the statements made by my distinguished colleague from Minnesota, I disagree with him on the Guam issue.

While this measure provides for \$5,000,000 for the dredging of the harbor, some of the members of the Naval Affairs Committee and a large number of the Members of this House believe that this is only the first step in a plan to fortify the island. Next year and the year following we will be asked to appropriate millions more because we have already spent \$5,000,000, and we should not allow that to be wasted.

I am in favor of national defense. I favor an army, a navy, and an air force large enough and sufficiently well equipped to defend the principles of the Monroe Doctrine and the sanctity of American soil against any aggressor at any time.

I say to you, Mr. Chairman, America's eastern frontier is not the River Rhine and our western frontier should not be the island of Guam. Any plan leading to the fortification of

this island, 4,500 miles out in the Pacific, is at best ridiculous, at worst a provocative act.

If any country in Europe or Asia today began fortification of any base within 1,500 miles of Washington, this Congress and the American people would rise up in wrath at such an affront.

For the United States to start fortification of Guam can be considered as nothing more than a direct invitation to the Far East to attempt to knock that chip off our shoulders.

This matter of Guam goes further than the dredging of the harbor. It does directly to our future foreign policy that may lead us into war.

In discussing this bill yesterday, the esteemed gentleman from Georgia, as chairman of the Naval Affairs Committee, said:

It is not only necessary that we look to our own defenses but it is to our advantage to allow airplane manufacturers to furnish planes to those other two great democracies—France and England—in order that they may not be destroyed by the dictator powers.

During the last few days we have heard much explaining in an effort to whitewash in the minds of the American people the White House participation in the French airplane deal against the counsel of high Army officials.

In those explanations we have seen the Secretary of the Treasury take an active part. Heretofore the Secretary of State has, in the ordinary course of his duties, been the representative of this Government in its dealings with other nations.

Can it be, Mr. Chairman, that participation of the Treasury Department in this airplane sale means not only that the administration sanctioned and aided the sale of these planes but that the Treasury of the United States is being asked to finance the deal?

As we discuss these defense measures, I believe this Congress and the American people are entitled to know the answer to this question and our future foreign policy. [Applause.]

Mr. MAAS. I yield 2 minutes to the gentleman from Minnesota [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman and members of the Committee, in considering the Naval Appropriation Bill and more particularly its one controversial issue the appropriation for dredging the harbor, building of a breakwater, and improving the seaplane take-off area in Apro Harbor at Guam, it seems to me that we are dealing with three very vital problems in discussing one of the most important issues confronting the Seventy-sixth Congress. Taken up in order these three problems are: (a) The extension of democracy; (b) national defense for our own protection as well as that of democracy; (c) the need of foresight and statesmanship at this time.

As to the first item, the extension of democracy: Where is democracy, anyway? Is it limited to the 48 States of the Union and bounded by the shores of the Atlantic and Pacific, the Mexican and Canadian borders, or does it extend to Alaska, to Hawaii, Puerto Rico, the Philippines, Guam, and our other territorial possessions? Does it extend to our ships, our merchant marine, our commercial airlines, and the routes which they are traveling today? Or is it limited to the docks or the landing fields in this country from whence they start their journey, or is it only to be found on the farms where the ship's cargo comes from, or at the oil wells in Texas or Oklahoma, or in the steel towns where the ship's framework was fabricated, or in the lumber camps that provided the lumber to make the ships? And if it is so limited and is to be found only in such primary places, then God forbid the building of the ships, the furnishing of farm products, the furnishing of "oil for the lamps of China," or the departure of our elements of trade and commerce to the seven seas of the world.

If democracy is only to be found in so narrow an area as that which the isolationists would have us believe, then it would have been much better to have left off building democracy across this continent, and to have kept it confined to the original Thirteen Colonies of 1776. Suppose we had done that, had not pushed on to the west coast, had left

Spain, France, Mexico, and England in control of the Middle West and the West?

I repeat, if democracy is only to be found in so narrow an area as that which the isolationists and pacifists would have us believe, and recommend that we defend, then God forbid that the precious lives of our seamen and aviators be sent out to face the great risks to which they will be subjected by the fierce and never-abating onslaught of those military dictators who are carrying on their wars of aggression and the destruction of our international law and order every day of these modern years in every corner of the globe. In the terms of a saying of that great statesman and intellectual leader, Benjamin Franklin, if democracy is only a lamb to be defended and fought for here on United States soil, then we should not send it out among the wolves of international outlawry and brigandage.

But I am not so sure that we can so limit and circumscribe democracy even if we did attempt it; nor am I willing to agree that democracy, great and idealistic as it is, can be preserved and promoted if we so seek to limit it and limit our defense of it, and I say that for this reason, that not only does water seek a level but also so does mankind, not only socially and materially but also politically, seek a level, and if we do not protect and promote democracy in every single far corner of the earth bringing it to the rest of the world intensively and aggressively, then the rest of the world will bring their less desirable political philosophies to us. This old world is a great old "evener" and if we do not take democracy to the rest of the world, lifting humanity and its races up by it and to it, the lesson of history indicates that they will then drag us down to their less desirable level.

(b) So the consideration of the development of Guam, this outpost 5,428 miles from the United States, becomes a matter not of antagonizing Japan and her allies, but one of national defense and of our own protection and that of democracy. For, as I have already pointed out, democracy is found wherever our trade and commerce goes, and it will needs go everywhere if America is to continue to grow or even to exist, so then we cannot limit our ideas and conception of national defense to the soil and the cities of the 48 States. Our whole commercial, social, religious, and political future will depend upon the support which our Naval and Military Establishments can and will give against the forces at home and abroad which would drive us into a circumscribed area. And to those who are of that school which visualizes our danger of attack as only that here in America, I would say that to pursue that policy to its ultimate end and conclusion would mean that in the final analysis, after both England and France have been defeated and forced to capitulate and bow to an unconditional surrender to the war lords of Europe and Asia, and if you are anti-communistic, including Russia in that group, we of America would then face them alone. And what an allure our \$14,600,000,000 in gold bullion and our \$2,000,000,000 in silver bullion and all our other great natural resources would have to those present-day Napoleons. And how little chance would there be that we could hold the line, withstand the combined onslaught and save ourselves from destruction without a similar surrender.

(c) It seems to me that our value here as Congressmen, and the value of any national official, for that matter, is determined to a large degree, not only by what we do here on the floor of Congress about present emergencies but much more by what we know and do now about future problems which will confront us in 2 or 3 years, or even 5 years, hence. If our Congressmen and statesmen in 1929 had had the foresight and the courage to deal with the depression as they should and the unemployment problem which many then predicted would be the result, how much could we not have saved the country in useless expenditures, in so-called emergency expenditures, and in hand-to-mouth planning, which now, after 10 years, has brought us to such a low ebb in our national economic and political existence. If not only our own statesmen but the statesmen of Europe in 1931 could have had the courage of their convictions and the needed foresight then, if those persons who now realize and know

that we could have stemmed this tide of military aggression which has the world in its grip today with its concomitant growth of armies, navies, armaments, national defense, and huge wasteful spending for war, could but have used their foresight in 1931, how different a world this would be. And so now, in 1939, after Japan's entry into Manchuria, Italy's crossing and taking control of the Mediterranean and going down into Ethiopia in 1935, Germany's and Italy's entry into Spain in 1936, to say nothing of the previous rearmament of the Rhineland and the annexation of Austria in 1938 and Czechoslovakia's dismemberment and the present drive of Japan into China, now nearing its second year, which for all useful intents and purposes has forced both France and England out of the Orient, if not completely, then to such a marked degree that it is now apparent that it is only a matter of a few months before British Hong Kong, which is already surrounded by Japan, due to the capture in October of Canton to its north and the island of Hainan to its south on February 10, must fall or be destroyed. And after Hong Kong has so fallen, which was bombed on February 21, according to Associated Press dispatches from London, the next drive on the part of the Japanese will undoubtedly be Singapore, and then immediately after that Japan will be in a position to deal with the case of the United States. And that she will deal with her in her own way, there is no doubt, judging from her sinking of the *Panay* in December 1937 and the machine gunning of our sailors who were on a mission of mercy up the Yangtze, and that she will deal with us in her own way is also certain, if we are to judge from the commercial competition which she has given us throughout these many years in textiles, in toys, in electric-light bulbs, in pencils, in chinaware, and the dozens of other ways in which she has indicated that her competition is rare and intensive and too much for our ordinary strength to withstand.

When Japan has disposed of Singapore and has taken charge of the trade and sea routes to and from the Orient and of the Indian Ocean, including the Malay Peninsula and its many highly productive tropical islands, we will be well within her mercy. Do not forget that those islands produce some of our most essential and needed foreign products and importations without which this Nation could not possibly exist. At least democracy and our high standard of living could not be saved from the need for a managed governmental economy and dictatorship if we had to get along without the rubber, without the chromium, tin, hemp, jute, flax, and other tropical products which we are now buying there, and which we must have or for which we must find or develop very expensive substitutes, which would have a very costly effect on our living expenses, happiness, and freedom in this country.

BOYCOTTING JAPAN

We hear much talk today about boycotting Japan and putting an embargo on sales of goods to her, and there is undoubtedly much justification on the part of those who make the suggestion. But do not think that Japan has not heard of the presence of this movement in America and that she is not already preparing to protect herself from such a serious eventuality as she would be faced with if we were to cut her off immediately or in the future from all trade and commerce. Not that it would have any material bearing on the prosecution of the war in China, or her intentions in the Pacific and Indian Oceans, because if we cut her off there are plenty of other nations who would come to her aid if an "honest" dollar could be made by the businessmen of those nations. And she would also protect herself with substitutes and by the building of factories for the production of the things which she is now buying from this country. In fact, recent press dispatches show that she is already doing this very thing.

In fact, she is already purchasing in this country, taking to Japan, and setting up, factories equipped with heavy machinery, dies, and other equipment essential to the manufacture of automobiles and trucks and other things now being purchased here. Assuming that she carries on the war in China to any conclusion, whether successful or not,

to what use do you suppose smart and efficient little Japan would put these same automobile factories when there is no longer need for trucks and cars for war purposes? Take that picture and add to it the control of the sea routes to those same South Sea Islands, which I have just mentioned, from which we obtain so many very essential raw materials for the use of our own automobile manufacturing industry. Is this not our greatest single industry? Does it not involve tremendously important manufacture of all kinds in this country where millions of our people find employment and livelihood? Could this industry possibly compete with the cheap labor in the Orient if they started to turn out automobiles, at probably one-half our price, and especially if our manufacturers had to pay tribute to businesslike Japan as they undoubtedly would if she took control of the rubber output and sales in her particular sphere or geographical orbit of control.

While this is, of course, theoretical, however, judging from the trend of the times and events since 1931—it is apparent that either one of two eventualities will develop in the Orient; either Japan will take over China and establish her sphere of influence throughout the Orient, with results which I have above briefly described, or worse, she will come to grips with this Nation. I am much interested in and concerned over both these possibilities, but I am personally and very intensely interested in the latter problem right now because of having three sons ranging in age from 15 to 21 years who will be the first to be called, if not the first to volunteer their services, in case of such a conflict. And while these three sons of ours will to us represent the best young manhood in America, I know that many of you are in a similar position and I want you all to know and to understand that I consider that my office as Congressman here in Washington makes me and all Congressmen the legislative trustees of millions of American youth to say nothing of our obligation and duty to their parents, relatives, and friends. We want our boys protected, you want yours, and they all want theirs protected. Not with false economy and lack of foresight and statesmanship as we now know was the case in 1917-18 when many lives were needlessly sacrificed and lost because of our terrible state of unpreparedness and as a result of which we are even still paying the penalties, and it seems very clear to me that this appropriation for the harbor at Guam is a very necessary and essential commencement and element of that protection which we all desire.

I say this advisedly, first, because this is the best guaranty of peace which we can possibly create; and also the best guaranty of preparedness, in terms of national defense, as is shown on page 28 of the Hepburn committee report, a committee made up of the outstanding experts on this subject, they say, and I quote—listen carefully:

A strong advance fleet base at Guam, developed to the practical limits which the natural resources invite, would assure the most favorable condition that could be brought about for the prosecution—should need arise—of naval operations in the western Pacific, arising from whatever necessity. It would reduce to its simplest possible terms the defense of Hawaii and the continental coast of the United States. It would also assure the ability of the fleet to operate with greater freedom in meeting emergency conditions that might arise in the Atlantic.

In other words, if it were to reduce to its simplest possible terms, as they say, the defense of Hawaii and the continental coast of the United States it would help to shorten the war and eliminate the possibility of danger and destruction and loss of lives in and to our own continental area, and, as they say, it would make it possible to release more of our fleet for the handling of any emergency condition which might arise in the Atlantic. Is it not very apparent that in terms of our own welfare and safety and in terms of the lives of our youth that we should promote this recommendation rather than to take the blind, ostrichlike attitude which would leave us in the same unfortunate situation we found ourselves in in 1917-18, when we did not have a single piece of artillery except a few Coast Artillery guns, which we could use at the front in France and when it took us 15 long, costly months before we could halfway train and equip an army for service at the front?

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"WHAT WOULD WE DO?"

Suppose Japan, thinking to circumscribe us or to drive us from the Pacific, were to sink another one or two of our ships, machine-gunning the drowning and killing a thousand of our people, or suppose she were to shoot down a Pacific Clipper, killing our famed pilots and crew and the passengers, as she is very likely to do if it seems to meet with her purposes and requirements to eliminate us and democracy from the South Seas, from the Pacific and Indian Oceans, what would happen? You know, as I know, that the people of America would not exercise further, or sufficient restraint to keep from declaring that we must stand up for our rights and for democracy. In such an atmosphere as that event would create I do not believe they would wait for any actual attack on the mainland of the United States, even if more Congressmen than in 1917 were opposed to a declaration of war. We all know the power of the radio appeal and its widespread influence, and of the effect of screaming headlines in our papers. Who is there in position of leadership and in control of radio time at a moment's notice who would advise sufficient caution or restraint in such a day and in opposition to a mad public suddenly inflamed and aroused by the rabble-rousers who are in training and on the air daily and who do control radio time? File this description of what may happen in your memory, keep for future reference remembering too that democracy is wherever found and not just on the mainland of the United States, and also that there are still patriots in America who will fight for it with zeal and courage, if need be, even as they did in the days of the Revolution or the Civil War, or in 1917.

DO FORTIFICATIONS CAUSE WAR?

Furthermore, it is fallacious to assume that improvement and even fortification of this or any other island or strategic position will cause war. In the light of history and what we know about the causes of war, it would seem apparent that the improvement of the harbor at Guam would not be an element in the creation of a war with Japan. If it is, then certainly the highly developed fortification defenses of the Philippine Islands, which are much nearer China and Japan, would have caused war; or the fortifications of our own Mexican border; or of the French border; or of the Russian-Japanese border; or of Singapore and Hong Kong by England or of the Japanese Islands, which have been fortified by Japan near Alaska, would also have brought on war. No, I think we must look deeper for the cause of war than the mere improvement of a harbor or the building of fortifications in a small Pacific island, and I am also willing to admit that we must look deeper for the cure of war than the mere promotion of fortifications and national defense. In the final analysis we will have to look elsewhere than to any of these superficial aspects for the causes and for the cure, and we should not be wasting our time playing with such instrumentalities with the vain hope of obtaining peace or a solution for war thereby. It must be kept in mind that this or any other fortification or national-defense or preparedness measure is only useful in meeting the onslaught when it occurs and in putting it down and bringing it to a successful conclusion with the least possible expense of time, money, and lives.

THE PHILIPPINES AND TRADE

In contemplating this deep and profound problem I have mentioned some historical aspects, but in conclusion I wish to refer to a story which is told about that great and noble martyred President, William McKinley, who, as the narrative goes, when faced with the decision in 1899 as to what to do with the Philippine Islands, went into the seclusion of his inner chamber, in other words, into his holy of holies, where he took the problem to his God, and to yours, the Creator of all the earth, who is the same in 1939, today, as in 1899; and it is told of McKinley that when he came from his prayerful communion his face shone, for he had the answer to the Philippine problem, and he had it from the hand of God. He had it just as surely as Moses received the Ten Commandments, and just as surely as Paul, when stricken blind on the way to Damascus, received the message that the

disciples of Christ were right and that he must aid in establishing a world religion for all people everywhere. That answer was that America should grasp the opportunity offered and that it was presented to her as a link in the chain of human destiny which is ever on the march upward and onward to higher planes of living, to higher citizenship, higher idealism which will eventually result in the realization of the philosophy inherent in the expression, the universal brotherhood of man. Whether our guardianship over and interest in the Philippines has resulted in our having a greater interest in and effect on the Orient and its problems of life I will not say and will leave to you to judge instead, but I do know that because of our connection with and interest in the Philippines they have been greatly lifted up until they are now almost ready to become an independent and self-governing nation. I also know that because of our influence that our export and import trade with the Philippines has increased 1,000 percent since 1905 when our present trade agreement with the Philippines went into effect.

Does that not mean something to us, and shall it not be asked: How can we hope to lift the world to our own level and to promote democracy and Christianity, which are more or less synonymous, and the high idealism which they both connote, if we take the narrow, nationalistic viewpoint and attitude which so many of our people do? In the fiftieth chapter of Psalms there is a verse which goes like this—I quote: "Every beast of the forest is mine, and the cattle upon a thousand hills, for the world is mine and the fullness thereof." In other words, all of our boasted wealth and natural resources come to us only because the Maker has made us his trustees for a time, which means that we must remember that we hold all these fine and good things which we do in this land of liberty and freedom not for our own selfish personal benefit alone, but that we may give of them to all the world to enjoy by and through the process of trade. Anyone who believes war can be eliminated by restraining trade is chasing a will-o'-the-wisp. Do we still have fairy tales, or have the comic strips taken their places and still make it impossible for people to think in realistic ways? Trade is constructive, not destructive; trade is uplifting, not degrading; trade makes it possible for men to live by the sweat of their brow, and those who would restrain it are anything but pro-American. George Washington recommended it in his famed farewell address. Trade benefits both parties to a transaction because all business deals in things that belong to the One who created the world and Who lets us use freely so long as we use thoughtfully and unselfishly, and so I ask, Can we lift ourselves to the heights today so that we can think in terms of the future of America and democracy, and so we can think in terms of the youth of America and their future, or will we have their blood on our hands because of our indifference to the trends of the times and our lack of foresight? Can we think in the bigger terms of democracy and Christianity as a worldwide movement which can only lift and be successful if we are willing to promote and defend them, not only in America but in the seven seas and the far corners of the earth? It not only takes idealism and foresight, but it takes courage to face this problem of the improvement of the harbor at Guam, and I hope we will not be lacking in any of these elements in reaching our decision. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. DARROW].

Mr. DARROW. Mr. Chairman, as I listened this morning to our distinguished colleague from Texas [Mr. LANHAM] read so impressively the Farewell Address of Washington, I could not help but feel that Washington's counsel and advice against becoming entangled in foreign alliances should be our guidebook today in the world's present chaotic condition, with war and the threats of war on all sides of us.

Mr. Chairman, I need not attempt to emphasize my interest in national defense. My record has been established. As the ranking member of the Committee on Naval Affairs for many years, I came in close contact with the activities of the

Department, as well as with the personnel charged with the responsibility of directing those activities. My interest is today, as it has been always, in the establishment and maintenance of a Navy adequate in every way to meet the needs of our national defense. I yield to no man in the House in my position, established over the years, of advocating and supporting an adequate national-defense program.

I am in accord with the general purposes of the bill before us. I wish that I might approve it in its entirety. But my past experience and the close study which I have given to questions connected with naval operations causes me to look with alarm on the extension of our defense line in the Pacific far beyond the long recognized and acknowledged line from Alaska to Hawaii and to the Panama Canal.

I submit, Mr. Chairman, and I prize it jealously, that I believe I have enjoyed the confidence of my colleagues on questions involving naval operations. That confidence has come to me in part at least because I applied myself to a careful and deliberative consideration of issues on these matters. I have studied the one question which is in issue here—the proposed development of naval facilities at Guam. The proposal disturbs me. I doubt the wisdom or the necessity of making this move at this time. The hearings did not convince me that the proposal was either necessary or essential.

The thing that disturbs me is the potential danger which this move may create. It is fraught with possibilities that all of us shrink from—the road to war, not the road to peace.

Washington's words come to me again as he warned in his farewell message. They should be persuasive with all of us today. They challenge my conscience as I think of my responsibility to my constituents and to the people of the whole country, and that responsibility, as I see it, is to aid in the preservation of world peace and avoid any possible provocation to war.

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, I have enjoyed immensely the instruction and the all-day course in geography, we might say, as well as political science; and, especially, did I enjoy the remarks of my distinguished colleague from California, Lieutenant Commander IZAC, of the United States Navy, retired [applause]; and, then, I enjoyed the remarks of my distinguished colleague from Minnesota, Colonel MAAS, of the Marines (Reserve) [applause]. Without doubt, their remarks were very convincing, but I stand here as just a humble sailor in the United States Navy Reserves [applause], and I wonder whether too much significance has not been placed upon Japan being a potential enemy of our country.

Without doubt, there is another nation involved in this question, and before I mention this nation I feel it is necessary to remind my colleagues of the fact that not so many weeks ago Anthony Eden visited the United States. Prior to his visit we heard nothing of the fortification of the island of Guam, but upon his return to England there began to emanate from the White House statements urging the including of the island in the naval program. I am convinced we are not so much concerned with Japan as a potential enemy as we are in fortifying Guam for the sole purpose of having stationed there portions of our fleet, which will include cruisers, destroyers, submarines, as well as flotillas of planes. May I ask why? Is it not possible they would go to the aid of Great Britain in the event her heavily fortified port of Hong Kong is attacked by some nation in the Far East?

That brings us to the oft-repeated question. Are we going to again pull Great Britain's chestnuts out of the fire as we have done in the past, and as some would like us to do at the present time? I firmly believe we should have an army, a navy, and marine corps second to none. Not so many years ago in one of my national-defense addresses I said, "To protect the security of our Nation let us build a navy for each coast, and if necessary put one in the Mississippi River and one in the Great Lakes and one in the Missouri River." What I cannot understand, is the necessity of extending our line of defense to the island of Guam. I

have listened to naval experts, and they say that the farther your fleet gets away from its base the weaker it gets. It stands to reason that if someone were to attack the island of Guam and we had to send our fleet to protect it, we would lose, if my memory serves me correctly, 25 percent of the strength of the fleet. Therefore would it not be well for the United States to retain its line of defense as we see it on the map? Then the attacking fleet must come to our line of defense, and in doing so they forfeit 25 percent of their power. [Applause.]

Mr. MAAS. Mr. Chairman, I yield 4 minutes to the gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Chairman, the wholehearted support accorded the national-defense measure last week in this House indicates that no trace of partisanship was permitted to influence Members in their desire to provide adequate preparedness for our Nation. Such expenditures and policies are predicated upon the theory that, instead of being Republicans or Democrats we are Americans with a single objective of preserving peace and remaining aloof from alliances with all nations. This is a traditional American policy! There should be a minimum of partisanship now as we consider the proposal to fortify the island of Guam.

Administration spokesmen on frequent occasions recently have upheld the Monroe Doctrine as a fundamental foreign policy, and reaffirmed the intentions of this democracy to foster and cultivate friendly relations with all countries under a good-neighbor policy. While disavowals of other designs are frequently made, and Americans should be willing and satisfied to accept this administration program, there has been a concerted campaign on the part of New Deal speakers to shape a foreign policy which is difficult if not impossible to reconcile.

A good-neighbor policy should be characterized by tolerance, justice, and a forthright willingness to recognize that other nations have the same inalienable right to live under the kinds of government which their nationals prefer. We demand that right for ourselves, and can accord others no less. Therefore, it is discouraging when acknowledged administration spokesmen constantly assail other nations in an abusive and unjustifiable manner.

One clothed with such authority this week broadcast an address on the announced subject, "Our Foreign Policy," and then instead of clarifying national policies, indulged in a bitter tirade against the so-called totalitarian nations.

Surely such tactics are not conducive to harmonious relations, nor is our national administration justified in passing judgment upon the particular forms of government which are dominant in other countries. Peace cannot be preserved by premeditated and vicious assaults upon peoples whom we would not permit to impugn our national policies. Passing judgment on others may prove to be extremely embarrassing.

This same spokesman declares that the appeasement policy followed by Great Britain since 1932 has failed, and the inference is drawn that it now devolves upon the United States to make sacrifices because of this apparent folly. With the same complete disregard for ethics, this spokesman flouts Japan with the declaration that its fixed policy is "the domination of eastern Asia, including the islands of the Pacific." He then added: "No country can successfully attack our shores."

Propaganda—whether officially inspired or otherwise—should not be utilized to distort the truth, nor to crystallize public sentiment against phantom or imaginary foes.

The Monroe Doctrine has effectually served to notify other countries that the United States will frown upon any attempts to interfere with this hemisphere. Likewise there is assumed by this country an obligation to refrain from interfering in the affairs of other continents. Any other position cannot be defended, and we should be willing to accord others the same treatment which we demand for ourselves.

In his famous message to the Congress delivered on December 2, 1823, President Monroe declared—

In the wars of the European powers in matters relating to themselves, we have never taken any part, nor does it comport with our

policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparations for our defense. With the movements in this hemisphere, we are of necessity more immediately connected. * * * Our policy in regard to Europe, nevertheless, remains the same, which is not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate government for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy.

That is the essence of the Monroe Doctrine. There is no disposition to criticize or assail any nation, or its form of government.

The people of this democracy recall their disillusionment of two decades ago, when they temporarily ignored the Monroe Doctrine and sought to interfere in the discords and controversies of Europe. The appeals of Woodrow Wilson to the Allies to refrain from exacting the spoils of war at the Versailles conference went unheeded, and two great nations professing democratic ideals demanded the right to grab approximately 1,000,000 square miles of colonial territory, and force upon the vanquished iniquitous terms which are acknowledged to be responsible for the precarious status of world conditions existing today.

These same democracies did not hesitate to repudiate their wartime obligations to the United States, which action is tantamount to violation of treaties. Any official attempt by the administration to ally the United States with those two democracies at this time virtually involves approbation of their imperialism to retain possession of their ill-gotten colonies. Likewise, this would be a repudiation of the policies advocated by the United States at Versailles, and a reprehensible disregard for those Americans who, living and dead, fought to make the "world safe for democracy."

Americans of this generation will not forget; they will not break faith. They will not be deluded by the alluring preachments of those whose egotism or vanity would destroy the unanimity of a Nation and mortgage its future.

Nothing less than an hallucination can justify this proposal to begin fortification of the island of Guam.

Naval and military authorities stress the far-reaching effects of such action.

The Monroe Doctrine commits the United States to a policy which should restrain us from questionable activities in the Orient.

Common sense dictates that we preserve our democracy at home.

If there are persons who seek foreign alliances or autocratic power in this country, let them reveal their designs and not resort to subterfuge to acquire absolute control over the destinies of this Republic. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 10 minutes to the Delegate from Alaska [Mr. DIMOND].

Mr. DIMOND. Mr. Chairman, I have heard so much yesterday and today about the island of Guam that I have almost forgotten that other air bases are mentioned in the bill, Pensacola, San Juan, and even two places in Alaska, Sitka and Kodiak. It is only recently that both the Army and the Navy as well as the people of the United States generally have realized the utmost importance from the standpoint of national defense of providing defensive works in Alaska, and this realization has come about, of course, only by reason of the development of air power which has thrown into the discard many of the old earthbound concepts of strategy of military and naval science.

We all support this bill because we love peace and are convinced that peace for our Nation may be best maintained by providing adequate defensive forces and establishments. I realize that every Member of this Congress, and almost every American citizen, loves peace beyond all earthly things, because we all realize the bestiality of war and that war is a contradiction of civilization.

Some of us used to say, when we were children at least, and we ought still to say, "lead us not into temptation," and the principal merit of this bill is that it will not lead into temptation some of the dictatorships of the world. The only reason that China is now being overrun by a foreign foe is because the people of China led their neighbor into temptation by failing to provide adequate defensive works; and, just as

surely as we are in this House today, if we fail to provide adequate defensive measures for our own country we will sometime undergo the same terror which is now being suffered by the people of China. It is our moral duty to avoid leading any of our neighbors into temptation—the temptation to loot us and take away everything we possess, including the most sacred of all things, our liberty—by failing to provide adequately for the national defense.

But, Mr. Chairman, I rose to speak more particularly of the importance of maintaining defense bases in Alaska, both of the Army and the Navy. The Navy bill is the one now before us. In order to illustrate what I have to say, there have been placed on the easel beside me two charts. The upper one is a chart or map of the world on the Mercator projection. Unfortunately it sadly distorts all the northern and southern portions of whatever is shown thereon. The lower chart is a great circle navigating or sailing chart of the North Pacific Ocean, and this gives really a truer picture of the North Pacific than the Mercator projection, so far as concerns the relation of Alaska to the United States and to the coasts of the countries on the other side of the Pacific Ocean, the Soviet Socialist Republic and Japan.

It is true that the great circle sailing chart of the North Pacific Ocean—and this is the chart used by navigators in navigating the ocean—does distort especially whatever appears on the lower part of the chart; it gives a distorted picture of some of the things that appear thereon; but it is correct in one thing, and that is that a straight line on that chart is the shortest distance between any two points shown on the chart. That is the virtue of the chart, and that is the reason it is used by navigators. And so you will see if you go on the shortest line from the western coast of the United States to Yokohama. You will go through the Aleutian Islands, north of some and south of others, or if you go from San Francisco to Yokohama you will go approximately 238 sea or nautical miles south of the Aleutian Islands.

So the straight and short line between the United States and the Orient—and I use Yokohama as the center of the Orient—is the route by the shores of the Aleutian Islands, and that shows you how vitally important it is that the Aleutian Islands and Alaska—to use the words that were recited to us this morning from the Farewell Message of the Father of his Country—be put on a suitable “defensive posture.” In other words, we must have adequate defense posts and establishments in the Aleutian Islands and in Alaska. The safety of the Nation demands it. That is recognized by the naval authorities and that is the reason you see in the bill two items, one for \$2,900,000 for an air base at Sitka and another for \$8,750,000 at Kodiak.

Let me recite to you a few of the facts with relation to distance between the United States and Yokohama. I refer to Yokohama, as I say, only because it may be called the center of the Pacific Orient. Before I recite these distances, my mind goes back to a study of the battles of the Peninsula Campaign, when I was a boy. Without detracting at all from the great genius of that marvelous leader of the southern army, historians impress upon us that he had one outstanding advantage—General Lee had the advantage of interior lines. He could always work on the short interior lines, and therefore he was able to bring to any battle, by the use of even inferior forces, a greater number of men and a greater number of guns than possessed by the enemy. To use the remark that was attributed to the very distinguished General Mosby, he realized that the essence of strategy was to get there first with the most men. So anyone who controls the coast of Alaska and the Aleutian Islands, as far as a battle in the Pacific is concerned, can get there first with the most ships and guns because the Aleutian Islands and the coast line of Alaska lie on the interior or short line between the United States and the Orient. Here are the figures:

The distance from Seattle to Yokohama, the straight line, the short line, between Seattle and Yokohama, is 4,254 miles. The distance from San Francisco to Honolulu is 2,091 miles. From Honolulu to Yokohama it is 3,394 miles. The total is

5,484, making a distance of 1,231 sea miles in the advantage of the route along the shores of the Alaska Peninsula. That is the reason that the chart shown by the distinguished gentleman from Oregon [Mr. MOTT], wherein he outlined the defenses of the Pacific, is so important with respect to Unalaska, because that is the port that lies closest to the short line between the United States and the Orient, and a sea fleet or an air fleet stationed at Unalaska will have an estimable advantage as far as the defense of the United States is concerned over any fleet moving across the Orient, directed to the shores of the United States.

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

Mr. DIMOND. I yield.

Mr. RANKIN. You propose there an air base at Sitka. As a matter of fact, is not the ground so rough and uneven that it would be impossible to establish an air base at Sitka?

Mr. DIMOND. No; but the base that is proposed for Sitka is a seaplane base, not an airplane base.

Mr. RANKIN. I have the statement on the authority of a former distinguished Member from the State of Washington, Hon. John F. Miller, that Sitka was the only capital in the world that never had a horse in it; it was so rough that they could not use horses. So I was wondering how you were going to use airplanes.

Mr. DIMOND. It would be a comparatively easy matter to build an adequate land field at Sitka and not at all costly. We shall have a landing field for airplanes there some day; I hope soon. The cost will not be great. But the base that is contemplated for Sitka is a seaplane base. The base contemplated by the provisions of this bill at Kodiak is also a seaplane base.

Let us consider more at length the matter of relative distances between points or places in the Pacific area. Kodiak is the most westerly of the naval air stations proposed by this bill. Kodiak is 1,237 miles from Seattle. Kodiak is about 3,300 miles from Yokohama. The total distance is approximately 4,537 miles. But, as I said a moment ago, the distance between Pearl Harbor, or Honolulu, and the nearest great city of the United States, San Francisco, is 2,091 miles. The distance from Seattle to San Francisco is about 700 miles. But from Kodiak to San Francisco the distance is less than 1,800 miles. It is, therefore, obvious that a defensive force, whether of seacraft or aircraft, stationed on Kodiak, is closer to the large cities on the Pacific coast of the United States—Seattle, Portland, and San Francisco—and therefore in better strategic position to defend those cities, than a similar force based on Pearl Harbor, for a base on Kodiak would give the inestimable advantage of having the short, interior line. In a hotly contested race even 200 miles, as would be the case with respect to San Francisco, might be of vital consequence, and in the case of Seattle the difference in favor of the Kodiak base would be nearly 1,000 miles. Here, as before, I use marine miles as the basis of measurement.

In saying this I do not wish to detract for a moment from the defensive value of the Hawaiian Islands. The defense installations there up to the present moment have probably cost us more than \$400,000,000, and I for one believe that such works have been and are fully justified not only for the defense of the Pacific coast of the United States but, what is equally important, for the defense of the Panama Canal. The point that I make is that if the expenditure of \$400,000,000 for defensive works in the Hawaiian Islands is justified, which I not only admit but assert, then the modest expenditures for Alaska which are now proposed as a measure of national defense are justified a million times and that million can be raised to the *n*th power.

Let me refer once more to the Mercator chart, used by the gentleman from Oregon [Mr. MOTT] in his illuminating speech. Southwest of Kodiak, near the eastern end of the Aleutian chain of islands, you will see Unalaska and Dutch Harbor. That point, on the chart, has been indicated as the western limit, in that area, or our defense line. In my own judgment our defense outpost in the North will be somewhere in that region, for I consider Kodiak only a stepping stone from the States to our final and permanent great de-

fense base in the North Pacific. Again are distances important. Unalaska is 1,707 miles from Seattle, less by 300 miles than the distance between Pearl Harbor and San Francisco. Unalaska is 2,547 miles from Yokohama, while, to repeat, the distance from Pearl Harbor to Yokohama is 3,394 miles, an advantage in favor of Unalaska of 847 miles. It is no wonder that the late, great Gen. William D. Mitchell, who had made a comprehensive study of the effect of air power upon modern strategy, should have said, as he did, that Alaska is the most important strategic area in the world. Alaska is important in the defense of the United States, because it stretches for a distance of 2,400 miles along the North Pacific Ocean, because it is on the direct short line from the United States to the Orient, or from the Orient to the United States, and because it offers a multitude of year-round ice-free harbors for the accommodation of the craft which ply the sea and the craft which ply the air.

It must be obvious that our military or naval forces based on Alaska are in the best possible position to cut in on any hostile force moving against the United States. With Alaska undefended, the United States is not adequately defended. At the present moment, with the fleet in the Atlantic, there is nothing in the world to prevent any hostile power from taking possession of all of Alaska without firing a shot or losing a man. We have no defense establishment in the Territory, except about 300 men in the Infantry at Chilkoot Barracks, who would be obliged to surrender, or escape if they could, if a hostile force should move against them, for they are too few in number to permit them to fight. And with Alaska in possession of a foe, the Territory would serve as a base for an attack, by sea or by air, upon the States. Remember, it is only 649 miles from Ketchikan, Alaska, to Seattle, Wash., a distance well within the radius of modern planes.

My only apprehension is that we are starting our defensive measures too late and proceeding with them too feebly. After all, the bill before us is only an authorization. The appropriations must follow to make what we do today effective. And I am depressed by the plan outlined in the report that the authorization of this bill contemplates a two- or three-year plan of construction. It is a pity that all of the money sought to be authorized in this bill will not be appropriated immediately to remain available until expended. The world is on fire, and yet we are proceeding as if, somehow, miraculously, that fire would not leap the fragile inflammable barrier that separates us from other nations and engulf us, too. God grant that those who so think are right.

But in the last issue of the news magazine *Time* I read a disturbing thing which indicates a different and more alarming condition of affairs. Hallett Abend, reporter in China for the *New York Times*, and a newspaper correspondent with many years experience in the East, says that the Japanese have already withdrawn most of their troops from China. The inference is that those troops, amounting to hundreds of thousands, have been sent to the Siberian border. The further inference is that the Berlin-Rome-Tokyo allies, or "axis," have agreed to strike for world dominion now, without delay, and that, as a consequence, the Soviet Government will be too much engrossed in the west to send many troops or many guns or many airplanes against the forces that Japan has recently taken out of China and posted on the Manchukuo-Siberia boundary line. The report so made by Mr. Abend, taken in connection with the clamor in western Europe, makes me fear that all democracies literally have their backs to the wall, and that their weapons are lamentably weak. I wish that ours were stronger this day, for the more powerful we are, the better we are prepared to meet all possible foes, the greater is the probability that our sons will be spared the horrors of war and will be able to live their lives in a nation at peace.

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

Mr. VINSON of Georgia. I yield the gentleman 1 additional minute.

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

Mr. DIMOND. I yield.

Mr. SHANNON. I just wanted to ask the gentleman to correct a statement he made attributing something to General Mosby. It was not Mosby. It was Bedford Forrest who said that.

Mr. DIMOND. I thank the gentleman for the correction. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, as a member of the Committee on Naval Affairs, I desire, in the closing moments of this debate, to give expression to my opinion as to why we should not include the paragraph relating to Guam in this very important naval defensive program bill. Before I proceed, however, I wish to say that in no sense can this action or debate be, in any way, classified as a partisan debate. This bill was reported out of committee by a vote of 21 to 1, the one dissenting vote being a member of the majority party. We have, however, filed a dissenting opinion from the majority report insofar as that paragraph relating to the establishment of an air base at Guam is concerned.

This noontime we had the opportunity on this memorable day to listen to the reading of Washington's Farewell Address. Among other things, he said:

Observe good faith and justice towards all nations; cultivate peace and harmony with all. * * * Excessive partiality for one foreign nation and excessive dislike for another cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other.

Continuing, he said:

The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little political connection as possible. Why quit our own to stand on foreign grounds? Why interweave our destiny with that of any other part of Europe, entangling our peace and prosperity in the toils of European ambition, rivalry, interest, humor, or caprice?

Much has been said in this debate during the last 24 hours about foreign policy and future parallel action of the Government of the United States with action of certain other nations of the world. In determining what we ought to do in respect to Guam, we should first determine what the national policy of the United States is to be, and whether or not we are to depart from the time-honored policy of the defense of the Western Hemisphere and our insular possessions. We have included in this bill a provision which, in itself, is nothing more nor less than a harbor improvement, but why is it in the bill? We have created the Rivers and Harbors Committee of Congress especially for the purpose of determining the economic justification of the improvement of our harbors and waterways. Some question has been raised as to the jurisdiction of this committee over the particular issue involved, but let me call to the attention of the membership that I hold in my hand three copies of reports of the rivers and harbors engineers of the United States War Department in respect to Midway Island and Wake Island. Last year Congress authorized the improvement of both these islands out there in the far Pacific. But both of them went through the Committee on Rivers and Harbors of the Congress.

If Guam is a river and harbor project and not a defense measure, why is it included in a defense bill? Why is it not referred to the proper committee of Congress to be given due consideration as to its economic justification?

We heard earlier today a Member on this side of the aisle refer to Guam Harbor as not being available for the larger ships of the Navy. The plan covered by the item in this bill would provide a dredged harbor to a universal depth of 35 feet. At the present time, all over the harbor at Guam, we find the water ranging in depth from 60 to over 130 feet, with the exception of little islands popping up here and there. It is to remove these little islands to a depth of 35 feet that this bill for Guam is in part sponsored. So we find, with the exception of these islands—about eight in number—that the harbor is now available for a large part of the American fleet if the American Navy desires to locate them there. The question in which we ought to be interested today is whether

we are reaching too far out into the far-western Pacific, 5,700 miles away from the mainland of the United States. Yes; we are going 3,307 miles farther west than the Hawaiian Islands, which is the western line of defense of continental United States.

I wonder, having heard the words of Washington read today, and to which we listened so attentively, whether we are challenging deliberately the good will of some other nation, and whether in the minds of the spokesmen of Japan we are not actually pointing a pistol at that country when we are suggesting the building up and fortification of the island of Guam. They say this is not fortification, but I have in my hand here a report from the so-called Hepburn Board, which said, among other things, that the establishment of a fully equipped fleet base at Guam capable of accommodating at least the major part of the fleet in all types would in itself practically assure the impregnability of the island. Yes, Mr. Chairman, the dredging of the harbor, the building of the breakwater, the development of the inner harbor is the first step toward the fortification of that island; and before we reach that point it seems to me that we should first determine what the foreign policy of the Government of the United States in the Far East is to be.

Those of us who dissented from the majority report found no difficulty in reaching the conclusion that, if this is simply a river and harbor improvement, it can be deleted from the bill and be referred to the Committee on Rivers and Harbors, a committee on which I have had the privilege of serving for 2 years. Let this committee determine whether the improvement of the harbor of Guam is economically justified.

In this critical hour, when the world is in an upset state of mind, when countries are eyeing each other with suspicion, let us be careful in determining what our policy shall be in either the Atlantic or the Pacific, because we know there is going to be a day of reckoning. We have further the testimony of Admiral Leahy before the Committee on Naval Affairs only a year ago to the effect that a fleet three times the size of the increase asked for in the naval expansion bill of a year ago would not be sufficient to enable this country to carry on a successful campaign in the far-western Pacific.

Yesterday the question was asked, What are we going to do with Guam, and what are we going to do with the Philippines? Admiral Leahy answered that last year when the naval expansion bill was under consideration when he said that—

The Philippine Islands at the present time are an outlying possession of the United States. The Navy at the present time, and as contemplated under this bill, will not be sufficiently strong to arrange for the protection by the United States of the Philippines against any major power. That is one of the things in the approved policy that we are unable to do.

Therefore, Mr. Chairman, it is clear what we are going to do with the Philippines, and it is clear what we are going to do with Guam. We are building up and improving the harbor at Wake Island, some 4,000 miles from the mainland of the United States, and which is the first outpost of our defense lines. Why should we go out to Guam, 5,700 miles away from the mainland of the United States and only 1,353 miles from Japan, and thereby provoke another nation with which we are on friendly terms? Why do anything that may incur the wrath of any nation or irritate them in any way, when conditions are so unsettled as they are today throughout the world? Why should we go looking for trouble that may be a costly venture, when our duty should be to preserve peace? [Applause.]

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. THOMAS F. FORD].

Mr. THOMAS F. FORD. Mr. Chairman, when some great American, impressed with the tremendous value of the public service rendered to his country by George Washington, said that he was "first in peace, first in war, and first in the hearts of his countrymen," he uttered a great and universal truth to which all good Americans subscribe.

On this, Washington's natal day, February 22, I, as a humble citizen, privileged to sit in this historic Chamber, wish to add just one word to all the eloquent tributes paid to the great and immortal Washington by saying: Mighty as was his contribution to his country as President, soldier and statesman, there is another field to which his vast talents were devoted and to which field he contributed lavishly; I refer to his contribution to the philosophy of public education.

Admirers of Washington's military genius and statesmanship will find a rich field for study in his views on public education. He saw this problem clearly and he saw it as a whole; he recognized its importance and some of his observations are so all-embracing, so far-reaching, and so modern that they apply today with a force that is absolutely astounding.

Washington was first a great American. He was a great soldier. He was a great and far-seeing statesman. But above and beyond his greatness in the field of action, he was a great seer and philosopher in the educational field, and with all due respect to our modern thinkers along these lines, I doubt if we shall see his like again. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I have four things I desire to say about national defense.

DEEPEMED NATIONAL SPIRIT

First, I believe America needs more than anything else a new and deepened national spirit. We need to have a sense of being all in the same boat. We need to understand that we have problems that are not the fault of individuals or of political parties and that have to be dealt with in a spirit of common effort. Some people will have to remember that personal attacks on the President of the United States—and, after all, he is President of the United States—if carried on in improper fashion come very close to attacks upon the very genius of the Nation itself.

THE RIGHT OF SELF-PROTECTION

The genius of a democracy is liberty. The genius of a democracy is a free discussion of its problems. But democracy is face to face today with the necessity of finding how it can protect itself against certain groups which take advantage of that very liberty for the purpose of organizing to destroy it. I am one of those who believe that democracies have a right to put a ban on the corporate existence of such organizations, and I have introduced a bill which, if enacted into law, would accomplish this.

PUTTING OUR FINANCIAL HOUSE IN ORDER

Mr. Chairman, in the second place, I want to speak about national defense from the point of view that was taken by one of the Members on the Republican side, the gentleman from Pennsylvania [Mr. DITTER], who stated that we ought to put our financial house in order as a measure of national defense. I agree with him. But I do not believe that it can possibly be done unless this Congress recognizes the fact that you cannot put a national financial house in order until such time as you have asserted the fundamental constitutional provision that the National Government, the Congress specifically, and it alone, has the ultimate power to coin money and regulate its value.

Until this right is recognized you cannot put your financial house in order. The fundamental need of the business of this Nation is now and has always been the existence of a volume of actively circulating medium of exchange adequate to transact the business of an expanding economy. Our Budget has been unbalanced in recent years in order to try to buy into circulation through the sale of Government bonds sufficient bank deposits to create a volume of circulating medium which would be something like adequate to transact our business. True, this effort has not been altogether successful up to now. It has increased the national debt, as I see it unnecessarily, because I do not believe this Nation or any other should be called upon to pay interest for the right to use its own credit.

Take the example of the R. F. C. about which we were talking a few days ago. The R. F. C. in the past has not received its money for making secured loans as a private bank would get it. If a man comes in with adequate security and wants to borrow money from a private bank, according to our existing fractional reserve banking system, that man's security becomes itself the base for the creation of an equivalent amount of money in the form of bank credit. The contraction of that loan calls into being the credit necessary to make it. But the R. F. C., a Government agency, is denied that privilege. The R. F. C. must get its money from the Treasury. The Treasury gets its money by selling Government obligations. The Government debt is thereby increased before the R. F. C., an agency of the Government of the United States, can be regarded as having any credit to lend on however good security or with however large a capital stock. In other words, we have turned the thing exactly around, and instead of Congress having the right to coin money and regulate its value, the Congress gives away that right and itself must pay interest in order to exercise it. We are assuming that the reservoir of credit in this Nation—credit that rests on the property and the people of the Nation—is something that is privately and not nationally owned.

If we would straighten out these things, then indeed we could put our financial house in order. I may add in this connection that we must recognize the fact that it is in the field of regularizing and increasing the buying power of the American people in line with the power of this country to produce that the solution of this great problem must be found and that national defense in its true sense must include the solution of these economic problems.

THE WESTERN HEMISPHERE POLICY

In the third place, I want to say a few things on the subject immediately before us. I have changed some of my opinions since I became a Member of this body. I am ready to go along with those people who say the American Navy should be large enough to protect the Western Hemisphere. I am ready to go along with the Western Hemisphere policy, which states that America proposes to see to it that no nation in the world, herself included, shall interfere with the self-determination of any nation in the Western Hemisphere. I am for a strong foreign policy, and I think a strong policy can also be a peaceful one. I do not want to see anything interfere with our Government's pursuing a policy of that kind. When I say that, however, I must say further that I do not propose at any point in my public or private career to make remarks or speeches which may be interpreted as implying an attempt on my part to deny to the people of any other nation their right to have the form of government they choose to have. By the same token, on the other hand, I propose to see to it that the American people have the right to be free from interference on the part of any foreign nation or any group serving under the direction of any foreign nation as to what form of government we shall have in our country. [Applause.]

With these few preliminary remarks, may I say that I shall vote for the pending bill, but I am also compelled to say that I have found it impossible to vote in favor of the \$5,000,000 for Guam, not because I think it is something we do not have the right to do but because I do not think it is wise. I was impressed by the remarks of the gentleman from Pennsylvania [Mr. VAN ZANDT], and I feel much as he does. We need to pursue a policy which will be as clear cut as it can be and which will be aimed just as straight as it is possible to aim it at peaceful relations with all nations and the protection of the freedom of the western world.

I do not want the line we draw to be too far-flung. I want it to be truly a policy of defense of the Western Hemisphere. I do not set myself up as an expert on these matters and I realize our country cannot be disinterested about what happens in other parts of the world, but I cannot believe it is wise or good policy for us to set up an outpost as far away as Guam.

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

Mr. VOORHIS of California. I yield to the gentleman from Minnesota.

Mr. MAAS. Would the gentleman have objected to the \$5,000,000 for Guam if it had been brought in here in a rivers and harbors bill or some other legislation?

Mr. VOORHIS of California. I may say to the gentleman I do not believe I would, for then it might indeed have been regarded simply as a matter of harbor improvement and nothing more. One of the principal reasons I feel impelled to vote against it is not because of the proposition in and of itself but because of what seems to me to be the unfortunate implications that have been put into it, as I believe, in some instances for political purposes.

Mr. MAAS. The gentleman does not object to the harbor work as such?

Mr. VOORHIS of California. No; I do not.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. In view of what the gentleman has said, how can the gentleman object to this development when the character of the work is not military at all?

Mr. VOORHIS of California. As I explained to the gentleman, simply because of the implications that I believe have been made all too plain in the course of the discussion of this matter.

Mr. VINSON of Georgia. Who made the statements that caused the gentleman's mind to come to that conclusion, when this is purely a nonmilitary development? I said nothing that should disturb the gentleman's mind.

Mr. VOORHIS of California. They were not statements by people on this side of the aisle.

Mr. VINSON of Georgia. On any side of the aisle.

Mr. VOORHIS of California. As a matter of pursuing a policy on the part of this country which will be in line with the policy of the Western Hemisphere defense, about which I spoke a moment ago, I cannot conscientiously do anything else in this particular instance. In this difficult world I want our Nation to be strong, but I want her to consider carefully how thin she can afford to spread her strength about the world.

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

Mr. VOORHIS of California. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I believe 100 percent in the gentleman's statement to the effect that other countries may have such forms of government as they like, and we reserve our right to our own form of government. Will the gentleman agree with me in the proposition that there is a kind of dual government as between the Philippine Islands and the United States until independence is granted, and that as we discuss these matters it is entirely in order, based on the gentleman's proposition, to talk about the form of government in the Philippines and what the people there are likely to do in looking forward to independence? Does the gentleman agree with me that we can bring this in as part of our own proposition?

THE ULTIMATE DEFENSE OF HUMANITY

Mr. VOORHIS of California. I am not sure. But there is one further word I want to leave with you—an encouraging word, I think. We have talked at length of dictators, of force and might, of armaments and fortifications. We have spoken not at all of certain of the fundamental bases of human life. There is, as every religious person knows, a power greater than military power, greater than any dictator, greater than any armada. It is the power of the souls of men, of sacrifice, of sincere, religious faith. Today is not its day to be in the headlines of the newspapers. But it is a power superior to all others nonetheless. And ultimately it cannot be destroyed. Upon its indestructibility rests the hope of mankind.

A dictator may have his day. Tyrants have strutted across the stage before this. But all of them have been creatures of a moment, and the time has always come and always will come when they will disappear.

And so while we concern ourselves, as we must do, about the necessities of the present hour, let us not forget that America's ultimate reliance, like that of all mankind, must be in the eternal strength which comes only with the bringing of a divine justice into the life of her people. Civilization may be destroyed by the very genius of man himself if that genius is not controlled by a corresponding moral development. Religion and all it stands for is less easily destroyed. The will to live, the will to be free in spirit are less easily destroyed. We ourselves and our children after us may suffer and even die because of the blunders we may make and the madness that now grips certain parts of the world. But future generations will some day, somehow, find their way back home to values which today are all too often forgotten and sometimes even laughed at but which are indeed the things men live by and the things they cannot live without.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, these are critical times. Times when all of us should keep our heads. Today we find a world in which most people are tense and worried. The peace of the world depends very largely upon the self-restraint exercised, not only by its rulers, but by common citizens everywhere. I think we must take this fact into consideration in determining the wisdom of making the expenditures at Guam which are authorized in this bill. In normal times an expenditure for these items would probably arouse no comment. At the present time, if these expenditures for harbor improvements were included in a bill reported from the Committee on Rivers and Harbors, they might not excite apprehension.

We are, however, faced with this situation. A commission composed of officers of the Navy has recommended the fortification of Guam. The improvements which are included in this bill are such as would be undertaken in connection with the fortification of the island. The approval of such a project at this time does not commit us to the fortification of Guam, but it does make it more likely that such a policy will finally be adopted. It is a logical first step toward such a policy.

Let us consider the situation of Guam. It is 6,200 miles from the mainland. It is 1,500 miles from Japan. It is 4,000 miles from Oahu, our Gibraltar-like outpost in the Pacific. If we fortify Guam, it is against one nation, Japan. Our fortification of the island, or any steps toward it, are bound to be construed in Japan as an unfriendly act and as an attempt on our part to project ourselves into far-eastern affairs. We can very readily understand the attitude of Japan by asking ourselves what would we think if Japan should begin fortifying an island within 1,500 miles of our shores? The fortification of Guam might be justified if we were going to retain the Philippines. It might be justified if our foreign policy should take the turn of joining with Great Britain and France and taking part in the quarrels of Europe and Asia. It might be justified if we expect to go to war with Japan over our commercial interests in the Orient. It is inconsistent with the policy which has been already adopted in getting out of the Philippines. It is inconsistent with the theory we are increasing our military and naval establishment solely for purposes of national defense.

To fortify Guam now would be construed as putting a chip on our shoulder. It will give the militarist group in Japan a further excuse for expanding that country's military and naval defenses. It will build up in Japan a feeling of suspicion and hatred toward this Nation, which will in turn stir up further hatred of Japan in our own country.

I am not sure that anyone knows what our foreign policy is today. Certainly, the various statements which the President has made on the question in recent months cannot be

reconciled. There is no question, however, but what the people of this country want a foreign policy which will keep us out of war. There are some who believe we can keep out of war more easily by following a policy of strict isolation. There are others who feel that we can contribute to world peace and to our own safety by following a course of action which is parallel to that of the democracies in Europe. There are others who want to go so far as to ally ourselves with European democracies.

The people of this country have as yet had no opportunity to express themselves on the question of foreign policy. Congress has had no such opportunity. I am not sure that it is necessary that the country at this time determine just what its foreign policy will be. It is perhaps better that we make the determination of our policy contingent upon what may happen in Europe during the next few months. However, until the people of this country definitely determine what policy they want to follow, it would seem to me to be the part of wisdom to take no action in the way of military or naval preparedness which would commit us to one policy or another. We can pass legislation to increase our air force, to expand our coast defenses, and to build up our Navy without committing ourselves to any particular foreign policy. We can expand our military and naval establishment on the basis of defending the Western Hemisphere without making any new determination as to foreign policy. The moment, however, that we take steps to fortify Guam, it is going to be construed by other nations as a change in policy. Japan is going to construe it as an indication that we expect to meddle in far eastern affairs. European countries will probably construe it as meaning that we are going to cooperate with England and France in the Far East. It may be construed as indicating that we expect to change our position on Philippine independence. Why run the risk of having our motives misconstrued? Why take the chance of committing ourselves to a program which, if followed up, will mean an entire change in our foreign policy? Why begin a course of expenditures which will run into hundreds of millions of dollars? Why not use the money that would be expended in Guam at the present time to build up our defenses closer home? Why give a jittery world another cause for apprehension? [Applause.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, I have a deep personal interest in this bill because it involves my old service. During the World War as an American naval aviator I was attached for 3 months to the French forces overseas and for 3 months to the Royal Naval Air Service. I am possibly the only man in this House who has personally fought shoulder to shoulder with the French and also with the British. It was a great experience, but I for one am anxious that no American shall ever again have the experience of fighting beside the French and the British, outside of this hemisphere. [Applause.] Guam is outside the Western Hemisphere.

It is said that we are not fortifying Guam, but this matter has taken such a course that there is nothing we can do that will not be interpreted as a hostile act. There is nothing we can do that will not establish a precedent that will rise up to haunt us.

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

Mr. VORYS of Ohio. I cannot yield just now.

If the Japanese, through their navy or any other department, were blandly to establish a seaplane base, or merely deepen a harbor, which was located within 1,335 miles of New York or San Francisco, or any other part of the continental United States, we would consider this an unfriendly act, but if we adopt this Guam proposition, we would be barring ourselves by that precedent from making the immediate and vigorous protest which the Monroe Doctrine requires us to make.

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

Mr. VORYS of Ohio. I refuse to yield at this time.

I served in Washington in 1921 and 1922 in the Arms Conference. That was a time when there was tension between the United States and Japan, and there were rumors of secret

treaties between Japan and Great Britain. Under American auspices, however, with a will toward peace and without sacrifice of sovereignty, we gathered the nations here and resolved those difficulties for a decade and more. It is not what was done there, but what has happened since that causes the present tension.

I, for one in this troubled world, want to see our Government take the lead not in hostile gestures with friendly countries but toward peace. I do not believe we can do it now if we make any sort of gesture toward making arrangements in Guam that look toward fortification, whatever our present excuse may be.

I now yield to the gentleman from Virginia.

Mr. DREWRY. I just wished to ask the gentleman if he is aware of the fact that there was a small aviation force, a force of four planes, maintained at Guam from 1920 to 1931, and that no objection was made then? Why should any objection be made now?

Mr. VORYS of Ohio. Simply because we cannot fool ourselves and we cannot fool the world. This present Guam gesture, based on the Hepburn recommendations, has taken such a course that there are no steps that we can take there now that will not be interpreted the world over as an extension of the Monroe Doctrine to new parts of the world.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. What other interpretation can be placed on the dredging of Guam Harbor—when practically the entire harbor except for a few coral reefs, about a half a dozen in number, will have to be dredged to a depth of 35 feet—than that we are going to use the harbor as a fleet base?

Mr. VORYS of Ohio. There is no other implication; and the vice of this measure as now proposed, of pretending that it is merely dredging—a friendly, commercial step—is that it establishes a precedent of insincerity in foreign relations that we would be the first to resent if Japan attempted the same thing within our hemisphere [applause], and remember that Guam is within their hemisphere. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. EATON].

Mr. EATON of California. Mr. Chairman, this is my first speech on the floor of the House. About 2 weeks ago I spoke to one of my colleagues from California on this side of the House, and I said to him, "Is it necessary that a new man make a speech about every 2 or 3 days," and his reply was emphatically, "No," and he told me this: "Do not make a speech unless you have something to say." He then told me, "Do not make a speech unless you feel you are qualified to speak on the subject."

I feel I am somewhat qualified to speak on this subject, not because of former experience in naval affairs but because of the fact I have been sitting for almost 3 weeks in the Naval Affairs Committee listening to the testimony given by experts and by all others on this subject. I have listened to these witnesses when they were being cross-examined. I have listened to them when they were to answer some ticklish question that seemed to have them on edge. I have watched their demeanor and I have come to the conclusion after 3 weeks of listening to this testimony, and asking a few questions, that this bill which is before the House should be passed as recommended by the Naval Affairs Committee, and that includes the island of Guam along with all the others. [Applause.]

There is only one question that seems to be controversial and that seems to be the question of Guam. A lot of people, I think, have been misinformed about this bill. They have thought that the bill included fortifications. Many people have written in from all over the United States and they have all used the words "fortification of Guam," and I want to repeat, although it has been stated by practically every speaker on the program today that there is no fortification included in this bill. This bill includes the dredging of the harbor there, it includes the cost of a breakwater, and it

makes possible a runway for the taking off of seaplanes in that area.

Another thing, besides improving the Guam harbor, there is nothing to be done there except in the matter of defense, and I can prove that to you by a question that was asked by our chairman of the Naval Affairs Committee. The chairman asked this question of Admiral Leahy:

You recommend the establishment of a base from a military standpoint at Guam purely as a defensive measure for the United States, Hawaii, and the Panama Canal?

The admiral answered as follows:

In my opinion the establishment of a base at Guam would provide valuable and needed assistance in repelling an attack on the Hawaiian Islands, the continental United States, and the Panama Canal.

So the matter is purely a defensive measure.

Then another thing that I would like to bring to your attention is this: This improvement at Guam would permit at least 24 seaplanes to be stationed there at times and these seaplanes would be the eyes of the Navy and they would go out on patrol in that area and if a hostile nation should start through that area with a battle fleet the eyes of the Navy would see this hostile force and report back to the United States Fleet and the defense line would be maintained at Hawaii, and I wish to say this, as coming from California, the west coast would be the first to suffer if the defenses failed at Hawaii.

So for this reason I have had placed on this board a map which shows the distance that would be taken by surface boats to go from this point over to Asia, while this is the distance by air. In other words, the distance has been reduced by air and by the speed of airplanes to an apparent short distance. In other words, it looks as though it is thousands of miles from continental United States to Asia by boat, but when you look at the map and think of the distance that can be covered by the speed of an airplane you see that Asia is right at our front door.

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

Mr. EATON of California. Not at this time, please.

I may say to you that the distance from the west coast to the Middle West is only a short distance by the speed of the airplane.

I might say this in passing, that of the six Members who signed the minority report of the Committee on Naval Affairs only one of them lives and represents a district west of the Mississippi River, and that happens to be in Missouri. I was born in Illinois and lived there until I was 23 years old. I grew up in that atmosphere also, where we thought that we were smug and secure, and that we were thousands of miles from either the east or the west coast, and had nothing to fear. I remember back in 1921 making a trip from Illinois to California in a model T Ford, and it took 30 days to go through the State of Montana to reach California, but today, just last week, an airplane went from Los Angeles to New York in 7½ hours. That means that this airplane probably passed over Chicago or Kansas City or St. Louis, Mo., only about 4½ to 5 hours after it took off from Los Angeles, Calif. So the people in the Midwest, Illinois, Iowa, Ohio, and here in the East, are very close to the Pacific coast, and I am saying to all of you, whether you be Republicans or Democrats, westerners, midwesterners, or southerners, that you should take into consideration that this is a very small world after all.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. EATON of California. In just a moment.

If there is to be a battle in the Pacific, I prefer that it be fought out there two or three thousand miles out, instead of on the coast of California, Oregon, or Washington.

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

Mr. EATON of California. Yes.

Mr. MICHENER. As I understand, the gentleman is defending Guam as a national-defense project and not as a commercial project.

Mr. EATON of California. I am defending Guam as a defense, and also from a commercial aspect, because I think

we had testimony before the committee that it was necessary to have that station at Guam in order to keep the trade channels open to the Malay States.

Mr. MICHENER. The reason I asked the question is that the general trend has been on the part of the members of the committee defending Guam to insist that this is not a national-defense matter and has nothing to do with national defense, and if the Congress ever sees fit to make it a national-defense project, it can. I am glad to have the gentleman's frank statement.

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

Mr. EATON of California. Yes.

Mr. MAAS. I think the gentleman from Michigan has entirely misinterpreted the situation. He is confusing the fact of the development at Guam for defense and the defending of Guam—two entirely different things. I have not heard anybody advocating this development who did not say that it had great defense value, but that was distinguished from fortifying it, certainly at the present time.

Mr. MICHENER. Yes; but it was not in this bill.

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

Mr. MAAS. Mr. Chairman, I yield the gentleman such additional time as he may need.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. EATON of California. Yes.

Mr. BATES of Massachusetts. The quotation from Admiral Leahy interested me very much, in the matter of establishing our air-defense line at Guam, and I hope the gentleman finds the exact language of Admiral Leahy, but if he will permit me, I ask the ranking Republican member on the committee if he ever heard Admiral Leahy make the statement that the new defense line of the United States will be at Guam?

Mr. MAAS. No; no such statement was ever made.

Mr. EATON of California. Let me make this statement—

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

Mr. EATON of California. Not at this time. The chairman asked this question of Admiral Leahy:

You recommend the establishment of a base from a military standpoint at Guam purely as a defensive measure for the United States, Hawaii, and the Panama Canal?

Admiral Leahy replied as follows:

In my opinion, the establishment of such bases as are contemplated in the islands referred to in the bill would provide valuable and almost essential assistance to the fleet in preventing an attack on the Hawaiian Islands, Alaska, the coast of the United States, and the Panama Canal.

Mr. BATES of Massachusetts. He did not attempt, then, to state or leave any inference that the defense line of the United States would be put 3,300 miles from the Hawaiian line by that statement?

Mr. EATON of California. No.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. EATON of California. Yes.

Mr. O'TOOLE. Does not the gentleman agree with me when I say that the Empire of Japan has never been deterred in her efforts to create a line of defense or of offense regardless of what other nation it might hurt?

Mr. EATON of California. Yes. I thank the gentleman for that statement.

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

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. HAWKS].

Mr. HAWKS. Mr. Chairman, I have been sitting here for 2 days listening to this debate. This morning you heard an address by my colleague from Colorado [Mr. MARTIN], in which he attempted to take the German people, both in this country and outside of this country, over the coals. I think most of you are acquainted with the fact that in the State of Wisconsin we have some of the finest American citizens there are in this country. By far, a majority of them are of German extraction. My name being Hawks would indicate that I had a lot of English blood in me. I have, and I am

proud of it; but I also have some German blood in me. I imagine that a large percentage of the people in this House have a certain amount of German blood in their veins. The gentleman from Colorado [Mr. MARTIN] referred to a bund meeting in New York. I did not hear that gentleman refer to Communist meetings that were being held all over the United States at the same time that a few German people were meeting in New York. Why under the sun, what reason is there that during the past few weeks in the House there has been no mention of the Communists? We have been attempting to malign the German people and we have been attempting to malign the Italian people. We have had to listen to statements such as the gentleman from Colorado made this morning, with very little said about the slimy, dirty operations of the Communists in this country. What has all this business got to do with Guam? What has all this business got to do with the present bill that is before the House? I would like to see the \$5,000,000 that I know you are going to appropriate to dig out a lot of sand in Guam given to Mr. Hoover down at the Federal Bureau of Investigation. I would like to have Mr. Hoover take that \$5,000,000 and clean up some of the very rotten situations that we have right in this country. I think it is high time that this House got down to a common-sense consideration of some of the real problems that we have within our own boundaries, rather than be sticking our necks out because of a hunk of sand out in the Pacific Ocean. [Applause.] Certainly there are enough activities going on in this country, vicious activities, attempting to undermine the kind of Americanism that a great many of us fought for during the past World War.

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

Mr. HAWKS. I yield.

Mr. SHEPPARD. Is the membership of the House to infer from the gentleman's discourse so far that he is in sympathy with the activities of the so-called bund in New York and Chicago?

Mr. HAWKS. I am not in sympathy with any organization that has for its underlying principle the destruction of American democracy.

Mr. SHEPPARD. I thank the gentleman.

Mr. HAWKS. But I am also not in sympathy with statements being made on the floor of this House that confine their attack entirely to one group and will not take into consideration the activities of other groups. All of a sudden the most vicious thing in this country, communism, has been put into the background.

I would like to ask another question: Why, all of a sudden, have all of the radical thinking Members of this House turned around in support of these defense measures? I have not found an answer to that yet, either. Why all of a sudden do we hear little opposition on the part of men who used to be confirmed pacifists, and who are now coming out in whole-hearted support of these defense measures? [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I desire to consume no further time in general debate.

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I am pleased that the Committee on Naval Affairs adopted the recommendation of the Navy Department for the establishment of an aeronautical engineering laboratory at the Philadelphia Naval Aircraft Factory and that an authorization of \$1,800,000 for that purpose is included in this bill. There is very little I can say, after the contributions of my Republican colleagues on the Naval Affairs Committee, the gentleman from Minnesota [Mr. MAAS], and the gentleman from Oregon [Mr. MOTT], regarding this bill. I think their very able statements have demolished the arguments of those who expressed fear that this development of the island of Guam constitutes an aggressive policy on the part of the United States.

I would like to point out something that I wish the press of this country would stress rather than the hysteria which they have been emphasizing. That is, that all the hearings of this committee have been public and in the open; that the officers of the Navy Department, the Chief of Naval Operations, Admiral Cook, and other responsible officers have appeared before the committee and have answered fully and frankly the most intimate questions regarding the national defense and the naval policy of the United States. I would like to point out that in the committee itself, in its discussion of every item in this bill, including Guam, the discussion has been in open and public hearings, and there never has been a secret executive session.

The only ones who seemingly are contributing anything to hysteria are those who are opposing this project on the island of Guam. No one on the committee who favors this project has said anything that would lead anyone to believe that any aggression is contemplated. I think that the naval officers of the United States are not bellicose individuals. I do not think they are belligerent. I think they are concerned with the peaceful preservation of the security of the United States. I think that when they come before the committee and the Members of this House with certain recommendations regarding what they feel will contribute to the efficient operation of the United States Navy, we have a right to think that they are speaking as patriotic Americans, and that they are concerned primarily with the defense of this country.

Twenty-four planes on the island of Guam! That is all that is to be accommodated by the development authorized in this bill. I submit that even a layman knows that 24 planes do not constitute a threat of aggression to anyone. If they serve as a scouting fleet that would be able to warn the American Navy in time of war and thus preserve perhaps numerous units of our fleet and thus American lives, I think the sum of \$5,000,000 would be very well spent.

If you itemize the amounts as specified in the report of the committee you will see that they are for the building of a breakwater, dredging the harbor, and providing for parking space and ramps for seaplanes that Admiral Cook said could not exceed 24 planes. I do not think we should be hysterical about it.

I think we should be cognizant of the fact that we have to defend the shores of the United States. Everyone knows that it was because we allowed our Navy to deteriorate in the 10 years between 1922 and 1932 that it is now necessary for us to be somewhat frantic about the adequacy of our own national defense. Had we proceeded with an orderly expansion of our Navy we would have no fear today that our Navy was not strong enough to protect us and to obviate the need of any entangling alliances with any other power.

I think the debate upon this floor demonstrates the fact that this item in this bill is not a step in the direction of aggression, but that it adds to the efficiency of the operation of the United States Navy and to the defense of our own shores. I hope the Committee will pass the bill, including the item for the island of Guam. [Applause.]

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

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to establish, develop, or increase naval aviation facilities, with which shall be included the authority to purchase, accept by gift, or otherwise acquire land and to construct buildings and accessories, with approximate costs as indicated, at or in the vicinity of Kaneohe Bay, \$5,800,000; Midway Island, \$5,350,000; Wake Island, \$2,000,000; Johnston Island, \$1,150,000; Palmyra Island, \$1,100,000; Kodiak, Alaska, \$8,750,000; Sitka, Alaska, \$2,900,000; San Juan, P. R., \$9,300,000; Pensacola, Fla., \$5,850,000; Norfolk, Va., \$500,000, for acquiring the land described and authorized by the act of June 14, 1934 (48 Stat. 957), as amended by section 5 of this act; Tongue Point, Oreg., \$1,500,000; Pearl Harbor, Hawaii, \$2,800,000; and Guam, \$5,000,000, the total cost not to exceed \$52,000,000, except as may be otherwise authorized by law: *Provided*, That the approximate cost indicated for each project enumerated above may, in the discretion of the Secretary of the Navy, be varied upward or downward by an amount not to exceed 25 percent of the approximate cost indi-

cated, but the total cost of \$52,000,000 shall not be exceeded: *Provided further*, That nothing herein contained shall be construed as authorizing the expenditure of more than \$5,000,000 at Guam. In addition to other authority contained in this section the Secretary of the Navy is hereby authorized to proceed with the construction of aeronautical engine and materials laboratory buildings at the Naval Aircraft Factory, Philadelphia, Pa., at a cost not to exceed \$1,800,000. In addition to other authority contained in this section, the Secretary of the Navy is hereby authorized to accept, free from all encumbrances and without cost to the United States, title in fee simple to land or other realty at or in the vicinity of Corpus Christi, Tex., to be used for the purpose of establishing a naval aviation training station.

Mr. SUTPHIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUTPHIN: On page 2, line 5, after "\$2,800,000", strike out "and Guam, \$5,000,000."

Mr. VINSON of Georgia. Mr. Chairman, by agreement entered into yesterday it is understood that section 1 with the amendment would be passed over until tomorrow. I therefore ask unanimous consent that this section and the amendment thereto be passed until tomorrow.

Mr. MARTIN of Massachusetts. Mr. Chairman, reserving the right to object, the amendment should also provide for the reduction of the total amount the bill carries in the event the amendment is adopted.

Mr. VINSON of Georgia. We will deal with that in the event it becomes necessary. We will correct the bill if Guam is thrown out, so that the total will correspond with the action of the Committee in that regard.

Mr. CHURCH. Reserving the right to object, Mr. Chairman, it is understood there is to be no limitation on debate as regards Guam.

Mr. VINSON of Georgia. The gentleman is clearly in error. The gentleman from Massachusetts [Mr. MARTIN] agreed to a 30-minute limitation of debate on this item.

Mr. MARTIN of Massachusetts. The understanding was that there would be 30 minutes allocated to debate on the Guam item tomorrow.

Mr. CRAWFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAWFORD. Is it permissible to speak under the 5-minute rule on the general aspects of the bill, making some reference to the Guam situation?

The CHAIRMAN. That may be done if there is no objection.

Mr. VINSON of Georgia. Reserving the right to object, Mr. Chairman, may I call the gentleman's attention to the statement made yesterday by the gentleman from Massachusetts [Mr. MARTIN]:

Let us have this understanding then: That tomorrow we shall complete the consideration of the bill with the possible exception of Guam, and the vote in the Committee on that question will be on Thursday.

He further stated that there should be 30 minutes of debate, 15 minutes on each side, under the 5-minute rule, on the Guam item.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, Section 10 (a) of the Philippine Independence Act of 1934 provides that—

On the 4th day of July immediately following the expiration of a period of 10 years from the date of the inauguration of the new government under the constitution provided for in this act, the President of the United States shall by proclamation withdraw and surrender all right of possession, supervision, jurisdiction, control, or sovereignty then existing and exercised by the

United States in and over the territory and people of the Philippine Islands, including all military and other reservations of the Government of the United States in the Philippines—

And so forth. Section 11 of the same act provides:

The President is requested, at the earliest practicable date, to enter into negotiations with foreign powers with a view to the conclusions of a treaty for the perpetual neutralization of the Philippine Islands, if and when Philippine independence shall have been achieved.

Yesterday, in addressing the House on the bill now under consideration, I made the observation that the present members of the House would not live to see the day when the Philippines were politically and economically an independent Republic. That statement was not restricted to the full consummation of the propositions laid down in the independence act. There is operating in a most effective manner in the Philippines at this very moment what might be termed "a racial influence" the metes and bounds of which have not yet been appraised by the people of the United States. This racial influence flows from the orientalism and blood relationship existing between the Japanese and the Filipinos. Long before the farewell kiss is extended by the Filipino to his American coddler, the 1898 adopted protegee upon whom we have lavished only blessings and ease for the past four decades, actively takes up his flirtations with his Japanese cousin and this lovmatch is rapidly blossoming into what we shall soon witness as a complete but very quiet marriage.

Mr. Chairman, have we ever thoughtfully considered the fact that in every appeal which has been forwarded to our people by the Filipinos in which they have asked for or demanded their political and economic independence, without a single exception insofar as I am able to establish from the record, expressions of gratitude and thankfulness have been heaped upon us for the consideration, kindness, and help we have extended to the ones asking for their independence. Square this with the treatment accorded our country by our British ancestors in the early days of the formation of this our Republic. Did we ask for independence because of the kindness, consideration, and help which was being extended to us by the British? Indeed, we did not. We complained of the unjust taxation. We pointed out we were being taxed without representation. We set forth one protest after another, until at last our patience was exhausted and we revolted against the unfair treatment accorded us by the British.

Behold the Filipino. We have driven him away from us through kindness. We have protected his lands, his industry, his political rights. We have turned over to him the internal affairs of his own country. We have left our own nationals residing in his land without representation. We have permitted discriminations—we are now permitting persecutions—against the American citizens trying to do business in the islands. We have encouraged the Filipino politicians to literally "drive out of the islands" former employees who are citizens of the United States and who went to the islands for the purpose of helping the Filipino "toward independence." These American citizens are discarded as if they were an old, worn-out rag of no further use. The "Japanophiles" of the islands know full well these American citizens would not sit supinely by and watch Japan quietly acquire control of the islands. So they are set aside to come back to the States and seek new opportunities as best they can in this land of the ten million unemployed. Their removal from the islands makes way for more Japanese nationals.

NIPPONESE INFLUENCE

Some years ago Commissioner Pedro Guevera, who represented his people on the floor of this House, made the keen observation:

Only a blind man can fail to see that Japan desires to dominate the Philippines, with their undeveloped resources and strategic location. First will come Japanese economic investment, then immigration, finally political rule.

Some months ago President Quezon greatly embarrassed the State Department through a visit which he made to Tokyo. While there he was entertained by the great and the near great of the Japanese Empire, including the Premier

and the Foreign Minister. Following his visit to Japan and after his return to Manila, it is reported he released a statement to the effect that the Japanese foreign officials had indicated to him they would sign a treaty observing the neutrality of the islands if the Filipinos gained their independence. I submit the question: Could the Philippines maintain independence even if it was granted to them?

TREATY SIGNATORIES

Let us assume, for debating purposes, that the thoughts carried out in section 11 of the act with reference to a neutrality agreement is consummated. What powers will be called upon to sign the agreement? Certainly, as the world is now organized, Great Britain, France, the Netherlands, Japan, and the United States would be the minimum countries required. A neutrality agreement under the status quo without the signatures of these present world powers would, indeed, be of little consequence. Now, if the United States does not propose to make its Army and Navy and general offensive machinery effective in the Philippines in behalf of protection for the Filipinos before or after independence, I submit to you the question: What force and effect would the signature of the United States have on such an agreement? If Great Britain continues the policy which it has consistently followed in recent years wherein Great Britain has, through inaction, opened wide the gates to China, permitting Japan to aggressively dominate and control the affairs of the Chinese people, I ask, What effect would the signature of Great Britain have? If Great Britain will not use her naval and military strength in protecting Hong Kong and British interests throughout China, and particularly Canton and the British railroad operating between Canton and Hong Kong, what will happen to the flow of trade from south China, which has for so many decades been under the absolute control of the British Empire?

If Great Britain is thus so supine and, through inaction, forfeits all her interest in south China, including Hong Kong, wherein would the Philippines obtain any particular comfort out of the signature of Great Britain to such a neutrality treaty? Insofar as the Netherlands are concerned, with the rapid progress Japan is now making in her direction toward the East Indies, her signature would be of small consequence. The public statements that have been made from time to time by high-ranking Japanese officials with reference to their plans and aspirations toward the Dutch possessions are significant. Having in mind the relative power of Japan in the far eastern military and naval zone which Japan, as shown by the debate on this bill, does exercise in the Far East, I ask you what comfort the Philippines can obtain from the signature of the Netherlands on a neutrality treaty?

This brings us to the signature of Japan on such a treaty. In this regard I do not propose to insult the intelligence by asking you what would be the position of Japan. That has been answered by Commissioner Pedro Quevera in a most definite manner. I emphatically say that Japan would, under a neutrality agreement, form and execute the policies under which the Filipinos would operate. Japan could, in a most unusual manner, continue the operation of the Philippine Government very similar to that now in existence, closely following the provisions of the present Constitution of the Philippine Commonwealth, permit the Philippine flag to fly over the islands, and at the same time maintain complete control over Philippine external affairs and dominate in every detail her internal affairs. Japan has a way of doing such things, and one only needs to refer to Japan's most successful demonstration and operation of the affairs of Manchukuo. With a few Japanese experts located within the islands and in constant touch with the foreign office at Tokyo, the entire operation could be carried on in the efficient, quiet, and successful manner in which Japan excels all other nations.

Certain Philippine officials now holding office and other high-ranking Filipinos who hold within their hands the industrial, financial, and economic powers of the islands will be glad indeed to go along with their brother orientals, the Japanese, and furnish within the Philippine Islands the

necessary leadership and provide the way for the social and cultural relations for the two countries to become more closely connected in every way. Past and current developments in the Philippines are sufficient proof to any open-minded student that this program is now operating in an amazing manner. The Philippine Society of Japan, the exchange of professors by the two countries, mutual arrangements with reference to exchanges of cultural facilities, the intense manner in which Philippine citizens are now taking up the serious study of the Japanese language, and the operations being carried on in the city of Manila, all go in a direction the net result of which will be to impress the Philippines with the great strength and friendliness of the Empire of the Rising Sun. Throughout the islands it is now an easy matter to mark the "Japanophiles," who not only favor but preach the complete overlordship of Japan of the affairs of the Philippines.

One only needs to walk through the streets of Manila and observe the gaudy bazaars, novelty shops, and general atmosphere which has been created through the establishment in recent months and years in Manila of the retail outlets for Japanese-manufactured goods.

On page 28 of the Joint Preparatory Committee on Philippine Affairs report, which has just been released, it will be found that in 1936 the people of the United States purchased 79 percent of the total exports and in 1937, 80 percent of the total exports of the Philippine Islands. On the other hand, it will be found on page 30 of the same report, that in 1936 the Filipinos purchased from the United States only 61 percent of the imports and in 1937 only 58 percent. The Filipinos are rapidly shifting their purchasing of supplies from the United States to Japan. Out of 80 percent of the dollars which constitute the purchasing power of the Philippines, flowing from the United States, a great amount moves directly to the Japanese factories and shops through the Philippine Islands conduit. As an illustration, we sell to the Filipinos only 38 percent of the wheat flour; 26 percent of the dairy products; 36 percent of the silk, rayon, and manufactures; 30 percent of the fish and fish products; 48 percent of the meat products and 31 percent of the glass and glassware. Startling as it may appear to those from the southern cotton States while we sit here today with 11,000,000 bales of cotton bulging the side walls of Commodity Credit Corporation, the Filipinos in 1937 purchased only 44 percent of their cotton goods from the United States. While other startling evidence could be submitted, is it necessary to go any further in establishing the fact that Japan is rapidly acquiring control of the internal and external affairs of the Philippines?

JAPANESE INSTRUCTION

Recently, in speaking before a group at the University of the Philippines, the Japanese consul general at Manila said:

In all probability, the American trade with the Philippines will gradually sink as the time for independence approaches, and Japanese-Philippine trade will correspondingly increase. The Philippines have the raw materials that Japan needs while Japan could easily supply the greater bulk of the needed industrial goods at prices very much lower than those obtainable in other countries. In dealing with a matter which may affect future relations with foreign countries, especially with the oriental countries, you must take the utmost care to prevent any possible misunderstanding.

Again in 1934 the consul general declared:

The Philippines should not at this time when independence is coming, try to antagonize Japanese feeling.

The penetration of Japan into the affairs of the Philippine Islands is today as persistent as any aggressive nation has ever carried on in a peaceful manner in the history of the world. From every standpoint, there is substantial evidence to support the contention that the Philippine officials are afraid to resist the penetration on the one hand, and other Philippine officials welcome the penetration, and still others go out and assist the Japanese in every way possible. In support of this last statement, one only needs to delve into the facts surrounding the building up and the acquisitions of the Japanese colony in the port of Davao in the island of Mindanao. There it can be observed how the Japanese are furnishing manpower, financing capital, banks,

schools, importing houses, exporting houses, cultural leadership, and, in addition, it is no job at all to establish the fact that the entire operations of that section of the islands are rapidly falling under the complete power and domination of Japanese influence directed from the foreign office at Tokyo. While Davao is the back door of the Philippine Islands, it is the front door to the richest island in the entire group. Industrially, agriculturally, from the standpoint of geographical climate, unoccupied space, and vast stores of natural resources, it is indeed heaven on earth to the Japanese as they move from the cold, crowded areas in Japan proper, with its destructive climate, into the sunshine and perpetual June atmosphere of Mindanao. It is not unreasonable to say that in this area the Japanese are now operating an independent state. The Filipinos as lawyers, as shopkeepers, as homesteaders, are working hand in glove, side by side, cheek to cheek, with the Japanese in their illegal acquisition of titles to Philippine land, all in direct violation of the public-domain laws of the islands, with full knowledge of the developments on file in the public-lands office at Manila, and, as a matter of fact, the President of the Philippine Commonwealth has impliedly sanctioned the entire operations of the Japanese. Davao is the first independent state to be set up in the Philippine Islands by Japan, and others are to follow. Japan does not wait the departure of the United States; she now moves in.

Now, what has all this to do with the bill under discussion today and the first move toward the fortification of the island of Guam? The situation shapes up about as follows: The independence act is now law. With grace, we could not now go to the Filipinos and withdraw that promise made to them with all of its implications and build-up over the past 40 years. The Filipinos could come to us and ask for and demand dominion status. Could we then deny it to them? If Japan continues her aggressive program in the Far East and it became necessary, in our judgment, to go along with England in the Far East and with England and France in a general way; and if England and France pressed us to remain in the Philippines with the Filipinos demanding dominion status instead of independence, what do you think we would do about the matter? You know exactly what we would do. We would go along with England and remain in the Far East with all of the responsibility it would incur.

FILIPINOS MAY CHOOSE TO TRAVEL WITH JAPAN

But Mr. Chairman, instead of accepting independence as defined in the 1934 act, with all of its hazards and burdens, together with the neutrality agreement, the Filipinos may, on their own accord, prefer and choose to go along with Japan. Such a choice would put the United States on the spot in the event world developments in the meantime lead us to where we desire to go along with Britain and France. The Gallup poll published this very day and in its way reflecting the fleeting surface opinion of our people, is significant in this respect. Through our alinement with the British Empire in the Far East we might on the one hand defer actual combat with Japan for decades. Through such an alinement we might even bring about a situation wherein Japan would be unable to completely dominate the Chinese Republic, southern China, and the Hong Kong area. In the absence of protests on our part, the Filipinos can very nicely go along with Japan and continue the present Japanese peaceful penetration of all the islands. With our people now thoroughly determined to get out of the islands, on what grounds would we protest the economic, agricultural, industrial, and social invasion of the islands by Japan? My contention is that we will not protest so long as both England and the United States and France follow the present procedure in letting Japan have her own way.

With the Filipinos choosing to go along with Japan and at the same time insisting upon our granting to them independence, as set forth in the act—plus such favorable modifications as may be made to the Filipinos between now and July 4, 1946; my contention is that the United States will not repeal the 1934 act. That then would leave the Filipinos their independence of American supervision. But their independence would be modified by such restraints, domination,

and control politically and economically, as their alliance with Japan might involve. Should this be the course followed by the Filipinos and the United States, then I submit that we should not be involved in the partial or complete fortification of Guam. It is my opinion at this particular moment, based on the developments of the hour, that the Filipinos will choose this last-mentioned course. For this reason, I am opposed to our including in this bill this item of \$5,000,000 for Guam. The uncertain course of world events may take a direction long before 1946 that will entirely change the situation. In that event I, as a Member of Congress and as a private citizen, reserve my opinion as to what my position will be based on the new developments at some future date. The Filipinos now control the general situation and we must await developments.

The Clerk read as follows:

SEC. 3. Whenever deemed by him to be advantageous to the national defense, the Secretary of the Navy is hereby authorized to employ, by contract or otherwise, outside architectural or engineering corporations, firms, or individuals for the production and delivery of the designs, plans, drawings, and specifications required for the accomplishment of any naval public works or utilities project without reference to the Classification Act of 1923 (42 Stat. 1488), as amended (5 U. S. C., ch. 13), or to section 3709 of the Revised Statutes of the United States (41 U. S. C. 5). In no case shall the fee paid for any service authorized by this section exceed 6 percent of the estimated cost, as determined by the Secretary of the Navy, of the project to which such fee is applicable.

SEC. 4. (a) To enable the Secretary of the Navy to accomplish without delay or excessive cost those public-works projects authorized by this act to be located outside the continental limits of the United States, he is hereby authorized to enter into contracts upon a cost-plus-a-fixed-fee basis after such negotiations as he may authorize and approve and without advertising for proposals with reference thereto. Approval by the President shall be necessary to the validity of any contract entered into under authority of this section. The fixed fee to be paid the contractor as a result of any contract entered into under authority of this section shall be determined at or before the time such contract is made, and shall be set forth in such contract. Such fee shall not exceed 10 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of the Navy. Changes in the amount of the fee shall be made only upon material changes in the scope of the work concerned as determined by the Secretary of the Navy whose determination shall be conclusive.

(b) Negotiations under this section shall be between the Secretary of the Navy, or a duly authorized representative, and three or more reputable and qualified contracting individuals, firms, or corporations regularly engaged in work of comparable magnitude and class to that contemplated by the negotiations, as determined by the Secretary of the Navy, and contracts may be made with any such individual, firm, or corporation, or with any two or more of them jointly, upon such terms and conditions as the Secretary of the Navy may determine to be fair and equitable and in the interests of the national defense. For each contract entered into under authority of this section the Secretary of the Navy may detail a naval officer to duty, without additional compensation, as an executive representative of the contracting officer. The contract shall provide that the officer so detailed shall have the right to attend any meetings of the board of directors or other executive or administrative board or committee of any corporation, partnership, firm, or syndicate which is or may become a party thereto for the purpose of submitting propositions, propounding questions, and receiving information relative to any matter within the purview of the contract with the intent and for the purpose of safeguarding the interests of the United States, coordinating efforts, and promoting mutually beneficial relationships, and making decisions within the scope of his delegated authority and not in conflict with any provision of the contract.

(c) In any project the contract for which is negotiated under authority of this section, the Secretary of the Navy may waive the requirement of a performance and a payment bond and may accept materials required for any such project at such place or places as he may deem necessary to minimize insurance costs.

(d) Any contract negotiated under this section may, in the discretion of the Secretary of the Navy, contain provisions under which any loss of or major damage to the plant, materials, or supplies of any contractor, not due to his negligence or fault or to the negligence or fault of his agents or servants, while the same is necessarily in transit upon or lying in the open sea for the purposes of the contract, will be investigated by a board of naval officers appointed for the purpose and reported to the Secretary of the Navy, who will transmit to the Congress the findings of fact and his recommendations in the premises.

(e) The Secretary of the Navy shall report annually to the Congress all contracts entered into under authority of this section, including the names of the contractors and copies of the contracts concerned, together with the amounts thereof.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 5, line 22, after the word "Navy", strike out the word "certain" and insert "contain."

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. The act of June 14, 1934 (48 Stat. 957), after the enacting clause, is hereby amended to read as follows:

"That the Secretary of the Navy be, and he hereby is, authorized to acquire, by purchase or condemnation, additional lands adjacent to the Hampton Roads Naval Operating Base, Norfolk, Va., such lands lying north of the Virginian Railway and west of Granby Street. The sum of \$500,000 authorized by section 1 of the bill H. R. 4278, as enacted, for the acquisition of land at or in the vicinity of Norfolk, Va., shall be available for the purposes of this act."

Mr. KLEBERG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this occasion to state that I take it to be a sound conclusion that the Congress of the United States and the people of this country have a right to voice and express apprehension concerning the safety of their most priceless heritage, as a matter of inalienable fact and supported by history, ancient and recent. A matter has come to my attention during this debate which I feel should be called to the attention of the Congress and to the country.

In the heated debate over the provisions of this bill concerning the development of harbor facilities adjacent to the island of Guam, one thing has been overlooked and that thing happens to be a matter which I consider of vital importance. The people of a country such as ours have throughout history maintained a position staunchly opposing aggressions of any sort, foreign involvement of any character, but at the same time have never weakened in sustaining their definite rights and in sustaining a respectable posture in the eyes of the world.

Failure on this occasion to take action in accordance with the study and survey made by this committee, and report of naval experts in connection with the item of the bill which refers to Guam, would, in my candid opinion, be tantamount to a reversal of the historic maintenance of a posture demanding respect from all the world in the performance of our duty as we see it. China recently gives evidence of a failure to maintain such posture. What has gone on there is definite evidence of the correctness of my statement this evening that for the Congress of the United States to fail to go ahead with a reasonable performance of the necessary functions concerning one of our possessions, such as is contained in the provision concerning Guam, would be to blazon to the rest of the world that the United States is afraid, and because of fear would be reticent to carry on.

Mr. Chairman, I yield back the balance of my time.

Mr. VINSON of Georgia. 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. WHITTINGTON, 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. 4278) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ELLIOTT, indefinitely, on account of illness.

To Mr. BOYKIN (at the request of Mr. GRANT), for 1 week, on account of important business.

To Mr. HARTLEY (at the request of Mr. JEFFRIES), indefinitely, on account of illness.

To Mr. WOODRUFF of Michigan (at the request of Mr. MAPES), indefinitely, on account of illness.

EXTENSION OF REMARKS

Mr. SPARKMAN, Mr. HAWKS, Mr. MARCANTONIO, and Mr. SHANLEY asked and were given permission to revise and extend their own remarks in the Record.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend in the RECORD the remarks I made today in the Committee of the Whole and to include therein some brief excerpts.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks on the bill (H. R. 4278) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

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

There was no objection.

Mr. D'ALESSANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered at the Washington Monument at Baltimore, Md.

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

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement I made before the Committee on Ways and Means on the bill H. R. 2.

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

There was no objection.

The SPEAKER. Under special order of the House heretofore made, the gentleman from Washington [Mr. HILL] is recognized for 15 minutes.

THE STATE OF WASHINGTON

Mr. HILL. Mr. Speaker, today we commemorate the birth of George Washington, the Father of His Country and the first President of the United States. In doing this, we not only honor that distinguished American but also pledge anew our faith and loyalty to the Government which he was so influential in founding. This Government has weathered the many fierce storms of the past 150 years and has proven thus far to be the best for the common good on the face of the earth. May its services be extended so as to reach the humblest of its citizens and achieve the purposes so clearly and splendidly expressed in the preamble of our Constitution. May it be the steadfast aim of all who have the privilege of serving as officials in this Government to promote the general welfare, to attain the greatest good to the greatest number.

This day we of the State in the far northwest corner of these United States celebrate another anniversary. Fifty years ago today on February 22, 1889, Congress passed an enabling act providing for statehood for the only State in the Union to bear the distinguished name of Washington. Originally a part of the expansive and historic Oregon Territory, it was first named Columbia. In the enabling act, because of the date and the great American whose birth it commemorated, the name was changed to Washington. So 50 years ago it was christened, and on the following November 11 it was admitted into the sisterhood of States. With becoming modesty and an unassuming grace she has been growing into young womanhood almost unnoticed by her older sisters while some of her younger sisters by their sprightly forwardness and youthful gaiety have temporarily held the spotlight. Laughingly we have been chided: "We know of only one Washington, and that is Washington, D. C." We respectfully but confidently reply that Washington State is just entering upon the stage and making her debut. This year is her golden jubilee, and as States go, this is "sweet 16." In the next 150 years she will take the stage, and then let her splendid sisters look to their laurels.

Many of us who love our State so fondly were not privileged to be born there—we went there from the Middle West, the East, the South, just as soon as we learned of her beauty and opportunities. Now we are as loyal as any native sons and daughters. The slogan is splendidly true: Once a westerner, always a westerner. We are proud of our State; we

are proud of our great Northwest; we are proud, too, of our grand country—the United States—of which we are a part. We need only take one look at Europe and Asia to fervently thank Almighty God that we live in these United States of America.

The State of Washington! The land where there are no hurricanes, no tornadoes, no destructive earthquakes. Where there are no sudden extremes of heat and cold, no sweltering days of spring and summer; where the climate is not only conducive to health and longevity but exhilarates one to action and success. Washington State! Where the scenery of its majestic mountains rival the Canadian Rockies and the Swiss Alps; whose snowcapped peaks, clad in eternal ermine, are kissed by the first rosy gleams of the morning sunrise and are fondly carressed by the last lingering rays of the sun as it slowly sinks in the Golden West. Washington State! Where the crystal clear mountain streams come sparkling and rippling down over their rocky beds to gladden the hearts of both fishermen and campers as the laughter and singing of Mother Nature alone can do. Washington State! Where the broad rivers, the lakes, Puget Sound, and the limitless ocean abound with trout, salmon, and countless varieties of the finny tribe. A State ranking among the first in the production of fish, with an annual catch of over 90,000,000 pounds. Washington State! Where on the Olympic Peninsula we have the largest stand of timber in the United States—Douglas fir, spruce, and hemlock—stately evergreens that reach up into the limitless blue sky. With bowed head one stands before these magnificent monarchs and repeats Joyce Kilmer's verse:

Poems are made by fools like me,
But only God can make a tree.

And in a commercial way our State ranks first in lumbering. Washington State! Where the orchards of the Yakima Valley and Wenatchee are a panorama of perfumed blossoms in April and a rosy harvest of fruit in September. Our State produces one-third of the commercial apples of the United States. Washington State! Where the hills of Walla Walla and the Palouse country are green with grain in the springtime and a golden sea of waving wheat at autumn time. We produce a crop worth more than \$39,000,000 of wheat annually. Washington State! Whose surface has scarcely been scratched for the wonderful wealth of minerals and other natural resources. Magnesite is one of the coming minerals of this modern age when airplanes are coming into their own. We have almost limitless deposits of magnesite in north-eastern Washington from which magnesium is manufactured. I have here in my hand two pieces of metal of the same size—one of steel three and one-half times as heavy as this one of magnesium which in turn is 13 times as strong as the steel—a very vital element in the construction of aircraft.

Washington State! Where we have wonderful highways, as those of you who have traveled over them can attest to, and they have been built on the pay-as-you-go policy. Washington State! Where dairying flourishes on the west side and contented cows furnish Carnation cream and better butter for the home table. Washington State! Where the raising of poultry has become a leading agricultural vocation, and the prices of poultry products are reasonably controlled by an extensive egg cooperative. Washington State! Which possesses 20 percent, or one-fifth, of the potential water power of the United States—the white giant of this modern age, generated from the perpetual source of the mountain torrents as they rush on their mad way to the ocean now harnessed to serve in innumerable ways; to develop our manifold natural resources; to turn the wheels of coming industries; to furnish light and heat and comfort in the homes of the farmers and laborers as well as the bankers and merchants; to transform transportation from slow and sooty passenger trains to a quick and clean method of travel. Electricity is as necessary to modern life as are sunshine, air, and water. Bonneville, Roza, and Coulee Dams—the greatest undertaking ever attempted by the hand of man—will bring decency, comfort, and contentment into the homes and lives of those now in the State of Washington and millions yet to come there.

These mighty dams will also store water for the thousands of acres of fertile land which now lies idle for the lack of water. In the West water is king; and when irrigation gives it to the thirsty soil the barren waste is made to blossom like the rose, and hundreds of thousands of homes will be made available for the millions who will eventually follow Horace Greeley's advice, "Go west, young man, go west." Upon the placid bosoms of these broad rivers of the near future will be transported the products of the factory and field to the boundless Pacific to be carried to the teeming millions of the Orient, our future customers when the war lords have been put aside like little tin soldiers and the common men and women of the East and West shall fully realize the futility of war and shall be the real rulers in the lands in which they live. And right here, since we are today considering the Navy bill, I want to enter my vigorous protest against the fortification of Guam—fifty-five hundred miles from our shores. It is said that it is not fortification. "A rose with another name is still a rose."

It has ever been my contention that it was a grave mistake for the United States to have adopted the imperialistic policy of acquiring the Philippines. Ever since their acquisition they have been a white elephant on our hands. We of the Yakima Valley who have a very serious Filipino problem in that section realize this in a special way. Now that the United States is abandoning this imperialistic policy and giving the Philippines back to the Filipinos, let us go the whole way and abandon Guam also. We have no business there in a military sense or for defense. Let the Hawaiian Islands be our western frontier and let us rather use these funds for the development in Pearl Harbor.

Now, back to the State of Washington, where education is held in high esteem, where illiteracy is less than 1 percent, and where the public-school system ranks among the foremost in the United States.

Washington State! The land visioned by Thomas Jefferson, explored by Lewis and Clark, pioneered by Dr. and Mrs. Whitman, the Spauldings, Ezra Meeker, and thousands of other men and women ready for adventure and who were not afraid to try something new—they with their children and children's children building a State worthy of their loyalty and best efforts and to which even today thousands are coming seeking homes and opportunities for success and happiness and contentment. A State where a man's a man and a woman's a woman because of character, integrity, and industry alone. A State peopled by men and women who are sanely progressive, clinging fast to that which is good of the old—not afraid to venture into that which is good of the new—looking with reverence to the historic past but reaching with eager hearts and minds to the unfolding of the living future.

Washington State! The golden jubilee! The State of the golden West, the land of the setting sun, but ever facing the east toward the dawn of the new day where the ideas and ideals of true democracy shall prevail, the land which beckons to you of the Middle West, the South, the East, to come and live in this workshop, bread basket, and homeland of the United States. [Applause.]

The SPEAKER pro tempore (Mr. JOHNSON of Oklahoma). Under a special order of the House heretofore made, the gentleman from Mississippi [Mr. RANKIN] is recognized for 25 minutes.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein certain tables I have prepared.

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

There was no objection.

ADEQUATE DEFENSE FOR THE NATION'S CAPITAL AND FULL PROTECTION FOR THE POWER CONSUMERS IN THE DISTRICT OF COLUMBIA

Mr. RANKIN. Mr. Speaker, our program of national defense will simply be a joke, a farce, and a failure, if we leave the Nation's Capital without adequate protection.

We had a bitter experience in the War of 1812 when a ruthless enemy invaded this city and burned both the White House and the Capitol.

That must not occur again!

We are told that one of the most essential elements of national defense now is an adequate supply of electric power—which can be easily supplied here from the waters of the Potomac River that are now going to waste, while our electric supply is inadequate, and it, or the material from which it is produced, is brought in over lines of communication that in case of war would be exposed to attack. If those lines should be severed in time of an emergency, Washington might experience another humiliating disaster such as that of 1814.

Besides, this city and the surrounding country need protection from the disastrous floods such as they have experienced in recent years, and the electric consumers of the area need relief from the exorbitant rates they are now compelled to pay for electric lights and power.

I have introduced a bill, H. R. 2749, setting up a Potomac Valley Authority. Such an authority is a national necessity from the standpoint of national defense as well as that of flood control, and the establishment of a fair yardstick for the protection of the electric-rate payer.

I will briefly refer to the first two items and will cover them more in detail at a later time. My principal remarks today will cover the immediate application of the electric yardstick in the District of Columbia.

The National Capital is the center of our national life, as well as the key point in any defense program. Everything radiates from Washington. The strategic gun and supply factories are located in and around this city, and electric power is the basic element in any defense-supply program. Under a power shortage any such program will fail. During the World War an inadequate power supply crippled preparations and delayed supplies. The bill that I have introduced will augment the inadequate power supply now available to the National Capital, control floods, and improve navigation on the Potomac River, and furnish an adequate supply of electric energy at reasonable rates.

The construction of an airport to be located at Gravelly Point has been started with P. W. A. funds. I understand that in the construction of this airport an earth fill averaging 20 feet in height is contemplated. Such a fill, costing some two and a half million dollars, has been suggested in order to raise the field above the elevation of the highest flood crest. Flood crests can be eliminated with multi-purpose dams, and this airport construction can be decreased in cost nearly a million dollars by taking these facts into consideration.

The rate regulation for electric light and power, as now practiced in the United States, is an ineffective and obsolete method of protecting the rate payer. What is needed is a fair, honest yardstick to enable the electric consumers to judge for themselves the true cost of electricity. It is their inalienable right to have such information; it is our duty to furnish them such protection. When this information is available and is thoroughly understood, the people will be able to act for their own protection, and we, as their representatives, will be able to act for them.

The American rate payer should have an example of such a fair and equitable rate structure in his National Capital. This is easily possible, as I will demonstrate from the official earning and operating statements of the Potomac Electric Power Co., which serves, or is served by, the people of the District and its environs. The evidence which I shall present has been secured from the official figures of the Federal Power Commission, the Securities and Exchange Commission, and the Utility Commission of the District of Columbia. I have the base data from these official sources to back up every statement I shall make.

During the recent T. V. A. congressional hearings the paid representative of the Power Trust held up the Potomac Electric Power Co. as an outstanding example of a "lily white"

private power organization with low consumer rates. In view of such statements, I propose to discuss this company's earnings, financial structures, rates, and pertinent transactions for the benefit of my colleagues and the information of the American public.

ANNUAL PROFIT OF 75 PERCENT

The Potomac Electric Power Co. is now operating under a sliding-scale rate plan, made effective supposedly under congressional sanction by a consent decree entered by the Supreme Court of the District of Columbia on December 31, 1924. In my study of this problem I have come to the conclusion, as I will hereafter point out, that the application of the consent decree represents a violation of the intent of the statute.

From the operating statements of the power company filed with the Utility Commission of the District, I have prepared a tabulation of the rate index and the net amount available for dividends on both preferred and common stock, after deducting every item of expense, including taxes and depreciation. This I submit as table 1. This table which I present is very illuminating, and I trust that everyone interested in the rate problem will study it. Read and reread it carefully, for it tells a tale that is sufficient to "harrow up the soul" of the average electric consumer throughout the country who pays an electric bill every month that carries an overcharge ranging from 50 to 500 percent.

TABLE 1.—Stock earnings, Potomac Electric Power Co., compared with rate index

BEFORE CONSENT DECREE, REPRESENTATIVE YEARS							
Calendar year	Top residential rate index, cents per kilowatt hour	Amount available for dividends	Amount preferred stock outstanding	Amount paid on preferred stock	Amount common stock outstanding	Amount available for common-stock dividend	Percent earned, common stock
1	2	3	4	5	6	7	8
1914.....	10	\$617,425	\$250,000	\$25,000	\$5,750,000	\$592,425	10.3
1915.....	10	666,942	250,000	27,500	5,750,000	639,442	11.1
1918.....	10	568,780	250,000	27,500	5,750,000	541,280	11.0
1920.....	10	532,818	250,000	20,000	5,750,000	512,818	8.0
1923.....	10	1,020,896	250,000	25,000	5,750,000	1,004,896	17.5
AFTER CONSENT DECREE							
1925.....	7.5	\$2,295,724	\$2,000,000	(1)	\$6,000,000	\$2,295,724	38.3
1926.....	7.0	2,598,117	2,000,000	\$106,128	6,000,000	2,491,989	41.5
1927.....	6.25	2,932,162	7,000,000	248,702	6,000,000	2,683,465	44.7
1928.....	5.9	3,699,677	7,000,000	392,030	6,000,000	3,307,647	55.1
1929.....	5.2	4,120,136	7,000,000	394,917	6,000,000	3,725,219	62.1
1930.....	4.7	4,471,725	7,000,000	394,911	6,000,000	4,076,804	68.0
1931.....	4.2	4,471,725	7,000,000	394,970	6,000,000	3,872,704	64.6
1932.....	3.9	4,267,674	7,000,000	395,045	6,000,000	3,746,959	62.4
1933.....	3.9	4,142,004	7,000,000	395,044	6,000,000	3,619,120	60.4
1934.....	3.9	3,598,793	7,000,000	395,045	6,000,000	3,203,748	53.5
1935.....	3.9	3,607,267	7,000,000	395,044	6,000,000	3,212,223	53.5
1936.....	3.9	4,246,041	7,000,000	395,045	6,000,000	3,850,986	64.4
1937.....	3.9	4,886,974	7,000,000	395,044	6,000,000	4,491,930	74.9

¹ No dividend paid on preferred in 1925 as new issue put out at end of year. Columns 3 to 7, inclusive, taken from reports, Public Utilities Commission, District of Columbia.

² Reductions given in each year by reducing bottom steps of rate from 3 cents to 2, 1.5, and intermediate steps from 3.8 cents to 3.6 cents, 3.3, 2.0, 1.9, and 1.5 cents, respectively.

From this table it will be noted that as the rate charged the ultimate consumer decreases the net earnings of the common-stock holder increases. These figures demonstrate, beyond question, that it is good business to reduce rates. When the rate payers of Washington were charged 10 cents per kilowatt-hour on the first step of the residential rate the power company earned around 10 percent on the common stock. In 1937, with a 3.9-percent top rate, the company earned practically 75 percent on its common stock. In 1931, almost at the extreme depth of the depression, because of excess earnings, the rate of return was dropped by the Commission, and in each succeeding year under the operation of the plan there was a further rate reduction. Under this series of double-rate reductions full earnings for the common-share holder were recovered in about 4 years. In 1936 the consent decree was again revised. Under better business conditions full recovery was not only made in a year but the common-stock earnings increased from 64.4 to 74.9 percent, at the rate payers' expense.

The local power company operates wholly through congressional sanctions. These sanctions when combined with the consent decree operate to give the few real ultimate owners of the common stock a guaranteed earning power of 60 to 75 percent annually.

When these facts are known, how can Congress justify such extortionate earnings! How can Congress explain to the hard-pressed American farmer that through its sanction it allows such an abnormally high earning rate! How can Congress vindicate such a guaranteed earning power when so many of our people cannot even make ends meet! Why is this permitted to continue! What is the reason! There evidently is one! Congress should investigate and then act!

The excess annual earnings of the local power company over a 10-percent dividend rate amounts to \$3,891,930, as I shall hereafter demonstrate. Placing the T. V. A. yardstick rates into effect in Washington will cost \$3,735,400 for the first year, \$256,530 less than the excess earnings of the company. With the lowering of rates the consumption will increase in the succeeding periods, and the amount of the rate reduction will be recovered in a comparatively short time. Table I, which I have presented, bears out the experience of 13 years.

WHO OWNS THE COMPANY?

The Potomac Electric Power Co. is controlled through a 100-percent voting-stock ownership by a holding company, namely, the Washington Railway & Electric Co. This latter company is controlled by the North American Holding Co. through 50.02 percent voting-stock ownership. The North American Co. is in turn controlled by another superimposed holding company, the Central States Electric Corporation. On top of this elevated holding company the control is vested in an individual, Mr. Harrison Williams, frequently noted in the press as the owner of the world's largest yacht.

The Capital Transit Co. is also controlled by the North American Co. through the ownership of 50 percent of its stock by the Washington Railway & Electric Co. and partly through ownership or control of 3,012 shares of the transportation company's stock. These two sets of stock ownership give the North American Co. 51.2 percent control. This same interlocked company also controls the Montgomery Bus Lines, Inc.; Washington & Glen Echo Railway Co.; Glen Echo Park Co.; and the Washington & Rockville Railway Co. Thus we see one man controlling the electric and transportation facilities of the District of Columbia. Mr. Williams' personal control is exercised by holding 51 percent of the stock of the superimposed holding company, namely, the Central States Electric Co.

THE OWNER'S RECORD

In the spring of 1937 Mr. Harrison Williams, controlling officer of the North American group, testified before the Securities and Exchange Commission during the investment trust study of his superholding company, the Central States Electric Corporation. From the record proceedings of the testimony in this case, Securities and Exchange Commission File 39-91-1-1, I have taken some pertinent facts for the information of my colleagues.

On page 12321 of this record, it was brought out that Mr. Williams' original investment in the common stock of the Central States Corporation amounted to \$2,072,000. Of this amount, Mr. Williams borrowed for investment purposes a half million dollars from the Guaranty Trust Co. of New York City. Thus we see that his original investment was a trifle over one and a half million dollars. On August 30, 1929, this original investment of Mr. Williams had an estimated market value of \$612,000,000. From May 19, 1924, to December 1929 the North American Securities Corporation, which was controlled 100 percent by Mr. Williams, pegged the price of the North American stock by the purchase of \$131,000,000 of North American common stock which the Securities Co. in turn sold widely throughout the United States to unsuspecting investors.

The market value of the Central States stock as of August 30, 1929, amounted to \$680,000,000, with stated assets valued

at two hundred sixty million. The Central States stock, through manipulation, was advanced from \$10.50 a share to \$5,600 a share during the period 1922 to 1929.

After the stock-market break in the fall of 1929, Mr. Williams disposed of enough of his original investment of \$2,027,000 in the common stock of the Central States Corporation to realize \$27,200,000 in cash and kept, in addition, 51 percent stock control of this superimposed holding company, which controls or influences the management of private utilities with stated assets of nearly \$3,000,000,000.

This testimony, covered in pages 12321 to 12480 of the S. E. C. record, shows that Mr. Williams, through manipulation, obtained control of electric utilities aggregating \$3,000,000,000 on an actual cash investment of a little over one and a half million dollars. He came out of the crash in great shape. However, the fate of the investing public presents a different story—since they lost two-thirds of their investments. Some Members may answer this sordid record by stating that it occurred before the 1929 crash. I want to point out, however, that very recent manipulations, which I will later cover, are just as black.

RATE LITIGATION

On March 3, 1913, the act creating the Public Utilities Commission of the District of Columbia was passed. Following the passage of this act, the Utilities Commission of the District of Columbia was created and organized to carry out the regulatory provisions of this law. Previous to the Utility Act of 1913, Congress had set a limitation on the charge price for electric current in the act of March 1899. The 1899 act established a rate of 10 cents per kilowatt-hour with a delayed payment charge of 1 cent per kilowatt-hour, if the bills were not paid within 10 days of the billing date. The maximum price charged by the company prior to the act of 1899 was 15 cents per kilowatt-hour.

In order to carry out the provisions of the 1913 act it was necessary for the Commission to make a valuation of the power company's plant. This valuation was started July 1, 1914, and completed during the month of May 1916. After hearings, the Commission issued a valuation order. The company then filed an injunction suit against the Commission in the District Supreme Court, attacking the valuation. Following the valuation it was then necessary to determine on the rate of return, and hearings on this phase of the subject were started and the return and sale rate orders were issued in July 1917. Under this order the rate of return was set at 7 percent and the maximum residential rate 7½ cents per kilowatt-hour. The company followed the second order with another injunction in the District Supreme Court.

On August 20, 1917, this court allowed the injunction but required the utility to impound the difference in bills under the rates in effect and those ordered from August 1, 1917. On March 2, 1920, Justice Gould of the District Supreme Court upheld the Commission's valuation. The company thereupon appealed the litigation to the District of Columbia Court of Appeals. On this appeal the company was successful in an opinion rendered November 17, 1921. The Commission then appealed the valuation case to the United States Supreme Court but this Court refused to take jurisdiction, in an opinion rendered April 9, 1923. For 9 years the rate payers of the District were denied relief through obstructive litigation.

The decision of April 9, 1923, resulted in the lack of fixed determination as to the rate base and the rate of return. This unsettled legal status made it necessary for the Commission to attempt to settle the controversy by negotiation. These negotiations were in process for 2 years and resulted in the consent decree of December 31, 1924. This consent decree made no attempt to fully comply with the provisions of paragraph 18 of the Utility Act of 1913.

Big business during these years seemed to influence or control Congress and the administration of congressional acts. It was currently reported during that time that Senator Norris' Senate bill No. 746 was pigeonholed in the House District Committee, and it was further reported that the power company spent in excess of \$80,000 for lobbying expenses to secure their objective.

GENESIS OF THE SLIDING SCALE PLAN

The sliding-scale plan was a gas regulatory device evolved in England in the gas-age period from 1841 to 1876. This English plan in its final form enacted by Parliament was modeled after a local plan initiated at Sheffield, England, in 1855. This English sliding-scale plan is an interlocked system of sale price and dividend control. Such a plan grew out of a long extended conflict between the gas consumers and Parliament on one side and the illuminating gas companies on the other.

The early English charters given to the gas companies, which commenced business about 1810, contained no limitation as to the sale price of the product and the permissible company earnings. Parliament passed the first limiting act in the Acrinton statute of 1841, which act set a limit of 10 percent for dividend earnings, with the right reserved to the company to make up earning deficiencies of the lean years during better times.

This act was followed by the Bilston Gas Act of 1846 which set a maximum sale price for gas. This early remedial legislation did not accomplish the purposes intended as competing companies entered the field and dividend arrears accumulated. This competitive condition resulted in statutory exclusive assignment of territory in the Gas Act of 1860. The Parliamentary Investigating Committee of 1859 suggested the inclusion of the Sheffield plan in the 1860 act, but this recommendation was rejected by Parliament due to pressure from the gas companies.

The Metropolis Act of 1860 was so abused by the companies as to become ineffective in protecting the gas consumer, and as a result the feeling against the gas companies in Great Britain became so acute that Parliament in 1866 was forced to settle the regulatory problem or embark Great Britain on a wholesale program of publicly owned competing gas plants. The problem of publicly owned gas plants was before Parliament from 1868 to 1876, and ended with the enactment of the sliding-scale Sheffield principle. The 1876 act set a dividend rate of 10 percent with allowable change in the dividend rate of one-fourth of 1 percent for each 2 cents change in the price of gas. During this long period of struggle between the public and the companies, publicly owned gas plants in the British Isles increased until at the present time about 41 percent of the gas produced in England, Scotland, and Wales is manufactured in public plants. The adoption of the sliding-scale plan settled the gas controversy up to the time gas ceased to be used for lighting and competition with electricity regulated the price.

The first English legislation on electricity was the act of 1882. This Electric Act grew out of the 40 years' experience in the gas struggle. In this act of 1882 public bodies were given the right to purchase private chartered companies at values existing at the time of purchase and without any price addition or the inclusion of goodwill values. In 1931 the franchises of the London Electric Companies expired, giving the city of London the right to purchase. With this right the public held the whip hand. The expiration of the franchises in 1931 initiated an electric struggle which ended in franchise renewal, adoption of the sliding-scale rate and dividend plan, limiting dividends to 7 percent plus an increase dividend bonus depending on the resale rate.

THE TRANSPLANTED PLAN

The Sheffield sliding-scale plan was transferred to America in 1887 at Toronto. The Toronto plan, covering the operations of the Consumers Gas Co., was a successful modification of the English sliding scale. In the Toronto plan a reserve fund of \$1,000,000 was set up by the Canadian Act of 1887. Dividend payments and officials' salaries were charged against this fund. The dividend was set in the Toronto plan at 10 percent. The sale price of gas under this Canadian plan was regulated by the reserve fund, which was kept at the million-dollar level. When the fund fell below this amount, the company was authorized to increase the sale price of gas, and when the fund was over a million dollars the prices were lowered. As a result of this plan in Toronto, gas prices are nearly 25 percent lower on an average than the private companies. The Toronto plan has been a success due to its

simplicity and principally because the operating company has been free from holding-company connections during the entire 90 years of its existence.

As a result of early wholesale company exploitation, the London sliding-scale plan was introduced in Boston, by the Massachusetts legislative act of May 26, 1906. This Massachusetts Sliding Scale Act set the standard sale price at 90 cents per 1,000 cubic feet and the standard dividend at 7 percent on the par value of the outstanding stock. The utilization of the sliding scale in Boston was never a success as the statutory regulation was bypassed, through holding company manipulation, and the creation of separate producing companies, wholesaling to the distributing agencies. The Boston plan was abandoned by legislative enactment in 1926, because of obnoxious manipulation. The sliding-scale plan has also been attempted in Detroit, Memphis, Philadelphia, Houston, and Dallas, but all of these were so markedly different from the English plan as not to be classed as successful.

CONSENT DECREE

The consent decree covering the present rate operations in Washington grew out of the negotiations between the commission and the company during the 2 years prior to December 31, 1924, supposedly based on paragraph 18 of the act of 1913. This section of the 1913 act, in part, is as follows:

That nothing in this section shall be taken to prohibit a public utility, with the consent of the commission, from providing a sliding scale of rates and dividends according to what is commonly known as the Boston sliding scale or other financial device that may be practical and advantageous to the parties interested.

The consent decree was entered and has been accepted to date as complying with the provisions of the act of 1913, but it will be noted from what follows that a sliding scale of rates was provided but reference to dividends was carefully omitted.

If the Washington sliding-scale plan had included dividends as well as rates, the District of Columbia today would be enjoying the T. V. A. yardstick rates.

The consent decree, entered in cases 35336 and 33341, provided:

First. The fair value, used and useful, as of January 1, 1925, including the Maryland properties, was set at \$32,500,000. This figure was compromised in spite of the historical cost of the property on that date, of \$24,400,000 and the further fact that there was only \$21,320,000 of securities outstanding. If we gave the company credit for the balance-sheet surplus on the date of the consent decree, very conservatively the rate payers of the district were "gypped" in the initial set-up by \$7,500,000.

Second. The depreciation reserve as of December 31, 1924, was, in round figures, \$4,000,000. In the consent decree it is stated when the depreciation reserve is below 15 percent of the property value the depreciation rate of 2.3 percent shall be used. When the depreciation reserve is 15 percent of the value but less than 16 percent, a rate of 2.1 percent shall be used. When the reserve is 16 percent but less than 17 percent, 1.9 percent shall be used. A sliding-scale depreciation reserve accrual is continued to 20 percent of the value, when the depreciation rate is 1.3 percent of said value. The annual accretion to the depreciation reserve shall be considered as an operating charge met by the rate payer.

Third. The sale rates shall be based on a return of 7½ percent on the rate base plus the cost of undepreciated additions.

Fourth. If the rates yield more than a 7½-percent return on the rate base, one-half of said excess shall be used in rate reductions, thereby creating a so-called sliding scale of rates under the provisions of paragraph 18 of the act of 1913. Reference to dividends as provided in the act has been omitted. If the rate of return for any one year should amount to \$100,000 over and above 7½ percent on the rate base, then the charged rates in the succeeding year shall be automatically reduced to absorb \$50,000 of such excess during the following year.

Fifth. If the average rate of return for any consecutive 5-year period shall fall below 7½ percent on the rate base, or if the average return for any consecutive 3-year period falls below 7 percent, or if the average return on any consecutive 12-month period falls below 6½ percent on the base, the

Commission shall promptly increase rates so as to yield 7½ percent on the rate base.

Sixth. The impounded fund, as a result of the court decree of August 1917, shall be divided between the consumers and the company and in addition to paying the company's franchise and Federal income taxes. Reverts to consumers shall cease on December 31, 1924.

Seventh. The company agrees to make refunds as promptly as possible.

Eighth. Any amounts due consumers, unclaimed at the end of the prescribed period, shall be considered as income of the company and prorated over a term of 20 years.

It will be noted from the above that all reference to dividends has been omitted from the consent decree and furthermore, the impounded fund which under the court order of August 1917 belonged to the consumers, was divided between the consumers and the company.

On the date of the consent decree the impounded fund amounted to \$6,401,576, and of this amount only \$2,635,067 was actually returned to the rate payer. The company retained \$2,950,788 of this fund and used \$428,996 in paying taxes. The income portion of the fund amounted to \$386,725. Out of the amount of the impounded fund received by the company a cash dividend of 48 percent was paid to the common-share holder, and this totaled \$2,888,000.

CONSENT-DECREE JOKERS

The Creator has so ordained nature that not one of His works has been endowed with perpetual life. In spite of this precept, the consent decree provides an undepreciated rate base.

The insertion of the word "thereafter" in the decree operates to allow the company to retain 100 percent of the excess earnings in the year these earnings accrue. Thereafter the division is 50 percent to the company and 50 percent to the rate payer. A little reflection will show that in operation this results in the company retaining 100 percent of the excess earnings the first year, 50 percent the second year, 25 percent the third year, 12½ percent the fourth year, and continuing for 20 years until the given years' excess is absorbed. This accumulates in each succeeding year. The accumulation of excess earnings from 1925 to 1937 over the rate base return allowed amounted to \$12,921,311. The plan operated to allow the company to retain the full amount of these excess earnings.

The theoretical reduction in rates is based on static conditions and becomes a joker for two reasons:

First. The ever-increasing gross earnings, with rate reductions; and

Second. The customer control of this allocation is in the hands of the company.

In 1930 the company earned 10.7 percent on the rate base. This high rate of return, and the excess accumulation of the reserve funds caused the Commission to enter its order 919 reducing the rate of return to 7 percent. The company again attempted litigation and Congress as a corrective measure passed a bill authorizing the R. A. U. report on a proposed District municipal plant which President Hoover approved.

It will also be noted that in the consent decree, the company is guaranteed a rate of return which results in excessive dividend earnings. The company, by legal "sleight-of-hand manipulation" has placed Congress in the position of guaranteeing an income to give nearly a 75-percent annual earning on their common stocks to a handful of yacht-riding beneficiaries.

The financial effect of the jokers in the so-called Washington sliding-scale plan can be judged by the following:

First. Allowed 89.9 percent of the total rate base to be paid for by consumer in the form of cash for extensions, excess dividends, company taking part of the impounded fund, and arbitrary upping of the initial rate base.

Second. In period 1925 to 1937 gave \$12,921,311 additional earnings over the rate of return on rate base ordered by Commission.

Third. Sum of consent-decree allowances for rate reductions in the 1925-37 period was only \$7,536,437 or an average yearly rate-reduction allowance of \$579,000, or less than

15 percent of the 1937 excess earnings over a 10-percent fair dividend on common stock. This 14-year accumulated consent-decree allowance for rate reductions was divided amongst the different classes of consumers as follows:

Class of service	Total allowance	Average yearly allowance	Average yearly allowance in percent of 1937 excess earnings
Residential consumers.....	\$3,437,398	\$264,000	6.8
Commercial consumer rate.....	294,921	20,400	.5
Commercial consumer rate, E. and L.....	732,258	56,300	1.5
Other commercial consumers.....	2,766,717	213,000	5.5
Street lights.....	503,133	23,300	.6
Miscellaneous.....	32,010	2,470	.06

Four. Allowed building up a retirement reserve of \$14,037,265 in the 13-year period, of which \$9,566,461 was charged to operating expenses and paid for by the rate payer. And \$4,470,804 came from interest charges on fund balance, at 4 percent. Property taken out of service and retired is supposed to be charged against this fund. The 1937 balance sheet shows the amount of the retirement reserve to be \$12,844,177 which would allow the absorption of 64.3 percent of all bonds outstanding.

Five. Allowed building up a surplus of \$31,387,729, which is 44.2 percent of the total balance-sheet value of the plant account.

Six. Allowed investments of \$1,008,713 in stocks and bonds, gave a cash bank balance of \$4,445,074 and permitted loans and notes aggregating \$2,367,834.

This array of money facts certainly shows that the Washington plan was built to fatten the coffers of the common-shareholder rather than give to the rate-paying consumer an equitable share in the excess earnings, as the English sliding-scale plans would have accomplished.

COST OF YARDSTICK

At this point I am inserting table 2, showing typical bill for electric service in the District of Columbia and comparing them with the Tacoma, Wash., and the T. V. A. rates.

TABLE 2.—Typical bills for electric services, Jan. 1, 1938

Class and quantity of service	Bills for—			Washington higher than Tennessee Valley Authority, percent
	Tupelo, Miss.	Tacoma, Wash.	Washington, D. C.	
Residential:				
Minimum bill.....	\$0.75	\$0.50	\$0.75	None
25 kilowatt-hours.....	.75	1.13	.98	30.8
40 kilowatt-hours.....	1.20	1.52	1.56	30
100 kilowatt-hours.....	2.50	2.12	3.10	24
250 kilowatt-hours.....	5.00	3.62	5.65	13
500 kilowatt-hours.....	6.90	6.12	9.40	36
Commercial light:				
Demand 0.75 kilowatt; consumption, 50 kilowatt-hours.....	1.50	1.75	1.90	26.5
Demand 1.5 kilowatts; consumption, 150 kilowatt-hours.....	4.50	4.75	5.20	15.5
Demand 3.0 kilowatts; consumption, 375 kilowatt-hours.....	10.00	10.38	11.13	11.3
Demand 6.0 kilowatts; consumption, 750 kilowatt-hours.....	17.50	17.25	20.50	17.2
Demand 12.0 kilowatts; consumption, 1,500 kilowatt-hours.....	27.50	28.50	39.25	42.8
Commercial power:				
Demand 1.5 kilowatts; consumption, 150 kilowatt-hours.....	4.50	12.33	5.20	15.6
Demand 3.0 kilowatts; consumption, 375 kilowatt-hours.....	10.00	15.03	11.13	11.3
Demand 6.0 kilowatts; consumption, 750 kilowatt-hours.....	17.50	10.05	20.50	17.2
Demand 12.0 kilowatts; consumption, 1,500 kilowatt-hours.....	27.50	120.10	39.25	42.8
Demand 30.0 kilowatts; consumption, 6,000 kilowatt-hours.....	90.00	61.50	144.50	61.0

¹ Schedule E1 does not permit lighting.

TABLE 2.—Typical bills for electric services, Jan. 1, 1938—Continued

Class and quantity of service	Bills for—				Washington higher than Tennessee Valley Authority, percent
	Tupelo, Miss.	Tacoma, Wash.	Washington, D. C.		
			Secondary service ⁴	Primary service ⁵	
Industrial:					
Demand, 75 kw.; consumption, 15,000 kilowatt-hours.....	² \$205	³ \$151	\$356	\$324	58.2
Demand, 75 kw.; consumption, 30,000 kilowatt-hours.....	² 294	² 217	504	459	56.2
Demand, 150 kw.; consumption, 30,000 kilowatt-hours.....	² 370	² 253	608	554	49.5
Demand, 150 kw.; consumption, 60,000 kilowatt-hours.....	² 497	² 344	828	760	56.2
Demand, 300 kw.; consumption, 60,000 kilowatt-hours.....	² 650	² 417	1,004	925	42.5
Demand, 300 kw.; consumption, 120,000 kilowatt-hours.....	² 864	² 597	1,382	1,285	48.5
Demand, 500 kw.; consumption, 100,000 kilowatt-hours.....	² 1,010	² 635	1,490	1,385	37.2
Demand, 500 kw.; consumption, 200,000 kilowatt-hours.....	² 1,300	² 935	2,110	1,974	52.0
Demand, 1,000 kw.; consumption, 200,000 kilowatt-hours.....	² 1,810	² 1,180	2,695	2,524	39.4
Demand, 1,000 kw.; consumption, 400,000 kilowatt-hours.....	² 2,390	² 1,780	3,775	3,524	47.8

² Schedule B3; applicable to both primary and secondary service.

³ Bills are for secondary service.

⁴ Schedule E rider 10; bills are for secondary service.

⁵ Schedule L; bills are for primary service.

This table 2 presents typical bills for four classes of electric service applicable on January 1, 1938, in Tupelo, Miss. (T. V. A. rates), Tacoma, Wash., and Washington, D. C. The January 1, 1938, figures are the latest complete returns that are available, representing all the elements of the problem that have been used.

As is well known, the T. V. A. standard schedules were applicable in Tupelo on the date of this comparison. However, since that date, because of excess earnings, Tupelo has again reduced its rates. Tacoma, Wash., is also included to show what the rate should be when the debt amortization principle is applied. On January 1, 1939, Tacoma also reduced its rates and the present levels in effect in Tacoma are lower than those shown in table 2. For example, 100 kilowatt-hours of residential lighting under the Tacoma schedule of January 1, 1938, cost \$2.12, whereas under the schedule effective January 1, 1939, Tacoma citizens pay \$1.70 for this quantity of electricity or a reduction of 20 percent below bills of January 1, 1938. As of January 1, 1938, the calculated difference between the T. V. A. bills and the Washington, D. C., bills for residential, commercial light, commercial power, and industrial power are presented in table 2.

Based on these average percentage differences, I have taken the 1937 gross earnings of the Potomac Electric Power Co. for the different classes of service and applied the bill percentages to arrive at the annual cost of reduction. This information is presented in table 3, which I am inserting for your information.

It will be noted from table 3 that the Federal and the District Governments are contributing \$459,000 annually in excessive rate charges toward the 75-percent stock earnings of the power company.

TABLE 3.—Potomac Electric Power Co. excess-earning statement, 1937

Net earnings, after operating expenses, depreciation, taxes, bond interest, preferred dividends, all charges up to common-stock dividends.....	\$4,491,930
10-percent dividend on common stock.....	600,000

Excess earnings of Potomac Electric Power Co.... 3,891,930

Cost of reduction, Washington, D. C., rates to T. V. A. yardstick levels
[Percentage reduction determined from comparison of typical bills]

Class of service	1937 gross earnings for class	Percentage reduction	Annual cost of reduction
Residential	\$5,112,412	31	\$1,582,000
Commercial light and power	4,840,060	18	872,000
Industrial power	1,663,999	49	786,000
All United States service	1,223,988	29	354,000
All District service	245,419	43	105,200
Miscellaneous service	241,150	15	36,200
Total annual cost of reduction to Tennessee Valley Authority levels			3,735,400

In table 3 is also shown the net earnings of the power company after all operating expenses, depreciation, taxes, bond interest, and preferred dividends up to the common-stock dividend earnings. During the year 1937, after all items of expense were deducted, the power company earned \$4,491,930 net. From this amount, in fairness, is deducted the English dividend standard of 10 percent. The difference gives an excess annual earning figure of \$3,891,930 for this company.

It will also be apparent from table 3 that it would cost the power company, based on 1937 static consumption, \$3,735,400 to reduce the rates in effect in Washington on January 1, 1938, to T. V. A. levels. It should be pointed out, with all emphasis, that the T. V. A. yardstick rates could have been put into effect in Washington on January 1, 1938, at a cost less than the excess earnings of the local power company.

With the lowering of rates to T. V. A. levels the consumption will increase greatly. This has been the universal experience in the T. V. A. and also with normal rate reductions. The earlier presentations have also shown that the same results have been achieved in the National Capital. It will only be a comparatively short time in Washington before the increased consumption will compensate for the static cost of such a reduction. Aside from the social aspects of this problem it will be good business for the local company to reduce the rates to the T. V. A. levels. This presentation, based entirely upon official earning and operating statements, demonstrates beyond any question that the T. V. A. yardstick rates are just, fair, and equitable. The whole fight of the power companies is centered on the concealed objective of preventing the American people from knowing what it really costs to produce, transmit, and distribute electricity. In this presentation I am giving that information, at least so far as the District of Columbia is concerned.

Study carefully the following table:

TABLE 4.—Potomac Electric Power Co.—Securities outstanding on date of consent decree (Dec. 31, 1924) and Dec. 31, 1937

	Dec. 31, 1924	Dec. 31, 1937
Bonds outstanding	\$15,319,900	\$20,000,000
Preferred stock (par value)	250,000	7,000,000
Common stock (par value)	5,750,000	6,000,000
Total outstanding	21,319,900	33,000,000
		21,319,900
Securities outstanding 1937 in excess of 1924		11,680,100
Rate base:		
Dec. 31, 1937		73,793,000
Dec. 31, 1924		32,500,000
Money put into property		41,293,000
Increase in securities outstanding		11,680,900
Money put into property by rate payer		29,612,100
Percent of rate base directly donated by rate payers		40.3
Dividends paid out on common stock, 1925-37, inclusive		24,210,000
Portion of impounded fund turned over to company		3,379,783
Total		27,589,783

TABLE 4.—Potomac Electric Power Co.—Securities outstanding on date of consent decree (Dec. 31, 1924) and Dec. 31, 1937—Con.

Less 10-percent dividends annually, 1925-37, inclusive	7,800,000
Excess dividends and impounded fund from rate payer	19,789,783
Increase in rate base over historical cost by consent decree Jan. 1, 1925	\$7,500,000

Total excess dividends and paper increase in rate base 27,289,783

Now take table No. 5 and give it your careful attention.

TABLE 5.—Equivalent portion of rate base taken from rate payer

Directly taken from earnings and put into property	\$29,612,100
Excess dividends paid, and company's portion of impounded fund	19,789,783
Increase in rate base over historical cost by consent decree	7,500,000
Subtotal	56,901,883
Accretions to retirement reserve charged to operation and paid for by rate payer	9,566,461
Total	66,478,344
Percent equivalent portion of rate base taken from rate payer	89.9

RATE BASE AND SECURITIES

Although paragraph 18 of the act of 1913 provides a regulating option of "a sliding scale of rates and dividends according to what is commonly known as the Boston sliding scale," the consent decree was built upon a rate-base theory which was substituted without provision for dividend regulation.

In table 4 is presented the company's bonds and stock outstanding as of the date of the consent decree and as of December 31, 1937. It will be seen from this tabulation that \$11,680,100 of additional securities were put out between 1924 and 1938, although \$41,293,000 was invested in the property, according to the rate base, during this same period. This means that \$29,612,100 of the company's plant investment was directly contributed by the rate payer. If we add to this direct donation the excess dividends, the amount the rate base was "upped" by the consent decree, and the accretions to the retirement reserve fund charged to operation, we see that the rate payer directly and indirectly contributed to the rate base \$66,478,344, which is equivalent to 89.9 percent of the plant investment.

Another joker in the consent decree results from the fact that the rate payer is required to pay interest to the company on his own donations, as is shown by table 5.

For your information, I am presenting table 6, showing the rate base, the rate of return, the actual net earnings, and the actual earned rate of return from 1925 to 1937. It will be seen from this tabulation that even with a set rate of return on the investment made by the people, the company actually earned far in excess of the return rate set by the Commission during this entire period.

Study this table and be convinced:

TABLE 6.—Potomac Electric Power Co., rate base data by years, 1925 to date

Year	Rate base ¹	Rate of return	Actual net earnings	Actual earned rate of return on rate base
		Percent		Percent
1925	\$33,608,000	7½	\$3,223,000	9.59
1926	36,132,000	7½	3,510,000	9.72
1927	40,700,000	7½	3,751,000	9.22
1928	43,893,000	7½	4,513,000	10.28
1929	47,971,000	7½	4,946,000	10.31
1930	49,373,000	7½	5,287,000	10.70
1931	55,125,000	7	5,268,000	9.56
1932	58,728,000	7	5,171,000	8.81
1933	61,759,000	7	5,081,000	8.23
1934	66,073,000	7	4,920,000	7.44
1935	67,407,000	6½	4,986,000	7.42
1936	70,136,000	6½	5,545,000	7.91
1937	73,793,000	6	5,864,000	7.95

¹ As used for determining allowable return.

THE CRUX OF THE PROBLEM

The crux of the problem of low electric rates lies in honest finance, proper accounting, amortization of debt, and the application of the principle that it is good business to lower rates. Tables 7, 8, 9, and 10 are presented. The tables are collateral and informational. Table 10 shows that in the period from 1925 to 1937, \$27,090,000 was paid to the common-share holder. This represents 34.8-percent average dividend paid out during the 13-year period. It must be remembered that, in addition to this large dividend cash withdrawal, the company also built up the property from funds paid in by the rate payer.

TABLE 7.—Potomac Electric Power Co. kilowatt-hour statistics

	Total	
	kilowatt-hours	Percent
Total sales, kilowatt-hours.....	720,499,000	
Kilowatt-hour output:		
Benning station.....	483,893,509	57.8
Buzzard Point.....	197,967,400	23.7
Net interchange.....	153,307,000	18.5
Total output.....	835,167,909	100.0
Unaccounted for in percent of generation, 13.6 percent.		

POTOMAC ELECTRIC POWER CO. SECURITIES OUTSTANDING, 1937

	Securities	Annual charges
Bonds, first mortgage, 3¼-percent bonds...	\$20,000,000	\$650,000
Preferred stock, 6 percent.....	2,000,000	120,000
Preferred stock, 5½ percent.....	5,000,000	275,000
Common stock at 10 percent dividend....	6,000,000	600,000
Total securities.....	33,000,000	1,645,000

Annual security charges per kilowatt-hour sold, 2.282 mills.
Average interest rate based on securities outstanding and 10 percent on common stock, 4.98 percent.

TABLE 8.—Potomac Electric Power Co. bonds outstanding

Year:	Total book liability:
1914.....	\$7,000,000
1918.....	9,850,000
1920.....	12,441,000
1923.....	15,450,000
1925.....	14,447,000
1927.....	12,753,000
1930.....	12,403,000
1933.....	12,198,400
1935.....	12,040,200
1936.....	15,000,000
1937.....	20,000,000

¹ Includes \$3,078,000 bonds held in sinking fund and \$1,760,000 par value held in treasury.

TABLE 9.—Potomac Electric Power Co.—Amount in depreciation reserve, by years, 1925 to date

Year:	Balance in reserve at end of year
1925.....	\$4,702,500
1926.....	5,372,400
1927.....	6,150,700
1928.....	6,936,700
1929.....	7,824,100
1930.....	8,585,100
1931.....	9,443,700
1932.....	10,275,900
1933.....	9,522,500
1934.....	10,464,400
1935.....	11,393,600
1936.....	12,226,200
1937.....	12,844,200

TABLE 10.—Potomac Electric Power Co.—Dividends paid per year on common stock, 1925 to date

Year:	Dividends
1925.....	\$840,000
1926.....	960,000
1927.....	1,080,000
1928.....	1,200,000
1929.....	1,320,000
1930.....	1,440,000
1931.....	1,560,000
1932.....	1,680,000
1933.....	1,800,000
1934.....	2,280,000
1935.....	2,550,000
1936.....	3,600,000
1937.....	3,900,000
Total.....	24,210,000

1925 special dividend paid out of company's portion of impounded fund..... 2,880,000

Average per year..... 27,090,000
Average yearly dividend paid to common-share holder, 34.8 percent.

OPERATING COSTS

Tables 11, 12, and 13, showing the 1937 earnings and expenses of the Potomac Electric Power Co., are also presented for your information. These tables are so detailed that each class of electric consumer can see for himself what the costs are and how they are charged by the power company. In table 13 I have analyzed the operating, depreciation, and tax expenses, together with production, transmission, and distribution costs, and have shown these items in mills per kilowatt-hour sold. It can be seen from table 13 that the total average electric cost, including all items, in Washington is 14.58 mills per kilowatt-hour. I would like to have this cost, for example, compared with the residential sale price of 29.62 mills, shown in table 11.

TABLE 11.—Gross earnings¹ and consumption statistics, Potomac Electric Power Co., year 1937

Class of service	Annual earnings	Sales, kilowatt-hours	Average rate per kilowatt-hour (cents)
Residential.....	\$5,112,412	172,612,000	2.962
Commercial light (excluding Government).....	4,840,060	182,908,000	2.646
Commercial power (excluding Government).....	(?)	(?)	(?)
Industrial power (excluding Government).....	1,603,999	117,681,000	1.361
All Federal service.....	1,223,986	115,564,000	1.059
All District of Columbia service (excluding street lights).....	245,419	11,145,000	2.202
Street lights (District of Columbia only):			
(1) Current.....	168,855	22,514,000	.750
(2) Maintenance, renewal, and fixed charges.....	533,958		
Traffic signals (District of Columbia only):			
(1) Current.....	7,510	751,000	1.000
(2) Maintenance, renewal, and fixed charges.....	20,811		
Street railway.....	516,613	80,976,000	.638
Miscellaneous ²	241,150	16,448,000	1.466
Total.....	14,514,773	720,499,000	2.015
Delayed-payment charges ⁴	148,609		
Total.....	14,663,382	720,499,000	2.035

¹ Embraces sales in District of Columbia and in Maryland. Gross earnings construed to mean gross operating revenues.

² No separate rate schedules; included under "Commercial light."
³ Includes sales to Maryland municipalities and to other electric-utility companies.
⁴ Segregation of these charges to individual revenue classes not available.

TABLE 12.—Potomac Electric Power Co. annual expense statement (operating expenses—year 1937)

Production:		
Labor and material (except coal).....	\$330,418.74	
Coal.....	1,755,295.28	
Maintenance.....	228,492.18	
Interchange power.....	321,757.50	
Total.....		\$2,635,963.70
Transmission:		
Operation.....	11,877.35	
Maintenance.....	2,777.52	
Total.....		14,654.87
Distribution:		
Operation.....	1,263,816.12	
Rents.....	15,748.60	
Maintenance.....	472,809.13	
Total.....		1,752,373.85
Customers' accounting and collecting.....		649,502.03
Sales promotion.....		291,809.85
Administrative and general.....		952,628.75
Total of above.....		6,296,933.05
Depreciation (portion charged to operation).....		741,082.14
Taxes.....		1,835,265.49
Total operating expenses.....		8,873,280.68

TABLE 13.—Potomac Electric Power Co., annual expense statement—operating expenses in dollars and mills per kilowatt-hour sold—year 1937

Item	Amount	Mills per kilowatt-hour
Production:		
Labor and material except coal.....	\$330,418.74	0.458
Coal.....	1,755,295.28	2.438
Maintenance.....	228,492.18	.308
Interchange power.....	321,757.50	.446
Total production.....	2,635,963.70	3.650
Transmission:		
Operation.....	11,877.35	.016
Maintenance.....	2,777.52	.004
Total transmission.....	14,654.87	.020

TABLE 13.—Potomac Electric Power Co., annual expense statement—operating expenses in dollars and mills per kilowatt-hour sold—year 1937—Continued

Item	Amount	Mills per kilowatt-hour
Distribution:		
Operation.....	\$1,263,816.12	1.754
Rents.....	15,748.60	.022
Maintenance.....	472,809.13	.655
Customers accounting and collecting.....	649,502.03	.900
Sales promotion.....	291,809.85	.405
Administrative and general.....	952,628.75	1.320
Total of above.....	6,296,933.05	8.740
Depreciation (portion charged to operation).....	741,082.14	1.028
Taxes.....	1,835,265.49	2.550
Total operating expenses.....	8,873,280.68	12.300

Total kilowatt-hour sales, all classes.....	720,499,000	Mills
Total operating expenses including operation, maintenance, taxes, and depreciation.....	12.3	
Interest on bonds, dividends on preferred stock, and 10-percent dividend on common stock.....	2.28	
Total all costs per kilowatt-hour (average).....	14.58	

INVESTMENT PER METER

Table 14 presents the consumer data of the power company. It will be noted from this table that the rate base in Washington represents \$386 per meter, while the securities outstanding only amount to \$172.50 per meter. The electric construction in Washington is essentially high class and the distribution system is largely underground. Underground construction is at least 25 percent higher in first cost than the overhead type of construction. Nationally, the average of all private utilities in America, based on securities outstanding, is \$480 per meter. If this were all underground construction the securities outstanding would represent about \$600 per meter. Therefore, nationally the securities of power companies outstanding are over three times what they are in Washington and nearly double the rate base per meter, when comparison is made on a common standard. These simple figures tell the story of why, nationally, electric rates are so high.

TABLE 14.—Potomac Electric Power Co. consumer data¹

Class of service:	Number
Residential.....	156,372
Commercial light (excluding Government).....	22,811
Commercial power (excluding Government): Included under "Commercial light"; no separate statistics available.....	
Industrial power (excluding Government).....	157
All Federal service.....	277
All District of Columbia service (excluding street lights).....	388
Street lights.....	
Street railway.....	1
Miscellaneous.....	251
Total.....	180,257

¹ Allocation of meters to the classes of service indicated not possible from available records. At December 31, 1937, company's report shows 191,256 meters in customers' use.

WASHINGTON, D. C.

Rate base, dollars per meter.....	\$386.00
Securities outstanding, dollars per meter.....	172.50
Investment ratio to gross earnings (rate base).....	5.03
Investment ratio to gross earnings (securities).....	2.25

NATIONAL AVERAGE

Securities outstanding, per meter.....	480.00
Investment ratio to gross earnings.....	6.41

STEAM VERSUS HYDRO

The energy used in Washington, D. C., is partly steam and partly hydro generation. The operating figures of the local company, which are here offered, are a contribution to this controversial subject.

Tables 15 to 20 contain all the essential information on the subject of steam and hydro costs as applicable to Washington conditions.

TABLE 15.—Potomac Electric Power Co., generating, operating, and maintenance costs (steam-generating stations)

	Benning station	Buzzard Point station
Kilowatt capacity of station.....	185,000	35,000
Kilowatt station peak.....	134,000	37,000
Kilowatt-hour output.....	483,893,509	197,967,400
Annual maintenance cost.....	\$170,463	\$58,029
Annual operating cost (exclusive of coal).....	\$238,487	\$91,931
Coal cost per year.....	\$1,369,148	\$386,147
Total operating cost.....	\$1,778,098	\$536,197
Number of tons of coal burned.....	285,947.84	87,801.57
Average cost of coal, delivered per ton ¹	\$4.760	\$4.344

¹ Based on 1937 purchases.

TABLE 16.—Potomac Electric Power Co. station statistics

	Benning	Buzzard
Installed capacity..... kilowatts.....	185,000	35,000
Station peak..... do.....	134,000	37,000
Peak in percent installed..... percent.....	72½	106
Kilowatt-hours output.....	483,893,509	197,967,400
Capacity factor (based on installed)..... percent.....	29.8	64.2
Load factor (annual peak)..... do.....	41.2	61.2
Annual maintenance cost per year.....	\$170,463	\$58,029
Maintenance cost per kilowatt year peak.....	\$1.275	\$1.57
Maintenance cost per kilowatt-hour..... mills.....	0.353	0.294
Annual operating cost (exclusive of coal).....	\$238,487	\$91,931
Annual operating cost per kilowatt year peak.....	\$1.775	\$2.48
Annual operating cost per kilowatt-hour..... mills.....	0.494	0.404
Coal cost per year.....	\$1,369,148	\$386,147
Coal cost per kilowatt year peak.....	\$10.20	\$10.42
Coal cost per kilowatt-hour..... mills.....	2.83	1.946
Tons coal burned.....	285,947.84	87,801.57
Tons per 1,000 kilowatt-hours.....	0.588	0.444
Pounds of coal per kilowatt-hour.....	1.176	0.888
Average cost per ton coal delivered.....	\$4.476	\$4.344

TABLE 17.—Generating plant fixed charges—based on 1937 results

	Benning	Buzzard Point
Cost per kilowatt installed.....	\$77.38	\$81.87
Cost per kilowatt of peak.....	\$106.50	\$77.40
Interest rate set by Public Utilities Commission of District of Columbia..... percent.....	6	6
Net depreciation after interest on reserve..... do.....	1.02	1.02
Total fixed charges..... do.....	7.02	7.02
Total annual fixed charges per kilowatt of peak.....	\$7.46	\$5.42
Kilowatt-hour (annual) per kilowatt peak.....	3,610	5,300
Fixed charges mills kilowatt-hour output.....	2.07	1.01

The above based on interest rate used by Public Utilities Commission of District of Columbia and actual depreciation percent less interest on reserve.

TABLE 18.—Potomac Electric Power Co.—operating and fixed costs per kilowatt-hour of output

[Steam generating stations of power company based on (1) fixed costs allowed by Public Utilities Commission of the District of Columbia and (2) fixed costs based on securities outstanding]

	Stations			
	Benning		Buzzards Point	
	Per kilowatt-year peak	Mills, kilowatt-hour	Per kilowatt-year peak	Mills, kilowatt-hour
Operating (exclusive of fund).....	\$1.78	0.494	\$2.480	0.462
Maintenance.....	1.275	.353	1.570	.293
Fuel.....	10.20	2.830	10.450	1.947
Total operating cost.....	13.255	3.677	14.500	2.702
Fixed charges (Public Utilities Commission of the District of Columbia).....	7.460	2.070	5.420	1.010
Proportionate taxes.....	2.58	.715	4.130	.770
Total cost.....	23.295	6.462	24.050	4.480
Based on securities outstanding:				
Total operating cost.....	13.255	3.677	14.500	2.702
Fixed charges.....	3.470	.960	5.180	.966
Proportionate taxes.....	2.580	.715	4.130	.770
Total.....	19.305	5.352	24.810	4.438

Sales kilowatt-hours are 86.4 percent of output kilowatt-hours.

TABLE 19.—Over-all production cost per kilowatt-hour sold
[Based on securities outstanding and proportion of total depreciation, interest, and tax charge. Includes all items of cost]

	Mills per kilowatt-hour sold
Labor and material, except coal.....	0.458
Coal.....	2.438
Maintenance.....	.308
Interchange power.....	.446
Total operating cost.....	3.650
Proportionate part total interest charges.....	.570
Proportionate part total depreciation charges.....	.260
Proportionate part total taxes.....	.640

Total operating and fixed cost per kilowatt-hour sold. 5.120

Proportional costs above derived from the relationship between generating investment and total rate base multiplied by actual unit expenditures. Includes Benning and Buzzards Point stations and interchange connection.

This table combines the company's over-all production costs from its three different power sources. It is the sum of the entire steam and hydro costs expressed as mills per kilowatt-hour for all the kilowatt-hours sold to the consuming public.

TABLE 20.—Potomac Electric Power Co.—Interchange transmission contract data

	(1) Received	(2) Delivered	(3) Net receipts—(1) less (2)
(A) Kilowatt-hours interchanged (thousands).....	202,109	48,802	153,307
(B) Costs current interchanged.....	\$458,288	\$136,531	\$321,757
(C) Average cost per kilowatt-hour of current interchanged (mills).....	2.268	2.797	2.099

APPROXIMATE COST OF BENNING AND BUZZARD POINT STATIONS

	Dollars per kilowatt of capacity
Benning.....	77.38
Buzzard Point ¹	81.87

¹Based on 1938 capacity and cost. Second generating unit of 35,000 kilowatts cut into service in July 1938. The kilowatt capacity of Buzzard Point is therefore here used as 70,000 kilowatts.

The local power company operates two steam-producing stations known, respectively, as the Benning and Buzzard Point stations. The Benning station is an old, although fairly efficient steam producer, while the Buzzard Point station represents the latest ideas in steam-plant construction.

Table 18 presents the energy cost of the two steam-producing stations, based first on the fixed costs and rate of return allowed by the Public Utilities Commission of the District and secondly on fixed costs based on actual securities outstanding. It will be noted from table 18 that the production cost in the older station lies in the range between 5.3 to 6.5 mills per kilowatt-hour, whereas in the modern Buzzard Point station these costs range from 4.44 to 4.48 mills per kilowatt-hour. Due to the lower costs of the Buzzard Point station, base load is carried on this station, whereas the Benning station is lightly loaded at times. At this point it should be noted that current is being produced with steam at the Buzzard Point station at a lower cost per kilowatt-hour than the city of Tupelo pays wholesale to the T. V. A.

All this power could be sold to the people of the District of Columbia at the T. V. A. rates with profit to the power company.

Table 19 sets out the over-all production cost in mills per kilowatt-hour from the book figures of the power company. This over-all production cost includes the energy produced in the two steam stations, together with the Susquehanna hydro energy imported into Washington. Again it will be noted that the total over-all cost of producing energy in Washington is lower than the city of Tupelo pays to the T. V. A. for wholesale electricity.

Table 20, showing the interchange transmission contract data, is very illuminating. The net cost of delivered current, imported into Washington from the Susquehanna hydro and the Baltimore plants, is 2.099 mills per kilowatt-hour, which is less than half what Tupelo pays for T. V. A. power.

This hydro energy, delivered by outside private companies to the Washington company, is sold for less than half the cost of producing power in the highly efficient Buzzard Point generating station. It goes without saying that the Susque-

hanna private companies have included their profit in this 2,099-mill sale price. Private hydro energy delivered in Washington is over 60 percent lower than the city of Tupelo is paying to the T. V. A. With this comparison, how can it truthfully be said that T. V. A. wholesale rates are too low?

If Washington retail rates were reduced to the T. V. A. yardstick rates, the company would still make money and the consumers of the District would save \$3,735,000 a year, even on the present load.

EXCLUSIVE CONTRACT

An exclusive contract exists between the Potomac Electric Power Co. and the local transportation subsidiary of the North American Co. Under this contract the power company delivers to the transit company about 81,000,000 kilowatt-hours annually and receives a gross return of 6.35 mills per kilowatt-hour as is shown by table 21. There are deductions from this gross charge for operation and maintenance of the railway company's property, leased to the power company without compensation. Evidently the power company—and the figures I have presented bear this out—are not selling this exclusive energy below cost. The Federal Government is paying the power company 10.50 mills a kilowatt-hour which is over 63 percent more for its current than the transit company is paying. The District is paying 22.02 mills, or more than three times as much as the transit company pays. This is evident from a comparison of tables 11 and 21.

TABLE 21.—Potomac Electric Power Co. contract data: Potomac Electric Power Co. and Capital Transit Co.¹

(A) Term of contract: "5 years or until such time as such terms and conditions may be required to be changed by the Public Utilities Commission."	
(B) Kilowatt-hours (annual) delivered under contract.....	80,944,116
(C) Gross charges.....	\$515,146
Mills per kilowatt-hour.....	6.364
(D) Value of other services performed under contract, dollars and mills per kilowatt-hour.....	(²)
(E) Net cost of current after deducting other services, dollars and mills per kilowatt-hour.....	(²)

¹Platform and blinker lights not included.

²Value of other services—not determined.

"As part consideration for the promises of the power company contained herein, the railway company does hereby lease, without other compensation to the power company, all of its property used and useful for supplying electrical energy to the railway, the power company to operate and maintain at its own cost (taxes and insurance excepted)."

Propagandists for the private power companies frequently assert that the taxes paid by the power companies account for the difference between public and private consumer rates. This is not a fact. Therefore, in table 22, I am presenting the tax bill of the local company. The surprising fact is that the company pays in local taxes about half what it should. The Tacoma public plant, for example, pays over 10 percent of its gross earnings for State and local taxes. Compare this with the 4.68 percent paid by the Potomac Electric Power Co. If the power company paid the same proportional local taxes that the Tacoma public plant pays, they would be turning over to the local authorities \$1,510,000 annually, instead of \$686,790, it now pays. The total tax bill of the local power company, including Federal excise taxes, income, and miscellaneous taxes amounts only to 2½ mills per kilowatt-hour, and the majority of this amount is income taxes on their enormous incomes derived from these overcharges.

These enormous incomes result from the 75-percent earning power of the company's common stock.

TABLE 22.—Potomac Electric Power Co.—Segregation of total taxes (taxes accrued and charged to operations—applicable to the year 1937)

	Dollars per year	Percentage of gross earnings ¹
(A) Local taxes:		
District of Columbia.....	655,811	
Maryland.....	30,979	
	686,790	4.683
(B) Excise taxes (Federal—electrical energy).....	320,635	2.186
(C) Income and miscellaneous taxes.....	826,756	5.638
Total taxes.....	1,834,181	12.507

¹Gross earnings construed to mean gross operating revenues.

FRANCHISE

It has been frequently stated, for financial reasons, that the franchise of the power company is perpetual. Such a statement is contrary to the fact. The authority of the company to use the streets, avenues, and public places in the District is covered by 16 acts of Congress. Such rights which have been given by congressional action are not perpetual, neither are they exclusive. Congress can at all times control the rate situation in Washington, with fairness to both the company and the rate payer, by amendments to these 16 acts. Congress therefore is in control of this rate situation. Congress also has in its power the elimination of such extortionate earnings and can pass along equitable benefits to the electric consumer, by appropriate legislation.

ANTISOCIAL TACTICS

The stock-pegging activities of the Harrison Williams interests, through which innocent American investors lost savings totaling at least the present investment of the T. V. A., occurred in 1929 and prior years. The reply of the Power Trust to this will be, "We have reformed and are now good boys." Let us look into the recent record and see if the American people can accept their word or statements at face value.

In 1905 the Hughes utility investigation in New York State disclosed excessive abuses of overcapitalization, security manipulations—adversely affecting the innocent investor—fraudulent practices, rebates, discrimination, and wholesale corruption in the securing of franchises, public contracts, and rate approvals. Public opinion was aroused. The Power Trust of that day said, "Give us commission regulation, and we will live within the law."

In the following 25 years this trust not only controlled the regulatory commissions but attempted to manufacture public opinion and to buy their way. Then followed the Walsh resolution and the disclosures of the Federal Trade Commission. Again the Power Trust promised the American people to desist their antisocial activities. Present circumstances and events would seem to indicate that the Illinois-Iowa Power Co., also a Williams' subsidiary, formerly the Illinois Power & Light Corporation, is still continuing the abuses disclosed by the early Hughes investigation and the later Federal Trade Commission's disclosures and circumventing the Holding Company Act in every possible way.

PRAIRIE PRACTICE

The Illinois-Iowa Power Co. is at present operated and controlled by the North American, although this interest has only minority control. This \$212,000,000 company, from information furnished me by the S. E. C., is now operated by two directors of one of the local North American properties. One of these directors has appeared as counsel for the North American interests before the S. E. C. and the Utility Commission of the District.

From about 1924 to 1932, \$44,632,200 of preferred stock in this company was largely sold in the operating territory of the company to the consuming public. This stock was sold by the company employees working, in teams, under high-pressure sales supervisors. Verbally those agents represented that the company guaranteed to buy back the stock at any time the owners wished their money back. This stock was sold at par when the New York curb quotations were substantially lower. The company did buy back and resell fairly large amounts, in the years before banking conditions became tight. This practice was bait for the innocent investor. The company operated so as to make no guaranties in writing. It was all done by word of mouth. If it were not for these verbal representations and accompanying manifestations, the stock would not have been sold to the consuming public. The relief rolls of the Midwest today contain numerous good people who put their life savings into this misrepresented stock.

In 1932 this company ran into financial difficulties. In the spring of 1933 it suspended dividend payment on its cumulative customer-owned preferred stock. The accumulations on these dividends, which were running annually \$2,-

901,000, presented a problem. The answer to this problem, solved in Wall Street, was to write down this stock at the expense of the preferred stockholder.

Prior to February 1937 Mr. Williams' organizations fought the Holding Company Act in the courts. Suddenly Mr. Williams reversed his course, and his companies registered under the act. A short time thereafter the Illinois Co. applied to the S. E. C. for a report on a plan of recapitalization submitted by the company.

In this plan it was proposed to reduce its capital \$30,869,-700 by reclassifying and writing down the preferred and common stocks, although the company had, at the time of their request, cash on deposit in banks and with the bond trustees and receivables totaling \$14,213,253.

Under this proposed plan, the preferred shareholders, who supposedly purchased stock guaranteed as to principal and earnings, were asked to surrender \$3.50 per share, or 62½ percent of preference as to annual earnings, and \$50 per share (one-half of value) in asset value. In return they were given some common stock equity, the value of which was uncertain. Following hearings in Washington, at which no protests were entered, the preferred stockholders were circularized through the mails. The S. E. C., in their press release of March 25, 1937, made it plain that the "statement of earnings and expectations discussed in this report are those of the company and not those of the commission."

In its declaration the company estimated its expense of reclassifying the stock at approximately \$80,000, of which about \$34,000 would be spent for solicitation of proxies. Proxies were needed to secure stockholders' consent to place the plan into operation—an expense which was paid for by the shareholders, who by proxy consented to surrender to the company over \$1,700,000 in annual guaranteed dividends and \$30,869,000 in principal. These proxies were verbally solicited and secured largely by the same supervisors who originally sold the stock. The plan was put into effect by proxy vote in the early summer of 1937.

Since reclassifying, the company has earned money on its preferred stock, but to date has paid nothing to the preferred shareholders. No doubt the company will reply to this and state that the outstanding mortgage and debenture indentures prohibit the payment of dividends except out of earned surplus accumulated since 1922. To this I will answer "the underlying reason for recapitalization" given by the company in its declaration, was the refinancing of outstanding bonds at lower interest rates. If the company had refinanced some \$106,000,000 of 5.5½, and 6-percent bonds between 1935 and 1937, instead of fighting the Holding Act in the courts, the preferred holders would now be better off, and some of those who are now on the relief rolls could have resumed their former position of security or semi-security. The preferred holders, from information I have secured from the S. E. C., are the real majority owners of the company. Unless I am badly mistaken, these stockholders can collect from the North American officials for mismanagement.

The theory behind the holding company act was to eliminate the abuses brought out by the Federal Trade Commission's investigations. The act is based on the use of the mails in interstate commerce. It can, however, be circumvented by verbal representations such as securing proxies by promises.

My study of this midwest utility situation leads me to ask several questions applicable to this company, which is a part of the chain that operates in Washington:

First. What verbal promises were made to preferred-stock holders by proxy solicitors to secure proxy signatures?

The answers should come from the preferred-share holders.

Second. Why were 95 new street-lighting contracts secured in Illinois from January 1, 1937, to December 31, 1938? What methods were used in securing these contracts, especially those at Collinsville, Edmundsville, Du Quoin, Ottawa, and Granite City?

Third. What political contributions were made in Illinois from February 1937 to date?

Fourth. Why were the services of a Milwaukee propaganda agency used to draft misleading advertisements, which were printed in Illinois papers, where there were rate and service agitations in progress?

Congress should demand the answers to these questions, as well as the answer to the query, Why are yardstick rates not in force in the District of Columbia at this time in view of such excess power company earnings?

The American people need to know these facts so as to judge whether the power companies are going to circumvent the recent protective legislation as they did the regulatory legislation which followed the Hughes investigations of 1905.

The power companies are today repeating the false wails of railway management which followed the 1873 panic, and the Grange decision of the United States Supreme Court. These former insincere expressions of distress resulted in many States relaxing their railroad laws. With this lessening of control the railway management again betrayed public confidence. Many roads slipped back into the hands of unscrupulous financiers. Private profit instead of public service became the rule. Rates were raised and discrimination against the small shipper increased in large proportions. Again an incensed public opinion reacted. Congress in 1887, as a result of continued shipper maltreatment, passed the first Federal act to regulate commerce.

It is necessary to be on our guard. The records of the men who now control the destinies of private power are not such that we can afford to relax the protective administration of the Holding Company Act.

So, Mr. Speaker, why fortify the islands of the far Pacific; why build an air base on Wrangell Island in the extreme range of the frozen North; why spend all these billions of dollars on an Army and Navy air force and leave the Nation's Capital unprotected?

As I said, it is conceded that the most essential element of national defense is an ample and secure supply of electric power. This can be provided for by the development of the hydroelectric resources in the Potomac River.

We are the legislators for the people in the District of Columbia, and it is our double duty to protect them from extortion at the hands of selfish utilities, and from disastrous floods, as well to protect them against any foreign foe.

All this can be done by the development of the Potomac Valley Authority, and the application of the yardstick rates.

In the name of real, sane, national defense, that would mean the protection of the Nation's Capital at all times; in the name of common honesty and common justice to the people of the District of Columbia and the surrounding territory, in the name of fairness to the people now living in this area and the generations yet to come, I submit that we should pass this bill for the creation of a Potomac River Valley Authority. [Applause.]

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 36 minutes p. m.) the House adjourned until tomorrow, Thursday, February 23, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue Thursday morning, February 23, 1939, at 10 a. m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, February 23, 1939. Business to be considered: Continuation of hearing on H. R. 2531—transportation bill.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation at 10:30 a. m. Thursday, February 23, 1939.

COMMITTEE ON LABOR

The Committee on Labor will hold a hearing in room 429, House Office Building, at 10:30 a. m. Thursday, February 23, 1939, on H. R. 2990, a bill to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, February 28, 1939, at 10:30 a. m., to begin hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

The Committee on Rivers and Harbors will meet Friday, March 3, 1939, at 10:30 a. m., to hold hearings on H. R. 295, H. R. 922, H. R. 2890, H. R. 4170, and H. R. 4314, all bills for the control of water pollution.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, March 1, 1939, on bills H. R. 159, H. R. 160, and H. R. 4167, certain private bills.

COMMITTEE ON THE JUDICIARY

There will be a hearing before the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary at 10 a. m. Wednesday, March 1, 1939, on the bill (H. R. 3704) 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; room 346, House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m. Tuesday, March 7, 1939, on the bill "To extend the provisions of the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to all common carriers by water in interstate commerce, and for other purposes."

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Tuesday, March 14, 1939:

H. R. 180, H. R. 202, construction of a Nicaraguan Canal; H. R. 201, additional facilities for Panama Canal; H. R. 2667, construction of a Mexican Canal.

In listing the bills to be heard on March 14, 1939, House Joint Resolution 112 (TINKHAM), to create a commission to study and report on the feasibility of constructing the Mexican Canal, was inadvertently omitted from the notice.

This is to advise all interested parties that House Joint Resolution 112 will be considered at that time with the following bills: H. R. 180 (IZAC), relative to the construction of a Nicaraguan Canal; H. R. 202 (BLAND), relative to the construction of a Nicaraguan Canal; H. R. 201 (BLAND), need for additional lock facilities at Panama; H. R. 2667 (TINKHAM), relative to the construction of a Mexican Canal.

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 139, H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

459. A letter from the Postmaster General, transmitting the draft of a joint resolution to provide revenue, and for other purposes; to the Committee on Ways and Means.

460. A letter from the Secretary of War, transmitting the draft of a proposed bill to amend the National Firearms Act; to the Committee on Ways and Means.

461. A letter from the Secretary of War, transmitting the draft of a proposed bill to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924; to the Committee on Claims.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 3303) granting an increase of pension to John R. Robertson; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 3019) granting an increase of pension to Harry L. Dye; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LUTHER A. JOHNSON:

H. R. 4399. A bill to provide for the distribution to needy persons of articles manufactured from certain cotton owned by the United States; to the Committee on Agriculture.

By Mr. LEA:

H. R. 4400. A bill to define "an agricultural laborer" under the provisions of the National Labor Relations Act (Public Law No. 198, 74th Cong., approved July 5, 1935), (49 Stat. 449), and for other purposes; to the Committee on Labor.

By Mr. TENEROWICZ:

H. R. 4401. A bill to provide for the enlargement of the Veterans' Administration hospital at Dearborn, Mich.; to the Committee on World War Veterans' Legislation.

By Mr. SOMERS of New York:

H. R. 4402. A bill to fix standards of dimension and capacity for metal containers for canned fruits, vegetables, and canned milk in order to prevent fraud and deception in containers used in the sale and distribution of these products, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. DEMPSEY:

H. R. 4403. A bill to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933; to the Committee on Indian Affairs.

By Mr. MYERS:

H. R. 4404. A bill to retain the basic status and salary classification of surplused motor-vehicle employees; to the Committee on the Post Office and Post Roads.

By Mr. PIERCE of Oregon:

H. R. 4405. A bill authorizing the Snake or Piute Indians of the former Malheur Indian Reservation of Oregon to sue in the Court of Claims, and for other purposes; to the Committee on Indian Affairs.

By Mr. JONES of Texas:

H. R. 4406. A bill to amend title I and title IV of the Bankhead-Jones Farm Tenant Act; to encourage farm home ownership and to provide Government-insured loans to farmers in order to promote such ownership; and for other purposes; to the Committee on Agriculture.

By Mr. SPARKMAN:

H. R. 4407. A bill to require that the Federal contribution to States for old-age assistance shall be the full amount in cases where the State matches to the extent of its ability; to the Committee on Ways and Means.

H. R. 4408. A bill to authorize a survey for the establishment of a chemical warfare unit in the Tennessee Valley in North Alabama; to the Committee on Military Affairs.

By Mr. HESS:

H. J. Res. 178. Joint resolution to authorize the Attorney General of the United States to transfer certain documents to the Library of Congress; to the Committee on the Library.

By Mr. TINKHAM:

H. J. Res. 179. Joint resolution authorizing the erection in Washington, D. C., of a monument to the memory of Crispus Attucks; to the Committee on the Library.

H. J. Res. 180 (by request). Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Eleventh International Congress for the Rheumatic Diseases, to be held in the United States during

the calendar year 1940, and to authorize an appropriation to assist in meeting the expenses of the session; to the Committee on Foreign Affairs.

By Mr. MARTIN J. KENNEDY:

H. Res. 102. Resolution requesting the recall of Josephus Daniels, the Ambassador to Mexico; to the Committee on Foreign Affairs.

By Mr. GAVAGAN:

H. Res. 103. Resolution to make H. R. 801, a bill to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching, a special order of business; to the Committee on Rules.

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 Arizona, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 2, House Memorial No. 2, and House Concurrent Memorial No. 3, relating to excise tax on foreign copper, Federal appropriation for predatory animal and rodent control, and for aid to States for wildlife restoration; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 1 and House Concurrent Memorial No. 4, relating to national defense, and assistance for the owners of undeveloped mining properties; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARRY:

H. R. 4409. A bill for the relief of John A. Schojan; to the Committee on Naval Affairs.

By Mr. FISH:

H. R. 4410. A bill for the relief of George Woodin; to the Committee on Claims.

H. R. 4411. A bill for the relief of Louise Odenwalder Regan; to the Committee on Military Affairs.

By Mr. GEYER of California:

H. R. 4412. A bill for the relief of Beatrice Lois Rucker; to the Committee on Claims.

By Mr. JONES of Ohio:

H. R. 4413. A bill granting a pension to Lenace Marlin; to the Committee on Invalid Pensions.

By Mr. KEOGH:

H. R. 4414. A bill for the relief of the Postal Telegraph-Cable Co.; to the Committee on Claims.

By Mr. LANDIS:

H. R. 4415. A bill granting a pension to Luther Hudson; to the Committee on Invalid Pensions.

H. R. 4416. A bill for the relief of George Rogers; to the Committee on Military Affairs.

By Mr. O'TOOLE:

H. R. 4417. A bill authorizing the President of the United States to present, in the name of Congress, the Navy Cross to Commander Albert Moritz; to the Committee on Naval Affairs.

By Mr. SHEPPARD:

H. R. 4418. A bill granting an increase of pension to Laura C. Dupree; to the Committee on Invalid Pensions.

By Mr. TALLE:

H. R. 4419. A bill for the relief of Clarence Wachendorf and others; to the Committee on Claims.

PETITIONS, ETC.

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

1261. By Mr. FLAHERTY: Petition of the Massachusetts committee for defense, of the Works Progress Administration,

urging sufficient appropriation for W. P. A. relief work; to the Committee on Appropriations.

1262. Also, petition of the Bay State Division, No. 413, Order of Railway Conductors of America, Boston, Mass., opposing legislation relative to mileage and hours of conductors on railroads; to the Committee on Interstate and Foreign Commerce.

1263. By Mr. THOMAS F. FORD: Resolution of the Board of Supervisors of the County of Los Angeles, Calif., urging the United States Government to purchase a tract of land, the legal description of which is "secs. 21 and 22, T. 7 N., R. 9 W., San Bernardino meridian"; and to set same aside for the perpetual use of the people and the protection of the Joshua trees on said land; to the Committee on the Public Lands.

1264. By Mr. GROSS: Petition of W. H. Olp, president of No. 1 Townsend Club, of Glen Rock and Shrewsbury; to the Committee on Ways and Means.

1265. By Mr. HALLECK: Petition of officers of the Presbyterian Church of Rensselaer, Ind., opposing proposed legislation which would place employees of religious organizations under the Social Security Board; to the Committee on Ways and Means.

1266. By Mr. JENKINS of Ohio: Resolution of Local Union, District No. 6, United Mine Workers of America, of Athens County, Ohio, signed by W. W. Rummer, president, and Jesse Bryan, secretary, opposing the construction of the Great Lakes-St. Lawrence waterway and power project, on the ground that it is unfair and injurious to both American labor and capital, particularly in the State of Ohio; to the Committee on Interstate and Foreign Commerce.

1267. By Mr. LUTHER A. JOHNSON: Petition of the agricultural committee of Hearne Chamber of Commerce and Robertson County farmers, Hearne, Tex., opposing House bill 2732, by Mr. VINSON of Georgia; to the Committee on Agriculture.

1268. By Mr. KEOGH: Petition of the Italian Cloak, Suit, and Skirt Makers' Union, Local No. 48, New York City, concerning additional appropriation of \$150,000,000 for the Works Progress Administration; to the Committee on Appropriations.

1269. Also, petition of the American Federation of Bookkeepers, Stenographers, and Accountants, Federal Local Union, No. 20940, New York City, urging that the work of the 1940 census be done in New York City; to the Committee on Appropriations.

1270. Also, petition of the Rhode Island School of Design, Providence, R. I., concerning House bill 2319, establishing art programs in schools; to the Committee on Education.

1271. Also, petition of the Congress of Industrial Organizations, Washington, D. C., concerning Senate bill 1000, to amend the National Labor Relations Act; to the Committee on Labor.

1272. Also, petition of the School of Professional Arts, New York City, concerning House bill 2319, establishing art programs in the schools; to the Committee on Education.

1273. By Mr. GAMBLE: Petition signed by Anna M. Kleinert and other residents of North Tarrytown, N. Y., protesting against President Roosevelt's present attitude in regard to foreign relations and particularly the lifting of the Spanish embargo; to the Committee on Foreign Affairs.

1274. Also, petition signed by Eileen McCarthy and other residents of North Tarrytown, N. Y., protesting against President Roosevelt's attitude in regard to foreign relations and particularly the lifting of the Spanish embargo; to the Committee on Foreign Affairs.

1275. Also, petition signed by J. J. Ventriglia, of Piermont, and other residents of Rockland County, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1276. Also, petition signed by Leon B. Hoon and other residents of White Plains, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1277. Also, petition signed by August F. Stavarsky and other residents of White Plains, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1278. Also, petition signed by William Hasey, Sr., and other residents of White Plains, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1279. Also, petition signed by M. Julia Griffin, of Thornwood, and other residents in Westchester County, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1280. Also, petition signed by Betty Sheils and other residents of New Rochelle, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1281. Also, petition signed by Leonard L. Maher, of Chapqua, and other residents of Westchester County, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1282. Also, petition signed by the Reverend John J. Regan, of Mount Kisco, and other residents of Westchester County, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1283. Also, petition signed by Eunice P. Tuttle, of Hawthorne, and other residents of Westchester County, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1284. Also, petition signed by Larraint Cochue and other students at the College of New Rochelle, New Rochelle, N. Y., urging a revision of the Neutrality Act; to the Committee on Foreign Affairs.

1285. Also, petition signed by George Werenskold and other residents of New Rochelle, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1286. Also, petition signed by John V. Kieley and other residents of New Rochelle, N. Y., urging the retention on the statute books of the act of May 1, 1937, and extending the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1287. Also, petition signed by Mary P. Golden and other residents of Larchmont, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1288. Also, petition signed by Mrs. L. M. Brantz, of New Rochelle, and other residents of Westchester County, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1289. Also, petition signed by the Reverend William J. Donohue, pastor of St. Teresa's Church, North Tarrytown, N. Y., and other residents of Westchester County, urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1290. Also, petition signed by Irene H. Crabtree, of New Rochelle, and other residents of Westchester County, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1291. Also, petition signed by Daniel Buckley and other residents of White Plains, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension

of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1292. By Mr. GAMBLE: Petition signed by Margaret C. Welch and other residents of White Plains, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1293. Also, petition signed by Herbert F. Hoeltje and other residents of White Plains, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1294. Also, petition signed by Thomas Manning and other residents of New Rochelle, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1295. Also, petition signed by Mrs. Edward J. Burke and other residents of White Plains, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1296. Also, petition signed by Frank J. Ridgeway and other residents of Larchmont, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1297. Also, petition signed by Michael J. Kennedy of Mamaroneck, N. Y., and other residents of Westchester County, urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1298. Also, petition signed by Mary M. Moore and other residents of Larchmont, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1299. Also, petition signed by Rose M. Murphy and other residents of Larchmont, N. Y., urging the retention on the statute books of the act of May 1, 1937, and the extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1300. By Mr. PFEIFER: Petition of the American Federation of Bookkeepers, Stenographers, and Accountants, Federal Local Union No. 20940, New York City, urging the use of the present trained Works Progress Administration employees in New York City for the 1940 census; to the Committee on Appropriations.

1301. By Mr. PATMAN: Resolution adopted by the Pasadena Central Labor Union, an affiliation of 30 local unions, representing 4,000 members, affiliated with the American Federation of Labor and the California State Federation of Labor, Pasadena, Calif., vigorously favoring House bill 1, known as the Patman bill, providing for a Federal tax on interstate chain stores; to the Committee on Ways and Means.

1302. Also, petition of J. Q. O'Connor and 27 other citizens of Petty, Lamar County, Tex., favoring the passage of House bill 193, providing for redemption of certain cotton certificates issued under the Bankhead Cotton Act; to the Committee on Agriculture.

1303. By Mr. PFEIFER: Petition of the New York State Federation of Federal Employees' Unions, Newburgh, N. Y., urging support of the Ramspeck bill (H. R. 960); to the Committee on the Civil Service.

1304. By Mr. SCHIFFLER: Petition of Rev. Warren K. Martin, pastor, and the board of elders of the First Presbyterian Church of Wellsburg, W. Va., protesting against the proposed amendment to include ministers in the Social Security Act; to the Committee on Ways and Means.

1305. By Mr. SMITH of West Virginia: Resolution unanimously adopted February 17, 1939, by 236 business leaders attending a coal-industry banquet at the West Virginia Hotel in Bluefield, W. Va., opposing the construction of the Gilbertsville Dam and the further expansion of the Tennessee Valley Authority; to the Committee on Rivers and Harbors.

1306. Also, resolution of the Kanawha Coal Operators Association, of Charleston, W. Va., affirming opposition to the proposed Bluestone Dam in New River, Summers County, W. Va.; to the Committee on Rivers and Harbors.

1307. By Mr. THILL: Resolution adopted by the Common Council of the City of Milwaukee, on February 13, 1939, opposing Senate Joint Resolution No. 24; to the Committee on the Public Lands.

1308. By Mr. THOMASON: Petition of the independent tire dealers of El Paso, Tex., urging passage of the Patman bill (H. R. 1); to the Committee on Ways and Means.

1309. By the SPEAKER: Petition of the Washington Alumni Chapter, Kappa Alpha Psi, Washington, D. C., petitioning consideration of their resolution with reference to House bills 3317 and 3318, concerning service in the Military Establishment; to the Committee on Military Affairs.

1310. Also, petition of the National Lawyers Guild, San Francisco, Calif., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

SENATE

THURSDAY, FEBRUARY 23, 1939

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

O Thou whose power unresting and unshaking flows as secret music in an enchanted silence to renew the universal vision of the soul: Help us ere we undertake the duties of another day to surrender all to Thee, our spirits, souls, and bodies, that no taint of sin may thwart in us Thy purposes, for Thou wouldst have us to be true and pure and brave and strong, following in the footsteps of the blessed Christ.

And if our vision of Thee fail, then do Thou bring us back to Thee through these sacred human ties, making us true because of those who trust us, keeping us pure for the sake of those who care, helping us to be brave when courage is so needed and strong for all there is to suffer, until we and all Thy children feel again the blessing of Thy presence and the sanctuary of Thine everlasting arms. We ask it in our Saviour's name. Amen.

THE JOURNAL

On the request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, February 22, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Davis	Johnson, Colo.	Schwartz
Andrews	Donahay	King	Sheppard
Ashurst	Downey	Lee	Shipstead
Austin	Ellender	Lewis	Smathers
Bailey	Frazier	Lodge	Smith
Bankhead	George	Logan	Stewart
Barbour	Gibson	Lundeen	Taft
Barkley	Gillette	McKellar	Thomas, Okla.
Bone	Glass	McNary	Thomas, Utah
Borah	Green	Miller	Tobey
Bridges	Guffey	Minton	Truman
Brown	Gurney	Murray	Tydings
Bulow	Harrison	Neely	Vandenberg
Byrd	Hatch	Norris	Van Nuys
Byrnes	Hayden	Overton	Wagner
Capper	Herring	Pepper	Walsh
Caraway	Hill	Pittman	Wheeler
Chavez	Holman	Radcliffe	White
Clark, Idaho	Holt	Reed	Wiley
Connally	Hughes	Reynolds	
Danaher	Johnson, Calif.	Russell	

Mr. MINTON. I announce that the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Washington [Mr. SCHWELLENBACH] are absent from the Senate because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nebraska [Mr. BURKE], the Senator from Missouri [Mr.