

imported into the United States from the Virgin Islands; to the Committee on Ways and Means.

By Mr. GREEN:

H. R. 9215. A bill to provide domiciliary care and medical and hospital treatment for certain minor children of World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. HART:

H. R. 9216 (by request). A bill relating to personal-injury suits by seamen, and to amend the act of March 4, 1915 (ch. 153, sec. 20, 38 Stat. 1185) and the act of June 5, 1920 (ch. 250, art. 33, 41 Stat. 1007); to the Committee on Merchant Marine and Fisheries.

By Mr. IZAC:

H. R. 9217. A bill to amend the act for the completion of the Navy and Marine Memorial; to the Committee on the Library.

By Mr. McGEHEE:

H. R. 9218. A bill to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. VINSON of Georgia:

H. R. 9219. A bill relating to the status of retired officers of the Navy, and to amend section 113 of the Criminal Code; to the Committee on Naval Affairs.

By Mr. HORTON:

H. R. 9220. A bill to prohibit the acquisition of land for creation or extension of national parks, parkways, monuments, or recreation areas except by an act of Congress; to the Committee on the Public Lands.

By Mr. McCORMACK:

H. R. 9221. A bill establishing in the Department of Labor a Bureau for the Welfare of the Deaf, and for other purposes; to the Committee on Labor.

By Mr. FADDIS:

H. J. Res. 503. Joint resolution providing for a board to seek a solution for unemployment; to the Committee on Labor.

By Mr. FISH:

H. J. Res. 504. Joint resolution to restrict the purchase of gold by the Treasury; to the Committee on Ways and Means.

By Mr. SHANLEY:

H. Con. Res. 57. Concurrent resolution reiterating strict and impartial neutrality; to the Committee on Foreign Affairs.

By Mr. SMITH of Virginia:

H. Con. Res. 58. Concurrent resolution authorizing the printing of additional copies of House Report No. 1902, entitled "Intermediate Report of Special Committee to Investigate the National Labor Relations Board"; to the Committee on Printing.

By Mr. SCRUGHAM:

H. Res. 453. Resolution to dissolve all agreements between the United States and the Union of Soviet Socialist Republics; to the Committee on Ways and Means.

By Mr. HENNINGS:

H. Res. 454. Resolution to provide for the creation of a select committee to investigate the activities and policies of the Government of the United Mexican States insofar as such activities and policies relate to, and affect the rights of, citizens of the United States; to the Committee on Rules.

H. Res. 455. Resolution providing for expenses of the select committee created by House Resolution 454; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BROWN of Ohio:

H. R. 9222. A bill granting a pension to Anna G. Clark; to the Committee on Invalid Pensions.

By Mr. GREEN:

H. R. 9223. A bill for the relief of E. P. Corley; to the Committee on Claims.

H. R. 9224. A bill for the relief of Charles M. Hosch; to the Committee on Military Affairs.

H. R. 9225. A bill for the relief of Charles M. Hosch; to the Committee on Military Affairs.

By Mr. GREGORY:

H. R. 9226. A bill for the relief of Mr. and Mrs. R. F. Claud; to the Committee on Claims.

By Mr. HARRINGTON:

H. R. 9227. A bill granting a pension to Kittie M. Gardner; to the Committee on Invalid Pensions.

By Mr. MARCANTONIO:

H. R. 9228. A bill for the relief of Salvatore Delvino; to the Committee on Immigration and Naturalization.

H. R. 9229. A bill for the relief of Jose Perez and Dolores Perez; to the Committee on Immigration and Naturalization.

By Mr. PATMAN:

H. R. 9230. A bill for the relief of Dr. Osler Y. Janes; to the Committee on Claims.

By Mr. SIMPSON:

H. R. 9231. A bill for the relief of William S. Hall; to the Committee on Military Affairs.

PETITIONS, ETC.

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

7295. By Mr. HOUSTON: Petition of Mrs. O. R. Nelson and 31 other residents of Wichita, Kans., urging enactment of Senate bill 280, a bill to prohibit compulsory block-booking by motion-picture distributors; to the Committee on Interstate and Foreign Commerce.

7296. By Mr. MICHAEL J. KENNEDY: Petition of the Jamaica Chamber of Commerce, Jamaica, N. Y., urging favorable consideration of the bill introduced by Congressman WILLIAM B. BARRY, providing for a 2-cent postage rate within the Borough of Queens, New York City; to the Committee on the Post Office and Post Roads.

7297. Also, petition of the National Maritime Union of America, urging that the President of the United States be asked to assume the authority of declaring an emergency; and in the absence of such legislation he issue an Executive order putting such proposal into effect; to the Committee on Merchant Marine and Fisheries.

SENATE

THURSDAY, APRIL 4, 1940

(Legislative day of Monday, March 4, 1940)

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

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Lord of power and giver of grace and wisdom, we commend to Thee all who are engaged in the government of this Nation. Grant to them clean hands, pure hearts, and a steadfast devotion to the cause of righteousness. May their works fulfill Thy will in our land, to the succor of the poor, the relief of the oppressed, and the redress of every social wrong, that we may stand blameless before Thee. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, April 3, 1940, 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	Barkley	Bulow	Chandler
Ashurst	Bilbo	Byrd	Chavez
Austin	Bone	Byrnes	Clark, Idaho
Bailey	Bridges	Capper	Clark, Mo.
Bankhead	Brown	Caraway	Connally

Danaher	Hayden	Mead	Shipstead
Davis	Herring	Miller	Smathers
Donahey	Hill	Minton	Smith
Downey	Holman	Murray	Stewart
Ellender	Holt	Neely	Taft
Frazier	Hughes	Norris	Thomas, Idaho
George	Johnson, Calif.	Nye	Thomas, Okla.
Gerry	Johnson, Colo.	O'Mahoney	Thomas, Utah
Gibson	King	Overton	Tobey
Gillette	La Follette	Pepper	Townsend
Glass	Lee	Pittman	Tydings
Green	Lodge	Radcliffe	Vandenberg
Guffey	Lundeen	Reed	Van Nuys
Gurney	McCarran	Reynolds	Wagner
Hale	McKellar	Schwartz	Walsh
Harrison	McNary	Schwellenbach	Wiley
Hatch	Maloney	Sheppard	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the senior Senator from Illinois [Mr. LUCAS], the junior Senator from Illinois [Mr. SLATTERY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is absent because of illness, and the Senator from Maine [Mr. WHITE] is necessarily absent.

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

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

- S. 166. An act for the relief of Nathan Kaplan;
- S. 454. An act for the relief of Ernest S. Frazier;
- S. 607. An act to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended;
- S. 1442. An act for the relief of Max J. Mobley;
- S. 1510. An act for the relief of George Louis Artick;
- S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds;
- S. 2201. An act for the relief of Alabama Lewis Poole;
- S. 2252. An act for the relief of Louis Simons;
- S. 2433. An act for the relief of Frank Casey;
- S. 2491. An act for the relief of Edward J. Gebhart;
- S. 2492. An act for the relief of Dane Goich;
- S. 2527. An act for the relief of Mary Nouhan; and
- S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter.

APPROPRIATION, NAVAL MEDICAL CENTER AT WASHINGTON (S. DOC. NO. 177)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental provision pertaining to the appropriation (fiscal year 1941), Public Works, Bureau of Yards and Docks, Navy Department, relative to an appropriation for the Naval Medical Center, Washington, D. C., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITION

The VICE PRESIDENT laid before the Senate the petition of the Young People's Society, First Presbyterian Church, of Oklahoma City, Okla., praying for the imposition of an embargo on the shipment of war materials to Japan, which was referred to the Committee on Foreign Relations.

APPROPRIATIONS FOR NATIONAL LABOR RELATIONS BOARD AND WAGE AND HOUR ADMINISTRATION

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a telegram received by me from Henry Allai, president, District 14, United Mine Workers of America, Pittsburg, Kans. Mr. Allai is well known to me. He is a high-class citizen, who devotes 100 percent of his time and energy to serving his people. I ask the Senate to give full and careful consideration to his request that adequate funds be appropriated for the National Labor Relations Board and for the Wage and Hour Administration. I send the telegram to the desk for appropriate reference.

There being no objection, the telegram was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

PITTSBURG, KANS., March 27, 1940.

Senator ARTHUR CAPPER,

Senate Office Building, Washington, D. C.:

We are asking you to help restore full appropriations in behalf of the National Labor Relations Board and also for the Wage and Hour Administration, not as reported by the House Appropriations Committee. As the enemies of labor cannot successfully destroy these laws which are beneficial to organized labor, they are trying to destroy them to the extent that they will not function properly if the recommendation made by the House Appropriations Committee is enacted. We are asking you to do this in behalf of the wage earners of the State of Kansas, so that we also may be properly protected under the Federal laws of our country.

HENRY ALLAI,

President, District 14, United Mine Workers of America.

PROGRAM OF MINNEAPOLIS BUILDING TRADES COUNCIL

Mr. SHIPSTEAD. Mr. President, I have here a statement in the nature of a petition from the Minneapolis Building Trades Council who request that it be printed in the RECORD. I ask unanimous consent that the request be granted and that the matter be properly referred.

There being no objection, the statement was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

MINNEAPOLIS BUILDING TRADES COUNCIL,
Minneapolis, Minn., March 29, 1940.

The program and position of the Minneapolis Building and Construction Trades Council regarding Works Progress Administration (W. P. A.); Public Works Administration (P. W. A.); and relief from unemployment was not correctly presented in the public press in relation to the meeting sponsored by the Associated General Contractors (A. G. C.) held at the Radisson Hotel, March 27, 1940, and attended unofficially by representative of the Building and Construction Trades Council of Minneapolis, Minn.

In order that the public may be correctly informed, the undersigned committee is authorized by the Minneapolis Building and Construction Trades Council to present its program as follows:

The council does not take the position that it is opposed to all Works Progress Administration (W. P. A.) work under any and all conditions.

We are, however, opposed to the Works Progress Administration (W. P. A.) entering the field of the building and construction industry or other trades at wages below prevailing A. F. of L. trade-union wages and conditions.

We are opposed to the sponsoring of such W. P. A. work which displaces regular civil-service employees and workers who could otherwise be employed; and any regulations which provide pauperizations as a condition for employment on W. P. A. work, and in favor of separating the W. P. A. from any relief agency, and in favor of part-time or total unemployment and adequate mechanical qualifications (consistent with good workmanship) as conditions for employment on all W. P. A. work.

For repeal of the Woodrum amendment and reestablishment of prevailing A. F. of L. trade-union wages and conditions, and 30-hour workweek on all W. P. A. work, so as to make possible the employment of union members on W. P. A. work; on this basis we support additional appropriations for W. P. A.

For an additional appropriation, in this congressional session, of at least \$3,000,000,000 for the Public Works Administration to be expended for needed and worthy public-works construction and slum clearance at prevailing American Federation of Labor trade-union wages and conditions.

FEDERAL HOUSING AUTHORITY

For the continuation and expansion of the Federal Housing Authority on the basis of good-standard homes as against substandard homes and at prevailing trade-union wages and conditions.

Against any wage cuts and for establishment of more uniform wage rates to all workers by increasing the lower wage rates toward the higher wage rates, thereby enabling the workers to procure good homes and to purchase and consume more of the wealth produced, thus stimulating the market and increasing employment and business.

We sincerely believe that there is no constructive relief from unemployment by reducing wages. A cut in the higher-wage brackets results in a drive to cut all wages.

NATIONAL YOUTH ADMINISTRATION

Against discrimination of the youth through low wages and for establishment of prevailing trade-union wages and apprenticeship on all work in connection with the National Youth Administration.

For the enactment by the United States Congress of a law providing for a maximum 30-hour workweek, with no reduction in pay, in all industries, thereby creating jobs for many millions of adults and youths.

For liberal increases of the benefits in the various categories of social security, youth, old-age assistance, and unemployment-insurance legislation, State and Federal.

For the enactment of a State enabling act providing for establishing State, county, and municipal housing authorities, thus enabling the State and municipalities and counties to share in Federal appropriations for housing construction and slum clearance.

For a State enabling act authorizing the city of Minneapolis (as a city of first class) to issue special bonds for purposes of such public-works construction as a new city hospital, maternity and convalescent home, schools, etc., to satisfy the health, educational, and recreational needs of our city.

For retaining and improvement of the civil service and day-labor system of the city of Minneapolis.

For equal job opportunities to all workers at trade-union wages and conditions.

Against involving our country in any imperialist wars or entanglements. Let us keep our youth at home, producing wealth at trade-union wages and with a future and security for themselves instead of dying on foreign battlefields to further the interest of profit-greed war mongers and ruthless exploiters.

The Minneapolis Building and Construction Trades Council is interested in establishing decent living standards and economic security not only for all building-trades men but for all workers.

We are convinced that our country has all the required scientific knowledge, resources, and productive facilities and capacities to provide all able-bodied men, women, and youth with employment at wages which will enable them to enjoy the wealth produced and to sustain efficient and fair management and with a reduced workweek which will absorb the unemployed and legislation which will guarantee comfortable protection to the sick, aged, and incapacitated and adequate educational facilities for the youth in all branches of art and knowledge.

We earnestly solicit the support of all people to achieve this immediate and long-range program.

Signed by:
[SEAL]

G. I. MILLER, *President*.
WALTER FRANK, *Trustee*.
JAMES FLOWER.
H. B. JENSEN, *Secretary*.
L. BOEREBACH.

PROTEST OF THE BOSTON STOCK EXCHANGE—MEMORIAL

Mr. WALSH. Mr. President, I present on behalf of myself and my colleague the Senator from Massachusetts [Mr. LODGE] a letter from President Yerxa, of the Boston (Mass.) Stock Exchange, addressed to the Honorable Jerome N. Frank, Chairman of the Securities and Exchange Commission, alleging that the recent action of the New York Stock Exchange is discriminatory and oppressive in its effect upon those who are members of both the New York and Boston Stock Exchanges, and that it is inconsistent with the declared purpose of the Congress.

I ask that the letter be printed in the RECORD, treated in the nature of a memorial, and referred to the Committee on Banking and Currency.

I also ask that the vote of the board of governors of the New York Stock Exchange on February 28, 1940, and which the members of the Boston Stock Exchange protest, be printed in the RECORD, and likewise referred to the same committee.

There being no objection, the letter referred to and vote of the board of governors of the New York Stock Exchange were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

HON. JEROME N. FRANK,
Chairman, Securities and Exchange Commission,
Washington, D. C.
BOSTON STOCK EXCHANGE,
March 25, 1940.

MY DEAR MR. FRANK: On March 15 I discussed with you briefly the recent action of the New York Stock Exchange designed to stop any member who is also a member of another exchange from acting as a dealer on the other exchange in any security traded on both exchanges. To accomplish this result, the New York Stock Exchange invokes an old provision of its constitution which has never heretofore been treated as applicable to dealer activities outside of New York City.

Local exchange markets in securities also dealt in on the New York Stock Exchange are not new. For many years securities have been listed and traded on both the Boston Stock Exchange and the New York Stock Exchange. Similar situations are also true of other regional exchanges, such as Philadelphia, Chicago, and San Fran-

cisco. American Telephone and Telegraph Co. capital stock, and other well-known securities, were listed on this exchange before they were listed in New York.

As early as 1868 local interest in New England in certain securities traded on the New York and Philadelphia Stock Exchanges prompted the Boston Stock Exchange to permit trading in those securities. This practice has been continued, and at the present time a number of members of the Boston Stock Exchange who are dealers in such stocks on that exchange are members, or allied members, of the New York Stock Exchange. Furthermore, Boston members have purchased New York seats in reliance upon the fact that the New York Exchange did not question the right of firms having seats on both exchanges to conduct business on both exchanges.

Now, by the adaptation of a rule never before treated as or deemed applicable, the New York Stock Exchange proposes to force local firms holding memberships in both the New York Stock Exchange and local exchanges to give up all dealer activities on the local exchanges in securities traded both on the New York Exchange and local exchanges.

From the viewpoint of public interest, it appears impossible to justify this new interpretation. In 1936, by act of Congress, exchanges were permitted to continue then existing trading privileges. In addition, exchanges were given the right to extend trading privileges to any security listed on another exchange, whenever, by reason of local distribution, local trading activity, and otherwise, the Commission was of the opinion that a local exchange market was appropriate in the public interest.

This action, to quote the House Committee on Interstate and Foreign Commerce, represented "an endeavor to create a fair field of competition among exchanges and between exchanges as a group, and the over-the-counter markets, and to allow each type of market to develop in accordance with its natural genius and consistently with the public interest."

The Commission, in subsequent decisions sanctioning local exchange markets, has given effect to the congressional purpose of encouraging free competition among exchanges. In no instance, we believe, has the New York Stock Exchange opposed applications by local exchanges for permission to maintain local secondary markets in securities listed on the New York Stock Exchange.

We are equally at a loss to understand how this action can be justified from the viewpoint of the New York Stock Exchange's own interest. During the past 5 years the proportion of the share volume on the New York Stock Exchange to the total share volume on all registered exchanges (20 in 1939) in the United States has been as follows:

Year:	Percent of N. Y. S. E. to total
1935	75.4
1936	73.2
1937	72.7
1938	78.8
1939	78.7

From these figures, released by your Commission, it appears that the New York Stock Exchange has not suffered from the activities of the other exchanges. A summary of the volume figures compiled by the 19 principal exchanges shows that New York's percentage back in 1928 was only 65.4 percent, and in 1929 only 60.5 percent.

It is our opinion that the present action of the New York Stock Exchange is discriminatory and oppressive in its effect upon those who are members of both the New York and Boston Stock Exchanges, and that it is inconsistent with the declared purpose of Congress.

Very truly yours,

JOHN E. YERXA, *President*.

VOTE OF BOARD OF GOVERNORS

The board of governors of the New York Stock Exchange on February 28, 1940, voted to instruct the committee on member firms to enforce article XVI, section 8, of the constitution. This rule forbids members to deal on outside exchanges in stocks listed on the New York Stock Exchange:

"Sec. 8. Whenever the board of governors, by the affirmative vote of 17 governors, shall determine that a member or allied member is connected, either through a partner or otherwise, with another exchange or similar organization in the city of New York which permits dealings in any securities dealt in on the exchange, or deals directly or indirectly upon such other exchange or organization, or deals publicly outside the exchange in securities dealt in on the exchange, such member or allied member may be suspended or expelled as the board may determine."

REPORT OF INDIAN AFFAIRS COMMITTEE

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the joint resolution (H. J. Res. 289) to amend section 5 of Public Law No. 360, Sixty-sixth Congress, reported it with an amendment and submitted a report (No. 1377) thereon.

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. MEAD:

S. 3717. A bill authorizing the retirement of Charles H. Rich as a major in the United States Army; to the Committee on Military Affairs.

By Mr. GILLETTE:

S. 3718. A bill to prohibit producers, refiners, and marketers of petroleum products from operating tankers and barges; to the Committee on the Judiciary.

By Mr. SCHWELLENBACH:

S. 3719. A bill to promote the rehabilitation of the migratory fish of the Columbia River required by the construction of the Grand Coulee Dam; to the Committee on Commerce.

By Mr. PEPPER:

S. J. Res. 239. Joint resolution providing for the appropriation of an additional \$150,000,000 to the Work Projects Administration to be expended for work relief during the remainder of the fiscal year ending June 30, 1940; to the Committee on Appropriations.

ADJUSTMENT OF SALARIES OF RURAL LETTER CARRIERS—AMENDMENT

Mr. LA FOLLETTE submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 1663) to adjust the salaries of rural letter carriers, and for other purposes, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. THOMAS of Oklahoma submitted amendments intended to be proposed by him to House bill 8745, the Interior Department appropriation bill, 1941, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 119, line 11, to strike out "\$30,738" and insert "\$60,738" [increase of \$30,000 for forest-wildlife research].

On page 119, line 16, to strike out "\$183,300" and insert "\$213,300" [increase in total of \$30,000].

On page 122, line 16, to strike out "\$79,753" and insert "\$329,753" [increase of \$250,000].

On page 122, line 19, add the following language: "which said amount shall be available for the acquisition by purchase or otherwise of such lands or easements and other interests in lands as may be necessary to provide for the restoration, rehabilitation, and protection of migratory waterfowl or other forms of wildlife."

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL

Mr. MALONEY submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill under the caption "Flood control" insert the following:

"Provided further, That the local flood-protection works at Hartford and East Hartford, Conn., and Springfield, West Springfield, Chicopee, Holyoke, and Northampton, Mass., authorized by the Flood Control Act approved June 28, 1938, shall be constructed in accordance with the revised plans and cost estimates described in House Document No. 653, Seventy-sixth Congress, third session."

Mr. MALONEY also submitted an amendment intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

Mr. MALONEY also submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood Control, insert a new paragraph, reading as follows:

"Emergency fund for flood control on rivers or tributaries other than those of the Mississippi River: For rescue work and for repair, maintenance, or construction of flood-protection works on rivers or tributaries other than those of the Mississippi River, in emergency cases in each of which the Chief of Engineers shall find and certify that in his opinion the flood menace to a community is grave, the work in each case to be done in accordance with the recommendations of the Chief of Engineers, and which works are hereby authorized, a sum not to exceed \$800,000 to be allocated by the Secretary of War on the recommendation of the Chief of Engineers, such emergency fund shall be available for expenditure upon

LXXXVI—251

projects for which allotments therefrom may be made, any other provisions of this act to the contrary notwithstanding."

Mr. JOHNSON of California submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill under the caption "Flood control", Sacramento River, Calif., insert the following: "Provided, That the additional sum of \$1,844,000 is hereby authorized to be expended for completion of Sacramento River flood-control works heretofore authorized."

Mr. JOHNSON of California also submitted an amendment intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

Mr. THOMAS of Oklahoma submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood Control", insert the following: "Provided further, That the local flood-protection works in the Connecticut River Basin authorized by the Flood Control Act approved June 28, 1938, shall be constructed in accordance with the revised plans and cost estimates described in House Document No. 653, Seventy-sixth Congress, third session."

Mr. THOMAS of Oklahoma also submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood control, additional facilities—Panama Canal", insert the following: "and, in addition, the Governor of the Panama Canal may, when authorized by the Secretary of War, make or authorize the making of contracts prior to July 1, 1941, for or on account of the construction of such additional facilities, to an amount not in excess of \$99,000,000."

Mr. THOMAS of Oklahoma also submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood control, general", insert the following: "Provided further, That the additional sum of \$28,000,000 is hereby authorized to be appropriated for continuing construction of the comprehensive plan for flood control and other purposes in the Arkansas River Basin as authorized in the Flood Control Act approved June 28, 1938: Provided further, That the additional sum of \$13,000,000 is hereby authorized to be appropriated for continuing construction of the comprehensive plan for flood control and other purposes in the White River Basin as authorized in the Flood Control Act approved June 28, 1938."

Mr. THOMAS of Oklahoma also submitted three amendments intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which were referred to the Committee on Appropriations and ordered to be printed.

For text of the amendments referred to, see the foregoing notices.

ADDRESS BY SENATOR TOBEY ON THE CENSUS

[Mr. TOBEY asked and obtained leave to have printed in the Record a radio address delivered by him on April 1, 1940, on the subject of the census, which appears in the Appendix.]

ALIEN REGISTRATION—LETTER OF ATTORNEY GENERAL M'MULLAN, OF NORTH CAROLINA

[Mr. REYNOLDS asked and obtained leave to have printed in the Appendix of the Record a letter written by Hon. Harry

McMullan, Attorney General of North Carolina, to Hon. Thad Eure, Secretary of State of North Carolina, on the subject of alien registration, which appears in the Appendix.]

STATEMENT BY ADAM CASTILLO AND ETHAN ANDERSON ON BEHALF OF CALIFORNIA INDIANS

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD a statement by Adam Castillo and Ethan Anderson, representing the Mission Indian Federation of Southern California and the Indians of California, Inc., which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The VICE PRESIDENT. The question is on agreeing to to the amendment of the Senator from Wyoming [Mr. O'MAHONEY], as modified.

Mr. BROWN. Mr. President, I desire to discuss for a few moments some of the general features of the reciprocity-trade program, and then devote myself to the pending question, the O'Mahoney amendment.

Throughout the debate we have heard much of the legal questions involved. So many of us are lawyers that the interesting legal questions attract us. These considerations are important, but I regret that the many able Senators who have spoken have not had much to say as to the practical effect of the program in the past and its probable effect in the future.

The general dissatisfaction with the Smoot-Hawley Act gave rise to a demand for a reduction of tariff rates. It has often been said that the Democrats have not repealed the Smoot-Hawley law. Looked at superficially, this criticism can be made, but, of course, the effect of the application of the trade-agreements law by the President has been greatly to reduce tariff rates and barriers. But, Mr. President, while there is language in the Trade Agreements Act which indicates that foreign markets should be expanded, the law itself does not require a reduction of rates. In fact, it permits as great an increase of rates as it does a decrease. The Smoot-Hawley rates may be decreased 50 percent, but they may also be increased 50 percent. So it cannot be said that the statute itself requires any reduction in what are generally considered the excessive rates and prohibitive tariffs of the Smoot-Hawley Act.

But we do not disassociate the act from its administration. It could be used by a high-tariff President to bring about a great increase in the tariff rates of the United States if he

could find nations that would sign such agreements, and the act certainly would give him authority to maintain the Smoot-Hawley rates without change. I sometimes think that the Secretary, and others who strongly favor this program, have overlooked the fact that the Smoot-Hawley Act rates could at least be maintained and probably could be increased by a high-tariff President if we should have the misfortune to have one in this year of 1940.

It must be remembered that under section 2b the power of termination is in the President; and every treaty which is now in existence may be terminated by a President unfavorable to the reciprocal-trade agreements. Congress alone may not abrogate or continue these agreements. The President may. I shall have more to say about this proposition a little later.

I think the administration of the law has been excellent. No one can successfully deny that under it our foreign trade has expanded without material harm to our domestic trade. Both as a manufacturing and as an agricultural exporter our prosperity has been increased by our export trade.

Taking the case of agriculture—and I have heard more from my own State of Michigan on the subject of agriculture than I have upon any other—in the Senate hearings, on pages 95 to 103, Secretary Wallace established the fact, which I should like Senators to realize, that we now utilize 28,375,000 acres to grow the agricultural commodities which are exported, and that 7,564,000 acres are used to grow the commodities which are imported into the United States. That means that if we entirely closed our ports to exports we should lose the use of 28,000,000 acres of land which are devoted to the growth of our agricultural exports. If, on the other hand, we grew upon our own soil all the products which are imported—of course, I am not including rubber, coffee, and such commodities as those—we should gain only 7,000,000 acres. We use for export four times as much land as we should gain if we grew all the products which are imported which could be grown within the borders of the United States.

These figures are for the crop year 1933-39. For some years the same ratio has held, roughly, 4 to 1.

Secretary Wallace put the matter well when he said, in substance, that by eliminating our international trade as to agriculture we should be trading dollars for quarters. We export four times as much in acres of growth as we import.

I ask that two tables dealing with this subject be printed in the RECORD at this point as a part of my remarks.

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

Acreage equivalent of principal agricultural imports, 1919-20 to 1938-39

[Average yield in acres]

Crop year	Sugar ¹	Flaxseed ²	Animal products		Wheat ³	Corn	Oats, barley, rye, buckwheat	Hay	Cotton	Fruits	Vegetables	Other ⁴	Total
			Grain	Hay									
1919-20	3,066,000	4,010,000	380,000	584,000	(⁵)	272,000	358,000	216,000	2,041,000	83,000	7,000	3,034,000	14,051,000
1920-21	2,757,000	2,699,000	225,000	361,000	(⁵)	8,000	184,000	108,000	676,000	94,000	2,000	1,030,000	8,144,000
1921-22	3,382,000	3,613,000	218,000	372,000	615,000	7,000	138,000	4,000	1,140,000	128,000	9,000	844,000	10,470,000
1922-23	3,396,000	4,457,000	323,000	524,000	538,000	8,000	37,000	30,000	1,433,000	106,000	6,000	1,248,000	12,106,000
1923-24	3,018,000	3,261,000	425,000	460,000	1,121,000	157,000	260,000	345,000	972,000	94,000	21,000	924,000	11,058,000
1924-25	3,571,000	2,333,000	609,000	409,000	23,000	43,000	58,000	102,000	997,000	103,000	42,000	1,053,000	9,343,000
1925-26	3,756,000	3,216,000	553,000	549,000	134,000	41,000	13,000	369,000	946,000	106,000	46,000	1,071,000	10,800,000
1926-27	3,626,000	3,857,000	540,000	727,000	6,000	209,000	8,000	179,000	1,104,000	91,000	51,000	1,076,000	11,465,000
1927-28	3,505,000	3,787,000	657,000	837,000	14,000	22,000	24,000	72,000	943,000	90,000	52,000	1,045,000	10,139,000
1928-29	3,904,000	3,787,000	831,000	872,000	7,000	16,000	11,000	34,000	1,260,000	75,000	57,000	1,068,000	11,922,000
1929-30	3,337,000	3,166,000	462,000	471,000	4,000	62,000	19,000	51,000	1,048,000	93,000	65,000	1,168,000	9,946,000
1930-31	3,222,000	1,243,000	305,000	255,000	27,000	24,000	128,000	104,000	309,000	55,000	42,000	813,000	6,527,000
1931-32	3,325,000	2,199,000	244,000	246,000	1,000	14,000	75,000	17,000	332,000	48,000	56,000	547,000	7,104,000
1932-33	3,101,000	987,000	242,000	317,000	1,000	6,000	75,000	8,000	378,000	34,000	37,000	428,000	5,614,000
1933-34	2,975,000	2,984,000	223,000	330,000	12,000	117,000	1,379,000	2,000	457,000	35,000	33,000	543,000	9,040,000
1934-35	3,289,000	2,460,000	506,000	621,000	1,198,000	1,714,000	2,504,000	75,000	360,000	40,000	37,000	666,000	13,470,000
1935-36	3,284,000	2,453,000	639,000	661,000	2,668,000	1,247,000	597,000	4,000	528,000	42,000	32,000	739,000	12,964,000
1936-37	3,137,000	4,146,000	831,000	614,000	2,782,000	3,422,000	1,776,000	175,000	872,000	32,000	31,000	1,043,000	19,861,000
1937-38	2,872,000	2,837,000	476,000	482,000	49,000	16,000	280,000	20,000	497,000	33,000	27,000	920,000	8,509,000
1938-39 (estimated)	2,803,000	2,540,000	462,000	475,000	15,000	12,000	115,000	13,000	510,000	33,000	25,000	561,000	7,564,000

¹ Includes insular imports.

² Includes linseed oil.

³ Excludes grain imported for milling in bond and export.

⁴ Chiefly tobacco, nuts, rice, soybeans, dry beans, and peas, and tapioca and sago (starch).

⁵ Milling in bond not available. Net exports used in calculating acreage equivalent.

Acreage equivalents are calculated on basis of average yields 1923-32, except for cotton and tobacco which are on 1932-36 basis, and include allowance for seed, but not for workstock required.

Source: Division of Program Development and Coordination, Bureau of Agricultural Economics, Nov. 15, 1939.

Acreage equivalent of principal agricultural exports, 1919-20 to 1938-39

[Average yield in acres]

Crop year	Tobacco	Rice	Animal products			Wheat	Corn and grain sorghums	Oats, barley, rye, buckwheat	Cotton	Fruits	Vegetables	Other	Total
			Grain		Hay								
			Pork and lard	Other									
1919-20	852,000	554,000	8,657,000	537,000	1,080,000	16,846,000	612,000	6,754,000	18,271,000	286,000	4,000	1,698,000	56,151,000
1920-21	782,000	591,000	9,515,000	438,000	525,000	24,154,000	4,724,000	6,305,000	15,904,000	243,000	4,000	696,000	63,881,000
1921-22	651,000	594,000	8,687,000	392,000	426,000	21,308,000	6,590,000	5,143,000	16,944,000	247,000	3,000	1,029,000	62,014,000
1922-23	760,000	489,000	11,600,000	339,000	390,000	16,538,000	2,048,000	6,708,000	13,417,000	318,000	14,000	570,000	53,191,000
1923-24	880,000	361,000	9,936,000	217,000	396,000	11,460,000	803,000	2,930,000	15,353,000	545,000	17,000	416,000	43,314,000
1924-25	648,000	265,000	7,306,000	192,000	351,000	19,834,000	394,000	7,003,000	21,648,000	474,000	14,000	448,000	58,577,000
1925-26	779,000	222,000	6,800,000	162,000	309,000	7,489,000	949,000	4,004,000	21,683,000	553,000	17,000	462,000	43,429,000
1926-27	774,000	424,000	6,166,000	148,000	281,000	16,084,000	608,000	3,605,000	29,330,000	703,000	18,000	359,000	58,560,000
1927-28	749,000	436,000	6,796,000	133,000	241,000	14,917,000	846,000	4,785,000	20,684,000	659,000	22,000	384,000	50,652,000
1928-29	854,000	530,000	7,437,000	132,000	249,000	11,107,000	1,799,000	4,523,000	22,219,000	970,000	29,000	436,000	50,285,000
1929-30	899,000	452,000	5,880,000	128,000	245,000	11,026,000	335,000	1,554,000	18,482,000	554,000	28,000	334,000	39,917,000
1930-31	853,000	462,000	4,818,000	125,000	237,000	8,868,000	100,000	690,000	18,620,000	863,000	20,000	285,000	35,941,000
1931-32	639,000	454,000	4,532,000	101,000	194,000	9,666,000	811,000	572,000	23,790,000	774,000	15,000	432,000	41,980,000
1932-33	586,000	402,000	4,885,000	109,000	216,000	2,684,000	320,000	679,000	23,020,000	673,000	14,000	437,000	34,025,000
1933-34	680,000	351,000	3,921,000	127,000	257,000	2,183,000	176,000	326,000	20,446,000	662,000	17,000	207,000	29,353,000
1934-35	531,000	380,000	1,338,000	113,000	225,000	1,024,000	23,000	276,000	13,054,000	509,000	16,000	281,000	17,770,000
1935-36	651,000	336,000	1,396,000	110,000	227,000	547,000	26,000	538,000	16,179,000	702,000	21,000	601,000	21,334,000
1936-37	615,000	319,000	1,542,000	113,000	228,000	944,000	17,000	311,000	14,705,000	634,000	18,000	419,000	19,865,000
1937-38	695,000	584,000	2,187,000	142,000	261,000	7,953,000	5,707,000	2,011,000	15,590,000	687,000	23,000	527,000	36,367,000
1938-39 (estimated)	670,000	550,000	2,909,000	134,000	269,000	8,462,000	3,014,000	932,000	10,110,000	804,000	22,000	499,000	28,375,000

NOTE.—Acreage equivalents are calculated on basis of average yields 1923-32, except for cotton and tobacco, which are on 1932-36 basis, and include allowance for seed, but not for workstock required. Shipments to territories included.

Source: Division of Program Development and Coordination, Bureau of Agricultural Economics, Nov. 15, 1939.

Mr. BROWN. We have heard a great deal in my State from the dairy farmer, and we have heard much from the cattleman. The Secretary says that the American dairy farmer has 99½ percent of the American dairy market. We import one-half of 1 percent, mostly in foreign cheeses, but we are exporting on the average sufficient to cover the other one-half of 1 percent.

The Secretary informed us that the American beef producer in 1938 had 96 percent of the American beef market. It is difficult for me to understand the basis for a contention that we do not substantially have the American market for the American farmer.

But, Mr. President, my purpose today is to view this situation from a different angle. Ever since, as a young man, I adhered to the Democratic Party, I did so largely because I believed it was a party which represented the consumer interest. We have not heard much about the consumer interest in this debate. Our party has been a low-tariff party, in theory at least. Historically, the agricultural Southern States have favored low tariffs, very likely because their principal product has depended largely upon export markets. Our party in the North has had its principal strength in the great cities—New York, Chicago, Detroit, Cleveland, and in later years Pittsburgh, Philadelphia, and Los Angeles—most of them, however, for the entire period since the Civil War. They are the foundation of the Democratic strength in the North. Why is this true? Shallow thinkers attribute it to political organizations, such as the Tammany organization in New York, such as the Kelly-Nash organization in Chicago; but the fact is that political organization in the larger cities is the result, and not the cause, of this situation. Historically—and I think on sound reason—the Democratic Party has been dominant in the great cities of the country because it has been a low-tariff consumer party, interested in preventing runaway prices, in preventing the upbuilding of great fortunes through prohibitive tariffs which pour the earnings of the common man into the pockets, not of the Government by taxation, but of the producers of consumptive goods through excessive prices.

I am not attempting to particularize today. I am generalizing and talking about the larger aspects of the situation. The South is interested in export trade largely because of its cotton; and the industrial areas of the North, crowded into cities, are interested in sound economics because the result of sound economics is reasonable prices. To these groups our party in recent years has added a large part of the farm population. Our party has recognized that high agricultural tariffs have not resulted in better prices to the farmer, who is 90 percent dependent upon the domestic market; and, recognizing these conditions, the Agricultural Adjustment

Act with its parity payments, the soil-conservation program, and other methods have been used to attack the farm problem. These groups form the bone and sinew of the Democratic Party of today.

This brings me to a consideration of the result of the application of what I term the rather innocuous Reciprocal Trade Agreements Act. It has been advantageous to the people of the United States, not because the law provides lower tariffs, but because a great statesman, completely committed to the view that low tariffs result in international trade, has dominated the policy which has brought about lower tariffs through the permissive language of the statute. I again say that in the hands of an administration committed to high tariffs the Reciprocal Trade Agreements Act could be an effective instrument in perpetuating and probably even in increasing the exorbitant rates of the Hawley-Smoot Act.

The reciprocal trade agreements law is a good one, not because of any particular virtue in the act itself, but because of its capable administration.

Mr. President, I have heard a great deal of the cost-of-production theory of tariff making. Like many other theories, it has an appeal to the unthinking. Carried to its logical conclusion, cost of production means that Costa Rica's bananas could be raised in Michigan or in Maine by hothouse methods, and that a tariff should be established representing the difference between the cost of production under the warm, fetid climate of Central and South America and production by high-pressure methods in the cold country along our Canadian border. Of course, northern United States cannot produce bananas, and Cuba cannot produce Vermont maple sirup. The consuming public—and that means all of us—will be best served when, within reasonable limitations which I shall attempt to suggest, we produce the commodities needed by our people where they can be most economically produced.

Our Nation is closer to being a self-contained economic unit than is any other large nation in the world. Consequently, it follows that we need pay less attention to national defense and to the production of essentials which we cannot with economy produce within our own borders than is the case with any other great nation of the world. I shall not take the time to compare the United States with Germany, with France, with Russia, with the British Empire, or with any other nation. I assert what every man knows to be a fact—that our natural resources, our productive power, both agriculturally and industrially speaking, stands without challenge as the leader of the entire world.

I do not mean that essentials which we need are not produced in other countries, but most of them are fairly close at hand. It is but natural, therefore, that we should take

the lead, because it is safer for us than for any other nation to do so.

There was sound reason for the protective industrial tariffs of our earlier days, and there is reason for some of the many rates now in existence. Such rates are often necessary for the purpose of maintaining in a particular area an industry which, but for protection, might languish and die. There is sound reason for a tariff policy that will enable us to supply our consumptive demands in case of war. This is in part the justification for our sugar policy. Certainly there is much merit in our policy toward our friendly neighbor to the north, which is our best customer, and which supplies us with much of the raw material we need, such as, for example, nickel, which is not produced in abundance in the United States, and is a necessary war material. But, in the main, the interests of our country will best be served by a policy which will bring to our people the necessities and the luxuries of life at reasonable prices. This is the main purpose of the administration of the Reciprocal Trade Agreements Act.

Search the record of the hearings before the House Ways and Means Committee and the Senate Finance Committee, and it will be found that very little was said by the consumer and a great deal was said by the producer. The average consumer throughout the United States spends a few hundred dollars per year for his food, his clothing, and other things to supply his various wants. Therefore no particular individual in this class has a great financial stake in the controversy; but the Senate of the United States must not forget that there are 130,000,000 consumers who, either in person or by proxy, walk to the grocery store and the butcher shop each day of the year.

The best statement I heard on the subject was that presented by Mrs. Harris T. Baldwin, first vice president of the National League of Women Voters. Mrs. Baldwin presented the views of the American Association of University Women, the General Federation of Women's Clubs, the national board of the Young Women's Christian Association, the National Council of Jewish Women, the National Women's Trade Union League of America, and the Service Star Legion, Inc., as well as her own organization. In the statement of Dr. Caroline F. Ware, representing the American Association of University Women, presented by Mrs. Baldwin, I find the following remarkable declaration:

The stake of American consumers in a satisfactory tariff-making procedure is very real. As consumers we tend to favor a program which minimizes barriers to trade, because we want to acquire the goods which we need on the most favorable terms. By expanding markets abroad for the things which can best be made at home and buying therewith things which we cannot well produce or in which our advantage for production is less we gain the full advantage of our best skills.

She estimates the burden placed upon the American consumer by the tariff by saying that something like 10 percent of the average expenditures for food on the part of the New York City wage earners and clerical workers in 1935 was attributable to the tariff. She estimates that the cost of the tariff to the average farm family was \$108 a year—that is, money going out of the farm family and into the hands of the producers of various commodities in the United States—\$81 for goods used in the family living on the farm, and \$27 for goods used in farm production. In other words, our tariff policy, according to this well-informed woman, cost the average farm family \$108 a year.

Mrs. Baldwin said:

If the cost-of-production theory in tariff making is pursued to its logical conclusion, it means the use of the tariff to eliminate all competitive advantages among countries, and therefore practically to prohibit imports. This is the opposite of the purpose of the trade-agreement program, which is to stimulate trade.

The women of America face the everyday task of supplying the essential wants of the American family, and I think these representatives of millions of American women represent a voice to which we should listen in fixing tariff rates.

The views of the National Women's Trade Union League of America are most interesting. The executive board is on record in favor of the trade-agreements program. Mrs. J. A.

Stone, chairman of the committee, in her statement presented to the Finance Committee, points out that of the 50,000,000 gainfully employed persons in the United States, it is estimated that approximately 5,000,000 are engaged in the so-called protected industries. She thinks the correct figure is closer to two and one-half million. To my mind, she thoroughly explodes the theory that excessive tariffs are material factors in maintaining high wage standards. In her statement on pages 507 and 508 of the hearings she shows that the average annual wages in 1937 in the protected industries did not measure up to those in the unprotected industries. Her figures, taken from the Census of Manufactures, show the following wages were paid in the protected industries listed:

Average annual wage in 1937	
Cigarettes	\$930
Cigars	670
Garment industries:	
Shirts and collars	604
Furnishings and miscellaneous apparel	794
Fabric gloves	604
Leather gloves	753
Textiles:	
Woolen and worsted	1,001
Silk and rayon manufactures	790
Cotton manufactures	745
Dyeing and finishing	1,010

Compare these figures with the following wages paid in unprotected industries:

Average annual wage in 1937	
Automobiles	\$1,575
Agricultural implements, including tractors	1,562
Petroleum refining	1,692
Sewing machines and attachments	1,506
Typewriters and parts	1,236

In September 1939 the average hourly wage in all manufacturing industries in the United States, Mrs. Stone points out, was 64.3 cents. She points out that this is 11.1 cents higher than the highest hourly wage in the group of protected industries from which I read, but that the wages paid in the important industries of automobiles, rubber, agricultural implements, cash registers, typewriters, petroleum refining, are far above the wages paid in the protected industries, and in all these industries there is no tariff protection. This, it seems to me, pretty thoroughly demolishes the theory that protection means high wages with respect to the particular industries involved.

Mr. HATCH. Mr. President—

The PRESIDING OFFICER (Mr. WALSH in the chair). Does the Senator from Michigan yield to the Senator from New Mexico?

Mr. BROWN. I yield.

Mr. HATCH. I merely wish to observe, in line with what the Senator is saying, that in my State there is an industry which, during the lowest period of depression, went into production. It produces potash, and competes with potash from foreign countries. It has had no protection, but the highest wages paid in my State are paid by the potash industry.

Mr. BROWN. I thank the Senator for that contribution, which is thoroughly in line with the statistics furnished me by the women's trade-union organization.

Mr. President, favoring as I do greater export trade, and recognizing that our Nation both industrially and agriculturally is greatly benefited by the removal of excessive tariff walls, I address myself to the question: What will be the effect of the enactment of the pending joint resolution? Two answers must be considered. If my party shall be successful in 1940, I think the measure now before us will be entirely satisfactory, not because of any definite policy laid down in it, but because of its intelligent administration. If the opposition party shall be successful in 1940, the act may be used, as I have heretofore indicated, to raise rates.

The Senator from Missouri implied yesterday that that was not true. Certainly immediately upon the taking of office by a high protectionist President he could abrogate 17 of the 20 existing trade treaties on 6 months' notice.

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

Mr. BROWN. I yield.

Mr. NORRIS. Am I correct in assuming, now, from the two questions the Senator has just propounded and then answered, that his party is going to be unsuccessful in the coming election?

Mr. BROWN. No; I think I covered that pretty well in the earlier part of my argument. I am confident that it will be successful.

Mr. NORRIS. The Senator is supporting the pending amendment, is he not?

Mr. BROWN. No; the Senator from Michigan is not supporting the pending amendment.

Mr. NORRIS. Then I misunderstood the Senator.

Mr. BROWN. The Senator from Michigan is not supporting the pending amendment.

Mr. NORRIS. I was thinking the Senator was making a very good argument against it, and I could not understand, as I had been informed that he was supporting the amendment.

Mr. BROWN. The Senator should get his information from me and not from someone else.

Mr. NORRIS. I admit that. [Laughter.] I shall do that. I am glad to be corrected.

Mr. ADAMS. Mr. President, will the Senator from Michigan yield?

Mr. BROWN. I yield.

Mr. ADAMS. The Senator has stated that a new President could abrogate all these agreements on 6 months' notice. Does not the act provide that the President may abrogate them without any notice whatever?

Mr. BROWN. Under certain special conditions he can do that, but, generally speaking, 6 months' notice of termination is required.

Mr. ADAMS. Is there not a specific authorization to the President to terminate them at any time?

Mr. BROWN. Not without the existence of certain conditions. Generally speaking, 6 months' notice of termination is required.

Mr. President, if a high-protectionist President should happen to go into power next January, by July 20 all the trade-agreement treaties, except those with Venezuela, Turkey, and the United Kingdom, could be terminated at the will of the President. Immediately upon that happening the tariff rates could be "hiked" upward 50 percent.

Mr. President, I am sorry the Senator from Missouri is not present. He took the opposite view yesterday.

Mr. CLARK of Missouri. The Senator from Missouri is present. [Laughter.]

Mr. BROWN. I am sorry the Senator was not listening to what I said.

Mr. CLARK of Missouri. That is not what the Senator said. The Senator said the Senator from Missouri was not present, and the Senator from Missouri was listening closely enough to hear the Senator make that statement.

Mr. BROWN. I am so used to seeing the genial face of the Senator from Missouri at his place in front of me that when he went somewhere else I did not see him.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. CLARK of Missouri. After the statement of the Senator from Michigan to the Senator from Nebraska a few moments ago that he was not supporting the amendment, I was not interested in taking issue with the Senator from Michigan on anything he might say about my argument yesterday, because I never wish to argue with a man who is going to vote with me.

Mr. BROWN. I know the Senator wants to be right in his statements on the floor—

Mr. CLARK of Missouri. The Senator from Missouri was right.

Mr. BROWN. When he said that a high-protectionist President could not bring about an increase in the tariff rates, I think he made a statement to the Senate which is

not in accordance with the facts; and that is the point to which I wanted to call attention.

Mr. ADAMS. Mr. President, will the Senator from Michigan yield?

Mr. BROWN. I yield.

Mr. ADAMS. Let me call the Senator's attention to the provision of the act which led to my inquiry. This is the flat statement in the act:

The President may at any time terminate any such proclamation in whole or in part.

That is an unqualified authorization.

Mr. BROWN. I will say to the Senator that I do not think that is in accord with the practice which has been established.

Mr. ADAMS. I am speaking of the authority, not the practice.

Mr. BROWN. The agreements themselves generally provide for 6 months' notice of termination, except in the case of special conditions to which I have referred.

Mr. President, I do not approach the problem raised by the O'Mahoney amendment without some misgiving. I wish we could write into this law a provision which would prevent a high-protectionist President from abrogating any of the trade treaties without the joint consent of the House and Senate.

I believe, as I stated yesterday in a colloquy with the Senator from Wyoming, that stability in tariff rates is just about as important as justice in tariff rates. I think that industry in the United States cannot face the immediate future with any confidence if it knows that a high-protectionist President could come into office and in 6 months tear down completely the entire tariff-rate structure which has been set up. But that is the way we leave the situation.

Mr. President, I think any businessman who is concerned and whose business is affected by tariff duties will advise that stability in tariff rates is just as important, if not more important, than absolute justice in tariff rates. Of course, neither can be completely achieved. But business should know over a reasonable period of time what it must face in tariff rates and duties. I think stability in policy is paramount. I quote from Professor Taussig:

The country can adjust itself to extreme protection, or high protection, or moderate protection, or even to free trade, and can go on prosperously under any one of them. But constant vacillations are a great evil. They are not an intolerable evil, for the simple reason that the influence of the protective system on our industrial system, whether for good or ill, is not so far reaching as most people think. But an influence it has, and that influence is particularly bad insofar as it is inconstant and uncalculable. Much the wiser course, if a protective system must be accepted as part of the settled order of things, would be to shape it in such form that it would endure for a considerable stretch of time; to eliminate the extreme and vulnerable features, and make a serious and honest endeavor to establish a regime with which the community might remain content.

I agree with the reasoning of the distinguished senior Senator from Massachusetts [Mr. WALSH], who now occupies the chair, in his speech made yesterday in that I could not vote for the legislation if it were not for the emergency conditions which face the world today. After considerable consultation with those who are experts upon this subject, I have come to a realization that it is necessary for the executive department to have the power to change tariff rates, a little up or a little down, to embargo this article or that article, and to do so quickly, because of the uncertain conditions which exist in the world today.

I serve notice now that if I am here when this measure comes up again, and world conditions are more stable than they are at the present time, I shall be among those who will vote to recapture the power which we have given to the State Department to make tariff rates. But I am firmly convinced, Mr. President, that at least for the period of this emergency we must grant this power so that it may be used quickly and effectively, and that cannot be done if we require either Senate ratification of the agreements or if we require concurrent action on the part of the House and the Senate.

I regret that I cannot go along with the Senator from Wyoming in his amendment as it is now drafted. I want to

EBERHART STEEL PRODUCTS CO., INC.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1790) for the relief of the Eberhart Steel Products Co., Inc., which were, on page 1, line 6, to strike out "to judgment" and insert "and render judgment upon", and on page 2, line 17, after "for", to insert "alleged."

Mr. MEAD. I move that the Senate concur in the House amendments.

The motion was agreed to.

W. B. TUCKER, HELEN W. TUCKER, LONIE MEADOWS, AND SUSIE MEADOWS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1372) for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows, which were, on page 1, line 6, to strike out "\$3,511.05" and insert "\$5,000", and on page 1, line 9, after "claims", to insert "against the United States."

Mr. BAILEY. I move that the Senate concur in the House amendments.

The motion was agreed to.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. ADAMS. Mr. President, I have an amendment on the desk, which I now call up.

The VICE PRESIDENT. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. 2. Effective on the date of enactment of this act, section 2 of such act of June 12, 1934, is amended by adding at the end thereof the following new subsection:

"(d) No foreign trade agreement hereafter entered into under section 1 of this act shall take effect until such agreement shall have been approved by the Senate of the United States."

Mr. ADAMS. Mr. President, the Senate has already voted that it does not wish to have trade agreements ratified by a two-thirds vote of the Senate. I have assumed that perhaps that vote was due to the fact that a two-thirds vote appealed to Senators as an overly exacting requirement. The Senate has just rejected an amendment providing that before trade agreements go into effect they shall be ratified or approved by both the Senate and the House. I assume that the Senate, by that vote, is concurring with the action of the House, which some weeks ago, by a vote, declined to exercise the right or accept the obligation of passing upon trade agreements.

Mr. President, I wish to place before the Senate fairly and squarely the question whether or not the Senate wishes to have any voice in these matters. My amendment would not validate an invalid agreement, whether it be a treaty or an agreement. All it provides is that a reciprocal-trade agreement shall not go into effect, even though normally valid, unless a majority of the Senate shall approve the agreement. It attaches a condition to the effectiveness of the agreement. It does not add anything to the validity of the agreement. If the agreement be not valid, it would not become valid merely because a majority of the Senate should approve it.

In the reorganization measure the Senate made a somewhat similar provision, that reorganization orders should not go into effect until approved by one House. They do not have to be approved by both Houses. If either House approves a reorganization order, it goes into effect. This amendment merely presents, in a simplified form, that condition, and provides that trade agreements shall not become effective unless a majority vote in the Senate approves.

Those who sponsor the trade-agreement program have taken the position that submission of trade agreements to Congress or either branch of Congress would wreck the program. This amendment would merely provide that an agreement, as a whole, should come before the Senate, and the vote would be "yea" or "nay." No opportunity to offer amendments would be given but merely a vote of approval or disapproval of the particular agreement.

I have not been able to adjust myself to the view which seems to be entertained by the executive department, that the Senate of the United States is incompetent to pass judgment upon a tariff act in any respect. The amendment in the form I have offered it is reduced to a minimum. It would simply afford the Senate an opportunity to say whether or not the charges which are made against the Senate, that they are incompetent to pass judgment upon tariff matters, that they will wreck a program, if submitted to them, are true; whether or not the Senate shall plead guilty to the charge of incompetence which is made against them.

I do not propose to argue the matter at length, but simply to submit it. However, one suggestion should be added, namely, that when we pass the joint resolution we shall be delegating to the administration power to reorganize the tariffs of the United States. We are going to delegate that power by a majority vote. We cannot recall the power except by a two-thirds vote. This amendment would preserve to the Senate its right by a majority vote to retain and conserve its constitutional power to prevent tariff changes unless the majority of the Senate concur. If we pass the joint resolution without some such provision, it will require a two-thirds vote to recapture the power.

That, Senators, in substance, is what appeals to me as to the desirability of this amendment. As I say, it involves the expression by Senators of confidence or lack of confidence in themselves.

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). The question is on the amendment offered by the Senator from Colorado [Mr. ADAMS].

Mr. HARRISON. I suggest the absence of a quorum, and, in the meantime, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The Senator from Mississippi asks for the yeas and nays. Is the demand seconded?

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll for a quorum.

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

Adams	Davis	Johnson, Colo.	Reynolds
Ashurst	Donahay	King	Schwartz
Austin	Ellender	La Follette	Schwellenbach
Bailey	Frazier	Lee	Sheppard
Bankhead	George	Lodge	Shipstead
Barkley	Gerry	Lundeen	Smathers
Bilbo	Gillette	McCarran	Smith
Bone	Glass	McKellar	Stewart
Bridges	Green	McNary	Taft
Brown	Guffey	Maloney	Thomas, Idaho
Bulow	Gurney	Mead	Thomas, Okla.
Byrd	Hale	Miller	Thomas, Utah
Byrnes	Harrison	Minton	Tobey
Capper	Hatch	Murray	Townsend
Caraway	Hayden	Neely	Tydings
Chandler	Herring	Norris	Vandenberg
Chavez	Hill	Nye	Van Nuys
Clark, Idaho	Holman	O'Mahoney	Wagner
Clark, Mo.	Holt	Overton	Walsh
Connally	Hughes	Pepper	Wiley
Danaher	Johnson, Calif.	Reed	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Colorado [Mr. ADAMS], on which the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAVEZ (when his name was called). On this question I have a pair with the Senator from Missouri [Mr. TRUMAN]. I understand that, if present, he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Wisconsin [Mr. LA FOLLETTE], who would vote "yea," with the Senator from Illinois [Mr. LUCAS], who would vote "nay"; and

The Senator from North Dakota [Mr. NYE], who would vote "yea," with the Senator from Maryland [Mr. RADCLIFFE], who would vote "nay."

My colleague, the junior Senator from Vermont [Mr. GIBSON], the Senator from North Dakota [Mr. NYE], and the Senator from Maine [Mr. WHITE] would vote "yea," if present. The Senator from Vermont and the Senator from North Dakota are unavoidably detained, and the Senator from Maine is necessarily absent from the city.

The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from California [Mr. DOWNEY], the Senator from Illinois [Mr. LUCAS], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Georgia [Mr. RUSSELL], the Senator from Illinois [Mr. SLATTERY], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

The Senator from Nevada [Mr. PITTMAN] is detained in one of the Government departments.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]. I am advised that if present and voting, the Senator from California would vote "yea," and the Senator from Georgia would vote "nay."

The result was announced—yeas 34, nays 46, as follows:

YEAS—34

Adams	Davis	Lodge	Taft
Ashurst	Frazier	Lundeen	Thomas, Idaho
Austin	Gurney	McCarran	Tobey
Bone	Hale	McNary	Townsend
Bridges	Holman	Maloney	Vandenberg
Bulow	Hoit	Murray	Walsh
Capper	Johnson, Calif.	O'Mahoney	Wiley
Clark, Idaho	Johnson, Colo.	Reed	
Danaher	King	Shipstead	

NAYS—46

Bailey	Ellender	Hughes	Schwellenbach
Bankhead	George	Lee	Sheppard
Barkley	Gerry	McKellar	Smathers
Bilbo	Gillette	McNary	Smith
Brown	Glass	Miller	Stewart
Byrd	Green	Minton	Thomas, Okla.
Byrnes	Guffey	Neely	Thomas, Utah
Caraway	Harrison	Norris	Tydings
Chandler	Hatch	Overton	Van Nuys
Clark, Mo.	Hayden	Pepper	Wagner
Connally	Herring	Reynolds	
Donahey	Hill	Schwartz	

NOT VOTING—16

Andrews	Downey	Nye	Slattery
Barbour	Gibson	Pittman	Truman
Burke	La Follette	Radcliffe	Wheeler
Chavez	Lucas	Russell	White

So the amendment of Mr. ADAMS was rejected.

SPECIAL ASSISTANT ATTORNEY GENERAL MATTHEW F. M'GUIRE

Mr. REYNOLDS. Mr. President, at noon today I took advantage of the opportunity to go to the Department of Justice, where I had the privilege of witnessing the swearing in of Special Assistant Attorney General of the United States Mr. Matthew F. McGuire. There were a number of Members of the Congress there from both the Senate and the House. Among the Senators present were Messrs. McCARRAN, MEAD, GILLETTE, HATCH, and BANKHEAD.

I should like to have printed in the RECORD at this juncture in my remarks a statement in reference to the legal experience and services of Special Assistant Attorney General McGuire with the Department of Justice over a duration of 6 years.

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

The statement is as follows:

Special Assistant Attorney General Matthew F. McGuire, recently nominated by President Roosevelt and confirmed by the Senate as the Assistant to the Attorney General, was sworn in today at 12 o'clock noon in the office of Attorney General Robert H. Jackson.

Mr. McGuire will now occupy the third highest position in the Department of Justice.

Serving under Attorneys General Homer Cummings, Frank Murphy, and Robert H. Jackson, Mr. McGuire has advanced from the ranks to one of the major positions in the Federal Government. His advancement within 6 years from special attorney to the third highest position in the Department of Justice is definite evidence of Attorney General Jackson's policy of promotion by merit. It marks another important step in the development of the merit system instituted by the Attorney General in the Department of Justice.

Reared in Boston and educated in Boston public schools, Mr. McGuire was graduated from Holy Cross College in 1921 with a bachelor of arts degree. Later he attended the law school of Boston University, graduating with a bachelor of laws degree in 1926. For many years he engaged in the private practice of law.

Mr. McGuire entered upon his duties in the Department of Justice in 1934 as special attorney in the Criminal Division. He helped in the drafting of the Federal crime laws of the Seventy-third Congress, enacted to curb crime during the wave of kidnappings and major robberies of 1933, 1934, and 1935.

Later Mr. McGuire was promoted as an assistant to Joseph B. Keenan, the Assistant to former Attorney General Homer Cummings, and supervised personnel and related matters in the Department of Justice. Upon the resignation of Mr. Keenan, Mr. McGuire was named as the Acting Assistant Attorney General.

Early in 1939 he was named by former Attorney General Frank Murphy to the newly created post of Special Assistant Attorney General. In this capacity he served as liaison officer between the Attorney General and the Congress, and other agencies and departments of the Government.

Mr. McGuire also handled numerous confidential, special legal, and administrative matters in the Department of Justice during the past 6 years.

The duties of the office of Special Assistant Attorney General will be combined with those of his new important post.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. McCARRAN. Mr. President, I have on the desk an amendment, which I offer and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nevada will be stated.

The LEGISLATIVE CLERK. On page 1, line 8, after "1940," it is proposed to insert a colon and the following:

Provided, That no commodity or article shall be included in any foreign-trade agreement entered into which permits the entry into American markets of products of workers, farmers, or miners of foreign countries at total landed costs, all tariff duties paid, which total costs are less than the cost of production or wholesale selling price of competitive products of American workers, miners, or farmers where such American products are commercially available.

Mr. McCARRAN. Mr. President, this amendment would do for the people of America what foreign governments have done for their people. This amendment would insure to labor in America that those labor standards and labor wages fought for and accomplished through nearly a century of trial by the toilers of America would not be jeopardized or reduced. This amendment would make certain that American-produced commodities from the field, the mine, and the factory would not be brought into competition with commodities produced abroad under conditions of much lower wages, working conditions far inferior to ours, and at costs of production so much less than our costs that our commodities of a similar kind could not compete with the foreign products.

Mr. President, in the Emergency Tariff Act of May 1921, carried over under the permanent Tariff Act of September 1922, there was included the antidumping provision. It provides that where the purchase price or exporter's sales price on shipments to the United States is proved to be less than the foreign market value—or, in the absence of such value, than the cost of production—there shall be paid on such imports, in addition to the regular duties, a special dumping duty in an amount equal to such difference.

At that time, and when we enacted that tariff law, we were looking forward to that which actually happened, namely, after the World War there was a natural tendency, and the practice was carried out, of dumping upon the American market and upon the American people war-produced commodities, or commodities produced under war conditions, produced so cheaply abroad, produced so cheaply in the Western and the Eastern Hemispheres, that American labor and American factories and the fields of America could not com-

pete with them; so we sought to protect the American commodity.

Perhaps the most striking instance of such legislation as it has been recognized and accomplished in other countries is that embodied in part II of the British Safeguarding of Industries Act. That act provides that an antidumping duty of 33½ percent may be imposed upon the imports of such products as are being offered for sale in the United Kingdom at prices which, by reason of the depreciation of the currency of the country of manufacture, are below the prices at which similar goods can be profitably manufactured in the United Kingdom. The check provided against the possible abuse of such means of emergency relief is characteristic of the temper of British legislation generally. Before such an antidumping duty is ordered, the committee set up by the British Board of Trade must be satisfied on two points: First, that by reason of the continued imports of the particular product, employment in any industry in the United Kingdom is being, or is likely to be, seriously affected; and, second, that production in the industry manufacturing similar goods in the United Kingdom is being carried on with reasonable efficiency and economy.

Mr. President, that is the aim and object of this amendment, to the end that our people and our toilers and our producers shall be protected against slave-made and slave-produced commodities from abroad. I say, and I do not think the statement will be successfully contradicted, that we are facing a condition under which, at the close of the present strife abroad, we shall have dumped upon the markets of America competitive products the like of which is produced in this country by American labor. When that condition comes about, American labor and the American producer must of necessity face competition which, if tariffs are lowered, will be serious and disastrous to American life in general.

Today we have—and I use one commodity as an illustration—what is known as the reciprocal-trade treaty between this country and Brazil, affecting manganese. Manganese is one of the most important minerals to the steel industry of this country. Indeed, it is a very important mineral in time of war. In a trade treaty between this country and Brazil, we reduced the tariff on manganese 50 percent; but what was the result? When we entered into that treaty with Brazil on manganese, we also extended to all other countries of the world what were known as the most-favored-nation provisions. The result has been that today we are receiving cargo after cargo of manganese, not from Brazil, the country with which we entered into the reciprocal-trade treaty, but from the Russian Republic.

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

The PRESIDING OFFICER (Mr. VAN NUYS in the chair). Does the Senator from Nevada yield to the Senator from Minnesota?

Mr. McCARRAN. I yield to the Senator from Minnesota.

Mr. LUNDEEN. If the able Senator will permit me, certainly we should develop the manganese resources of America. We should not permit imports of this vital mineral, which is a war essential. Why not develop the manganese resources of our own America—why be dependent upon other nations? There can be no answer to that question but one answer, and that is develop the manganese of the United States and the manganese of the Western Hemisphere, and I hope we may soon call that hemisphere an American Hemisphere. I should like to say to the distinguished Senator that it is no longer fashionable, it seems, to protect American labor. We must first think of the coolie and the Hindu—anybody but American labor. We must put foreigners first and Americans last. That seems to be the slogan of the day. I am in hearty accord with the able argument of the Senator from Nevada—I am with the Senator in his position.

Mr. McCARRAN. Mr. President, I am grateful to the Senator for his support in this matter.

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

Mr. McCARRAN. I yield.

Mr. ASHURST. The amendment proposed by the able Senator from Nevada is, in my judgment, of great importance.

The able Senator directed attention to the fact that under the operations of the reciprocal-trade agreement made with Brazil, manganese was reaching the United States from Russia. I wish to observe that the manganese imported into the United States from Russia is produced in Russia by what we would call "slave labor," but in Russia it would be called "forced labor," receiving probably 45 or 50 cents a day. Thus, under the operation of the particular agreement to which the Senator refers, manganese mines of the United States are brought into competition with "forced" labor, which is a euphemistic term for "slave" labor, which is paid not to exceed 50 cents a day.

If the Senator will further permit me, I am sure that no person who indulges in the luxury of thinking believes that the United States will be engaged in any war. That is the one thing which cannot and will not happen. Yet, as responsible officials, we should at least make a helpful gesture toward those things which would arm and equip our country if we should, through some odd mischance, do what is conceded on all sides to be the impossible thing, namely, enter into a war.

Senators will not forget that during the World War we were importing manganese ores from Brazil because we had failed to accord to our manganese miners an opportunity to develop our own resources. Senators will remember the mysterious fate of the *Cyclops*. She sank in March 1918 without trace. On board were her crew of some 200 or more, and some passengers. She was bound for an American port, laden with manganese ores.

While the loss of the *Cyclops* was tragic and caused poignant grief to the relatives of those who went down to the airless meadows of the cavernous deep, I advert to its loss to illustrate how feeble a policy it is that would depend on foreign countries for an adequate supply of manganese. As all Senators know, manganese is needed, absolutely required, in order to make not only weapons of war but many articles of commerce and industry.

Some may say, Why do we not develop our manganese resources? We have ample manganese resources in the United States. The State of Virginia has for 150 or more years given to the world great statesmen. It is well worthy of the study of biologists to determine how and in what way so many eminent statesmen could come from one State; and on my left now sits one of the greatest the State has ever produced, Senator CARTER GLASS. Virginia has some manganese resources; the able Senator on my right [Mr. SHIPSTEAD] indicates that Minnesota has manganese resources, and, indeed, many States of the West, including Arizona, have manganese resources; but we cannot and should not ask miners to produce manganese in competition with laborers in Russia who receive 50 cents a day—and for 12 hours' labor, not 8 hours' labor.

Mr. President, I commend the Senator from Nevada for his foresight and courage in offering this amendment. If we are to have reciprocal-trade treaties or agreements, let us see to it that there do not come into the United States under them goods, wares, merchandise, and commodities which may be produced by forced or slave labor.

Mr. LODGE. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I would prefer to yield in just a few minutes, if the Senator will pardon me. I wish to develop the thought I was starting upon, and also to develop the thought expressed by the able Senator from Arizona by bringing to the attention of the Senate a very salient matter with reference to the importation of the particular commodity I have now mentioned. Please understand that I am not dwelling upon this commodity particularly with reference to the pending amendment, but I wish to bring to the Senate the thought that while we entered into a trade treaty with Brazil and entered into no trade treaty with Russia, the most-favored-nation provision read into the treaty with Brazil gave Russia the opportunity to bring into this country cargoes of manganese, so much so that she put Brazil practically out of the picture.

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

Mr. McCARRAN. Let me conclude this thought. Without any treaty Russia comes in with its manganese. We had no trade treaty with Russia touching that subject at all, but Russia, taking advantage of what our State Department read into the Brazilian treaty, comes in with her cargoes of manganese, produced under slave conditions.

I now yield, if I may, to the Senator from Massachusetts.

Mr. LODGE. Mr. President, I merely wish to express my approval of the amendment. When the wage and hour bill was before the Senate I offered an amendment similar to this, to prevent the importation of goods which were made under conditions below the standards we set in the wage and hour law. It seems to me that if the rising wage trend in this country is to continue, and if we are to achieve the full promise of American life and a better life, and better conditions of living for our people, we must keep out goods produced under conditions below the standards we set. I believe that if the aim of the Senator from Nevada were to be accomplished it would be the greatest single positive step which government could take to increase employment and get some work for Americans.

Mr. McCARRAN. Mr. President, continuing with the general thought, I wish again to emphasize that I only brought the manganese incident forward for the purpose of illustrating the point I am trying to make with the Senate.

Differing from the British only in form—I refer now to the British effort to protect the laborers of Great Britain—has been the legislation adopted by a number of continental countries, principally Belgium, France, and Spain. By the Belgian Emergency Tariff Act of November 1921, increases of from 100 to 300 percent of the usual duties were imposed upon certain classes of German manufactured goods entering into direct competition with Belgian industries. Textile, chemical, and mechanical products were the principal classes of goods affected.

Earlier in 1921, France added to her general and minimum tariff system a new scale of duties, providing for rates often double, and higher than the previous upper level, and in general averaging about four times as high as the minimum rates of the French tariff, which are those enjoyed by most European countries. This new scale of duties has been applicable mainly to the products of Germany and Austria, which had lost their treaty status with France as a result of the war. As in the case of Belgium, these maximum duties were officially declared to have for their purpose the protection of French labor and industries against severe competition from countries with depreciated currencies.

Mr. President, an important measure enacted by the British Parliaments is the safeguarding of British industries bill, which provides for the imposition of a duty of 33½ percent ad valorem. I have drawn to the attention of the Senate the fact that the main object—in fact, the sole object and aim—was to protect British labor, because Great Britain was confronted with a situation which she appreciated, namely, that she would have to have the dole to take care of her toilers, just as we have W. P. A. now to take care of our unemployed.

Right here, Mr. President, I want to bring to the attention of the Senate something that transpired in the Senate only a few days ago, which to my mind is directly applicable, and shows that my amendment, or some similar provision, should go into the pending measure. A few days ago we added to the agricultural appropriation measure \$212,000,000 to pay a part—only a percentage, if you please—of parity to the farmers of the United States. There seems to me to be no rhyme or reason for taking money from the Treasury of the United States to pay a subsidy to those who produce the necessities of life, and at the same time open the door to those who come into competition with us from abroad, and who bring into this country slave-produced commodities, and thereby tear down the domestic prices to less than the cost of production.

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

Mr. McCARRAN. I yield.

Mr. McNARY. I think the Senator's application of the appropriation carried in the agricultural appropriation measure is quite apt. Also, why should we not include the \$185,000,000 appropriated in the same measure for surplus commodities and the Stamp Act?

Mr. McCARRAN. I am very glad that the Senator from Oregon gave that most apt contribution, because it is directly in line with what I am attempting to say, and illustrates my thought. In other words, Mr. President, we are here subsidizing the producer so that production may go forward with a return of at least the cost of production on some assured basis to those who produce the necessities of life, and at the same time we are turning around and opening the door to permit unequal competition with those who produce here by taking down the protection that affords our producers some degree of security.

The amendment which I have offered to the Trade Agreements Act would prevent the inclusion of any commodity or article in any foreign trade agreement if the total landed costs, including the duty, are less than the cost of production or wholesale selling price of competitive American products, if the latter are commercially available.

Let me dwell on that for just a moment. If a commodity is not commercially available here, certainly the principle would not apply. We have placed upon the free list many commodities with which we enter into no competition. We put coffee on the free list, we put tea on the free list. We at one time had many commodities on the free list because we did not produce them in competition. However, by my amendment I seek to protect only those commodities which our farmers, our factory workers, our toilers, and our industrialists endeavor to produce, and thus keep American workers employed.

Mr. McNARY. Mr. President, will the Senator again yield?

Mr. McCARRAN. I yield.

Mr. McNARY. I hesitate to intrude further, but I simply wish to say that under the present Tariff Act 66 percent of imports are on the free list.

Mr. McCARRAN. I am glad to have that contribution from the Senator from Oregon.

Mr. President, the effect of this amendment would be in complete accord with the principle of equalizing the competitive standing of foreign goods in the American market with domestic goods. It would not prevent the reduction of duties on goods if the existing duty more than offsets the difference in cost of production plus landing charges exclusive of the duty. It would prevent the reduction in duty (1) if the existing duty fails to equalize the competitive status in the American market as a result of low foreign prices, and (2) if the existing duty merely brought the foreign cost plus landing charges upon an equal basis with the American cost of production or wholesale price.

This principle is the same as the one previously recognized by section 336 of the Tariff Act of 1930 whereby tariffs could be increased or lowered for the purpose of putting the imported articles on a basis of equality with American goods in the domestic market. If the articles are not competitive, are on the free list, or are not commercially available in the United States, they would not be affected by this amendment.

There should be no objection to this amendment by the supporters of the trade agreements in view of numerous expressions made by officials charged with the administration of that act.

On page 144 of Publication No. 704, Press Releases, volume 12, No. 283 of the Department of State, dated March 2, 1935, appears the following statement:

One of the major objectives sought, in setting up this extensive administrative machinery, is the careful consideration of the economic and social consequences of each concession upon the national economy of the United States.

On page 145 of the same document appears the following:

On the other hand, it was found that on a number of products, some of which are not produced in the United States, the maximum permissible reduction in the rates of duty established by the Tariff Act of 1930 could be made without affecting adversely any domestic industry. On still other products moderate concessions

could be made without increasing unduly the competition between domestic and imported goods.

A brief analysis of concessions which are in the nature of reductions in rates of duty indicates the possibility of removing trade restrictions without danger to domestic industries.

In a statement made before the Committee on Ways and Means on January 17, 1940, Mr. Henry Grady, Assistant Secretary of State, said:

Wherever concessions have been granted involving downward adjustments of tariff rates, extreme care and caution have been exercised. * * *

I may repeat what has often been stated, that there is no intention whatever to administer this program in a manner to jeopardize employment, working conditions, and the living standards of American workers; on the contrary, it is their improvement that is sought. * * *

These quotations show sufficiently what is the alleged policy of the State Department and the other agencies participating in the selection of items for inclusion in trade agreements. With this avowed policy the proposed amendment does not conflict. The amendment would impose no additional burdens on these agencies if the extreme care and caution which they allegedly exercise in selecting items for concessions are actually adhered to. Only if the alleged care and caution are not really exercised would the amendment lay an increased burden upon these agencies. It is to be presumed that the care and caution so widely advertised is actually observed in practice.

The amendment would not prevent duty reductions if they could be made without injury to American workers, farmers, and industries. If the agencies in question are concerned with avoidance of such injury and if they practice what they allege they can have nothing to fear from this amendment which would merely give their concern a concrete legal sanction.

According to a report by the United States Tariff Commission, revised copy, January, 1940, showing duty reductions made by reciprocal-trade agreements up to November 1940, reductions had been made on 42 percent of all the items on which we have a duty. The average reductions were 39 percent. In view of the fact that no agreements have been made with Japan, Russia, Germany, Italy, Argentina, Spain, Chile, Mexico, China, India, Australia, Egypt, Austria, Greece, Poland, Norway, and other countries which in 1937 supplied us with nearly one-half of our dutiable imports, the reductions already made are very impressive.

The fact is that while the agencies charged with the selection of items for bargaining allegedly exercised great care and caution and avowedly had no intention of endangering domestic industries or jeopardizing employment, numerous concessions were granted on items which we import principally or in great part from countries other than the one with which an agreement was made. That was the reason why a moment ago I referred by way of illustration to the Russian action, the Russian importation to this country based on the Brazilian treaty. In this manner the third and fourth countries received the benefits of our reductions without giving us concessions in return.

Thus in the agreements with Canada we reduced our duty on certain types of pickled or salted fish by 50 percent while, of our total imports of some \$3,000,000, less than 45 percent came from Canada. Other countries supplying the remainder of these fish thus received a free reduction in duty of 50 percent. We also granted Canada a 50-percent reduction in duty on whisky, even though, of \$53,000,000 of imports in 1937, only 40 percent came from Canada. Scotland obtained a free ride. On ferromanganese we granted Canada a reduction of 45 percent, but in 1937 we imported from Canada only about a third of our total imports of \$1,221,000.

In our agreement with the United Kingdom we gave a reduction of 38 percent on furniture other than chairs; but of total imports of \$1,020,000 in 1937 only 31 percent came from the United Kingdom. Similarly, we granted a reduction of 33 percent on woven fabrics other than cotton, although of total imports of \$8,500,000 only \$2,935,000 came

from the United Kingdom. Other countries gained these reductions without compensation. Scores of other items could be listed with similar results.

In the agreement with France a reduction of 20 percent was made on crude glycerine. In 1937 our total imports were 10,171,000 pounds, while from France we imported only 2,102,000 pounds, or about 21 percent of the total. In the same agreement a reduction of 22 percent was made on opera and field glasses valued at less than \$1 each. Out of a total importation of 1,521,000, only 81,000, with a value of \$13,000, came from France, while 1,436,000, with a value of \$126,000, came from Japan.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. CLARK of Missouri. Of course, the Senator is familiar with the fact that every one of the reciprocal-trade agreements contains an escape clause, providing that the United States may abrogate any portion of the agreement when it appears, first, that some other country than the country entering into the agreement with the United States has profited to a greater extent than has the contracting party; and, second, that the domestic industry has suffered as a result of it. Apparently, in most of the cases which the Senator has cited, particularly the last one, it is perfectly apparent that the domestic industry has not been able to make out a case, or has not tried to make out a case, showing that it has suffered any injury, because such a situation would be a classic example for the application of the escape-clause provision in any of the treaties.

Mr. McCARRAN. Mr. President, it seems to me that the escape clause has escaped the notice of those in control of the administration of the law. Probably that is the only function it performs, because up to date nothing has been done under the so-called escape clause.

Mr. CLARK of Missouri. Can the Senator tell us whether or not any showing has been made that the domestic industry suffered from that agreement?

Mr. McCARRAN. I can answer that question only from personal experience. I do not mean to be captious in making this reply to the Senator, but my own experience is—and I had the privilege of observing other Members of the Senate have the same experience—that those who went down to the State Department and made a protest were looked upon as though they were wooden Indians, and not a single result came out of any of the protests.

Mr. CLARK of Missouri. I am not talking about making a protest. I am talking about making a showing of what actually transpired. If the Senator will permit a very brief illustration of what I am talking about, in one case in which an industry contended that the reduction of the duty in the Canadian agreement had resulted in greater benefit to Mexico and Chile than to Canada, the import figures undoubtedly sustained that position; but when I investigated the question of whether or not the domestic industry had suffered an injury I discovered that the increase of domestic production—production in the United States itself—was vastly in excess of all the imports under that provision, and that the price of the commodity in this country was better, to a very material extent, than it was when the Canadian trade agreement went into effect. Without being familiar with all the items the Senator has read, it seems to me entirely possible that similar situations might exist with respect to them.

Mr. McCARRAN. Mr. President, in a rather homely way I wish to reply to the Senator from a circular which came into my hands this morning, which strikes me very forcibly. This circular is over the signature of Mr. George C. Salsberry, of the Trades and Labor Council, and has to do especially with one commodity. I read only a portion of the circular:

Our city is the center of the American pottery industry. Our industry, affiliated with the American Federation of Labor, is organized 95 percent. We have a capacity to produce all the tableware needed for the American market. We have thousands of idle pottery workers seeking work. Yet, for illustration, while our American laws prohibit the entry of Asiatic workers into this

country, the products of such workers, according to a survey made and published by the United States Tariff Commission supply some 40 percent of the tableware yearly sold in the United States. Such a condition naturally transfers the badly needed job opportunities of American workers to the slave wage paid workers of Japan. That which is true of our condition is likewise, no doubt, true in many other industries.

I quote that excerpt from the circular because it is undoubtedly true. We entered into no trade treaty with Japan, but Japan not only has taken advantage of overcoming our normal tariffs, which were enacted by the tariff law of 1930, but when we lower the bars on any commodity produced in Japan, she takes advantage of it under the most-favored-nation clause, and sends goods to the United States on which she realizes a double profit by reason of the slave labor which produces those commodities. So today, as illustrated by this circular, an excerpt from which I have read, thousands of toilers of America are out of employment, while Japan is furnishing 50 percent of the tableware for the tables of America.

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

Mr. McCARRAN. I yield.

Mr. DAVIS. While the Senator is discussing conditions in Japan, let me say that I know from the hearings before the Finance Committee that in some lines of industry in Japan wages are 4 cents an hour, whereas in this country they are 50, 55, or 60 cents an hour.

Mr. McCARRAN. What the Senator says in that respect is true. I might go a little further in connection with something with which I am perhaps more familiar. I mentioned it on the floor of the Senate the other day. Today copper is produced in Rhodesia at wages not to exceed 30 cents a day—slave wages paid to the poor unfortunate creatures who live in Africa. The American miner today receives a sliding scale of wages based upon the price of copper, ranging all the way from \$5 as a minimum to \$6.60.

To show what we are doing when we tear down the bars, if we enter into an agreement with Chile on copper—which was proposed last fall, and which seemed to have been set aside by reason of protests—Rhodesian copper will come into this country by way of ballast and otherwise. Furthermore, if we enter into an agreement with Chile on copper, we shall bring into this country copper produced at wages not to exceed 58 cents a day—not an hour but a day. If we open the gates, we shall have to double the appropriation we must make in a week or so. We expect to appropriate about one and a half billion dollars to take care of the unemployed in America. If we tear down our protection for the wage earners of America, very soon we shall have to appropriate, not one and a half billions but two billions or three billions of dollars to take care of the unemployed, while we give employment abroad to those who work under slave conditions.

Mr. DAVIS. If the wages of the workers of the rest of the world were equal to the wages we pay in this country, there would not be any question about our ability to compete with other nations; but so long as there is such a great difference we cannot expect the farmer and industry in America to be prosperous when this country is flooded with imports.

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

Mr. McCARRAN. I yield.

Mr. VANDENBERG. The Senator might add further that even the depressed wage standards which now obtain in Europe are still further threatened by present conditions. I invite the Senator's attention—if he has failed to notice it—to the testimony before the Senate Finance Committee of Mr. Matthew Woll, speaking for America's Wage Earners' Protective Conference, in which Mr. Woll quotes Mr. Daniel J. Tobin, vice president of the American Federation of Labor. I quote, if the Senator will permit me:

Daniel J. Tobin, vice president of the American Federation of Labor, president of Teamsters' International Union, and chairman of Democratic Labor Committee in 1932 and 1936, a keen student of world and labor conditions, in a leading editorial in the Teamsters' February Journal, says, in part:

"The labor movement is destroyed in most of the countries of the world. That includes the Americas north and south of the

United States. If the war conditions continue for 2 years from now, what is left of the labor movement in the European countries will be destroyed because of the economic destruction due to war. * * * Only those who close their eyes or through their ignorance or blindness to war conditions can fail to see that with the destruction of value in the European countries, no matter who wins the war, the economic conditions of those countries will be destroyed. * * * The markets of the world will be drawn down and cheap labor will be forced upon all the workers of the European countries so that they can help pay the expenses of this awful catastrophe now obtaining in Europe and Asia."

In other words, not only is there already a stupendous differential between foreign and domestic costs of production, but a multiplied differential is rapidly approaching, and unless we protect ourselves in some such fashion—and certainly the Senator's proposal is a very modest protection—we shall be completely at the mercy of the economic jeopardy which has the rest of the world by the throat.

Mr. McCARRAN. Mr. President, I am very grateful to the Senator from Michigan for his contribution.

Let me continue with the subject by saying that we have no agreement with either Denmark or Italy on certain commodities. But in the French agreement we reduced the duty on blue mold cheese from 7 cents to 5 cents a pound, or nearly 30 percent. Yet in 1937 we imported only 281,000 pounds from France compared with 2,220,000 from Denmark and 809,000 pounds from Italy. We have no agreement with either Denmark or Italy. On red-clover seed we made a reduction of 37½ percent. Only 16 percent of our imports came from France. Greater imports came from Hungary, Poland, and Canada. Many other items in the French agreement with similar results could be cited.

In the Belgian agreement we reduced the duty on laminated glass 25 percent. Of total imports of \$604,000 in 1937, only \$33,000 came from Belgium. This was only a little over 5 percent of the total. Most of the remainder came from Canada. In the case of plate glass not over 384 square inches, imports from Belgium in 1937 were valued at \$5,532 of a total of \$311,000. Canada again obtained a free concession, since over 95 percent came from that country. A reduction of 50 percent was made in the duty on motion-picture films, positive, 1 inch or more in width. From Belgium, to whom the concession was given, our 1937 imports were less than 1 percent of the total of \$1,168,000. About 99 percent came from Canada. Many additional similar examples could be given.

In the Swedish agreement we reduced the rate on chromium metal, but of \$91,000 imports in 1937, not one dollar's worth came from Sweden. Norway and the United Kingdom were favored. A similar result was obtained in the case of ball bearings and rollers. Although the duty was reduced in the Swedish agreement, no imports of these articles came from that country in 1937, although total imports were \$53,000.

In the agreement with the Netherlands the duty on edible gelatin was reduced nearly 50 percent. Of total imports of \$1,142,000 in 1937, only \$234,000 came from the Netherlands. Belgium and France were the chief beneficiaries, but they were under no obligation to grant us anything in return. Sweetened chocolate valued at 10 cents or more a pound was reduced 50 percent, but of 472,000 pounds imported in 1937, only 74,000 pounds came from the Netherlands. A dozen European countries benefited from this reduction. We reduced the duty on gin by 50 percent, but in 1937 only 13 percent of the imports came from the Netherlands. The United Kingdom supplied about 85 percent of the total imports of \$220,000. In the same agreement we reduced the duty on harvest hats of palm leaf. Of total imports of \$83,000 in 1937, over 90 percent, or \$78,000, came from Mexico, a country with which we had no reciprocal-trade agreement whatever.

In the Swiss agreement we reduced the duty on woven silk fabrics 30 percent. Of \$324,000 imports in 1937 only 15 percent came from Switzerland. Twice as much came from Italy and France, and the United Kingdom participated in the benefits. The duty on braids, plaits, and so forth, of straw, chip, and so forth, was reduced up to 50 percent in the same agreement, but of total 1937 imports of \$483,000, only \$686

came from Switzerland. This was less than 1 percent, while over 95 percent came from Japan. At the same time the duty on handkerchiefs other than cotton was reduced between 25 percent and 50 percent. Of total imports of \$1,453,000, over 90 percent came from China in 1937, and the latter country obtained the benefits without entering into reciprocal obligations, for China is not a party to any trade agreement with this country.

Numerous additional items could be listed not only in the agreements here covered but in other agreements.

The upshot is that a revealing light is thrown on the "extreme care and caution" exercised by our trade-agreement negotiators in selecting items for duty reductions. The results give the appearance of general duty reductions rather than of reciprocity.

Mr. President, what I wish to illustrate to the Senate and to the country is that, while we enter into these trade agreements and while our officials having to do with these agreements may have in mind the protection of American labor between this country and the country with which the agreement is entered into, the moment the agreement is consummated, then the most-favored-nation clause comes into operation in other countries in which labor conditions are entirely different and they take advantage of the situation.

Mr. President, if there is anything that should be of concern to the Congress today, it is the welfare of the toiler; if there is anything that should be of concern to the American public today, it is the welfare of our laboring class, because today there is vast unemployment in the United States. We are told in one estimate, made by Miss Dorothy Thompson some time ago, although I think she is 50 percent wrong, that the unemployed in this country number about 4,000,000. The American Federation of Labor estimates the unemployed, that is, the unemployed capable and willing to go to work, at about 10,000,000. The C. I. O. estimates the unemployed at about 11,000,000. Federal estimates, unpublished, fix the number of unemployed at about 9,000,000. So today, after nearly 8 years of an administration in which we have participated with our whole soul, if you please, we find ourselves confronted with anywhere from 4,000,000 to 10,000,000 unemployed in America. Yet we are now about to write a tariff bill which will permit those sitting down here in the State Department, who never had the opportunity of facing public approbation or disapprobation, to tear down the protection which is afforded the American toiler and which enables him to work for American wages.

If there is anything in the world, I say, in which the Congress of the United States should be interested, it is, first of all, to reduce the number of unemployed in this country, to reduce it by maintaining American standards of living, so that the American toiler may look the world in the face and say, "Thank God, I am an American citizen."

However, the question under consideration goes even further than that. As referred to by the able Senator from Michigan a moment ago, we shall be confronted with a condition that may come soon or may be deferred, namely, the cessation of hostilities abroad. When that time comes, the people, the toilers, and the industrialists in far-off lands will be looking to America for a precept and example. If this country, with 135,000,000 human beings, living under a constitutional democratic form of government, cannot maintain the standards of living that belong here for its laborers and toilers, then in what condition will we be to lead civilization in the centuries to come? That is our heritage. Mr. President, just so surely as you and I are here, if America has a destiny at all, as it has far beyond the imagination of those who framed this Government, it is that when the holocaust of hell abroad shall have ended, when men shall be looking again to the ways of peace, they will be seeking for leadership; and if you and I love our Government as we should, we should maintain such a position, maintain such a standard of living, and promote such happiness in the hearts of our toilers that other countries looking for leadership, looking for the way out of the dismal condition in which they find them-

selves, will behold as a beacon light your flag and mine, Mr. President, your country and mine, because within our country there will have been nurtured and preserved opportunities for the toilers. If we tear down that which protects our toilers, if we permit to exist conditions which cause thousands upon thousands of pottery workers and other workers to seek jobs at \$55 a month on W. P. A. projects, then we shall have been neglectful of our duty.

So, Mr. President, I offer this amendment with the hope, with the prayer, with the fervent wish that at the close of this 2 weeks' debate the Senate may see fit to write into the joint resolution a mandate and a message to the world that this country, above all countries in the world, stands for the welfare of the worker, to the end that industry may have security under the laws of our land.

Mr. VANDENBERG. Mr. President, when I was speaking to the Senate last week upon the reciprocal-trade treaties, I presented some calculations from the National Cooperative Milk Producers' Federation which I thought were very impressive. In the same connection, the able Senator from Mississippi [Mr. HARRISON] promptly presented a memorandum prepared at the State Department challenging the figures of the National Cooperative Milk Producers' Federation, and the deductions from them.

I now have a further statement from the Federation which is addressed to the Senate, and which carries with it their final calculations. I ask that their statement and their tables be printed in the RECORD at this point.

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

The statement and tables are as follows:

THE NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION,
Washington, D. C., March 30, 1940.
To Members of the United States Senate.

DEAR SENATOR: I am enclosing for your consideration 17 statistical tables which represent a further stage in our research project relating to the economic advantages and disadvantages of the United States trade-agreement program.

May I first especially call to your attention tables VII to XII, inclusive. The data contained in these tables have a bearing upon the value of the amendment offered by Senator PAT McCARRAN, of Nevada. His amendment is designed to exclude from importation the products of workers, farmers, or miners of foreign countries at total landed costs, all tariff duties paid, when such total costs are less than the cost of production or wholesale selling prices of competitive products of American workers, farmers, or miners where such American products are commercially available.

Our organization supports the McCarran amendment and we respectfully commend to your earnest consideration these particular tables in view of the amendment which is still pending before the Senate body.

The results of our preliminary study formed the basis for my testimony before the Senate Finance Committee during the progress of hearings on House Joint Resolution 407. At that time I stated to the committee that our conclusions were tentative and that we would proceed with the study. I am gratified to report in this letter that we have progressed to a point of completion with results reflecting substantially the same picture as that previously characterized to the Senate Finance Committee.

In this connection it is apropos to refer to the memorandum of the United States Tariff Commission relating to our studies which was inserted into the CONGRESSIONAL RECORD during the course of the debate in the Senate on the pending resolution to extend the Trade Agreements Act. This appears at pages 3502-3503, March 27 issue of the CONGRESSIONAL RECORD.

In the Commission's memorandum no apparent effort was made to break down the data contained in our preliminary tables nor to erect a series of comparable tables which would express the Commission's view of the statistics compiled by us. No counter-study is made available to reflect a picture of the trade-agreement program different from that indicated by the statistics presented by me to the committee. With this inadequate approach to our study, the Commission is hardly justified in challenging our results.

In the Commission's memorandum benefits are claimed from "enlarged quotas, liberalized exchange treatment, etc." We considered this question and came to what we believed to be the common-sense conclusion that the amount of a quota concession is but a little enlargement in the trade result unless the trade in the commodity reflects the so-called concession. So we have limited our study to actual trade in which the tariff or internal tax positions were affected.

The Commission alleges that the United States has obtained benefits from other nations by virtue of the so-called reciprocal

most-favored-nation treatment. The Commission states that there are several hundred trade treaties relating to tariffs entered into by foreign governments from which the United States has benefited. The Commission, however, offers no evidence in its memorandum to sustain this allegation.

The Commission in its memorandum alleges that "the value shown for imports of industrial products in table 2, in fact, include all the noncompetitive agricultural imports, such as raw silk, rubber, coffee, tea, raw wool for carpets, and cacao beans." That statement is not true. Only one commodity, rubber, was reclassified by us as an industrial commodity whereas the governmental classification places it as a noncompetitive agricultural product. We are unable to see any justification for classifying rubber as an agricultural commodity since, insofar as our knowledge goes, its uses are entirely industrial and no competitive product is produced by American farmers. At any rate, as I pointed out to the committee, the rubber-classification problem is of little consequence because if one subtracts from our table of industrial imports the rubber imports, the picture will not be changed materially. Rubber imports will then be shifted to the agricultural tables and the result will simply be to increase the import balance of agricultural products as compared with the export balance of such products.

Likewise, the Commission raises a question as to our classification of the banana as a competitive agricultural product. With respect to this item we exercise our independent judgment and will defend it that bananas are competitive with agricultural products of the United States, namely, the cereals. Many nutrition authorities highly recommend the banana as a substitute for the breakfast cereals and bread.

Mention is made of our use of the terms "competitive" and "non-competitive." We are fully aware of the fact that the Department of Agriculture chooses to substitute for these the terms "supplementary" and "complementary." However, our use of the words "competitive" and "noncompetitive" in connection with our statistical tables was intended only for the purposes of making the tables more understandable to the layman. I mention this only in passing and for the reason that the Commission directs its criticism of the study to details of this nature rather than to any points of substance.

In this regard it is well to recall my testimony before the Senate Finance Committee (p. 681 of the record of hearings) wherein I stated that the method of study employed by us "is open to anyone who wishes to examine it." Mr. Manuel A. Fox, a member of the Tariff Commission, was personally invited by me to check our basic material immediately following the close of the hearings. Neither he nor anyone else took advantage of this opportunity.

Another matter to which I wish to direct your attention in the revised tables is the fact that figures pertaining to import and export items of trade-agreement colonies have been placed in their proper place with trade-agreement countries. At the time I testified before the committee we had not had time to do this but rather had included the colonies in figures for non-trade-agreement countries. Even so, this adjustment does not materially change the total picture.

In making our statistical study we have been placed at considerable disadvantage by reason of the inadequacy of many governmental reports. In some instances we were compelled, on the recommendation of officials, to resort to foreign statistics because of no comparable domestic study of import-export figures. In others we were forced to use photostatic copies of worksheets because of the unavailability of Government-published figures. Notwithstanding this, I sincerely believe that the revised data submitted herewith gives a fairly representative picture of the effect of the trade-agreement program.

Sincerely yours,

CHAS. W. HOLMAN, *Secretary.*

A STATISTICAL APPRAISAL OF THE UNITED STATES TRADE-AGREEMENT PROGRAM

The following is an explanation of the method used in compiling the data from which tables I to XII, inclusive, of this study were built: In appraising the respective advantages and disadvantages to the United States from the operation of the trade-agreement policy under the terms of the Trade Agreement Act of 1934, we have used only those articles on which (1) duties were reduced, (2) duties or internal taxes were bound, and (3) articles were bound on the free list. We have not attempted to measure the theoretical effect of concessions such as quotas, because a quota in itself means nothing except a limitation on quantities of products which might be imported into a country. The essential thing is the amount of trade on articles wherein the actual duties or internal taxes were affected.

With regard to classification of items, a very difficult matter, the tariff item numbers were taken from the text of the respective trade agreements. Import classifications were based on "Statistical classification of imports into the United States" effective January 1, 1939.

After consultation with various governmental authorities, the following sources were used:

- (1) Canadian exports were taken from the Canadian Year Book;
- (2) Belgium, Brazil, Colombia, Finland, France, Guatemala, Netherlands, Sweden, Switzerland, Venezuela, and Cuba exports

were taken from foreign-country statistics furnished by the United States Department of Commerce;

(3) All other exports were taken from "Foreign commerce and navigation of the United States," by the United States Department of Commerce, because the statistics from foreign sources were not available;

(4) Imports were based exclusively on those given in "Foreign commerce and navigation of the United States" by the United States Department of Commerce.

We have found no method of appraising any theoretical advantages to our Nation by virtue of the inclusion of the most-favored-nation clause in trade agreements. We have found no reports of the Government giving any information of value on this question. On the other hand, because of the generalization power in the Trade Agreements Act, we have included in these tables the imports from all other countries of the affected commodities with the exception of Germany, because such countries obtain the benefit of our concessions to the trade-agreement countries without themselves having to give us any concessions.

With regard to another phase of classification of commodities, we have classified rubber as an industrial product and the banana as a competitive agricultural product. Contrary to the statement of the Tariff Commission (p. 3502 CONGRESSIONAL RECORD, March 27, 1940), the rubber and the banana were the only two commodities in which we changed the classification used by the Bureau of Agricultural Economics, although, in order that laymen can understand what they are reading, we have used the terms "competitive" and "noncompetitive" instead of the terms "supplementary" and "complementary." So far as our knowledge goes, rubber is an industrial product and is not competitive with any agricultural products grown in the United States. On the other hand, the banana is directly competitive with cereal products, particularly those used on the breakfast table. We do not accept the classification of the Department of Agriculture with respect to rubber and bananas. This, however, is not the first time that our organization has challenged governmental classifications. We note in this connection that the competitive classifications used by us for many years with respect to oils and fats have gradually been accepted by the Federal Government as correct.

Attention is called to the fact that these revised tables agree in general with the results of the first survey made public in my testimony of March 5, 1940, before the Senate Finance Committee in connection with the proposal to extend for another 3 years the operation of the Trade Agreements Act. But, as I pointed out to the committee, those tables were not complete as to structure and needed revisions. The accompanying tables represent the second preliminary phase of our study and substantiate the general points made in my testimony. The principal reasons for changes in totals occur from the fact that at the time of my testimony we had not been able to classify properly some 70 articles, and these articles were omitted from the study. Also, we had not had the time properly to incorporate into the trade-agreement picture the relationship of our trade with the colonies of the three countries with which we have effective trade agreements involving colonial possessions.

Attached tables I to VI, inclusive, represent a revision of the information given to the Senate Finance Committee. Tables VII to XII, inclusive, represent new phases of this study which we believe to be of particular interest in view of the great issues involved in this controversy. Tables XIII to XVII, inclusive, have not been changed.

With respect to tables VII to XII, inclusive, attention is called to the fact that, although trade agreements with the United Kingdom, Turkey, Venezuela, and the second agreement with Canada were not effective in the year 1938, it may be assumed that the trade of the United States would not have been sufficiently different in the year 1939 to change in substantial measure the conclusions expressed in these tables.

In this study the items showing benefits obtained by non-trade-agreement countries through our policy of generalization also include the benefits obtained by the trade-agreement countries because of the same policy.

Although the computed average ad valorem duty paid on industrial items for non-trade-agreement countries (table VIII) was found to be only 23 percent, the time element was too short to permit rechecking this item. However, the ad valorem rate for all dutiable items included in the agreements and for all countries (including Cuba) except Germany was found to be 32.8 percent. This compares reasonably well with the 35 percent found by the Tariff Commission, since their study was based on 1937 rather than 1938 and included some items for Germany and free items on which an excise tax was paid, both of which were omitted from our study. Moreover, our study included items which were found in the Venezuelan agreement, while these items were omitted from the Tariff Commission study.

With special reference to tables VII, VIII, and IX, the computed landed costs of imports include (1) the foreign valuation, (2) duties paid, and (3) an estimate of 15 percent to cover such items of additional cost as packing, ocean freight rates, insurance, port charges, handling charges, and so forth.

CHARLES W. HOLMAN,
Secretary, the National Cooperative Milk Producers' Federation.

MARCH 29, 1940.

SECOND PRELIMINARY STUDY
 TABLE I.—Total concessions we received and gave on all products in terms of 1938 trade
 [Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to the United States on duty concessions
			Total duty concessions		Total duty concessions		
			Amount	Percent of total	Amount	Percent of total	
Belgium.....	86,480	42,029	17,989	20.8	10,398	24.7	+7,591
Brazil.....	71,520	97,748	24,517	34.3	86,699	88.7	-62,182
Canada.....	424,010	256,646	186,565	44.0	224,593	87.5	-38,028
Colombia.....	45,650	49,378	30,822	67.5	48,813	98.9	-17,991
Costa Rica.....	5,416	4,102	1,367	25.2	3,544	86.4	-2,177
Ecuador.....	5,352	2,570	1,528	28.6	2,228	86.7	-700
El Salvador.....	3,504	5,672	447	12.8	5,598	98.7	-5,151
Finland.....	19,250	18,071	10,421	54.1	16,656	92.2	-6,235
France and colonies.....	166,470	70,569	9,875	5.9	23,266	33.0	-13,391
Guatemala.....	7,490	9,530	1,958	26.1	8,731	91.6	-6,773
Haiti.....	3,600	2,961	557	15.5	2,332	78.8	-1,775
Honduras.....	6,252	5,677	867	13.9	5,220	91.9	-4,353
Netherlands and colonies.....	162,930	122,110	24,220	14.9	39,464	32.3	-15,244
Sweden.....	85,290	45,067	44,216	51.8	33,104	73.5	+11,112
Switzerland.....	28,650	22,773	8,340	29.1	11,561	50.8	-5,221
Turkey.....	13,195	14,603	1,604	12.2	13,320	91.2	-11,716
United Kingdom and colonies.....	689,167	283,233	327,473	55.6	143,499	50.7	+183,974
Venezuela.....	52,278	20,052	18,712	35.8	17,759	88.6	+953
Total, trade-agreement countries ¹	1,776,504	1,072,791	711,478	40.0	696,785	65.0	+14,693
Total, non-trade-agreement countries ¹	1,205,515	771,389	.....	.....	² 276,999	.....	³ -276,999
Total, all countries ¹	2,982,019	1,844,180	711,478	23.8	³ 973,784	52.8	³ -262,306
Cuba.....	75,150	105,444	65,601	87.3	89,177	84.6	-23,576

¹ Excludes Cuba.

² Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

³ Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE II.—Total concessions we received and gave on industrial products in terms of 1938 trade
 [Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to the United States on duty concessions
			Total duty concessions		Total duty concessions		
			Amount	Percent of total	Amount	Percent of total	
Belgium.....	48,861	38,229	12,268	25.1	8,357	21.9	+3,911
Brazil.....	69,517	78,762	23,346	33.6	479	.6	+22,867
Canada.....	336,240	234,503	151,677	45.1	209,746	89.4	-58,069
Colombia.....	42,363	46,871	28,753	67.9	603	1.3	+28,150
Costa Rica.....	4,471	2,785	501	11.2	12	.4	+489
Ecuador.....	4,701	1,435	1,002	21.3	259	18.0	+743
El Salvador.....	2,982	5,065	215	7.2	43	.8	+172
Finland.....	13,302	17,488	5,833	43.9	16,293	93.2	-10,460
France and colonies.....	118,860	42,828	4,769	4.0	16,177	37.8	-11,408
Guatemala.....	6,494	4,917	1,266	19.5	40	.8	+1,226
Haiti.....	2,880	1,705	423	14.7	40	2.3	+383
Honduras.....	5,592	441	663	10.8	5	1.1	+598
Netherlands and colonies.....	134,417	46,295	9,233	6.9	14,777	31.9	-5,544
Sweden.....	69,426	44,410	32,322	46.6	32,900	74.1	-578
Switzerland.....	22,404	23,034	5,001	22.3	10,121	50.5	-5,120
Turkey.....	12,987	2,377	1,479	11.4	611	25.7	+868
United Kingdom and colonies.....	286,867	161,417	50,122	17.5	119,521	74.0	-69,399
Venezuela.....	46,997	19,833	14,230	30.3	14,976	75.5	-748
Total, trade-agreement countries ¹	1,229,361	769,995	343,043	27.9	444,960	57.8	-101,917
Total, non-trade-agreement countries ¹	946,004	216,567	.....	.....	² 182,137	.....	³ -182,137
Total, all countries ¹	2,175,365	986,562	343,043	15.7	³ 627,097	63.6	³ -284,054
Cuba.....	54,258	7,542	45,943	84.7	1,530	20.3	+44,413

¹ Excludes Cuba.

² Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

³ Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE III.—Total concessions we received and gave on agricultural products in terms of 1938 trade
[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Competitive imports		Net gain or loss to the United States on duty concessions
			Total duty concessions		Total duty concessions		
			Amount	Percent of total	Amount	Percent of total	
Belgium.....	37,619	3,800	5,721	15.2	2,042	53.7	+3,679
Brazil.....	2,003	18,986	1,171	58.5	10,528	55.5	-9,357
Canada.....	87,770	22,143	34,888	39.7	14,847	67.1	+20,041
Colombia.....	3,287	2,507	2,068	62.9	2,379	94.9	-311
Costa Rica.....	945	2,275	866	91.6	2,275	100.0	-1,409
Ecuador.....	651	1,135	527	81.0	1,003	88.4	-476
El Salvador.....	522	7	232	44.4	5	71.4	+227
Finland.....	5,948	583	4,588	77.1	363	62.3	+4,225
France and colonies.....	47,610	27,741	5,106	10.7	4,770	17.2	+339
Guatemala.....	996	4,613	693	69.6	4,596	99.6	-3,903
Haiti.....	720	1,256	134	18.6	686	54.6	-552
Honduras.....	660	5,236	264	40.0	5,141	98.2	-4,877
Netherlands and colonies.....	28,513	75,815	14,987	52.6	19,049	25.1	-4,062
Sweden.....	15,864	657	11,894	75.0	204	31.1	+11,690
Switzerland.....	6,246	2,739	3,339	53.5	1,440	52.6	+1,899
Turkey.....	208	12,226	126	60.6	12,221	99.9	-12,095
United Kingdom and colonies.....	302,300	121,816	277,351	91.7	13,449	11.0	+263,902
Venezuela.....	5,281	219	4,482	84.9	30	13.7	+4,452
Total, trade-agreement countries ¹	547,143	303,754	368,437	67.3	95,028	31.3	+273,409
Total, non-trade-agreement countries ¹	259,511	75,618	.....	.....	² 62,457	.....	³ -62,457
Total, all countries ¹	806,654	379,372	368,437	45.6	³ 157,485	41.5	³ +210,952
Cuba.....	20,892	97,273	19,658	94.1	87,647	90.1	-67,939

¹ Excludes Cuba.

² Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

³ Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE IV.—Duty reductions we received and gave on all products in terms of 1938 trade

[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to the United States on duty reductions
			Duty reductions		Duty reductions		
			Amount	Percent of total	Amount	Percent of total	
Belgium.....	86,480	42,029	5,623	6.5	8,024	19.1	-2,401
Brazil.....	71,520	97,748	17,718	24.8	4,767	4.9	+12,951
Canada.....	424,010	256,646	131,870	31.1	53,527	20.9	+78,343
Colombia.....	45,650	49,378	13,322	29.2	18	(¹)	+13,304
Costa Rica.....	5,416	4,102	596	11.0	(²)	(¹)	+596
Ecuador.....	5,352	2,570	880	16.4	238	9.3	+642
El Salvador.....	3,504	5,672	138	3.9	43	0.8	+95
Finland.....	19,250	18,071	1,323	6.9	1,174	6.5	+149
France and colonies.....	166,470	70,569	5,778	3.5	22,868	32.4	-17,090
Guatemala.....	7,490	9,530	472	6.3	(²)	(¹)	+472
Haiti.....	3,600	2,961	124	3.4	7	.2	+117
Honduras.....	6,252	5,677	297	4.8	5	.1	+292
Netherlands and colonies.....	162,930	122,110	2,794	1.7	15,893	13.0	-13,099
Sweden.....	85,290	45,067	3,369	4.0	2,756	6.1	+613
Switzerland.....	28,650	22,773	858	3.0	9,943	43.7	-9,085
Turkey.....	13,195	14,603	1,605	12.2	11,727	80.3	-10,122
United Kingdom and colonies.....	589,167	283,233	50,451	8.6	29,087	10.3	+21,364
Venezuela.....	52,278	20,052	5,122	9.8	14,996	74.8	-9,874
Total, trade-agreement countries ¹	1,776,504	1,072,791	242,340	13.6	175,073	16.3	+67,267
Total, non-trade-agreement countries ²	1,205,515	771,389	.....	.....	⁴ 130,071	.....	⁵ -130,071
Total, all countries ²	2,982,019	1,844,180	242,340	8.1	⁴ 305,144	16.5	⁵ -62,804
Cuba.....	75,150	105,444	41,674	55.5	89,177	84.6	-47,503

¹ Less than one-tenth of 1 percent.

² Less than a thousand dollars.

³ Excludes Cuba.

⁴ Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

⁵ Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce, Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE V.—Duty reductions we received and gave on agricultural products in terms of 1938 trade
[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Competitive imports		Net gain or loss to the United States on duty reductions
			Duty reductions		Duty reductions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	37,619	3,800	2,059	5.5	373	9.8	+1,686
Brazil	2,003	18,986	172	8.6	4,517	23.8	-4,345
Canada	87,770	22,143	15,045	17.1	12,431	56.1	+2,614
Colombia	3,287	2,507	1,885	57.3			+1,885
Costa Rica	945	2,275	278	29.4	(¹)	(²)	+278
Ecuador	651	1,135	517	79.4	4	.4	+514
El Salvador	522	7	57	10.9			+57
Finland	5,948	583	1,178	19.8	362	62.1	+815
France and colonies	47,610	27,741	3,039	6.4	4,681	16.9	-1,642
Guatemala	996	4,613	55	5.5	(¹)	(²)	+55
Haiti	720	1,256	55	7.6	(¹)	(²)	+55
Honduras	660	5,236	130	19.7	(¹)	(²)	+130
Netherlands and colonies	28,513	75,815	2,794	9.8	7,224	9.5	-4,430
Sweden	15,864	657	2,327	14.7			+2,327
Switzerland	6,246	2,739	218	3.5	1,440	52.6	-1,222
Turkey	208	12,226	126	60.6	11,691	95.6	-11,565
United Kingdom and colonies	302,300	121,816	35,005	11.6	3,104	2.5	+31,901
Venezuela	5,281	219	2,508	47.5			+2,508
Total, trade-agreement countries ¹	547,143	303,754	67,448	12.3	45,827	15.1	+21,621
Total, non-trade-agreement countries ²	259,511	75,618			36,952		-36,952
Total, all countries ¹	806,654	379,372	67,448	8.3	82,779	21.8	-15,331
Cuba	20,892	97,273	12,875	61.6	87,647	90.1	-74,772

¹ Less than \$1,000.

² Less than one-tenth of 1 percent.

³ Excludes Cuba.

⁴ Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

⁵ Excludes Germany.

Source: Exports from statistics of foreign countries; imports from Department of Commerce, Foreign Commerce and Navigation of the United States. Exports from Department of Commerce, Foreign Commerce and Navigation of the United States.

TABLE VI.—Duty reductions we received and gave on industrial products in terms of 1938 trade
[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to United States on duty reductions
			Duty reductions		Duty reductions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	48,861	38,229	3,564	7.3	7,651	20.0	-4,087
Brazil	69,517	78,762	17,546	25.2	251	.3	+17,295
Canada	336,240	234,503	116,825	34.7	41,096	17.5	+75,729
Colombia	42,363	46,871	11,437	27.0	18	.03	+11,419
Costa Rica	4,471	2,785	318	7.1			+318
Ecuador	4,701	1,435	303	7.7	234	16.3	+129
El Salvador	2,982	5,665	81	2.7	43	.8	+38
Finland	13,302	17,488	145	1.1	812	4.6	-667
France and colonies	118,860	42,828	2,739	2.3	15,867	37.0	-13,128
Guatemala	6,464	4,917	417	6.4			+417
Haiti	2,880	1,705	69	2.4	7	.4	+62
Honduras	5,592	441	167	3.0	5	.1	+162
Netherlands and colonies	134,417	46,295			8,299	17.9	-8,299
Sweden	69,426	44,410	1,042	1.5	2,756	6.2	-1,714
Switzerland	22,404	20,034	640	2.9	8,503	42.4	-7,863
Turkey	12,987	2,377	1,479	11.4	31	1.3	+1,448
United Kingdom and colonies	286,867	161,417	15,446	5.4	25,690	15.9	-10,244
Venezuela	46,997	19,833	2,614	5.6	14,965	75.5	-12,351
Total, trade-agreement countries ¹	1,229,361	769,995	174,892	14.2	126,228	16.4	+48,664
Total, non-trade-agreement countries ²	946,004	216,567			91,764		-91,764
Total, all countries ¹	2,175,365	986,562	174,892	8.0	217,992	22.1	-43,100
Cuba	54,258	7,542	28,799	53.1	1,530	5.3	+27,269

¹ Excludes Cuba.

² Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

³ Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE VII.—A comparison of United States total import and export trade in dutiable articles affected as to rates by the trade-agreement program in terms of American valuation of exports and foreign valuation plus duties collected, freight, and other charges on imports in relation to 1938 trade

[Amounts in thousands of dollars]

Trade-agreement countries	Exports, total value	Imports, total value plus duty, etc. ¹	Imports, total value	Imports, total duties collected	Computed average ad valorem duty paid	Net gain or loss to United States
Belgium.....	16,806	11,331	8,074	2,046	25.3	+5,475
Brazil.....	21,985	6,245	4,767	763	16.0	+15,740
Canada ²	149,376	79,841	56,433	14,943	26.5	+69,535
Colombia.....	30,776	22	18	1	5.6	+30,754
Costa Rica.....	1,367	(³)	(³)	(³)	(⁴)	+1,367
Ecuador.....	1,528	292	237	19	8.0	+1,236
El Salvador.....	447	51	43	2	4.7	+396
Finland.....	7,166	1,657	1,189	290	24.4	+5,509
France and colonies.....	9,875	36,776	23,266	10,020	43.1	-26,901
Guatemala.....	1,958	(³)	(³)	(³)	(⁴)	+1,958
Haiti.....	557	15	7	7	100.0	+542
Honduras.....	621	7	5	1	20.0	+614
Netherlands and colonies.....	15,455	22,766	15,976	4,394	27.5	-7,311
Sweden.....	26,975	4,429	3,161	794	25.1	+22,546
Switzerland.....	8,340	17,580	11,318	4,564	40.3	-9,240
Turkey ²	1,604	14,449	11,727	963	8.2	-12,845
Venezuela ²	18,161	19,453	15,009	2,193	14.6	-1,292
United Kingdom and colonies ²	213,392	99,634	64,757	25,163	38.9	+113,758
Total, trade-agreement countries ⁵	526,389	314,548	215,987	66,163	30.6	+211,841
Total, non-trade-agreement countries ^{5,6}	192,414	192,414	136,933	36,237	26.5	-192,414
Cuba.....	65,540	145,226	89,177	42,672	47.9	-79,686
Total, all countries ⁵	591,929	652,188	442,097	145,072	32.8	-60,259

¹ Includes 15 percent of total import value as an allowance for packing, freight, insurance, and other charges.

² Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.

³ Less than \$1,000.

⁴ Less than 0.1 percent.

⁵ Excludes Germany.

⁶ Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: Foreign Commerce and Navigation of the United States, 1938; Text of Trade Agreements; Foreign Country Statistics.

TABLE VIII.—A comparison of United States industrial total import and export trade in dutiable articles affected as to rates by the trade-agreement program in terms of American valuation of exports and foreign valuation plus duties collected, freight and other charges on imports in relation to 1938 trade

[Amounts in thousands of dollars]

Trade-agreement countries	Exports, total value	Imports, total value plus duty, etc. ¹	Imports, total value	Imports, total duties collected	Computed average ad valorem duty paid	Net gain or loss to United States
Belgium.....	11,601	10,840	7,683	2,005	26.1	+761
Brazil.....	21,813	439	250	151	60.4	+21,374
Canada ²	128,116	61,269	42,612	12,265	28.8	+66,847
Colombia.....	28,708	22	18	1	5.6	+28,686
Costa Rica.....	501	.....	.....	.....	.....	+501
Ecuador.....	1,001	288	234	19	8.1	+713
El Salvador.....	215	51	43	2	4.7	+164
Finland.....	5,833	1,148	827	196	23.7	+4,685
France and colonies.....	4,769	26,187	16,177	7,583	46.9	-21,418
Guatemala.....	1,266	.....	.....	.....	.....	+1,266
Haiti.....	423	15	7	7	100.0	+408
Honduras.....	357	6	5	.....	(⁴)	+351
Netherlands and colonies.....	5,904	10,709	8,297	1,167	14.1	-4,805
Sweden.....	24,230	4,429	3,161	794	25.1	+19,801
Switzerland.....	5,001	15,526	9,878	4,166	42.2	-10,525
Turkey ²	1,479	40	31	4	12.9	+1,439
Venezuela ²	13,679	19,399	14,965	2,189	14.6	-5,720
United Kingdom and Colonies ²	39,259	91,452	59,257	23,306	39.3	-52,193
Total, trade-agreement countries ⁵	294,155	241,820	163,445	53,855	32.9	+52,335
Total, non-trade-agreement countries ^{5,6}	124,197	124,197	89,970	20,731	23.0	-124,197
Cuba.....	45,822	2,372	1,530	612	40.0	+43,450
Total, all countries ⁵	339,977	368,389	254,945	75,198	29.5	-28,412

¹ Includes 15 percent of total import value as an allowance for packing, freight, insurance, and other charges.

² Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.

³ Less than \$1,000.

⁴ Less than 0.1 percent.

⁵ Excludes Germany.

⁶ Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: U. S. Department of Commerce (Foreign Commerce and Navigation of the United States, 1938); Text Trade Agreements; Foreign Country Statistics.

TABLE IX.—A comparison of United States agricultural import and export trade in dutiable competitive articles affected as to rates by the trade-agreement program in terms of American valuation of exports and foreign valuation plus duties collected, freight, and other charges on imports in relation to 1938 trade

[Amounts in thousands of dollars]

Trade-agreement countries	Exports, total value	Imports, total value plus duty, etc. (competitive) ¹	Imports, total value (competitive)	Imports, total duty collected (competitive)	Calculated average ad valorem duty paid	Net gain or loss to United States
Belgium.....	5,205	491	391	41	10.5	+4,714
Brazil.....	172	5,807	4,517	612	13.5	-5,635
Canada ²	21,260	18,572	13,821	2,678	19.4	+2,688
Colombia.....	2,068	(³)	(³)	(³)	(³)	+2,068
Costa Rica.....	866	(³)	(³)	(³)	(³)	+866
Ecuador.....	527	4	3	1	33.3	+523
El Salvador.....	232	(³)	(³)	(³)	(³)	+232
Finland.....	1,333	510	362	94	26.0	+823
France and colonies.....	5,106	7,782	4,770	2,296	48.1	-2,676
Guatemala.....	693	(³)	(³)	(³)	(³)	+693
Haiti.....	134	(³)	(³)	(³)	(³)	+134
Honduras.....	264	(³)	(³)	(³)	(³)	+264
Netherlands and colonies.....	9,551	11,587	7,308	3,183	43.6	-2,036
Sweden.....	2,745	(³)	(³)	(³)	(³)	+2,745
Switzerland.....	3,339	2,055	1,440	399	27.7	+1,284
Turkey ²	126	14,404	11,691	959	8.2	-14,278
Venezuela ²	4,482	17	13	2	15.0	+4,465
United Kingdom and Colonies ²	174,133	7,375	4,814	1,839	38.2	+166,758
Total, trade-agreement countries ²	232,236	68,604	49,130	12,104	24.6	+163,632
Total, non-trade-agreement countries ^{2,4}	68,217	68,217	46,002	15,315	33.3	-68,217
Cuba.....	19,658	142,854	87,647	42,060	48.0	-123,196
Total, all countries ²	251,894	279,675	182,779	69,479	38.0	-27,781

¹ Includes 15 percent of total import value as an allowance for packing, freight, insurance, and other charges.

² Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached in this table.

³ Less than \$1,000.

⁴ Less than 0.1 percent.

⁵ Excludes Germany.

⁶ Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: Foreign Commerce and Navigation of the United States, 1938; Text of Trade Agreements; Foreign Country Statistics.

TABLE X.—Duty collected on all imports under trade-agreement concessions in 1938 ¹

	Duty we would collect under the 1930 Tariff Act			Duty collected on total trade-agreement items, 1938			Net loss in duty on total trade-agreement items, 1938			
	Total	Industrial	Agricultural	Total	Industrial	Agricultural	Total		Industrial	Agricultural
							Value	Percent loss		
Belgium.....	\$2,869,457	\$2,813,507	\$55,950	\$2,046,222	\$2,004,929	\$41,293	\$823,235	28.7	\$808,578	\$14,657
Brazil.....	1,525,848	301,108	1,224,740	762,924	150,554	612,370	762,924	50.0	150,554	612,370
Canada ²	28,190,807	22,994,622	5,196,185	14,942,673	12,265,173	2,677,500	13,248,134	47.0	10,729,449	2,518,685
Colombia.....	1,812	1,812	(³)	906	906	(³)	906	50.0	906	(³)
Costa Rica.....	67	67	(³)	47	47	(³)	20	29.9	20	(³)
Ecuador.....	38,854	37,644	1,210	19,427	18,822	605	19,427	50.0	18,822	605
El Salvador.....	4,324	4,324	(³)	2,162	2,162	(³)	2,162	50.0	2,162	(³)
Finland.....	444,968	316,223	128,745	290,192	195,723	94,469	154,776	34.8	120,500	34,276
France and colonies.....	16,305,292	11,816,977	4,488,315	10,020,275	7,583,276	2,436,999	6,285,017	38.5	4,233,701	2,051,316
Guatemala.....	124	124	(³)	83	83	(³)	41	33.1	41	(³)
Haiti.....	14,701	14,626	75	7,371	7,313	58	7,330	49.9	7,313	17
Honduras.....	826	732	94	563	488	75	263	31.8	244	19
Netherlands and colonies.....	7,272,057	2,196,741	5,075,316	4,393,888	1,166,680	3,227,208	2,878,169	39.6	1,030,061	1,848,108
Sweden.....	1,031,681	1,031,681	(³)	794,311	794,311	(³)	237,370	23.0	237,370	(³)
Switzerland.....	7,307,894	6,772,645	535,249	4,564,434	4,165,916	398,518	2,743,460	37.5	2,606,729	136,731
Turkey ²	1,288,335	6,097	1,282,238	963,315	3,528	959,787	325,020	25.2	2,569	322,451
Venezuela ²	4,384,496	4,377,760	6,736	2,193,229	2,188,880	4,349	2,191,267	50.0	2,188,880	2,387
United Kingdom and colonies ²	29,369,790	26,155,277	3,214,513	25,162,927	23,306,250	1,856,677	4,206,863	14.3	2,849,027	1,357,836
Total, trade-agreement countries ²	100,051,333	78,841,776	21,209,557	66,164,949	53,854,911	12,310,038	33,886,384	33.8	24,986,865	8,899,519
Total, non-trade-agreement countries ^{2,4}	50,568,820	30,046,054	20,522,766	36,236,725	20,731,269	15,505,456	14,332,095	28.3	9,314,785	5,017,310
Total, all countries ²	150,620,153	108,887,830	41,732,323	102,401,674	74,586,180	27,815,494	48,218,479	32.0	34,301,650	13,916,829
Cuba.....	68,152,533	985,241	67,167,292	42,672,321	612,419	42,059,902	25,480,212	37.4	372,822	25,107,390

¹ Includes duty reduced and bound items conceded in the trade agreements.

² Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.

³ Excludes Cuba and Germany.

⁴ Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: U. S. Department of Commerce Statistics (Foreign Commerce and Navigation of the United States, 1938); Tariff Act of 1930; trade agreements.

TABLE XI.—Duty collected on industrial imports under trade-agreement concessions in 1938¹

	Duty we would collect under the 1930 Tariff Act—total industrial	Duty collected on trade-agreement items, 1938—total industrial	Net loss in duty on trade-agreement items 1938—total industrial	
			Value	Percent of loss
Belgium.....	\$2,813,507	\$2,004,929	\$808,578	28.7
Brazil.....	301,108	150,554	150,554	50.0
Canada ²	22,994,622	12,265,173	10,729,449	46.7
Colombia.....	1,812	906	906	50.0
Ecuador.....	37,644	18,822	18,822	50.0
El Salvador.....	4,324	2,162	2,162	50.0
Finland.....	316,223	195,723	120,500	38.1
France and colonies.....	11,816,977	7,583,276	4,233,701	35.8
Haiti.....	14,626	7,313	7,313	50.0
Honduras.....	732	488	244	33.3
Netherlands and colonies.....	2,196,741	1,166,680	1,030,061	46.9
Sweden.....	1,031,681	794,311	237,370	23.0
Switzerland.....	6,772,645	4,165,916	2,606,729	38.5
Turkey ²	6,097	3,528	2,569	42.1
Venezuela ²	4,377,760	2,188,880	2,188,880	50.0
United Kingdom and colonies ²	26,155,277	23,306,250	2,849,027	10.9
Total, trade-agreement countries ³	78,841,776	53,854,911	24,986,865	31.7
Total, non-trade-agreement countries ^{3,4}	30,046,054	20,731,269	9,314,785	31.0
Total, all countries ³	108,887,830	74,586,180	34,301,650	31.5
Cuba.....	985,241	612,419	372,822	37.8

¹ Includes duty reduced and bound items conceded in the trade agreements.² Although the agreements with the United Kingdom, Turkey, and Venezuela, and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.³ Excludes Cuba and Germany.⁴ Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: U. S. Department of Commerce Statistics (Foreign Commerce and Navigation of the United States, 1938); Tariff Act of 1930; trade agreements.

TABLE XII.—Duty collected on agricultural imports under trade-agreement concessions in 1938¹

	Duty we would collect under 1930 Tariff Act			Duty collected on trade-agreement items, 1938			Net loss in duty on trade-agreement items, 1938			
	Total	Competitive	Noncompetitive	Total	Competitive	Noncompetitive	Total	Competitive		Noncompetitive
								Value	Percent loss	
Belgium.....	\$55,950	\$55,950	-----	\$41,293	\$41,293	-----	\$14,657	\$14,657	26.2	-----
Brazil.....	1,224,740	1,224,740	-----	612,370	612,370	-----	612,370	612,370	50.0	-----
Canada ²	5,196,185	5,196,185	-----	2,677,500	2,677,500	-----	2,518,685	2,518,685	48.5	-----
Costa Rica.....	67	67	-----	47	47	-----	20	20	29.9	-----
Ecuador.....	1,210	1,210	-----	605	605	-----	605	605	50.0	-----
Finland.....	128,745	128,745	-----	94,469	94,469	-----	34,276	34,276	26.6	-----
France and colonies.....	4,488,315	4,200,102	\$288,213	2,436,999	2,296,101	\$140,898	2,051,316	1,904,001	45.3	\$147,315
Guatemala.....	124	124	-----	83	83	-----	41	41	33.1	-----
Haiti.....	75	75	-----	58	58	-----	17	17	22.7	-----
Honduras.....	94	94	-----	75	75	-----	19	19	20.2	-----
Netherlands and colonies.....	5,075,316	4,986,266	89,050	3,227,208	3,182,683	44,525	1,848,108	1,803,583	36.2	44,525
Switzerland.....	535,249	535,249	-----	398,518	398,518	-----	136,731	136,731	25.5	-----
Turkey ²	1,282,238	1,281,560	678	959,787	959,109	678	322,451	322,451	25.2	-----
Venezuela ²	6,736	1,962	4,774	4,349	1,962	2,387	2,387	-----	-----	2,387
United Kingdom and colonies ²	3,214,513	3,196,859	17,654	1,856,677	1,839,023	17,654	1,357,836	1,357,836	42.5	-----
Total, trade-agreement countries ³	21,209,557	20,809,188	400,369	12,310,038	12,103,896	206,142	8,899,519	8,705,292	42.0	194,227
Total, non-trade-agreement countries ^{3,4}	20,522,766	20,208,496	314,270	15,505,456	15,315,471	189,985	5,017,310	4,893,025	24.2	124,285
Total, all countries ³	41,732,323	41,017,684	714,639	27,815,494	27,419,367	396,127	13,916,829	13,598,317	33.3	318,512
Cuba.....	67,167,292	67,167,292	-----	42,059,902	42,059,902	-----	25,107,390	25,107,390	37.4	-----

¹ Includes duty reduced and bound items conceded in the trade agreements.² Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.³ Excludes Cuba and Germany.⁴ Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: U. S. Department of Commerce Statistics (Foreign Commerce and Navigation of the United States); Tariff Act of 1930; trade agreements.

TABLE XIII.¹—United States exports of domestic merchandise before and after deducting foreign countries, profit from the United States gold-buying program

Calendar year	Net gold imports		Advantage to other countries	Domestic merchandise exports	
	Actual value	All at \$20.67 per ounce		Gross value	Net value
1929	\$175,066,000	\$175,066,000		\$5,157,083,000	\$5,157,083,000
1930	280,807,000	280,807,000		3,781,172,000	3,781,172,000
1931	145,325,000	145,325,000		2,377,982,000	2,377,982,000
1932	² 446,213,000	² 446,213,000		1,576,151,000	1,576,151,000
1933	² 173,455,000	² 102,338,000	² \$71,117,000	1,947,220,000	1,718,337,000
1934	1,131,994,000	667,876,000	464,118,000	2,100,135,000	1,636,017,000
1935	1,739,019,000	1,026,021,000	712,998,000	2,243,081,000	1,530,083,000
1936	1,116,584,000	658,785,000	457,799,000	2,418,909,000	1,961,170,000
1937	1,585,303,000	935,447,000	650,056,000	3,298,929,000	2,648,873,000
1938	1,973,569,000	1,164,406,000	809,163,000	3,057,169,000	2,248,005,000
1939	3,574,151,000	2,108,749,000	1,465,402,000	3,123,869,000	1,658,467,000
1929-33	² 3,838,000	10,385,000	² 14,228,000	2,907,921,000	2,922,144,000
1935-39	1,997,765,000	1,178,682,000	819,083,000	2,828,403,000	2,069,320,000
1934-35	1,435,307,000	846,945,000	588,559,000	2,171,608,000	1,583,049,000
1937-38	1,779,536,000	1,049,926,000	729,610,000	3,178,049,000	2,448,439,000

¹ This was table 11 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651-689, inclusive). It was not necessary to revise the nature of information on this table.

² Denotes red figures.

Source: Net gold imports from Federal Reserve Board; exports of merchandise from U. S. Department of Agriculture.

TABLE XIV.¹—United States domestic exports, industrial production, and wholesale commodity prices

Calendar year	Industrial production (1923-25=100)		Total United States exports (1923-25=100)	Wholesale prices (1924-29=100)		Total United States exports (1924-29=100)
	United States	Foreign countries		United States	Foreign countries	
1929	119	135.6	115.3	97.1	94.4	106.8
1930	96	124.0	84.6	88.0	82.6	78.3
1931	81	110.6	53.2	74.3	71.9	49.2
1932	64	97.0	35.3	66.1	68.0	32.6
1933	76	107.2	36.9	67.2	68.2	34.1
1934	79	116.4	47.1	76.4	69.0	43.5
1935	90	124.3	50.2	81.5	70.1	46.4
1936	105	132.0	54.1	82.3	74.9	50.1
1937	110	144.1	73.8	87.9	87.6	68.3
1938	86	141.1	68.4	80.0	86.5	63.3
1939	105	² 160.0	69.9	78.4	(³)	64.7

¹ This was table 10 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651-689, inclusive). It was not necessary to revise the nature of information on this table.

² Preliminary.

³ Not available.

Source: Industrial production and wholesale prices from 1940 Agricultural Outlook; exports from U. S. Department of Agriculture.

TABLE XV.¹—Value of United States industrial exports and industrial imports 2 years before and 2 years after trade agreements²
[All values in millions of dollars]

Country	Year agreement was made	Industrial exports				Industrial imports				Excess of exports over imports	
		Before	After	Change		Before	After	Change		Before	After
				Amount	Percent			Amount	Percent		
Belgium	1935	30.0	52.5	+22.5	+75.0	22.0	58.0	+36.0	+163.6	+8.0	-5.5
Brazil	1936	40.0	63.0	+23.0	+57.5	2.5	4.5	+2.0	+80.0	+37.5	+58.5
Canada	1936	253.5	392.0	+138.5	+54.6	199.5	275.0	+75.5	+37.8	+54.0	+117.0
Colombia	1936	20.0	37.0	+17.0	+85.0	5.5	1.5	-4.0	-72.7	+14.5	+35.5
Cuba	1934	19.0	48.0	+29.0	+152.6	3.5	5.0	+1.5	+42.8	+15.5	+43.0
Finland	1936	3.0	8.0	+5.0	+166.6	10.5	17.0	+6.5	+61.9	-7.5	-9.0
France and colonies	1936	74.5	109.5	+35.0	+46.9	45.0	50.0	+5.0	+11.1	+29.5	+59.5
Guatemala	1936	3.0	6.0	+3.0	+100.0		1.0	+1.0		+3.0	+5.0
Haiti	1935	2.5	3.0	+0.5	+20.0					+2.5	+3.0
Honduras	1936	5.0	5.0	0						+5.0	+5.0
Netherlands and colonies	1936	55.5	116.5	+61.0	+109.0	43.0	53.5	+10.5	+24.4	+12.5	+63.0
Sweden	1935	16.5	41.0	+24.5	+148.4	32.5	52.5	+20.0	+61.5	-16.0	-11.5
Switzerland	1936	6.0	7.5	+1.5	+25.0	13.5	21.5	+8.0	+59.2	-7.5	-14.0
Total		528.5	889.0	+360.5	+68.2	377.5	539.5	+162.0	+42.9	+151.0	+349.5

¹ This was table 9 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651-689, inclusive). It was not necessary to revise the nature of information on this table.

² Only includes countries with which agreements were made prior to 1937. "Before" and "After" captions denote the average of 2 years prior and 2 years after the year in which an agreement with each individual country was first made.

Source: Compiled from U. S. Department of Commerce yearbooks and work sheets of the U. S. Department of Agriculture. Classifications of imports are the same as endorsed by the U. S. Department of Agriculture except that rubber has been added to industrial imports.

TABLE XVI.—Summary of changes in balance of trade with trade-agreement and non-trade-agreement countries
[Values in thousands of dollars]

Item	2 years before ²	2 years after ²	Change	
			Amount	Percent
Excess of total exports over total imports:				
Trade countries ³	-29,500	+104,000	+133,500	(¹)
Nontrade countries ⁴	+363,654	+594,310	+230,656	+63.4
Total, world	+334,154	+698,310	+364,156	+109.0
Excess of industrial exports over industrial imports:				
Trade countries ³	+151,000	+340,500	+198,500	+131.5
Nontrade countries ⁴	+388,654	+803,718	+415,064	+106.8
Total, world	+539,654	+1,153,218	+613,564	+113.7
Excess of all agricultural exports over competitive agricultural imports:				
Trade countries ³	-36,000	-92,000	-56,000	-155.6
Nontrade countries ⁴	+276,264	+232,050	-44,214	-16.0
Total, world	+240,264	+140,050	-100,214	-41.7

¹ This was a summary table submitted in the testimony of Charles W. Holman, before the Senate Finance Committee (pp. 651-689, inclusive). It was not necessary to revise the nature of information in this table.

² For trade-agreement countries captions "2 years before" and "2 years after" denote the averages of 2 years prior and 2 years after the year in which a trade agreement became first effective. For nontrade countries the "2 years before" is the average of 1934-35, and the "2 years after" is the average of 1937-38.

³ Only includes all 13 countries with which agreements were made prior to 1937; as it is impossible to make an adequate comparison of trade-agreement countries signed later than 1936. The following trade countries have not been included: El Salvador, Costa Rica, Czechoslovakia, Ecuador, Nicaragua, Turkey, United Kingdom, and Venezuela.

⁴ Not possible to compute.

⁵ Includes all countries with which trade agreements were not made prior to 1937.

Source: All basic data compiled from U. S. Department of Commerce and U. S. Department of Agriculture statistics.

TABLE XVII.—Value of United States agricultural exports and competitive agricultural imports 2 years before and 2 years after trade agreements²
[All values in millions of dollars]

Country	Year agreement was made	Agricultural exports				Agricultural competitive imports				Excess of agricultural exports over agricultural competitive imports	
		Before	After	Change		Before	After	Change		Before	After
				Amount	Percent			Amount	Percent		
Belgium	1935	16.0	24.0	+8.0	+50.0	2.5	8.5	+6.0	+240.0	+13.5	+15.5
Brazil	1936	1.5	2.0	+ .5	+33.3	12.0	24.0	+12.0	+100.0	-10.5	-22.0
Canada	1936	44.0	80.0	+36.0	+81.8	57.0	50.5	-6.5	-11.4	-13.0	+29.5
Colombia	1936	1.5	3.0	+1.5	+100.0	2.5	2.5	-----	-----	-1.0	+ .5
Cuba	1934	7.5	15.0	+7.5	+100.0	54.0	115.0	+61.0	+113.0	-46.5	-100.0
Finland	1936	3.0	4.0	+1.0	+33.3	-----	1.0	+1.0	-----	+3.0	+3.0
France and colonies	1936	48.5	52.5	+4.0	+8.2	15.5	23.0	+7.5	+48.4	+33.0	+29.5
Guatemala	1936	1.0	1.0	-----	-----	2.5	4.5	+2.0	+80.0	-1.5	-3.5
Haiti	1935	1.0	1.0	-----	-----	.5	1.0	+ .5	+100.0	+ .5	-----
Honduras	1936	1.0	.5	-.5	-50.0	7.0	6.0	-1.0	-14.3	-6.0	-5.5
Netherlands and colonies	1936	19.0	41.5	+22.5	+118.4	34.0	91.0	+57.0	+167.6	-15.0	-49.5
Sweden	1935	9.0	12.5	+3.5	+38.9	1.0	1.0	-----	-----	+8.0	+11.5
Switzerland	1936	1.5	2.0	+ .5	+33.3	2.0	3.0	+1.0	+50.0	-.5	-1.0
Total		154.5	239.0	+84.5	+54.5	190.5	331.0	+140.5	+73.8	-36.0	-92.0

¹ This was table No. 8 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651-689, inclusive). It was not necessary to revise the nature of information on this table.

² Only includes countries with which agreements were made prior to 1937. "Before" and "After" captions denote the average of 2 years prior and 2 years after the year in which an agreement with each individual country was first made.

Source: Compiled from U. S. Department of Commerce yearbooks and work sheets of the U. S. Department of Agriculture. Classification of agricultural exports and competitive agricultural imports is the same as endorsed by the U. S. Department of Agriculture except that bananas have been added to competitive agricultural imports. However, imports of bananas "before" and "after" only increased 2.5 millions or 19.2 percent whereas all competitive agricultural imports increased 73.8 percent.

Mr. McNARY. Mr. President, 2 days ago, while I was discussing an amendment, I stated that at some opportune time I desired to discuss the Reciprocal Trade Agreements Act. I seize this opportunity to discuss the act and to state my reason in opposition to its continuance.

Mr. President, the Reciprocal Trade Agreements Act was passed in 1934 as an emergency measure; it was extended in 1937 as an emergency measure; and it is before Congress today as an emergency measure. Just what emergencies presumably necessitated this legislation? The argument made in former years that the Reciprocal Trade Agreements Act was the product of emergencies was presented upon the theory that this act and its continuance would restore normal economic conditions. It did not happen here as proposed. Now, the able Senator from Mississippi [Mr. HARRISON] in charge of the joint resolution argues that "we are still trying to meet that emergency" because of the conflict in other hemispheres. In my opinion, there is a real emergency, but it runs in reverse to the fantastic emergencies advanced by this administration.

With nations torn and tottering, with issue of victory or

defeat in the balance, with the eventuality of peace in the future, with millions of veterans in these countries returning to the fold of employment, with currencies debased and depreciated and standards of living sagging far below our own, this country must be free to meet these unhappy conditions without the embarrassment of a continuing trade-agreements statute and understandings that may be based thereon.

The deplorable and destructive policy behind the Reciprocal Trade Agreements Act involves increasing imports of competitive articles into the United States in order to increase exports. That program means reductions in the protection given many domestic products. This is true of both agricultural and industrial products competitive with similar articles which seek entrance into the United States. Such increased competition injures the American producer and curtails production. The injury to the general welfare caused by the imports is incalculably greater than the gains due to the exports.

Promoters of foreign trade argue that our domestic prosperity depends upon foreign trade. It is their claim that

prosperity or depression is a matter of much or little foreign trade, and they offer as proof the large foreign-trade figures of 1929 and the small foreign-trade figures of 1932.

Mr. President, inevitably foreign trade fluctuates with the prosperity of domestic trade. Raw materials and other commodities not produced in our country are imported in greater volume when business is active. In prosperous times more luxuries are imported. Our exports are affected by similar conditions abroad. The large export figures for 1929 reflect some of the loans we made abroad to finance such purchases. The figures of both exports and imports for 1929 reflect inflated prices, like 17-cent cotton; and the figures for 1932 reflect depressed prices, abnormally depressed by a 30-percent depreciation in foreign currencies, like 6-cent cotton.

However, there is a unanimous agreement that the farmers who produce crops in excess of domestic requirements must have export markets to be prosperous under present conditions. The surpluses of such important commodities as wheat, cotton, tobacco, meat products, and certain fruit and vegetable crops must be sold abroad if the farmer is to receive a fair price for his total crop. Proponents of the reciprocal-agreements program claim that they have reopened many markets for our agricultural surpluses. What are the facts?

The first thing that is noted when trade statistics are examined is the increase in exports of all commodities since 1932. Thus, total exports from the fiscal year 1932 to the fiscal year 1939 have increased from \$1,908,000,000 to \$2,885,000,000, or by 51.2 percent. Agricultural exports, on the other hand, have actually declined over the same period from \$752,000,000 to \$683,000,000 or by 9.2 percent. In fact, agricultural exports as a percentage of total exports reached a low of 23.7 percent in the fiscal year 1939, the lowest for any fiscal year for which records are available.

To give only the total figures, however, does not give the whole picture. In order better to understand the real effect of the reciprocal-trade program on agriculture, it is necessary to examine two of the specific commodities which annually bulk largest in our agricultural export trade.

Proponents of the agreements program have been unanimous in their praise of the concessions we received on wheat and wheat flour. They point with pride to the increase of over 600 percent in the quantity exported to all countries from 1935 to 1938. What they neglect to point out, however, is that exports to concession countries with which we have trade agreements increased but 350 percent, while over the same period exports to nonconcession countries increased nearly 800 percent, or twice as much, relatively, as exports to concession countries. Nor do they mention that in 1938 and 1939 we subsidized the export of millions of bushels of wheat, either in the form of grain or flour, and that a large percentage of the subsidized exports went to countries which granted us concessions through trade agreements.

The case of cotton offers further illumination on the agreements program. The trade agreements have had no direct effect on cotton, as it enters all the important world markets duty free. Cotton does offer, however, an excellent test of the theory, often advanced, that trade in all commodities would increase whether the subject of concessions or not. If there were any validity to this theory, certainly exports of cotton, in which in the past we held a dominant world position, should be the first to feel the upsurge. From 1935 through 1938, however, the amount of American cotton entering foreign markets has declined 22 percent, while over the same period foreign mill consumption has increased 10 percent. Even more significant is the fact that cotton exports as a percentage of previous years' production have dropped from 44.9 percent in 1929 to 28.1 percent in 1938. Has the cotton grower benefited from the trade-agreements program?

Mr. President, these are just two examples of commodities which have shown increases in exports to all countries, but have shown either declines or much smaller increases in exports to countries which gave us concessions in reciprocal-trade agreements.

That such a situation should exist, however, is wholly illogical. When foreign countries reduce the duty on a given commodity, the market for that commodity should be made more accessible to American exports. Why, then, has not this happened in the case of the two commodities to which reference has been made? The answer hinges on two factors either unknown to or purposely ignored by the administration. The first of these is the comparative unimportance of tariff barriers in many countries today. In recent years, new and heretofore unknown barriers to trade have sprung up—barriers which are much more effective than the tariff in limiting imports. Such things as quotas, clearing agreements, exchange restrictions, exchange subsidies, import licenses, and many other artificial restraints to trade have grown like wicked weeds.

As I stated a few days ago on the floor of the Senate, and I do not particularly desire to repeat at this time, the discrepancies in the depreciation of foreign currencies have wholly demolished any protection we had under the Smoot-Hawley Act in the case of nearly all the imports which are coming into this country.

Not only are agricultural exports less today than in the fiscal year 1932, but they have increased only 2.1 percent since 1935, while nonagricultural exports were increasing 55.5 percent. In addition, the program has failed to solve the pressing problems imposed by our surpluses of wheat and cotton and other farm products.

Mr. President, the effect of the agreements program on the farmer does not stop with exports. Not only are concessions, in the form of duty reductions, granted graciously and generously, but in return our own duties are reduced drastically for the sake of the foreign producers. The American farmer did not anticipate such reductions, for in 1932 President Roosevelt stated in a fervent speech, delivered in Baltimore on October 25, when he was a candidate for the office he now occupies, that:

* * * It is absurd to talk of lowering tariff duties on farm products. * * * I know of no effective excessively high tariff duties on farm products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program, and every farmer in the United States knows it and will not be deceived.

Mr. President, consistent with most administration campaign promises, this, too, was broken. Up to and including the British and revised Canadian agreements, duties were lowered on about 1,100 commodities. Of these concessions, all but 18, those granted to Cuba, were generalized to all the countries of the world, except Germany, under the most-favored-nation policy, which policy was also the product of a Democratic administration, some 22 years ago.

Secretary Hull claims that the nature of the concessions granted is such that the farmer need not worry. He points out that two-thirds of our agricultural imports are noncompetitive, consisting of such things as rubber, coffee, tea, bananas, silk, and so forth. The Secretary stated in an address in Chicago on December 5, 1939:

The products comprised in the remaining third * * * are predominantly of the two types: First, commodities of which we do not produce enough for our domestic requirements * * *; and second, products * * * which we import because of special quality or use, or differences in marketing season, or other special considerations.

One might well ask into which of these categories do reductions on such products as cattle, milk, cream, various cheeses, hay, oats, rye, potatoes, live poultry, eggs, apples, cherries, other fruits, and vegetables fall? We certainly produce a surplus of these commodities. Must we assume, therefore, that these reductions were made without the knowledge of the Secretary or the assent of the President?

Further examination of the specific commodities reveals that while the State Department is reducing our duties on agricultural commodities the Federal Surplus Commodities Corporation is making large purchases of the same commodities. From July 1, 1937, through June 30, 1939, the Corporation spent \$30,479,000 on surplus removal operations as to

20 commodities which were the subject of concessions in the various agreements. During the same period imports of these commodities were valued at \$92,298,000.

When faced with the fact of duty reductions on many highly competitive products, the chief argument used by proponents of the trade-agreements program is to cite how much better off the farmer is today than he was in 1932. Thus, Secretary Hull, in a recent speech before the American Farm Bureau Federation, stated:

By 1932, after 2½ years of Hawley-Smoot tariff embargoes, farm income had fallen to four and six-tenths billion dollars. By 1938, after 4 years of trade-agreement policy, it had risen to seven and five-tenths billions, excluding benefit payments. Were farmers hurt by this three billion increase in farm income?

To determine the role played by the trade-agreements program in this increase, it is necessary to examine the record a little more closely. To again quote Secretary Hull, "after 2½ years of Hawley-Smoot tariff embargoes," farm income had fallen a trifle less than \$5,000,000,000. The Secretary neglected to point out, however, that after 3 more years, from 1933 to 1935, inclusive, of what he characterizes as tariff embargoes, farm income had risen to practically \$7,000,000,000, an increase of \$2,000,000,000, or 47.7 percent.

Under the reciprocal trade agreements program, farm income in 1938 had risen to seven and five-tenths billion dollars, an increase of but one-half a billion dollars over 1935, and this increase may be accounted for by payments under the Soil Conservation Act, grants by virtue of section 32 of the A. A. A., and subsidies in many forms.

Mr. President, one of the outstanding defects in the administration of the trade-agreements program has been that the benefits granted by the United States to countries with which trade agreements have been negotiated have been generalized to countries which flagrantly discriminate against our exports. The Trade Agreements Act provides that the President may suspend such generalization to any country because it discriminates against our exports or because it adopts other policies tending to defeat the purposes of the act. But only on one occasion has the United States taken the initiative in exercising this authority.

The growth of new and artificial barriers to world trade was one of the compelling factors in the tremendous decline in world trade from 1929 to 1932, and it was one of the major objectives of the Trade Agreements Act to reduce these barriers. The use of these barriers was prompted by a desire for national self-sufficiency and an effort to protect the domestic economy of many countries from the impact of ruinous world prices for their export commodities. This led to a system of bilateral balancing of trade which was forced on some countries by their weak financial position, and was used by others as a disguise for extreme protectionism. The most prevalent barriers are exchange controls, quotas, clearing agreements, barter agreements, compensation agreements, payment agreements, and import licenses.

There are two kinds of foreign trade: The one, natural exchange of noncompetitive products between two nations, resulting in mutual gain and satisfaction, which is the policy that President McKinley had in mind when he made his famous speech in Buffalo; the other, trade in competitive commodities which both nations are able and eager to produce themselves. This is the kind of trade about which nations fight. This situation must be avoided. This situation will be avoided by our refusal to extend the life of the reciprocal-trade agreements.

In recent years our foreign trade has accounted for about 5 percent of the national income. It is estimated that our exports and imports are divided between the above two classifications, so that about 2½ percent of our national income is derived from foreign trade in competitive articles. But let us stop, look, and listen at the damage the small percentage of competitive imports can do.

Mr. President, at this juncture permit me to summon the senior Senator from Kansas [Mr. CAPPER], an unimpeachable witness, who said in an admirable radio address on January 7, and printed in the CONGRESSIONAL RECORD of January 8, 1940:

You cannot beat the law of supply and demand in an open market. If you increase the supply in an open market, such as we have inside the United States for farm products, you lower the price.

So it is inescapable, as I see it, that when you increase imports of farm products into a domestic market already oversupplied, you drive the price still further below parity, and this while the Federal Treasury is pouring out billions of dollars in the attempt to bring parity prices to the American farmer.

My friends, these two programs, the Triple A and the reciprocal-trade agreements, just do not make sense. Try to reconcile them and see where you get.

Now I know that supporters of trade agreements will produce figures and statistics galore to show that the additional imports of wheat or beef or dairy products, etc. are such a small percentage of domestic consumption that the effect is imperceptible.

But the effect is not imperceptible. It is immediate and very noticeable.

The reason is simple.

In an open market the lowest offer sets the price.

We have an open market on farm commodities inside the United States.

Mr. President, everyone knows that if a surplus of an article is produced, and that surplus is added to, it causes depression of the price levels, and the farmer then sees a zero market for his articles.

Our foreign trade in noncompetitive articles should, of course, be encouraged and developed to the utmost. That is the kind of foreign trade to promote by reciprocal-trade agreements. But foreign trade involving imports of competitive articles is profoundly injurious to our national welfare, and it is such injury that tariffs and other protective measures seek to prevent. In the first place, there is no net gain. Competitive imports displace the production of the same articles which would have been produced in the United States. That means unemployment for American labor somewhere. Furthermore, when foreign price competition becomes acute for any reason, the price levels for the entire output of the domestic industries affected are lowered to meet the lower foreign prices, resulting in prices below the cost of production on the higher American standard of wages, although the imports may represent only a small percentage of the domestic consumption. That is the way price competition works, especially during periods of business depression, and it explains why such great damage can be done to our industries by a relatively small amount of competitive imports. Normal and healthy growth of our industries is also prevented thereby.

Of two choices, which is the soundest economic policy for the United States?

First. Should we seek to increase our exports, which represent only 5 percent of our total trade, by inviting imports of foreign competitive products at the expense of the prosperity and expansion of our domestic trade, which represents 95 percent of our total trade? It is true, as promoters of export trade argue, that we must buy if we are to sell. That is all right for the amount of noncompetitive imports which our economy demands, but where is the gain in respect to competitive imports?

Second. Or should we promote the prosperity and expansion of our domestic trade by protecting it from injury resulting from the sale of foreign competitive imports at prices below the American cost of production?

The Hawley-Smoot Tariff Act of 1930 has been set up as a political straw man at which to throw rocks and blame for much of the Nation's economic trouble since that date. As a matter of fact, it is undoubtedly true that the higher tariffs provided by that act served to protect American industry during 1931, 1932, and early 1933, during the extreme depreciation of foreign currencies which, in large measure, nullified existing tariffs. It has been too little appreciated that the extreme deflation and economic depression during that period was due not to the Hawley-Smoot Act but to the depreciation of foreign currencies which, in effect, abrogated the provisions of the Hawley-Smoot Act. Had the act not been in existence at that time the depression would have been even worse than that which we encountered, since foreign competition in our domestic markets would have been more intensified.

The action taken by other nations to control exchange and set up trade barriers at this time was not due to retaliation against the Hawley-Smoot Tariff Act, as it is often proclaimed. The competitive conditions that caused the depreciated currency contest, the struggle among other nations to retain gold in balancing their international trade by increasing exports and restraining imports, were the true reasons for the rapid growth of international-trade restrictions. As a matter of fact, we suffered greatly during this period because of failure to act in self-defense.

Thus, analysis shows that the much-abused Hawley-Smoot Tariff Act had nothing to do with the depression of 1932, except as it served to soften the effect on us of foreign competition due to currency depreciation. The true villain was depreciated foreign currencies. Likewise, the Reciprocal Trade Agreements Act has had little to do with the recovery since 1932, except that it has served to intensify foreign competition in our domestic markets. Over the years, we have suffered from too little rather than too much tariff protection.

Mr. President, when this matter was before the House it was discussed most intelligently and eloquently by Representative Knutson, of Minnesota, and some remarks he made with regard to the tariffs imposed by the Hawley-Smoot measure and the Fordney-McCumber measure are found on page 1649 of the CONGRESSIONAL RECORD of February 19, 1940. I ask unanimous consent that the excerpt to which I now refer may be printed in the RECORD as part of my remarks.

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

The matter referred to is as follows:

For years we were told that the United States was the highest protected country in the world. That statement was false and without the least foundation. In 1928, when the Fordney-McCumber law was in effect, the United States was No. 9 among nations in the ratio of duties to imports with 13.3 percent. The United Kingdom was No. 11 with 10.9 percent.

In 1934, when the Hawley-Smoot law was in effect and before it had been tampered with, we had dropped to eleventh place with the ratio standing at 18.4 percent, whereas the United Kingdom had advanced to sixth place with a ratio of 27 percent. In 1937, the United States was thirteenth with a ratio of 15.6 percent, and the United Kingdom had advanced to fifth place with a ratio of 23 percent.

Now let us see what the picture is as it pertains to imports in relation to population. The customs duties collected per capita in United States dollars in 1937 gives \$22.84 to Great Britain as against \$3.56 for the United States. These figures knock into a cocked hat all contentions that the Hawley-Smoot Act was excessively high.

Mr. McNARY. Mr. President, at present, conditions due to the war are affording some insulation from the injurious effects of competitive imports. Increased ocean freight rates and cost of insurance act as a tariff on imports from many foreign sources. Raw materials and food prices, as well as foreign industrial costs, have advanced, as they always do in wartime.

The question asked on all sides is, What will happen if and when the war ends? How are we then to protect ourselves from the deflation of foreign prices translated to us through depreciated foreign currencies manipulated in the struggle for world trade, wherein our large markets may become the dumping ground of foreign countries whose millions will be turned from war- to peace-time production? These are among the thoughts which restrain confidence in the future and retard enterprise.

By far the most important immediate effect of the war thus far is the depreciation of foreign currencies in relation to the American dollar. Thus it will be noted that from November 19, 1938, to February 29, 1940, a little over a year, the British pound declined 17 percent in relation to the dollar; the French franc declined 65.7 percent from May 9, 1936, to February 29, 1940, in relation to the dollar; and the Canadian dollar declined 15 percent from November 19, 1938, to February 29, 1940, to mention only a few examples.

Depreciation of one country's currency in relation to another imposes a heavy burden on the country whose currency remains at the old level. The effect is two-edged. In the

first place it raises the price of American goods to foreign buyers in terms of their own money. For example, if wheat produced in the United States was selling for 90 cents a bushel in 1936, it would have cost the French importer approximately 15 francs. Today, however, to obtain wheat selling for the same price in the United States the French importer must pay approximately 45 francs. Thus, the price of American goods in France has almost trebled in the last 4 years as a result of exchange depreciation.

Nor does the effect of exchange depreciation on our export trade stop here. Not only have currencies depreciated in some of our most important markets, but in addition the currencies of many of our leading competitors for these markets have depreciated. Thus, using the example above, we find that Canada, whose currency has depreciated 13 percent, can ship wheat to France at a cost of but 39 francs to the French importer. This gives Canadian wheat a preference of 6 francs over American wheat in the French market.

The second and most important effect of trading with countries having depreciated currencies is the new ease with which they can sell to us. Using the example of France again, we find that an article priced at 15 francs would have cost the American importer approximately 90 cents in 1936. Today that same article selling for the identical price in France, costs the American importer but 30 cents, a two-thirds decline in the price of French goods in the American markets. Carrying the example further, if the duty on the article was 10 percent ad valorem, the total cost of the article to the American importer, at the time of signing the agreement, would have been 99 cents. Today, this same article, after payment of duty, costs but 33 cents, 57 cents less than it would have cost had the article been duty free 4 years ago. Thus, we are actually subsidizing the importation of goods which we produce.

Mr. President, in my judgment, it is obvious that the trade-agreements program has failed to dissipate, alleviate, or liquidate the uneconomic conditions which existed in 1934, again in 1937, and now in 1940, when the reciprocal trade agreements bill is before the Senate for consideration. The problem of our agricultural surpluses is no less acute today than in 1934. Most of the important world trading countries are progressively discriminating against our trade. Thus, the proposed program of continuing our Reciprocal Trade Agreements Act for 3 years is definitely pregnant with injury to our social and economic welfare, destructive of our country's morale, and militant to our national economic defense.

As a final observation, Mr. President and Members of the Senate, what impelling motive should prompt us to lower our standards to those of Europe and Asia or any other country? Our sacrifice will not solve their problems of economics, conquest, or peace. The best contribution we can make to the world, as well as ourselves, is to defend, preserve, and improve our American standards of living by protecting American markets for American producers at American prices, consistent always with an intelligent policy of reciprocity that does not collide with the resources of any nation with which we contemplate a treaty agreement.

In my opinion, such a policy would assure peace, promote and perpetuate the program of "the good neighbor" which this administration has endeavored to build on a fantastic and futile foundation.

Mr. AUSTIN. Mr. President, I shall detain the Senate but a few moments. I wish to register my approval of the amendment offered by the Senator from Nevada [Mr. McCARRAN], which attempts to state in the measure continuing the Trade Agreements Act a standard to guide the legislation which is to be carried on by virtue of the delegation of power in that act which was passed in 1934. This standard is the total landed costs, including the duty paid, compared with total cost of production here in America.

Mr. President, if that standard could be written into the law at this time, we would overcome the great difficulty which we have had throughout the study of this measure,

of evaluating the agreements which have already been made, and the difficulty we are sure to encounter in the future, much increased by the war conditions in the world, of evaluating trade-agreement proposals which may hereafter be made.

I observe that in some instances we have traded off concessions in the nature of mitigations of barriers against a reduction of duty. The question of how these two things, which seem quite impossible to compare should be evaluated, would be simply taken right out of the problem if we laid down a standard so simple and so easy of application as that contained in this amendment, namely, the difference between the total landed cost and the cost of production here.

Mr. President, this is a new rule. We have heretofore used the rule of the difference between the cost of production abroad and the cost of production at home. If we should adopt this new rule, we would escape the mistakes which must certainly arise from exchanging mitigations of barriers for customs duties. We would also escape the evil effects so ably discussed by the Senator from Oregon, the distinguished leader of the minority, when he referred to the fluctuation of exchange as affecting the currencies of the various nations of the world.

I have a very simple but true story to tell of an event that occurred near my home. A merchant there was operating a store which sold, among other things, feed for horses and cattle and poultry. His store was in the town of Richford, Vt., which is on the forty-fifth parallel of latitude, and therefore next-door neighbor to the Dominion of Canada.

One of his best customers, when the difference in exchange between the value of Canadian money and American money was adequate, simply went across the border and bought a carload of grain and paid the tariff on it—not a reduced tariff, not a tariff negotiated to please a country which is friendly to us, and which is vis-a-vis across the negotiating table—but the tariff under the Hawley-Smoot tariff law. He went to this merchant with his bill and said, "Herb, I wish you would figure out how big a check in American money I have to send over there to pay for this carload in Canadian money." The merchant good-naturedly figured it out for him. It turned out that after paying all costs of transportation and the tariff he had made a substantial gain over what the carload of grain would have cost him if he had bought it right in the village where he lived.

That is a very simple illustration of the effect upon our international trade of the fluctuation of money, or the difference in exchange. We must multiply it to a great degree when we take into account the fact that since these trade treaties went into effect fluctuations represented by the following figures have occurred.

Since the trade agreement with France went into effect, the franc has declined 69 percent. Since the trade agreement with the Netherlands went into effect, the guilder has declined 22.6 percent; the Swiss franc has declined 32.1 percent; the Swedish kroner 6.6 percent; the pound 10 percent; the Canadian dollar 8 percent; and the Turkish pound 4.1 percent.

These figures are as of April 2; that is to say, 2 days ago. When we take into account so great a difference between the value of the American dollar and the value of the currencies of the peoples with whom we negotiate these so-called agreements, we must recognize that unless the agreements take into account the very principle stated in the amendment offered by the Senator from Nevada, they are of no utility whatever to the manufacturer, to labor, to the producer of agricultural commodities, or to miners in the United States. The question of fluctuating exchange would be completely covered if we should adopt the amendment offered by the Senator from Nevada.

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

Mr. AUSTIN. I yield.

Mr. SHIPSTEAD. Did I correctly understand the Senator to say that in view of the fluctuations in foreign exchange these agreements would be of no effect?

Mr. AUSTIN. Of no effect economically.

Mr. SHIPSTEAD. Has the Senator anticipated the effect which might result from the fact that the agreements may

not be changed, while foreign exchange may fluctuate from day to day?

Mr. AUSTIN. Of course. We are bound for a period of 3 years and 6 months.

Mr. SHIPSTEAD. In that respect, the effect may be disastrous.

Mr. AUSTIN. Yes. The effect is indeed disastrous in respect to tying our hands and disabling us. I thank the Senator for his question, because it brings out an error in my statement. I meant to say that the agreements are not of the effect claimed in support of them.

Mr. President, I wish to emphasize one other point as a reason why we should adopt a standard of the character now proposed. Even if we shall not adopt the pending amendment, we ought to have some standard by which we can evaluate what we give or concede as against what other nations concede to us.

Let us consider the matter of "mitigations of barriers." In a compilation published January 1, 1940, entitled "Concessions Obtained by the United States in Trade Agreements," the United States is shown as having received reductions in duty and "other mitigations of trade barriers" on 14.1 percent of our total export trade. Bindings at existing levels were obtained on an additional 16.2 percent. The 14.1 percent of reductions and mitigations merely refers to the proportion of our exports on which we received reductions and mitigations. It gives no idea of their value to us. We made average cuts in duties of 39 percent; that is, in the trade agreements the United States made an average reduction or concession in tariff rates approximating 39 percent. That is to say, if all our duty reductions are thrown together, it will be found that the average is 39 percent. At the same time, it will be found that of all items upon which a reduction in duty could possibly be made 42 percent, by dollar volume of imports, have been reduced. In other words, nearly half the total ground has been covered. On the remaining items, a number of duties have been bound. These bindings at existing rates affect a dollar volume of imports greater than the volume on which duty reductions were made; but a number of bindings were on items which are, and long have been, on the free list, such as coffee. Thus, we have tied our hands.

What is the value of the concession which we make when we bind on the free list, or bind at existing rates, a number of commodities, and thereby divest the Congress of the right and the duty, as well as the power, to change the customs rates or to change the import restrictions thereon? What I am undertaking to show is the difficulty of evaluating that which we concede for that which we receive. In the item of 14.1 percent, what part of it represents concessions or reductions in the amount of duties, and what part of it represents so-called mitigations? It seems to me it makes a great difference, which might affect our judgment in passing upon this amendment.

I do not think Senators are so bound and tied that they cannot consider a rational ground for establishing a standard if it is presented to them. I feel certain that every Senator, if his judgment were moved by the facts and the consideration of actual experience, would disregard party alignment and vote according to his judgment. Yet we are wholly unable, Mr. President, to ascertain what part of the 14.1 percent represents a reduction of customs duties and what part represents other concessions in the nature of "mitigations."

To show of how little value such concessions may be, particularly in time of war in the world, let me invite attention to the fact that the "mitigations" given to us in consideration of our reductions of customs duties to other nations have consisted largely in liberalized quotas to us. Let me ask, of what good to us is a liberalized quota if a country's money is of so much less value than our own that our prices are correspondingly out of reach for the people of that country? What is the use of increasing or liberalizing the quota of a commodity for which we can obtain little market abroad because of the fluctuation of the exchange, or for other reasons?

It happens that these liberalizations have produced the following results thus far:

If we examine the exports from the United States to the various trade-agreement countries in which foreign-import quotas have been granted us, we find that in the majority of instances we did not fill the quotas, and in an impressive number of instances fell far below the quota allowed.

For example, the Netherlands granted us a quota of 1,000 metric tons of horse meat. In 1937, the year following the agreement, we shipped them only 418 metric tons, or 41 percent of the quota. The same country granted us a quota of 69 metric tons of sheet zinc, whereas we shipped 11 tons in 1937, or 16 percent of the quota. Of a quota of 10,000 pairs of shoes, we shipped 1,347 pairs, or 13 percent of the quota.

Of a quota of 2,762 metric tons of drawn wire, we supplied 865 metric tons, or 31 percent. My, what a wonderful trade that was!

Then consider the agreement with Belgium. Belgium gave us a quota of 2,296,000 pounds of pork. In 1937, after the trade agreement went into effect, we shipped not one pound of pork under the quota.

We received a quota of 22,600 pounds of hides and skins from the same country, and in 1937 shipped 3,740 pounds, or 16 percent of the quota.

Of a quota of 13,200 pounds of hosiery, we supplied 3,000 pounds, or 22 percent of the quota.

Of a quota of 2,200 of collars and cuffs, we supplied none in 1937.

Of a quota of 7,055,000 pounds of natural lard, we shipped 349,000 pounds in 1937, or less than 5 percent. That was a good trade, too, was it not?

Mr. President, I have a list here of similar statistics. I will not take the time of the Senate to read them, but I ask unanimous consent to insert them at this place in my remarks.

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

The matter referred to is as follows:

France granted us a supplementary, or increased, quota equal to about 615,000 bushels on apples and pears. This was an increase of about 50 percent over our shipments to France in 1935, the year when the agreement was under negotiation. In 1937 our shipment of apples in baskets to France was only 32 percent of our shipments in 1935, instead of 50 percent more; of apples in boxes, 77 percent of the 1935 shipments instead of 50 percent more; and of apples in barrels only 60 percent of the 1935 shipments instead of 50 percent more. Our shipments of pears were also less in 1937 than in 1935, although only 5 percent less. Nevertheless, we were entitled to a 50-percent increase.

In the case of Finland, we shipped in 1937 only 123 metric tons of lard in 1937 of a quota of 1,000 metric tons granted in the trade agreement of 1936. This was only 12.3 percent of the quota.

Of a quota on automobiles of 4,812 units granted by Switzerland in 1936, we supplied only 2,485 units in 1937, or slightly more than 50 percent.

Mr. AUSTIN. Mr. President, we do not know just what were the concessions we granted in return for these quotas, but, whatever they were, we obtained rather hollow ones in return. We see the "mitigation of barriers" was in a great many cases an illusory mitigation for which we undoubtedly conceded reductions in duty. "Yankee horse trading" has a new meaning.

Mr. President, I fear I have spoken too long already about this matter, and I am about to conclude. I think that if we could have some standard similar to that which is proposed by the Senator from Nevada, we would not enter into such improvident transactions as those to which I have referred, and probably when the war in Europe is over we would find ourselves in the traditional position the United States of America has always sought with respect to her relations in the world—free to adapt ourselves to the then known conditions, not tied up for 3 years and 6 months beyond the date of the last so-called trade agreement entered into.

Mr. NYE. Mr. President, for years we have been talking in Congress about what the American farmer is entitled to and about how essential to the success of the whole people it is that a strong, healthy agricultural base be maintained, since, of course, all prosperity flows as a consequence of a buying power in the farmer.

We have talked about what the Congress and the Government owe agriculture. There may be some room for argu-

ment as to the degree in which agriculture contributes to the prosperity of the whole Nation, but upon one assertion there will be no dispute in the Senate or elsewhere, namely, if the American farmer is entitled to anything at all, he is entitled to the American market for his production.

Without hesitance, I oppose renewal of the reciprocal trade treaty program as a program which emphatically denies to the farmer that to which we all agree he is entitled—his own market, without the competition of cheap foreign production. During the years of its trial and test we know that the trade-treaty program has put American exports of agricultural products on the downgrade and the importation of foreign agricultural production on the upgrade.

It does not answer to blame failure of the trade treaties on the prevailing wars. After all, these trade treaties were to have ended wars or prevented wars. But now, with wars raging despite the treaties, we are told that the treaties are not a success because of the wars. It would be as reasonable to argue that the wars will stop if only we will end the trade-treaty program.

Mr. President, the truth is that these trade treaties are making for a world of trouble right here at home. They have not stopped wars, but they have created some rather revolutionary minds in agricultural sections, where farmers are quite unable to understand, when they are cooperating to eliminate surpluses in production, why they must stand and watch trainloads and shiploads of that reduced commodity entering the country from foreign fields to add to the surpluses and deny them the fullness of their own market. Little wonder is it that in some of our border States, such as my own State of North Dakota, farmers are found in their fields shaking their fists at these trainloads of importations while they seek to utilize acres removed from cultivation in keeping with the provisions of law.

MUST WE ABANDON AGRICULTURE?

I know of no Member of Congress holding a brief for the cause, but there is a cause, and some American minds at last entertain the view that the day has come when agriculture must cease to be the American economic base and must give way to an industrial base; that American prosperity and trade growth are dependent upon our ability to find a foreign outlet for the production of our mills and factories, and that this outlet can be found only as America may take foreign agricultural production in exchange for the manufactured articles of the United States. In other words, there is some feeling that we must change from an agricultural dependence to an industrial dependence. Obviously this cause is splendidly served by the trade-treaty program, which finds in so many instances the interests of the American farmer being traded in the interests of American manufacturers. If this be the purpose of the trade treaties, it would be far fairer for its first sponsors to confess it and put the American farmer on notice that he is no longer considered essential to American growth and prosperity; that we are going to build an economy divorced from dependence upon agriculture and give the farmer a chance to adjust himself to the newly desired order, if it is desired. It is not fair to sneak up on him with a policy that looks to his submergence in a new economic order.

Incidentally, if this is to be the American policy, then let us prepare, as we have never thought of preparing before in a military way, to defend those channels of trade on the high seas which are to be so essential if we are to keep a stream of food flowing to feed ourselves in time of war. Two- or three-billion-dollar military programs annually will never begin to provide a sufficiency if we are to let agriculture become a secondary consideration.

FOREIGN TRADE RELATIVELY SMALL

Some of us have argued for long against the development of a war trade as a bases for American prosperity and economy. I think we could well afford to go further than that and build an economy that is not in the leastwise dependent upon foreign trade. It is demonstrated that not more than from 4 to 10 percent of our total trade is foreign trade; that 96 percent or more of our economic dependence is upon trade with ourselves. But to watch the effort, expense, time, and

trouble expended to keep and enlarge upon the 4 percent would at times cause one to believe that the 96 percent was quite insignificant. Devotion to the cause of enlarging our own ability to consume our own production would very soon demonstrate how nicely we could afford to get along without dependence upon any foreign trade whatsoever.

Mr. President, I do not advocate the abandonment of foreign trade. I only advocate abandonment of our continuing dependence upon foreign trade as a leading source for our prosperity. The chance to create a larger domestic source is too great to permit us forever to be chasing after the 4-percent foreign trade rainbow that never produces as much as the cost of the chase.

Exports from the United States in 1939 are shown to equal only 4 percent of our total national income. Is it not somewhat preposterous that our State Department should continue to insist upon serving international trade interests which fatten on that 4 percent, all the while closing their eyes to the 96 percent which represents American farmers, laborers, and domestic dollars?

The reciprocal trade treaty program can be made acceptable and perhaps helpful to our economic well-being, contributing perhaps to the well-being of all other parts of the world, by merely providing that trade treaties shall be ratified by the representatives of the people here in Congress. This chance has been denied by a close vote. Now to go on facing the music that some of us have faced for the last number of years is out of the question. That music has involved the plaint of the farmer against importations in competition with his own production, his insistence that such importations be ended, only to find Members of Congress able to say there is not anything we can do about it.

The parade, Mr. President, of witnesses brought before the Congress by the various Federal departments, seeking the extension of the Reciprocal Trade Agreements Act, having as its objective the conferring of favors upon such additional foreign powers as they may choose to negotiate treaties with, is nonsensical. I am disappointed that Members of Congress can continue to believe that these trade agreements can be conducive to increased domestic prosperity. And the statements made by some department heads add insult to injury. Secretary Wallace said that the Tariff Act of 1930 was "the direct cause of present European wars." And Secretary Hull maintains that he must have the Trade Agreements Act renewed in order to "foster peace and harmony in the world at large."

AGRICULTURE BEARS THE BRUNT

The citizens of my State, and of the Northwest as a whole, would willingly make many sacrifices if, by so doing, they could contribute to our national welfare, reduce unemployment, and swell national income. But, after 6 years of trade agreements, we find our agricultural industry bearing the full brunt of this program, while the Nation as a whole has received little, if any, benefits.

The Department of Commerce reports show that our 1939 exports increased only 3 percent above 1938, in spite of heavy shipments of war goods abroad, while our imports jumped 18 percent; and this is cataloged as progress!

More than 1,000 items, comprising two-thirds of our dutiable list, have been reduced in the 22 trade treaties already negotiated; and these reductions have been generalized to the world at large. The duty slashes have brought the average of these rates below those of the 1922 Tariff Act, and, of course, far below those of the Hawley-Smoot Act. In fact, more than half the items which have been reduced were not increased in the 1930 act. Another 56 items are equal to 1922 rates, and only 96 are higher than the rates of the 1922 act as passed. Many 1938 and 1939 imports increased by leaps and bounds as a result of the lowered rates established via the trade agreements.

Ever since I was first honored with a seat in this distinguished body, the enigma of the farm problem in this country has troubled our membership. I say to you that we were never farther from a solution to that problem than when we countenance further tariff reductions in agricultural prod-

ucts, thus forcing our domestic growers to compete with the world even for our United States market. It matters not that we should appropriate funds to buy up surpluses for free distribution internally, or for subsidized exports, or that we should bestow benefit and parity checks upon our growers. If we rob them of the American market, their own market, these subsequent left-handed gestures will be of little avail.

WE CONTROL CROPS—THEN IMPORT

The farmers of my State, in spite of repeated drought and other adversity beyond their control, loyally complied with the crop-control program of the A. A. A., and in 1939 held out of production a total of 2,862,000 acres of good farm land. Growers in other States did likewise, and this session of Congress will be rewarding them with benefit and parity checks running into the hundreds of millions of dollars. But simultaneously we import agricultural products, which, according to the Raw Materials National Council, displaced the products of 43,982,410 domestic acres in 1938. The 1939 displacement figures have not been computed; but since 1939 imports of competitive farm produce increased substantially, I should not be surprised to see this figure jump to 50,000,000 acres for last year.

Thirty-two farm and business organizations in Minnesota, North and South Dakota, and Montana, with a combined membership of upward of 30,000 persons, have joined in engaging Dr. John Lee Coulter, former president of the North Dakota Agricultural College, and former member of the United States Tariff Commission, to analyze for them, in a nonpolitical manner, the effects of these trade agreements upon the Northwest. Interesting, to say the least, are some of the findings by Dr. Coulter.

The State Department tell us, for instance, that we have to give these foreign powers increased entree to our domestic markets if we expect them to boost their purchases from us. For instance, they deny our claim to a larger share of our United States sugar market than the 29 percent which domestic growers have been enjoying, claiming that this would jeopardize present exports of other farm commodities to those countries. They state, as a sample, that Cuba now takes annually 1,000,000 barrels of our spring-wheat flour, and that the spring wheat grower would lose this market if we failed to buy their sugar. It remained for Dr. Coulter to ferret out the true facts, that 900,000 barrels of this spring-wheat flour which Cuba bought was Canadian hard wheat, milled in transit in the United States, with no benefit accruing to any producer of hard spring wheat in the United States.

I have no idea how general this practice is, but it is doubtless happening in many fields, and our farmers are getting the worst of it from both ends.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I should like to ask the Senator from North Dakota if he ever before heard of the farmers' organizations of North Dakota, or any other State at the same time being represented by the paid representative of the National Association of Manufacturers; whether he thinks there is any community of interest between the farmers of North Dakota and the National Association of Manufacturers?

Mr. NYE. Mr. President, I have been more than a little interested by finding the differing representations which have been taking the same ground in this particular controversy, growing out of the continuation of the trade-treaty program. If the Senator is making reference to any contact which might be that of Dr. Coulter, whom I am quoting this afternoon,

I should like to call attention to the names of the associations in Minnesota, Montana, South Dakota, and North Dakota, which Dr. Coulter is representing.

Mr. CLARK of Missouri. I heard Dr. Coulter put them in the record of the House Committee on Ways and Means.

Mr. NYE. I ask unanimous consent to incorporate those names in the RECORD at this point.

The PRESIDING OFFICER (Mr. BONE in the chair). Without objection, it is so ordered.

The matter referred to, is as follows:

The following groups represent more than 30,000 members:

Minnesota: United States Flax Institute, Northwest Country Elevator Association, chambers of commerce at St. Paul, Duluth, and Moorhead;

Montana: Montanans, Inc., Southeast Montana Counties Association, and commercial clubs and chambers of commerce at Miles City, Billings, Glendive, Butte, Great Falls, Helena, Missoula;

South Dakota: Greater South Dakota Association, South Dakota Bankers' Association, and chambers of commerce at Watertown, Huron, Rapid City; and

North Dakota: Greater North Dakota Association, North Dakota Motor Trades Association, Fargo-Moorhead Fuel Exchange, North Dakota Highway Contractors' Association, North Dakota Retail Hardware Association, North Dakota Bottlers Association, Tri-State Farm Owners' Association, North Dakota Implement Dealers' Association, North Dakota Dairymen's Association, North Dakota Cooperative Wool Marketing Association, North Dakota Veterinarians' Association, and civic and commerce associations at Valley City and Harvey.

Mr. CLARK of Missouri. Nevertheless, it is a fact that Dr. Coulter appeared before the Finance Committee of the Senate and the Ways and Means Committee of the House principally as the representative of the National Association of Manufacturers; in other words, as the successor of the notorious Mulhall, who formerly represented that association before the Senate and the House of Representatives.

Mr. NYE. All of which may be and, with the Senator from Missouri as the authority, probably is true; but it does not alter the course of events. It does not alter a sympathy in the Northwest which is born out of actual experience under the conduct of the program of these trade treaties.

Mr. CLARK of Missouri. Mr. President, my only reason for interrupting the Senator at all was his statement that Dr. Coulter was employed to make an entirely dispassionate and nonpartisan survey of the situation. I may say that in the years I have been around Washington I never heard a more partisan presentation of a case than that made by Dr. Coulter.

Mr. NYE. Mr. President, I had recited the case revealing how it was represented that unless we continued taking Cuban sugar we could not hope for a continued market in Cuba for this abundance of hard spring wheat flour, and then demonstrating that only one-tenth of this outlet of our hard spring wheat flour was the result of purchases made from the American farmer. Nine-tenths of it was the result of wheat brought in from Canada, milled in bond in the United States, and the product shipped on into Cuba.

PENALIZING OUR OWN SECURITY

In addition to grains of all kinds, we produce cattle, dairy products, hogs, sheep and wool, poultry, and other products, each of which has somehow been penalized in one or more instances in the agreements already negotiated. Every additional agreement country multiplies the threat to our future agricultural security.

Even if our farmers lived in sod shanties, employed peons for their labor, and in other ways reduced their standards of living to those which obtain in numerous foreign countries which are today competing with us, it would still be impossible to compete evenly with them on those products which do not enjoy an adequate tariff wall. The difference in transportation costs via water and via rail to our native markets would still place my people at a distinct disadvantage. It is the necessity for overcoming this geographic and transportation disparity, plus our own higher living standards, not any desire to prosper at the hands of consumers, which compels our western agriculture to demand protection in the form of tariffs.

It works conversely, too. Our buying power comprises a part of the 96 percent of national income which purchases the industrial products of Eastern States. Without bolstering and protecting this great domestic market, industry never could maintain its present output, to say nothing of boosting it, as a means of reemployment of millions who are diligently seeking honest employment.

No one man could ever assimilate and understand the reams of statistics which Federal departments prepare for us, and in which are buried the pertinent facts; but it is quite possible to take some one commodity, and by diligent appli-

cation gain a fair picture of the precise effect upon that product and its producers of these foreign policies, which have bequeathed us our reciprocal trade treaty snarl.

I have chosen to take the case of wool. This is a product in regard to which the growers and the domestic manufacturers saw eye to eye, and joined hands in protesting the extension of the powers which permit the State Department to become the tariff-making body of the United States, with Congress "abdicating for another 3 years," as Col. Arthur Besse, president of the National Association of Wool Manufacturers, expressed the matter in testifying before the Senate Finance Committee.

Let me ask a question: Who else, besides the growers and the industrial employees and the manufacturers, are directly concerned in our domestic wool production? When these three forces employ the regular American processes of revealing their injuries before committees of Congress, and before Federal department heads, what new powerful force has risen up, within our economy, which can set aside the testimony of those groups, and arbitrarily proceed with its own theories as to what is good for America? What new power can write a vicious and dangerous foreign policy, which robs our own aggrieved citizens of a right to carry their injuries to court and seek redress? If ever there was an unconstitutional procedure witnessed by Congress, the present method of delivering our American markets over to foreign competition, with no recourse, would seem to be the most malicious and the most unsound.

PLEAS GO UNANSWERED

Member after Member of the majority party, in both Houses, has addressed himself to the Committee for Reciprocity Information, pleading for adequate tariff protection for the growers of vegetables, livestock, fruits, tobacco, sugar, copper, petroleum products, and other things produced in the United States, and in spite of the fact that the pleas go unanswered and unheeded, the same majority party drives through with a third extension of this dangerous act.

While the tariff on raw wool has not yet been cut, duties have been lowered on wool wastes, yarn, woven fabrics, felts, pile fabrics, blankets, knit fabrics, hose, gloves, and innumerable other clothing items. These cuts came largely in the agreement with Great Britain, although minor reductions were also made in the treaties with Sweden, France, and Belgium.

With the British agreement becoming effective as of January 1, 1939, let us see how the reduced tariffs on goods coming into the United States affected imports of various woolen items, as compared with like imports for the calendar year 1938, and the percentage of increase for each item.

Mr. President, at this point I ask unanimous consent to have incorporated in my remarks a compilation of figures for 1938 and 1939, and a third column showing the increase in 1939 over 1938.

The PRESIDING OFFICER. Is there objection?

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

Item	1938		1939		Percent increase in 1939
	Amount	Value	Amount	Value	
Noils.....pounds..	2,279,032	\$1,164,682	6,031,629	\$2,412,981	164.22
Wastes.....do.....	729,737	295,974	3,903,672	1,270,015	434.94
Rags.....do.....	794,436	262,201	8,417,818	2,321,943	785.56
Yarn, mohair.....do.....	2,698	3,982	7,230	8,393	167.95
Fabrics, worsted:					
Under 4 ounces...square yards..	352,874	130,395	736,559	262,364	108.73
Over 4 ounces.....do.....	955,630	837,256	2,055,694	2,055,770	219.76
Woolens: Over 4 ounces...do.....	4,847,859	4,106,878	8,190,126	6,368,257	68.94
Do.....pounds..	2,841,044		4,827,495		69.92

Mr. NYE. Mr. President, these figures were furnished by F. R. Marshall, secretary of the National Wool Growers' Association. I wish to say that the farmers of my State have found sheep growing profitable, and they would like to increase their sheep population. In the face of these rising imports of woolen goods, however, I would not encourage

them in such a move, for fear their receipts from the by-product, wool, may become progressively lower as the years go by. In 1932, wool manufacturers in the United States were finding that the domestic supply furnished 95 percent of their total wool requirements. By 1937 this had dropped to 72.7 percent, indicating that instead of only 5 percent of our domestic market, foreign growers had acquired 27.3 percent of that market. It is true that by 1939 this had risen again to 88 percent, with only 12 percent being fed from abroad, but this dumping of foreign wool will act as do all imports of farm products to depress our native markets for our own goods.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK of Missouri. A moment ago the Senator referred to the statement of Colonel Besse. I do not know whether he was referring to his testimony before the Finance Committee or before the Ways and Means Committee. Did the Senator ever see the release from the National Association of Wool Manufacturers, of which Colonel Besse is president, on January 17?

Mr. NYE. I did not.

Mr. CLARK of Missouri. Will the Senator permit me to give him an extract from that?

Mr. NYE. Yes.

Mr. CLARK of Missouri. The statement, in part, is as follows:

The National Association of Wool Manufacturers reported yesterday that the production activity of woolen textile mills in 1939, as indicated by figures for the first 11 months of the year, was approximately 40 percent greater than in 1938 and about 5 percent less than in the post-war record year of 1935.

The association declared that 1939 production also was 15 percent greater than in 1937 and between 5 and 10 percent higher than in 1936.

The figures, culled from the association's monthly statistics, disclosed that consumption of apparel wool during the first 11 months of 1939 averaged 5,640,000 scoured pounds weekly, compared with an average of 3,956,000 pounds for the same period of 1938.

Employment in wool-textile mills also was reported much better during the first 11 months of 1939, when an average of 152,000 persons were busy weekly, compared with a 122,000 weekly average in 1938.

I do not wish to take the Senator's time, but if he will permit me, I should like to read a question asked Mr. Besse, and his answer:

Senator CLARK. I have some statistics here which I should like to ask you about, showing that for 1939, there has been activity in the woolen textile industry showing an increase from 69.1 to 102.6 percent, or an increase of 48.4 percent; on raw materials, from 82.8 percent to 125.4 percent, or an increase of 51.4 percent; on employment from 63.1 percent to 84.4 percent, an increase of 33.3 percent; on pay rolls from 50.1 to 67.7, an increase of 35.1 percent. That does not look like they have been very badly hurt in the first 10 months of 1939, does it?

Mr. BESSE. I do not think you can take that particular period, but I do not question the figures.

Senator CLARK. That is the only period during which the reciprocal-trade agreements have been in operation, isn't it?

Mr. BESSE. That is entirely correct—

Senator CLARK (interposing). So it comes down to this—

This is the same question and answer asked and given in the case of so many witnesses—

it comes down to this, it shows that you have not been hurt yet, but you are afraid you will be hurt?

Mr. BESSE. Substantially that is what I am saying.

And Mr. Marshall, whom the Senator also just quoted, said:

That is the principal point on which we have actually been hurt. Our main concern is the anticipation of what we feel sure is ahead of us in case you extend this act, but I must confess frankly that we have gotten off pretty well so far, but we are awfully afraid of the future.

The same thing happened with witness after witness before the committee. They all said they had not been hurt, but everyone was expressing some fear that some danger was right around the corner.

Mr. SHIPSTEAD. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield.

Mr. SHIPSTEAD. I came into the Chamber while the Senator from North Dakota was referring to the dumping of wool. Was that in the form of textile goods?

Mr. NYE. Yes.

Mr. SHIPSTEAD. Woven goods?

Mr. NYE. Yes.

Mr. THOMAS of Idaho. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. THOMAS of Idaho. In reply to what the Senator from Missouri has just read, in connection with which he said that the wool growers anticipated the danger of what might happen to them, I may say that since the 1st of January the price of raw wool has dropped probably 15 percent, and today the wool growers of my State are shearing their sheep, but they cannot get a bid on their wool at any price, as a result of the importations.

Mr. NYE. Mr. President, I do not understand why we should look upon the testimony which has just been offered by the Senator from Missouri as being particularly an excuse for continuation of the trade-treaty program. There has been an increased market for wool in the United States, not because of the existence of the reciprocal-trade program, but there has been an increased market, and in this day, when the American farmer is looking for larger outlets for his production, how grand it would have been if he could have had larger access to that new domestic consumption which has developed.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK of Missouri. How does the Senator determine the fact that that larger domestic market is not due to the reciprocal-trade agreements, or at least in part measure due to them? For instance, one of the great industries of the United States is the automobile industry, and a sales manager of an automobile concern, officially representing that industry, came before the Finance Committee and said that that industry had been very materially benefited by the trade-agreements program. Does the Senator think that when automobile mechanics and automobile employees all over the country are receiving greater wages, that is not reflected in the domestic demand for wool and woolen products and woolen manufactured goods? Does not the Senator think that an automobile mechanic, when he has a job and is earning good wages, would not much rather have a woolen suit for his boy than a shoddy suit or a cotton suit?

Mr. NYE. That employee, that worker, that mechanic has a far larger prospect and outlook by reason of the development of a larger domestic ability to consume than is his prospect in any foreign market which might be attained.

Coming back to the insistence that the representatives of associations who appeared before the committee are anticipating more danger than will actually develop from the existence of the treaties, I should like to ask if there is not great reason for them anticipating and fearing what might happen. All this highly detrimental wool tariff tampering came in spite of repeated assurances by the President of the United States himself, who, in 1934, in correspondence released by the Senator from Wyoming [Mr. O'MAHONEY], said:

My concern that agricultural prices should be protected and, where possible, substantially raised ought to be well known by this time. This is why I was surprised that a question should be raised about wool.

Producers of other agricultural and industrial commodities have received like assurance from the executive heads of our Government that they had no reason to worry. This was true as to zinc, as to the excise taxes on oil and lumber, and as to numerous other commodities; but the duties were cut, and the amazed producers found they had no recourse or redress.

NO PRODUCT SAFE FROM COLLAPSE

Small wonder, then, that my people should fear for their flax markets, their dairy products, their livestock, and their small grains. This very day there is no single product which the farmers of my State produce which I would feel free to

tell them would be safe from collapse because of the trade-treaty program, in the event the authorization is renewed.

I liked the way Colonel Besse pointed to the fact that the Federal Government is only adding to its toil because of these trade agreements. I quote from his statement, as follows:

The farmers and other beneficiaries of these trade treaties have been so singularly and stubbornly unappreciative of the benefits which they have received that it has been necessary to spend an enormous amount of time, energy, and money in laying before them a picture of the advantages which they have derived from the program. Mr. Hull, Mr. Wallace, Mr. Sayre, Mr. Grady, Mr. Berle, Mr. Long, Mr. Edminster, Mr. Fox, and others have been obliged to prepare and deliver countless addresses to these unappreciative recipients all over the country.

He proposes that they be spared so much exertion in the future.

Colonel Besse then reveals the queer reasoning of the State Department when he explains why Senate ratification is opposed:

Mr. Grady says that the Senate will not approve such treaties when they are presented for ratification. Mr. Grady seems to think that if his technical experts work up an agreement with Australia and bring it to you for approval you will turn it down. Accordingly, realizing this, he asks you for a blank check in advance, giving your blanket approval to such treaties as he may negotiate in the future. The theory seems to be that you should give enthusiastic prior endorsement to a group of unacceptable treaties, none of which you would sanction if presented to you separately.

Which, it seems to me, is a pretty direct way of putting the challenge at this time.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK of Missouri. I do not wish to continue to interrupt the Senator from North Dakota; but, since the Senator is quoting the testimony of Colonel Besse as his bible, I desire to call attention to the fact that, on page 430 of the hearings before the Senate Finance Committee, Colonel Besse admitted that his association had been down here bitterly opposing the enactment of the original Reciprocal Trade Agreements Act in 1934, that he had come back and opposed the extension of that act in 1937, and that he was back here opposing it again this year, in spite of the fact that his industry was very much better off in 1937 than it had been in 1934, and very much better off now than it was in 1937. So that Mr. Besse's testimony was very well summed up in this, if the Senator will permit me to read:

Senator CLARK. If the whole system of trade agreements had gone into effect—and I take it that you will agree that the wool-textile industry profits from an increase in the general purchasing power in the United States just like every other business—

Mr. BESSE (interposing). I will agree with you that we profit from any increase in the general purchasing power, but I cannot agree with you that the increase in purchasing power was due to the effects of the trade treaties.

Senator CLARK. I am just calling attention to the fact that during the full operation of the year of the Smoot-Hawley bill your industry was at the very lowest point in its entire history, and that under the reciprocal-trade agreements a very much improved situation has been created; isn't that true?

Mr. BESSE. Not in my opinion due to the trade agreements.

Senator CLARK. Perhaps not; but whether or not you have been hurt by the trade agreement, you are a great deal better off than you were when the trade-agreement system started aren't you?

Mr. BESSE. Surely. So is everybody else.

Senator CLARK. Precisely. That is exactly my contention.

So that the witness summoned by the Senator from North Dakota himself was witness to the fact that not only his own industry but every other industry in the United States was vastly better off than it was when the trade-agreements policy was first considered.

Mr. NYE. But Mr. Besse insisted that whatever improvement had been accomplished and noted in their industry was an improvement not traceable to the trade-treaty program.

Mr. President, the wool manufacturer predicts that we will shortly witness excessive woolen imports, whereupon all we can do is ask the President to call up King George and plead, "Please, sir, would you mind if we rescinded our tariff cuts on woolens so that some of our weavers can go back to work?" He adds:

We know that King George is a man in whom the instinct of fair play is well developed, but, nonetheless, we prefer that the power to determine American tariff rates remain in Congress rather than in the British Government.

Then speaking directly of the joint interests of the growers and the industry, he says:

There have been threats that the duty on woolen products would be reduced ever since 1935; the English are even now asking additional concessions. Ever since 1935 there has been the likelihood of a reduction in the duty on wool through a treaty with Australia, the Union of South Africa, Argentina, Chile, or Uruguay. Our textile mills do not produce raw wool, but it is the raw material which we use, and we have to have large stocks on hand to enable us to maintain manufacturing operations during the course of the year, until nature grows another fleece which can be sheared from the sheep in the spring. The immediate inventory loss which might have to be taken in the event of a cut in the wool duty has hung over the head of every wool grower, wool dealer, textile mill, garment manufacturer, and other makers of wool products for 5 years.

When imports of woven piece goods jumped from 3,865,000 pounds in 1938, to 6,891,000 in 1939, I do not blame any manufacturer or grower for viewing with alarm the reductions on other woolen goods, similar to those which were granted as of January 1, 1939, and which accounted largely for the stupendous increase recorded last year.

The crux of the whole discussion of competitive production abroad seems to me to be reached in the computation of a large manufacturer of woollens, Col. M. D. Brown, of Continental Mills, Philadelphia. Herein lies the threat to our native producer, irrespective of whether the duty on raw wools should be subsequently slashed. He takes a certain piece of topcoating, weighing 19 ounces per yard, which costs his firm \$2.99 without shipping charges or selling expenses. In American money, at normal exchange, that fabric can be made in England or Scotland, not including shipping charges and selling expenses, for \$1.52. Under the Tariff Act of 1930, that fabric, made abroad, would have added to its cost upon import a compensatory duty for the protection of the wool grower of 60 cents, and an ad valorem duty of 55 percent to protect American labor, bringing the price to \$2.95.

This is 4 cents less than our factory cost, and competitive conditions are equal, which is all we ask.

Under reciprocal trade treaty rates, however, at normal exchange, the ad valorem duties are whittled down, and the price becomes \$2.73. Then, with the British pound at a discount of 20 percent in relation to the dollar, the Englishman's finished product, made from foreign wools, is thrown on the market at a cost of only \$2.31.

It is perfectly obvious that this disparity in cost of production, even without subsequent cuts in raw wool proper, would quickly ruin our American wool growers, disperse the trained American labor which has manned the manufacturing plants of this country, and drive our industrial plants into bankruptcy.

Recognizing this situation, I do not blame Undersecretary of State Sumner Welles for ordering six new suits of British woollens after he had finished visiting with British royalty recently. The State Department seems to be one of the beneficiaries of this trade-treaty program. Whether or not the wool growers of this country ever own six new suits of clothes in their entire lives does not matter.

I say again that the spectacle of Mr. Marshall, representing the wool growers of this country, and the men who represent the wool manufacturers, standing on the same ground, and pleading that attention be given to the joint woolen interests in this Nation, is a wholesome thing. But they are probably wasting their breath, for a State Department, which would "blend our economy into the world economy" will ultimately riddle them both, unless checked in its reckless program.

PROPAGANDISTS HAVE BEEN ACTIVE

Propaganda artists worked night and day prior to the opening of this session of Congress to produce pamphlets which recited the "benefits that have flowed to each of our 48 States as a result of this trade-agreement program."

Their leaflet states:

Concessions obtained on American products not produced in North Dakota, such as cotton goods, plate glass, typewriters, chemicals, and numerous others, indirectly benefit the citizens of North Dakota.

For that nebulous and questionable gain we are expected amicably to surrender our domestic markets to imported grains, livestock, and livestock products entering over absurdly low tariff walls, having ultimately to compete, in every item we grow, with the serfs and peons of foreign lands. It is too much to expect. It is a preposterous thing to expect.

The reciprocal trade treaty program could have been made acceptable. Treaties helpful to our economic well-being, and possibly contributing to the well-being of all other parts of the world, could have been made possible merely by providing that trade treaties shall be ratified by the representatives of the people in Congress. That chance, however, has been pretty definitely denied by a close vote in the Senate. To go on facing the music—the music some of us have faced for the past number of years—is out of the question. That music has merely involved the plaint of the farmer, day in and day out, against importations in competition with his own production, and his insistence that such importations be ended, only to find us, Members of Congress, able to say, "There is nothing we can do about it."

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Callo-way, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, and it was signed by the Vice President.

PROPAGANDA ENTRANCE OF UNITED STATES INTO WAR

Mr. HOLT. Mr. President I shall detain the Senate only a few moments. When I picked up the New York Herald Tribune today I noticed the headline: "Get United States into war at any cost, Ontario official urges Canada."

Mr. JOHNSON of California. Mr. President, will the Senator yield to me so that I may suggest the absence of a quorum?

Mr. HOLT. No. I wish to speak only a few minutes. I thank the Senator from California.

The headline is: "Get United States into war at any cost, Ontario official urges Canada."

I think it is worth the time of the Senate, as we are gradually slipping into war—and we are—to take time to consider what the attorney general of Ontario said about getting the United States into war. Let me quote it:

The Ontario Attorney General Gordon Conant told an audience of farmers and businessmen today that it was Canada's duty to "do everything within our power to enlist the active support of the United States in the cause of the Allies."

Saying the success of the Allied cause "may be very doubtful" unless active participation of the United States is made effective at an early date, Conant declared:

"No sacrifice on our part will be too great if that can be accomplished.

"If the United States wants to build the St. Lawrence waterway, by all means let us join them"—

Think of that! Get us into the war by giving us the bait of the St. Lawrence waterway. Give us anything to get us into war—

"If they want access to Alaska over Canadian soil, there should be no hesitation in settling the matter. In fact, nothing short of impairment of our status as a sovereign nation would be too much for Canada to offer as a sacrifice on the altar of liberty and freedom.

"We have prided ourselves and rejoiced in the fact that we have been good neighbors. But now we have a greater responsibility, a greater duty, a greater opportunity to do everything within our power to enlist the active support of the United States in the cause of the Allies."

What greater responsibility, what greater duty than being a good neighbor? Quoting the attorney general:

To do everything within our power to enlist the active support of the United States in the cause of the Allies.

Is not that a wonderful good-neighbor policy? Are they good neighbors only if they can use us? Let me say that I do not hold the Canadian people responsible for the statement of the attorney general of Ontario any more than I hold the American people responsible for the speech at Toronto of the large Democratic campaign contributor, Jimmie Cromwell. Neither was speaking for the American people. Neither was speaking for the Canadian people. They were speaking, not expecting publicity. The Canadians are our good neighbors and friends; but nothing is more important to some than to get the United States into the war.

"The Allies need America. They need and will be accorded every support that this great northern part of the American Continent can extend. But they need even more the moral and particularly the material resources of our great neighboring republic to the south.

"If Canada can bring about the active participation of the United States of America in support of the Allied cause particularly at the present time she may go down in history as the savior of democracy, of liberty, of freedom, of civilization itself."

The cry: Give up anything to get the United States into the war.

"Every day the United States delays in joining the Allies will only prolong the war and increase the effort and the sacrifice that the United States may yet be called upon to make to save herself from the fate that now threatens all the democracies of the world.

"In the last war their entry undoubtedly turned the scales and resulted in victory, which materialized in November 1918."

He differs with Mr. Churchill, who said that the United States got in in time to get its glory. But let me proceed:

With their vast resources and materials and men—

Listen to that—"and men." He goes a little further than our Neutrality Act.

"With their vast resources and materials and men and their industrial capacity added to those of the Allies their could be no question as to the outcome.

"A clear declaration of policy at this time supporting the Allies and declaring it to be the intention of the United States to enter the contest in their behalf would materially affect the whole situation probably to the extent of bringing an end to hostilities.

"Surely Germany would see the futility of her mad project. She would be unable to enlist in her support in that event the forces of Italy, of Russia, of the Balkan states, or any of the neutral states. I am confident she would seek an early peace rather than risk the ultimate extermination that would be her fate."

Now, I want the Senate to listen to something, not about Canada. We are not responsible for the Ontario attorney general, even if we are responsible for Jimmie Cromwell, a nice man to have around at election time, because of a marriage. The Ontario attorney general speaks about his dear friend who was appointed Minister to Canada. Let me add:

Referring to an address by James H. R. Cromwell, American Minister to Canada, here 2 weeks ago, Conant said the Minister had stripped the disguise from the various positions of neutrals in no uncertain terms.

"His speech was the most forthright and accurate evaluation of the situation that has yet been delivered by any neutral statesman," he said.

They cannot be beaten for diplomacy. Listen to this:

"It is gratifying to know that while Mr. Cromwell's speech was officially, and perhaps necessarily, repudiated by Mr. Cordell Hull, the Secretary of State, the American statesmen have not disguised the fact that he expressed American opinion accurately, if impudently."

Does he mean it was impudence to say that we are going to see the American boys sent across the seas? "Don't tell the boys until we are ready to send them."

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. Does not the Senator regard the statement of the distinguished Canadian publicist as being equivalent to a charge that the Secretary of State of the United States had his tongue in his cheek when he delivered a stinging rebuke to our playboy Ambassador, which would have caused any man with the slightest vestige of self-respect to have resigned?

Mr. HOLT. Of course. However, he paid \$50,000 or more for the job, and it is pretty hard to give it up. Let me say

that everyone knows that Mr. Cromwell was not expressing officially the viewpoint of the people of the United States.

Mr. CLARK of Missouri. Mr. President, will the Senator yield further?

Mr. HOLT. I am glad to yield.

Mr. CLARK of Missouri. I certainly did not wish to create the impression that I agree with the Canadian attorney general in his estimation of the action of the Secretary of State. I have known the Secretary of State of the United States too long not to know that he was restraining his indignation instead of exaggerating it when he publicly rebuked Mr. Cromwell for his ill-timed speech.

Mr. HOLT. Let me say, as one who has opposed many of the policies of the Secretary of State, that I thoroughly agree with the Senator from Missouri, because I think the Secretary of State would have gone further if he had not been restrained.

Let me quote further from the article:

Let us hope that Mr. Cromwell did express the sentiments of the great majority of the people of the United States of America. But let us also hope that action and not merely professions of faith will follow.

In his speech Cromwell said a victory for the Allies was necessary to the welfare of the United States.

In other words, "Do not merely be a good neighbor to us. We will get you into the war to fight our battle. Do not merely say, 'We like you,' but send your boys over to fight our battle in Europe."

I say again, the Canadian people are not responsible for Mr. Conant, any more than the American people are responsible for the Cromwells, the Bullitts, and the other tea hounds who are serving as a result of campaign contributions. No; the Canadian people are not any more responsible. Nevertheless, those individuals are on the scene. The reason why I am calling the attention of the Senate to this today is to show that there are forces trying to take the United States of America into the war. No matter how much some individuals in Washington wish to profess that there is no danger of our entrance into the war, I think, speaking frankly and conscientiously, that the United States of America is slipping and stepping into the World War.

I hate to say that; but I honestly believe it. I hope I am wrong; but I am convinced that there are forces pushing here and forces pushing there.

Mr. President, why, do you think, is England today cutting down on her imports from the United States? Is it because they say they have to conserve their cash or because they desire to create a sentiment in America for doing away with the Neutrality Act, so far as cash is concerned, in order that we will finally finance the present war as we financed the last war? It will be only tomorrow when we will be faced with that, and we must choose between doing away with the cash provision or shutting down some of the factories that are selling materials to England. We are going to have to make that choice; but, so far as I am concerned, I would rather see the last export to any foreign country stay on our side of the shore than to send across the ocean a single American boy in order to provide profits for a few individuals in this country.

Oh, no; this incident is not like a declaration of war; but, step by step, we are getting closer and closer to the conflict in Europe.

The President of the United States, speaking at Chautauqua, N. Y., said very ably, and I think his statement is worth repeating here—

We can keep out of war if those who watch and decide make certain that the small decisions of each day do not lead toward war and if, at the same time, they possess the courage to say "No" to those who selfishly or unwisely would let us go to war.

That is what we need—the courage to say "No." But step by step we are proceeding in the direction of war. Every day we read something in the newspapers which shows we are getting closer and closer and closer to it. Every day we are watching those "small decisions" toward war.

They are using every type of propaganda. I hope the time will soon come when the United States Senate will adopt the resolution of the Senator from Missouri to investigate prop-

LXXXVI—253

aganda, not alone Nazi or Communist, reprehensible as they may be, but also let us take the cloak off the English propaganda which is permeating America through lectures, through social affairs, through newspaper control, through pictures, and in many other ways.

Just the other night Lord Lothian—the Marquis of Lothian, or the Earl of Lothian, I should say, to be polite—invited 300 Americans to give \$10 apiece to listen to English concert artists at the English Embassy. They are good; there is no question about that.

The money was to be sent over for the relief of England. I will wager that if one were to write those 300 guests and ask them to donate \$2—not \$10, but \$2—for the relief of some poor, unfortunate persons in the United States of America, he would find that many of them did not have time to take care of the invitation. Oh, yes; the English are steadily advancing in their propaganda. They are using every opportunity to get to the proper people.

Now let me say that recently there was a British propaganda film shown. All Senators were invited to come and see it. We got "Annie Oakleys"; we got in free, because they wanted us. Here is the letter I received:

Senator RUSH D. HOLT,

Senate Office Building, Washington, D. C.

DEAR SIR: Last week we held a screening of *The Lion Has Wings* for a group of ranking—

Listen to this—

for a group of ranking Army, Navy, Coast Guard, and National Guard officers, and members of the Civil Aeronautics Authority. They were surprised and greatly impressed with the details of aerial offense, defense, and mechanical equipment which is disclosed in this picture. It has been suggested to us that it would also be of great interest to you in view of your committee affiliations in Congress.

What is my committee affiliation in Congress? I am a member of the Naval Affairs Committee. It was desired to put us in the right attitude to see the danger of invasion.

I continue with the letter:

The Lion Has Wings is Great Britain's answer to the threat of Planes Over London. When war was declared, Alexander Korda (the greatest English director) had a skeleton script written—and then used events as they happened to make the picture. He worked with the full cooperation of the Royal Flying Corps and has produced an amazingly frank and thrillingly exciting film.

Here is the nice thing—

We are attaching a pass, which will be good any time during the engagement, which starts Wednesday, March 6 (probably for 1 week), and will be very happy to have you as our guest.

Sincerely,

THE LITTLE THEATER MANAGEMENT.
By A. M. TOLKINS.

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

Mr. HOLT. I am glad to yield to the Senator from Florida.

Mr. PEPPER. I think the Senator received complimentary tickets to see "Mr. Smith goes to Washington." I wonder if that was a part of the propaganda, too?

Mr. HOLT. I may say, as to that, that it represented some Senators very well, and the Senator can use that, too, if it fits him.

Mr. PEPPER. I was just wondering if the Senator was basking in any reflected glory that he was able to observe?

Mr. HOLT. If the Senator will explain his last remark I will be glad to know what it means.

Mr. PEPPER. The latter remark was made upon the inference that I deduced from the Senator's remark. If I was in error about that, he would not understand my suggestion.

Mr. HOLT. Does the Senator from Florida contend that there is no British propaganda in America?

Mr. PEPPER. No; but the fact that the Senator gets complimentary tickets to moving pictures does not prove that the British are propagandizing everything, for we get complimentary tickets to many things.

Mr. HOLT. I agree that the Senator from Florida does. Some even get free trips to see the sugar fields of Florida. [Laughter.]

Mr. PEPPER. Does the Senator know of any trip that is more enjoyable and profitable than a trip such as that?

Mr. HOLT. No; it is far more enjoyable than keeping some Florida interests alive by the Federal Treasury.

Mr. PEPPER. Mr. President—

Mr. HOLT. Of course, I am glad to yield to the Senator from Florida before I proceed further.

Mr. PEPPER. Does the Senator from West Virginia intend to compliment the Senator from Florida upon his representation of the State of Florida, or is the Senator lamenting the fact that his State has not gotten as much as he would like to have obtained out of the Federal Treasury?

Mr. HOLT. No. I may say to the Senator from Florida that Florida should not have any criticism at all of the Senator from Florida except that he did not get the Florida Ship Canal through as he was supposed to do. However, he has done a good job in getting for Florida its share. But that is far from the subject of propaganda.

Proceeding with the matter, I may say that, step by step, the news is bringing out the very fact that Colonel Lindbergh, in speaking last fall, was criticized for stating, namely, that certain interests in Canada would try to involve us in war. Let me quote what Colonel Lindbergh said and let it be considered in the light of subsequent events. Here is what Colonel Lindbergh said on October 13:

We must protect our sister American nations from foreign invasion, both for their welfare and our own. But, in turn, they have a duty to us. They should not place us in the position of having to defend them in America while they engage in wars abroad. Can we rightfully permit any country in America to give bases to foreign warships, or to send its army abroad to fight while it remains secure in our protection at home? We desire the utmost friendship with the people of Canada. If their country is ever attacked, our Navy will be defending their seas, our soldiers will fight on their battlefields, our fliers will die in their skies. But have they the right to draw this hemisphere into European war simply because they prefer the Crown of England to American independence?

Furthermore, he said:

Sooner or later we must demand the freedom of this continent and its surrounding islands from the dictates of European power. American history clearly indicates this need. As long as European powers maintain their influence in our hemisphere, we are likely to find ourselves involved in their troubles, and they will lose no opportunity to involve us.

May I repeat that:

They will lose no opportunity to involve us.

Everybody who knows anything knows that there is a great amount of propaganda to get us in.

Mr. President, I may say that the Canadian people are among the finest people in the world; some of the most enjoyable times I have ever had in my life have been spent in Canada; but I say it is time for someone to rise and condemn Canadian officials when they say that they will involve us by giving us the St. Lawrence waterway or giving us a road to Alaska. It is time for some person in Washington to rise and say, "Yes, but we know it is bait, and we will not go into the war on such terms and as the result of propaganda; that we remember too well the propaganda that the war is one for liberty, for civilization. We know the penalty, when you say that you will pay us in order to drag us into the war."

That is why I rise, not to condemn Canada, not to condemn Canadians, but at least to raise my feeble voice in order that the American people may be vigilant to the ever-increasing danger of our moving toward war. That is why I raise my voice, because I sincerely believe it, much as I should like to believe otherwise.

But, as far as that is concerned, to those in Europe I would say, as Premier King said, not after the war but before it—and I quote him:

The idea that every 20 years this country, which has done all it can to run itself, should feel called upon to save periodically a continent which cannot run itself seems to me a nightmare and sheer madness. * * * In a war to save the liberties of others, and thus our own, we should not sacrifice our own liberty or our own unity.

Mr. NYE. Mr. President, can the Senator indicate the date of that utterance by Mr. King?

Mr. HOLT. No; I cannot. It was preceding the war. I shall be able to get the date. I came to the floor without preparation for this speech, or I should have gone more into detail as to that matter.

Mr. NYE. It was not a matter of years, however?

Mr. HOLT. Oh, no; it was during the last year preceding the war. They got into the war, however. I heard in Europe, when I was over there, that Canada would declare war on Germany, and I wondered why Canada would declare war because of our Neutrality Act. What did I hear there? I was told "You are mistaken about that. If Canada declares war on Germany, it makes a stronger case in America to get the Neutrality Act revised." I do not say that Members of this body felt that way, but that is the way some felt in Europe at the time.

I hope I have brought to the attention of the Senate the fact that there are forces abroad and forces in America, forces in Washington and forces in the Diplomatic Corps of America, that seek to get us into the war. That is a pretty strong statement, but I will stand back of it, and say that Americans will not accept the bait of Canada and go into the war and send American men across the sea.

Mr. McCARRAN subsequently said: Mr. President, this afternoon the able junior Senator from West Virginia [Mr. HOLT] uttered sentiments on the floor of the Senate to which I give my whole-hearted support. The time has arrived when the American people, through their chosen representatives, will make known not only to peoples abroad but to those closer to us, that neither the attorney general of Ontario nor the American representative to Canada, with all his millions, can bring about the shedding of the blood of American youth to save a disaster which Europe brought upon itself.

Mr. President, I ask to have inserted in the RECORD some remarks delivered by me before the American Legion of Nevada which dwell upon the subject discussed by the Senator from West Virginia.

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

ARMISTICE DAY ADDRESS BY SENATOR PAT M'CARRAN AT LAS VEGAS, NEV., NOVEMBER 11, 1939

Twenty-one years ago today the hearts of America and the hearts of the civilized world rejoiced. In the torn fields of Europe, where carnage and devastation had held sway, the gladdening expression, "Finis la guerre," was heard everywhere. Enemy embraced enemy. Guns were silenced, and the bells of Christendom rang out as though the Saviour had returned to the world.

The joy that came to European countries by the signing of the armistice was thrice ardent in this land of ours, because we had marshaled the flower of American manhood; we had summoned the strength of American womanhood; we had mobilized the forces of national resources in the one great, noble thought to make the world safe for democracy, and we had said to the bleeding and torn countries abroad that the strength of our manhood and the encouraging presence of our womanhood should be sent to them at all hazards; that we as a nation, loving peace, should engage in war to make an end of war.

We sought no territorial gains. We asked for no political advantages. We visualized no economic supremacy; nor did we by the treaty closing the war obtain any of these.

Our boys in arms who had gone abroad, anxious and joyous to be in the fray, returned leaving behind them the sweetness of youth, and the white crosses that marked the resting place of their brothers. Those of the boys of 1917 who returned, or who served in cantonments at home, are men now, mature men. The babes in arms of 1917 are boys now, boys subject to call, subject to military service.

Twenty-one years have elapsed. This Nation, with its teeming millions, has paid the price of its Utopian heraldry, to fight a war to put an end to war. It has paid the price in the blood and lives of those who sleep abroad. It has paid the price in those who, worse than dead, linger on to curse the gas that burned out their vitals and left them but a shell, to tell the story of a heroism unappreciated by the lands and the countries far away. It has paid the price by an economic change involving millions of unemployed in a land teeming with plenty and a national debt that would bewilder those less courageous.

Today, it is my honor, by your courteous invitation, to speak to the ex-service men, who 21 years ago heard the word that the war was ended. May I not at the outset invite you to dwell on the impelling factors that led a peaceful, peace-loving Nation in the Western Hemisphere into a European war.

Human memory is short; human hearts are forgiving, and human passions subside with time, and only few there are who are at all inclined to give their attention to history. As we look back over

the last quarter of a century, we might be inclined to believe that that which we choose to term the World War was the only war of magnitude that Europe had known, and yet if we but turn the pages of history, we find that in the last 700 years, 361 wars have been fought and won or lost in the very center of Europe; yea, in that center where the zenith of civilization has held sway; where art and culture and refinement and Christianity has found most extended latitude.

And even more reflection is enlightening and interesting, although it may be exceedingly depressing. It is but a few months ago that we as a Nation celebrated the one hundred and fiftieth anniversary of the signing of the Constitution of the United States, the establishment of a constitutional democracy in the Western Hemisphere, where individual human liberty was the paramount thought; a century and a half since we established our beloved Government, and announced to the world our intention to live at peace with the nations of the earth, and to bring to our people the greatest quantum of contentment and prosperity. In that period of 150 years, the nations abroad who had called us to their side in the World War, were in fact only passing through another of the prevailing conflicts that had engaged the attention of European nations.

In the last 150 years, Great Britain has fought a total of 54 wars, lasting in all, 102 years; in the last 150 years, the British Empire has been at war 68 percent of the time. In the last century and a half, France has engaged in 53 wars, lasting 99 years; in the last 150 years, France has been at war 66 percent of the time. And, indeed, were we to look at the record of our World War enemy, the German Empire, we would find but little less encouragement.

If our Utopian idea of making the world safe for democracy, by sending our boys and arms across the wide expanse of ocean to aid friendly nations in a struggle against their foes had prevailed since we became a constitutional government, it would have been necessary for us to have a standing army at every port of embarkation in the United States, during every year of our national existence.

What aroused this country in 1917 to enter into a conflict that had then been going on with frightful consequences for more than 3 years? Who set the stage upon which we as a nation were to play? What dexterous limner touched the scenes and fixed the wings in this stage of tragedy, on which we were to take a leading part? What honeyed words and fetching phrases dressed the lines that we were to utter in the tragedy of blood and hell?

For 3 years, from 1914 to 1917, we sailed the stormy seas, implanted with pitfalls on every hand, and kept our colors flying, maintained our dignity as a nation, and held the admiration of civilized men everywhere; but while we were so engaged, powerful personalities, plans, and policies were "apothecaring" the mixture that would put us on a national jag.

It is history now, history that has been written by fearless men possessed of undeniable information, that this God-fearing, liberty-loving, peaceful Nation was led into the World War by a system of cajoling propaganda, working in conjunction with far-flung credit that had been extended to warring nations, that led us to the brink and over the top into war in 1917.

The mission of Lord Northcliffe, one of the then greatest publishers in the world, fortified with British millions, the strategic writings of Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells, together with the inflammatory portrayal of scenes and situations, without foundation—these and a thousand other things constituted the trappings, as it were, on the stage where we were to play the awful part.

No less an authority than Sidney Rogerson, of London, England, in his book entitled "Propaganda in the Next War," published only a few months ago, speaking of the then threatened, now existent war, brings to our vision that which led us into the World War. Dwelling on present conditions, this eminent writer says:

"We (England) shall require to do much propaganda to keep the United States benevolently neutral. To persuade her to take our part will be much more difficult. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen before the Republic will again take arms in an external quarrel."

Again I quote this great British author when he says:

"Fortunately, with America our propaganda is on firm ground. We can be entirely sincere, as our main plank will be the old democratic one. We shall (he says) send over our leading lights and other men well known in the United States to put our point of view over the dinner table."

And again this author says:

"Our trouble here (in England) will be to find men with equally commanding reputations to step into the shoes of such men as Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells."

And so, ex-service men and fellow citizens of America, we may look at the future, mirrored as it were by our experience and the disclosed history of the past.

By propaganda dealt out to a free, ambitious, liberty-loving people, and by using the sacred name of democracy, our beloved form of government, by shocking our sensibilities through the portrayal of unfounded inhumanities, our Nation was aroused to a fever pitch, and we played the awful part until the curtain dropped 21 years ago today.

The war that we fought did not end war. The struggle in which we participated, like every struggle of its kind, settled nothing. The world was not made "safe for democracy." But bewildered mankind, seeking leadership out of the tragedy of war's aftermath,

made it possible for mediocre beings to become dictators and to wield the destiny of the lives of millions mentally and morally superior to them.

The devastation of war always furnishes a vantage ground for the egomaniac. Despair, anger, heartache, and discouragement prevailing in war-torn nations and peoples constitute elements that make possible the setting up of principles and policies that would not be tolerated in calm moments of civilized tranquillity; and so the world views a spectacle today that calls for another coming of a great spirit to bring God back into the hearts of men.

For 21 years, from out your ranks, men of former service, there has gone up the appeal, the demand, for peace. Your powerful group, in your beloved America, has given great impetus to the Nation's policy of contributing to the peace of the world, and what a splendid contribution this country made when as a government we declared by statute that we would lend our efforts toward world peace by refusing to sell to countries at war arms, munitions, or implements of destruction. We took a lofty stand, in keeping with your demands. We beckoned to civilized mankind to join our ranks under a God-given banner of peace. We told this generation and the generations yet to come that we would rather bear the burden of taxation, feed the hungry, clothe the naked, shelter the shelterless, in peace, than to accumulate the money of the world by the sale of instruments and poison gasses to augment war abroad, and take the lives of warriors, civilians, and noncombatants alike.

But while we were thus holding the banner of world peace and inviting civilized peoples to join with us, ingenious military minds were building the Maginot line, and those looking toward an inevitable future war, were, with equal energy, building the Siegfried line. While we were encouraging peace, secret agreements were being formulated, looking to future war. While we were invoking international law in furtherance of peace, undeclared, murderous wars were set in motion, and the law of nations was merely smirked at.

And so, 21 years from the day on which you heard the bells ringing announcing the great tidings of an armistice, today in the very heart of civilized Europe, today in the very cradle of civilization, mass murder is on again in the form of war; and this Nation, while changing its policy that contributed so much by precept and example to the peace of the world, is taking drastic steps to avoid involvement.

We have now raised the embargo, and we have told the world that we will sell the deadly instrumentalities for human destruction, that we will sell the hellish gas and the flesh-burning flame that in turn will snap out the lives of innocent women and children; that we will sell the bombing planes and machine guns and powder to drive deadly projectiles, all for cash.

By embargoing these things, we had a noble ambition. We made a lofty gesture. We declared a worthy policy, that peace might have an impetus, and that political balance of power and commercial supremacy might take a secondary place to that which would bring about contentment in the hearts of men. Something has caused us to abandon that ambition, black-out that gesture and renounce that policy. Something has caused the declared resolution and preferment of plan announced by our greatest leaders to be abandoned.

And now, on this, the twenty-first anniversary of an occasion that brought great joy to the world, we find ourselves, wittingly or otherwise, intervenors in a war abroad, in which, in reality, our country has no concern. We are going to place in the hands of foreign belligerents the instruments whereby they may destroy each other, whereby they may prolong mass murder, every day of the prolongation of which threatens and forebodes our involvement.

WHERE DO WE GO FROM HERE?

In the language familiar to you who served in the World War, may we inquire, "Where do we go from here?"

In an effort to keep aloof from the war abroad, we have embargoed American vessels; thus to keep the American flag out of combat zones. We have made it criminal for an American citizen to travel on the ships of the nations at war. All this and more has been done to insure, if possible, that the United States of America, struggling under the burdens of the last war, listening to the cries of our wounded, not yet dead, pleading for reasonable payments of honorable debts, honorably contracted, shall not become involved in the war now going on, for a commercial and political balance of power, in far-off Europe.

I can hear the resolution uttered from the hearts of my listeners and the people at large. I can hear that resolution coming from determined beings, as it comes from me:

"America shall not send her manhood to a foreign soil, to become warriors in foreign wars."

That resolution is today uppermost in the minds of millions in our land. That resolution is enshrined in the heart of every American mother; that resolution is today a sacred and sanctified thing. In place of the familiar verse of 1917: "We won't come back 'till it's over, over there," we are resolutely sending the message: "We won't be over, 'till it's over, over there."

In place of that familiar jingle of 1917: "The Yanks are coming," we are announcing to the warring peoples: "The Yanks are not coming"; because, for the United States, there is a permanent stop-light on that "long, long way to Tipperary."

Let us not forget that we passed through a similar period in our history. What declaration could have been more pronounced between 1914 and 1917 than that this country, while furnishing

money and munitions to warring countries abroad, would never send our soldiers over there.

I have drawn the attention of my listeners to the agencies that led us into the World War, and I have made mention of but a slight part of the organized propaganda, the results of which are to be viewed in every veterans' hospital in America, and the silent testimonial of the sentinel who paces the beat at the Tomb of the Unknown Soldier.

Is the stage being constructed again? Are its wings and scenes being reproduced, streamlined to fit the tempo of the times? Are the colors of the play in which we are to take a part a little more modernistic, a little more refined, but nevertheless present? What does the great British author, Sidney Rogerson, mean when, visualizing the present European war, he said:

"We (England) shall require to do much propaganda to keep the United States benevolently neutral. To persuade her to take our part will be much more difficult. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen, before the Republic will again take arms in an external quarrel."

What did this spokesman for the British thought mean when he said:

"Fortunately, with America our propaganda is on firm ground. We can be entirely sincere, as our main plank will be the old democratic one."

What did this eminent British author mean when he said:

"Our trouble here (in England) will be to find men with equally commanding reputations to step into the shoes of such men as Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells."

Need we review the masterful efforts of the persons named, Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells, by whose zeal and energy the torch of war was in 1917 lighted in the peace-loving souls of American millions?

We give no significance, but nevertheless we note, the press reports that Lord Alfred Duff-Cooper, former Lord Admiral of the British Fleet, who resigned at the time of the Munich incident, is now on a lecture tour of the United States. We are advised that Lord Morley, deputy leader of the House of Lords, is now visiting in America, and that the great British publicist, Lord Beaverbrook, has recently arrived on this side of the Atlantic. It has also been stated that English trade-union leaders were shortly to pay a visit to our country.

We are not unmindful of the statement of Lord Lothian, British Ambassador to the United States, made recently before the Pilgrim Society, in which, among other things, he said that England did not intend to propagandize the United States. That statement, however, was made by his lordship one day from that on which the British Minister of Information informed the British Parliament that full publicity would be given the Allied cause in the United States.

And we are not unmindful that the great author of the publication entitled "The Public Mind: Its Disorders and Exploitations" and many other texts on how to mold public opinion, Mr. Norman Angel, who rendered such valiant service by way of propaganda during the World War, is still virile and active.

Is the stage being set by dexterous hands and fertile minds who know the love that lingers in the American hearts for fair play and liberty? Have we not already had displayed to us by screen and pictorial and graphic account, atrocities wrought in the hell of war? Are hatreds being engendered in the minds of American citizens, where only impartiality should prevail, and where no other thought should be nurtured than an everlasting determination to keep this country aloof and at peace?

My fellow countrymen, I bring these thoughts to your attention for a purpose, and for one purpose only:

We must meet and combat, within our own borders and on our own soil and in our own homes, the instrumentalities of propaganda, instrumentalities that would cause us to form hatreds on one hand and favoritism on the other; instrumentalities coming to us in the most innocent form by agencies least suspected, which will centralize our individual as well as our mass prejudices, and cause us to forget the larger, more important thing; namely, to keep this country of ours away from the war fields of foreign conflicts.

I never want to see the American flag whipped by the breeze of a European battlefield.

Our cause and our course can be and must be the more glorious one of peace and power and leadership; an Army so manned and equipped as to be worthy of the dignity of the western world; a Navy worthy of carrying our flag on the waters of the world, secure and safe by reason of the potential power surrounding it. Our national integrity should be so demonstrated and foundationed that when we announce a policy we may repeat the expression of the great Grover Cleveland, when as President of the United States, in the Venezuela incident, speaking of the Monroe Doctrine, he said: "This fiat is law."

Couched in the wisdom of the ages, fortified by experiences, our forefathers formulated a government and molded into its foundation security for liberty and law alike. They declared that these cardinals of civilization could be maintained not by the power of the Army nor by the might of the Navy but by the coordinate support of an enlightened, progressive, patriotic people. The founders of our Government, as well as its faithful martyrs, established and determined on the constitutional system of checks and balances, thus transforming democracy from a dream to a reality; thus pro-

tecting the people against the tyranny of the individual or the oppression of the majority; thus placing civil and religious rights and liberties of both individual and group beyond the power of any party, however powerful; beyond impairment by any majority, however great; beyond Congress, however strong; beyond an Executive, however popular.

The founders of our Government made the people the reservoir of power, and fixed both the grant of power and the restraint of its exercise, in a written constitution, as the expression of the supreme wish of the people.

My fellow countrymen, we may have no fear for the success of this form of government, so long as the people, now sovereign in themselves, continue an untrammelled exercise of that sovereignty. Our fear, if any we should entertain, need not be based on the action of the people, but rather may we entertain apprehension lest perchance, listening to the rumble of a distant drum, and through misplaced sympathy, we permit foreign agencies to swerve us from our course. In my judgment, our danger lies not abroad. The threats to our form of government are more likely to come from unworthy agencies and undemocratic propaganda here in our very midst.

My fellow countrymen, the greatest enemies of our Republic may not be foreign foes, but rather domestic termites, who enjoy the spirit and atmosphere of our liberties, while at the same time they bore from within, to destroy the foundation of the very liberties they enjoy. While we concern ourselves to keep this country out of foreign wars, we must put on the shield and armor against domestic threats. Our form of government is good enough for those who love it, and those who do not see something in it to love had better find a place more congenial to their views.

We are not going to be led into a foreign war, and we are not going to permit foreign ideologies to tear down the structure that shelters us.

You men who served under your country's colors, let this twenty-first Armistice Day be dedicated to a firm resolve that democracy in America is the God-fearing spirit of freedom and progress. That regardless of what form of government other people may espouse, we are determined that the homes and hearts of those who give their allegiance to our Government shall be enshrined in the perpetuity of that Government, and that as a people, having gone through the fire of experience and the crucible of war, we announce to the world, here and now, that we are not going to be drawn into a European tragedy.

That the life of one American boy is worth more than all that can be gained by the war now raging abroad.

That we will give succor to the afflicted, and sympathy to those who experience the heartache of war, but we will so manage our national affairs as to guide our ship of state through these torn and troubled waters, so that when peace comes to the earth again, as it must come, bewildered people seeking leadership will see in the darkness about them the flame of our torch, held high by resolute hands, warriors of a former war, citizens of a great democracy, soldiers in the campaign for peace on earth and good will toward men.

I could not close with a more cogent thought than that which has been handed down in that sacred document coming from the heart and mind of the first President of the United States, and which to me is a sermon that should be repeated on every Armistice Day, from every pulpit, in every schoolroom, from the lips of every citizen of the land.

My brothers of the soldiery of yesterday, how prophetic were the words of Washington, when, in his farewell address to his country, he said:

"Against the insidious wiles of foreign influence 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 of 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. * * *

"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 collusions of her friendships or enmities.

"Our detached and distant situation invites and enables us to pursue a different course. * * *

"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?"

My fellow countrymen, for us there is but one thought, one resolve, one national love—Columbia, the gem of the ocean. Keep her enshrined in the western world where oncoming centuries will learn to love her as we do.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. DAVIS. Mr. President, I shall occupy but a few moments, as I know the Senate is anxious to vote on the pending amendment.

I shall vote for the amendment offered by the junior Senator from Nevada [Mr. McCARRAN]. I have always supported tariff legislation based upon the difference in cost of production at home and abroad. I am satisfied that if we adopt the pending amendment, great numbers of persons now on the relief rolls will find employment in our mines, mills, shops, and factories.

I ask unanimous consent to have printed in the RECORD, as part of my remarks, an editorial from the New York Sun of April 2, 1940.

The PRESIDING OFFICER (Mr. CHANDLER in the Chair). Without objection, the editorial will be printed in the RECORD. The editorial is as follows:

[From the New York Sun of April 2, 1940]

FORTY-FOUR AGAINST THE FACTS

What are some important implications in the Senate's vote on March 29 on the Pittman amendment, which would have required the Senate to ratify the reciprocal-trade treaties?

Forty-four Senators voted against requiring Senate ratification. Therefore, they believe that the President should have power, delegated to the Secretary of State, to reduce any tariff duty as much as 50 percent. Forty-one Senators voted for requirement of Senate ratification, and so are opposed to such one-man power to destroy the American tariff, written in 1930 and passed by the entire Congress.

The 44 Senators who approve of the trade-treaty program must square their beliefs with these facts:

(1) The Hull trade-treaty program is not, as the Times asserts, "the most promising step that has been taken by any nation anywhere in recent years to rid world trade of destructive barriers." It has failed in that idealistic purpose, for today all Europe is erecting a complex structure of trade barriers to keep out the very products for which the gullible Mr. Hull obtained concessions in trade pacts now partly nullified by war commerce.

(2) The trade-treaty program was designed to admit to our markets heavier shipments of merchandise from abroad in the face of the Federal Wage and Hour Act, which applies to goods made or processed in American factories. While it is unlawful for a factory in one State to ship goods to another State if they were not made in full compliance with the new wage and hour regulations, it is quite legal for anybody to ship across State lines goods made abroad at much lower labor standards. This is a fantastic way to improve the standard of living of American labor.

(3) The Hull trade treaties have not caused a considerable increase in American export trade. On the contrary, two of the most important of all American exports—wheat and cotton—declined so much before the war began that our Government decided to subsidize their export. The first of the trade pacts with a most-favored-nation clause—the pact with Belgium—did not become effective until May 1935, yet by the end of 1934, without benefit of trade agreements, our exports had risen 33 percent in 2 years.

(4) The trade treaties do not make for peace. That is the most foolish of all the New Deal's arguments in favor of them. How did our pact with Czechoslovakia promote that nation's peace? The agreements have intensified the rivalry among all foreign countries for our rich market. Under war conditions the trade pacts are dangerous, for it is an era of unstable currencies and abnormal commerce. The Senate, without power to ratify these treaties, must sit by silently and watch the folly of the State Department.

(5) The administration's silly concern for its foreign-trade program in the midst of domestic distress has harmed the whole country. It would take nearly 20 years of exports as large as those of last year to equal 1 year of our domestic wholesale trade.

It is said that Secretary Hull's availability as a Presidential candidate depends on the continuance of his trade program by Congress. If that is true, his availability rested last week on the votes of three Senators.

Mr. TAFT. Mr. President, I should like to say a word in behalf of the amendment of the Senator from Nevada [Mr. McCARRAN].

I myself have offered a somewhat more elaborate amendment, which has the same purpose. The pending amendment seeks to insert in the joint resolution some standard which the executive department shall follow in determining what a tariff shall be. I do not see how the joint resolution can possibly be constitutional without some standard. We have seen flexible-tariff provisions enacted before. We saw the one which was included in the Hawley-Smoot Act; but

all of them imposed on the executive department a specific standard—the difference in cost of production here and abroad. The standard imposed by this amendment is slightly different; but in view of the currency depreciation now occurring, I think the delivered cost is probably a better standard than the cost of production in some foreign country.

I do not understand how anyone can oppose the insertion in the joint resolution of a standard of protection. This is a very mild one, because it leaves entirely to the President's discretion the determination of the amount of duty necessary to protect American products against cheap foreign products—cheap because of low wages, cheap because of low costs of production. A milder statement could not be made. My own amendment provides that tariffs shall be referred to the Tariff Commission, that they shall have public hearings, that they shall then determine the difference in cost of production, and that any rate which is less than that required for protection of American products shall be eliminated.

I have seen a good many persons who are for free trade in theory, but today the theory of free trade seems to me impossible to carry out. The moment we permit the President to reduce the tariff below the difference in cost of production here and abroad, we encourage imports which replace American products; and those who vote to reject this amendment must be in favor of doing that.

I very strongly urge, therefore, that this amendment be adopted. I intend, for the purpose of the RECORD, to offer my own amendment after this amendment is disposed of, without asking for a record vote, in case this amendment is not adopted. If the joint resolution is to be constitutional, if we are to perform our constitutional duties by requiring the change of tariff duties to be based upon some standard, if we are to declare and let the Executive know that we intend to have him protect American industries, I cannot see what argument can be offered against the amendment of the Senator from Nevada.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

Mr. McCARRAN. On the amendment I call for the yeas and nays.

The yeas and nays were ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Ellender	Lee	Reynolds
Ashurst	Frazier	Lodge	Schwartz
Austin	George	Lundeen	Schwellenbach
Bankhead	Gerry	McCarran	Sheppard
Barkley	Gibson	McKellar	Shipstead
Bilbo	Gillette	McNary	Smith
Brown	Green	Maloney	Stewart
Bulow	Guffey	Mead	Taft
Byrd	Gurney	Miller	Thomas, Idaho
Byrnes	Hale	Minton	Thomas, Okla.
Capper	Harrison	Murray	Thomas, Utah
Caraway	Hatch	Neely	Tobey
Chandler	Hayden	Norris	Townsend
Chavez	Hill	Nye	Tydings
Clark, Idaho	Holt	O'Mahoney	Vandenberg
Clark, Mo.	Hughes	Overton	Van Nuys
Connally	Johnson, Calif.	Pepper	Wagner
Danaher	Johnson, Colo.	Pittman	Walsh
Davis	King	Radcliffe	Wiley
Donahay	La Follette	Reed	

The PRESIDING OFFICER. Seventy-nine Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN]. On that amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KING (when his name was called). I have a special pair with the senior Senator from Virginia [Mr. GLASS]. Not knowing how he would vote if present, I withhold my vote.

Mr. LA FOLLETTE (when his name was called). On this question I have a pair with the senior Senator from Illinois [Mr. LUCAS], who is unavoidably absent. If the senior Senator from Illinois were present, he would vote "nay." I transfer my pair to the junior Senator from Maine [Mr. WHITE],

who is likewise unavoidably absent and who, if present, would vote "yea," and vote. I vote "yea."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] is unavoidably detained from the Senate. I am advised that if present and voting he would vote "yea."

The Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from New Jersey [Mr. SMATHERS], the Senator from Georgia [Mr. RUSSELL], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Virginia [Mr. GLASS], the Senator from Iowa [Mr. HERRING], and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]; the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]. I am advised that if present and voting the Senator from California and the Senator from New Mexico would vote "yea," and the Senator from Georgia and the Senator from Missouri would vote "nay."

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea" if present, with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Oregon [Mr. HOLMAN], who, if present and voting, would vote "yea," with the Senator from New Jersey [Mr. SMATHERS], who would vote "nay."

I am advised that if the Senator from New Hampshire [Mr. BRIDGES] were present and voting he would vote "yea."

Mr. THOMAS of Utah. I have a pair with the Senator from New Hampshire [Mr. BRIDGES], which I transfer to the Senator from Iowa [Mr. HERRING], who, I am advised, if present and voting, would vote "nay"; and I vote "nay."

The result was announced—yeas 36, nays 42, as follows:

YEAS—36

Adams	Gibson	Lundeen	Shipstead
Ashurst	Gurney	McCarran	Taft
Austin	Hale	McNary	Thomas, Idaho
Bulow	Holt	Maloney	Thomas, Okla.
Capper	Johnson, Calif.	Murray	Tobey
Clark, Idaho	Johnson, Colo.	Nye	Townsend
Danaher	La Follette	O'Mahoney	Vandenberg
Davis	Lee	Pittman	Walsh
Frazier	Lodge	Reed	Wiley

NAYS—42

Bailey	Donahay	Hughes	Schwartz
Bankhead	Ellender	McKellar	Schwellenbach
Barkley	George	Mead	Sheppard
Bilbo	Gerry	Miller	Smith
Brown	Gillette	Minton	Stewart
Byrd	Green	Neely	Thomas, Utah
Byrnes	Guffey	Norris	Tydings
Caraway	Harrison	Overton	Van Nuys
Chandler	Hatch	Pepper	Wagner
Clark, Mo.	Hayden	Radcliffe	
Connally	Hill	Reynolds	

NOT VOTING—18

Andrews	Chavez	King	Truman
Barbour	Downey	Lucas	Wheeler
Bone	Glass	Russell	White
Bridges	Herring	Slattery	
Burke	Holman	Smathers	

So Mr. McCARRAN's amendment was rejected.

Mr. TAFT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. 2. That section 4 of the act entitled "An act to amend the Tariff Act of 1930," approved June 12, 1934, as extended, is amended to read as follows:

"SEC. 4. Before the beginning of negotiations for any foreign trade agreement with any foreign government or instrumentality thereof under the provisions of this act, public hearings shall be held before such agency as the President may designate, under such rules and regulations as the President may prescribe. Notice of such hearings shall be published in the Federal Register, together with a detailed statement of the matters to be considered, not

less than 20 days before such hearings are to commence. After such foreign trade agreement has been negotiated, it shall not be signed until it shall have been submitted to the United States Tariff Commission and such Commission shall have filed with the President a statement certifying that such foreign trade agreement will not reduce the rate of duty on any article which competes with any domestic article (where the domestic article is produced in the United States in an amount equal to 10 percent of the normal consumption in the United States) below an amount sufficient to equalize the difference between the cost of such articles produced in the principal competing country to which the tariff rate fixed in such foreign trade agreement would be directly applicable, or applicable through the operation of any most-favored-nation clause (which cost shall be the cost landed in an American port before the tariff is paid) and the cost of production in the United States of the competing domestic article. Before filing such statement with the President, the United States Tariff Commission shall hold open and public hearings and the text of such foreign trade agreement shall be published in the Federal Register at least 20 days before such hearings are to commence. The provisions (including definitions) of section 336 of the Tariff Act of 1930 shall be applicable with respect to the performance by the Tariff Commission of its functions under this section, insofar as such provisions are not inapplicable or in conflict with the provisions of this section."

Mr. TAFT. Mr. President, this amendment incorporates several provisions which have already been before the Senate for consideration. Briefly, it provides that before any treaty shall go into effect it shall be referred to the Tariff Commission, which shall hold public hearings, and no rate shall go into effect until the Tariff Commission has certified to the President that the rate is sufficient to equalize the difference between the cost of production in this country and the delivered cost of the competing article coming in from abroad.

The amendment seems to me to contain the only conditions on which the reciprocal trade treaty policy can be worked out fairly, the only way in which it can be worked out with proper protection to American labor, with proper protection to American industry, with proper protection to the American agricultural producer and to the American miner.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, one of the primary objects in the negotiation of trade agreements is to equalize the difference between the costs of production in this country and abroad. The Tariff Commission is represented by one of its very best men on the Interdepartmental Committee which negotiates the agreements. Everything that could possibly be done under the amendment of the Senator from Ohio is now being done to ascertain the costs of production. The adoption of the amendment would conflict with the Senator's ideas of economy. If it was necessary for us to send to foreign countries in order to ascertain costs there, 5,000 accountants would be required, according to statements made in the hearings. Everything possible to ascertain the difference between the costs of production here and abroad is being done.

Mr. TAFT. Mr. President, as I understand, the Senator says we are now doing this thing, and therefore we must not do it because it would be more expensive to do it. That statement does not seem to me to make sense. I do not understand the point of it.

Mr. HARRISON. Mr. President, I can understand why it might not make sense to the Senator from Ohio, but the Senator must know that a tremendous additional cost would be added if we were obliged to send employees abroad to ascertain cost of production in every factory and field in all other countries. Naturally, the Senator must know the unreasonable delay that would result. We have adopted the means which is the most economical, but which is the soundest and most effectual, to ascertain the difference between costs here and abroad. We have found by experience that it is impossible to ascertain the cost-of-production basis in certain places in this country and in certain places abroad. I assure the Senator that in the hearings we were told that we were carrying out what the Senator has in view, in line with the objective he has in mind, with respect to ascertainment of costs.

Mr. TAFT. Mr. President, the Senator will admit that we should, therefore, impose a standard of protection. If a

standard of protection should be imposed, the only way it can be imposed is for Congress to impose it. If we do not put the amendment in the legislation, we give unlimited power to the President of the United States to go ahead without any regard for a standard of protection.

The learned Senator from Mississippi says that standard is being imposed, but it is not because of anything in this law. Whether it is being imposed or not I do not know, I will say frankly. I should like to know. I should like to have some standard laid down which must be followed.

The producers of livestock say there is no such standard, and that the tariff has been reduced to a figure below the difference between the cost of production at home and abroad. So do the producers of lumber; so do the producers of sugar; so do the producers of roller bearings in my State of Ohio; so do a great number of producers. We have never had a judicial determination to know whether those gentlemen are right or wrong.

If we want to have such a standard, if we admit the necessity for it, as the Senator from Mississippi does, then the only way the Senate of the United States can be assured that there is any such standard is to put the provision in the law where it belongs, and not leave the matter to the discretion of the Secretary of State, who believes in free trade, to go ahead and reduce the standard to any point that he thinks may possibly be protective of American industry.

Mr. LEE. Mr. President, will the Senator yield before he sits down?

Mr. TAFT. I yield.

Mr. LEE. Does his amendment apply only in case a tariff is reduced below the difference in cost? It does not apply to a case involving increase of tariff, does it?

Mr. TAFT. No; it does not. It provides that the tariff rate shall be sufficient to protect the difference in cost. I would as lief put it the other way, but the amendment does not do so.

Mr. LEE. Mr. President, I shall vote for this amendment. I do not believe it would in any way hamstring the Department in adjusting the tariffs. In a case in northeast Oklahoma, persons interested in zinc asked the Department not to reduce the tariff. Some other Senators and myself asked the Department not to do anything about it without letting us know. They gave us the assurance they would not make any trade agreement with any other government without letting us know about it. Then one day, without any of us knowing about it, a trade agreement was announced with respect to zinc, whereby the tariff on zinc was reduced.

In connection therewith I wish to read the words of the chairman of the Committee on Finance, after hearings those interested in zinc testify. At page 449 of the hearings on the Extension of Reciprocal Trade Agreements Act, the chairman of the committee, the Senator from Mississippi [Mr. HARRISON], made this statement:

The CHAIRMAN. And have given you rehearings. To my mind, just from your testimony and what I know about this situation, I think that you have something to be aggrieved about. I think there was a mistake made in the Canadian agreement because it was not the chief competing country, and gave an advantage to Mexico, but I am advised that they are still considering this matter up there and they have asked the Tariff Commission to send in to your various zinc territories to make another investigation of this matter, and it is the hope of some of us that this matter will be straightened out.

Mr. HARRISON. Mr. President, I may say to the Senator that as a member of the committee I feel that those interested in zinc presented the strongest case of any presented to us. I felt so strongly about the matter that I called up the Secretary of State, and he told me that he had asked the Tariff Commission to make another investigation. I do not think there is any doubt that the situation which has resulted from the increased importation of zinc from Mexico will be cured.

Mr. LEE. I thank the Senator for that statement.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. CLARK of Missouri. Mr. President, I think the Senator will agree in all fairness that, while it is undoubtedly true that the Republic of Mexico profited more than the Canadian Government by the reduction of the tariff on zinc—which presents a case under the escape clause of the Canadian agreement—nevertheless, is it not true that the zinc industry has actually not been hurt by the Canadian agreement, for the reason that the total importation of zinc is very considerably less than the increase in the domestic production of zinc, and the price of zinc is materially higher since the Canadian agreement went into effect?

I think it was a mistake to include zinc in the Canadian agreement. I think we have ground under the escape clause for taking it out. But, to be fair about the matter, at the present time, doubtless due to the outbreak of the war in Europe, it is a fact that the production of zinc in the United States has increased far more than all the importations of zinc, and that the price is materially higher than it was when the Canadian agreement was negotiated.

Mr. LEE. Mr. President, I agree with everything the Senator from Missouri says. The Senator incidentally will not mind my saying, I am sure, that he was one of the Senators who was given to understand that this agreement would not be closed at least until we were notified, and that we were not notified.

It so happens, as the Senator has said, that no doubt, due to the war, this situation is safe. In the case I referred to, however, at least three Senators, as I know, were promised that they were going to be given a chance to be heard before the door was closed, but the Senators were not given a chance. The door was closed. We went to appeal to the Department again and did appeal, and all we received was a nice reception.

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

Mr. LEE. I yield.

Mr. McCARRAN. I am very glad the Senator made that last remark, because that is all any of us received—a nice reception.

The fact of the matter is that practically all the zinc mines of the West which go any particular depth below the surface, have been closed, by reason of the Canadian treaty, which gave all the zinc importation into this country to the Canadian Pacific Railroad Co., which controls the zinc industry of Canada. But under the Canadian treaty Mexico came in, and, of course, Mexico could put Canada out of business, because Mexico has a scale of wages entirely below even the Canadian scale. So Mexico could bring in her zinc to the United States to the destruction of our zinc-mining industry, and did do so.

I do not agree with the able Senator from Missouri. I realize what conditions are in Missouri with regard to zinc mining. They do not have to go to great depths in Missouri to obtain zinc.

Mr. CLARK of Missouri. Mr. President, the essential thing I was pointing out, however, was that the price of zinc is a cent and a quarter to a cent and a half higher than it was before the Canadian agreement was entered into, and it will be very difficult for the Senator from Nevada or anyone else to make it appear that an industry has been ruined the price of whose product has been substantially increased.

Mr. McCARRAN. Mr. President, we have become an exporter of zinc because of the war. Therefore, what the Senator says may be true. If we are going to base this entire legislation on war conditions, then let us say that it is based on war conditions. But we are basing the legislation on 6 years of experience, and we have had war conditions for less than 1 year of that period. The other 5 years were years of peace.

Mr. LEE. Mr. President, the situation with reference to the zinc industry has been saved, fortunately, because of the increase in price, but if there had not been a war abroad the zinc industry might have been ruined, because immediately following the agreement, the price of zinc went off \$5 a ton, and I believe 12 mines in the Miami district in Oklahoma were closed as a result thereof. Then the price started to rise.

Mr. President, as I have said, that is a fortunate situation. I am not supporting the amendment with the idea in mind of retaliation for the treatment we received in the case I cited, but with the idea that we should have some guaranty that there will not occur again such a situation that Senators or Representatives, or individual citizens are not heard, and their case not considered, as I believe it was not considered, on its merits, in this particular specific case.

Mr. McCARRAN. I may say to the able Senator—and his experience may be the same as mine—that the experience we had before the Board investigating the subject of zinc was identical to that which we had with respect to other subjects when we went to the Department. We were permitted to go there and make our statement and then walk away, without a single intimation of how they stood on the subject. Those were Members of the Congress of the United States, elected by sovereign States to speak for sovereign States and to speak for the people. They went down to speak for the people of their respective States, and they walked away without knowing what was going on. In other words, instead of the Congress holding this subject in its grasp, it has relinquished it, so that the Senator and I must go down and bend our knee to a group of subordinates in order to be heard.

Mr. LEE. I should say that was essentially my experience. Mr. President, I do not wish in any way to hamstring the reciprocal trade agreement law. I think it is good. If I did not think it was good in the main I should not vote for it. I intend to vote for it. But, as I understand the pending amendment, it simply assures a hearing before there is an agreement on this subject, which seems to be fair.

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

Mr. LEE. I yield.

Mr. BARKLEY. The amendment provides that before the President shall even begin negotiations there shall be a public hearing. Then after he enters into an agreement, it must be submitted to the Tariff Commission, which must hold another hearing. Then the Tariff Commission must report to the President that the changes proposed will not reduce a tariff sufficiently to interfere with the difference between the cost of production at home and abroad. So the amendment would require two hearings before the President would ever know whether or not he was making an agreement.

Mr. LEE. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT]. On that amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LA FOLLETTE (when his name was called). Making the same announcement as before concerning my pair with the Senator from Illinois [Mr. LUCAS] and its transfer to the Senator from Maine [Mr. WHITE], I will vote. I vote "yea." I am advised that the Senator from Illinois, if present, would vote "nay," and the Senator from Maine would vote "yea."

The roll call was concluded.

Mr. SHIPSTEAD. I am paired with the senior Senator from Virginia [Mr. GLASS] who, I am informed, if present would vote "nay." If I were at liberty to vote I should vote "yea." I withhold my vote.

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Oregon [Mr. HOLMAN], who would vote "yea," with the Senator from New Jersey [Mr. SMATHERS], who would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], who would vote "yea," with the Senator from Utah [Mr. THOMAS], who would vote "nay."

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Georgia

[Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Montana [Mr. WHEELER], are unavoidably detained.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL], and the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]. I am advised that if present and voting, the Senator from California and the Senator from New Mexico would vote "yea," and that the Senator from Georgia and the Senator from Missouri would vote "nay."

The result was announced—yeas 36, nays 42, as follows:

YEAS—36

Adams	Gibson	Lodge	Reed
Ashurst	Gurney	Lundeen	Taft
Austin	Hale	McCarran	Thomas, Idaho
Bulow	Holt	McNary	Thomas, Okla.
Capper	Johnson, Calif.	Maloney	Tobey
Clark, Idaho	Johnson, Colo.	Murray	Townsend
Danaher	King	Nye	Vandenberg
Davis	La Follette	O'Mahoney	Walsh
Frazier	Lee	Pittman	Wiley

NAYS—42

Bailey	Donahey	Hill	Reynolds
Bankhead	Ellender	Hughes	Schwartz
Barkley	George	McKellar	Schwellenbach
Bilbo	Gerry	Mead	Sheppard
Brown	Gillette	Miller	Smith
Byrd	Green	Minton	Stewart
Byrnes	Guffey	Neely	Tydings
Caraway	Harrison	Norris	Van Nuys
Chandler	Hatch	Overton	Wagner
Clark, Mo.	Hayden	Pepper	
Connally	Herring	Radcliffe	

NOT VOTING—18

Andrews	Chavez	Russell	Truman
Barbour	Downey	Shipstead	Wheeler
Bone	Glass	Slattery	White
Bridges	Holman	Smathers	
Burke	Lucas	Thomas, Utah	

So Mr. TAFT's amendment was rejected.

Mr. HARRISON. Mr. President, I submit a unanimous-consent request that beginning at 1 o'clock tomorrow no Senator shall speak longer than 15 minutes or more than once on any amendment, substitute, or amendment to an amendment which may be offered. This does not include, of course, the time on the joint resolution. The request contemplates that we shall dispose of the amendments before we go to any further time on the joint resolution.

Mr. McCARRAN. Mr. President, we were unable to hear the suggestion of the Senator from Mississippi.

Mr. HARRISON. The request for unanimous consent was that beginning at 1 o'clock tomorrow speeches be limited to one, and not more than 15 minutes, on any amendment, substitute, or amendment to an amendment. That does not limit the time on the joint resolution, but only on the amendments, so that we may dispose of them. I made no request with reference to a time for voting on the joint resolution.

Mr. McCARRAN. The only thing I wish to have understood is that I am not agreeing to any limitation of time on the joint resolution itself.

Mr. HARRISON. That is correct. I have made no such request.

The PRESIDENT pro tempore. Is there objection?

Mr. SHIPSTEAD. Mr. President, I wish to inquire, if an amendment is offered before 1 o'clock, whether or not the time on that amendment would be limited.

Mr. HARRISON. Let me say to the Senator that I understand that he desires to make a speech on the joint resolution, and that he is to have the floor tomorrow. I have not asked that the limitation apply before 1 o'clock tomorrow.

Mr. SHIPSTEAD. Is it the understanding that I shall have the floor at 12 o'clock?

Mr. HARRISON. I had understood that the Senator was to obtain the floor this afternoon, and have it tomorrow when we convene.

Mr. SHIPSTEAD. Very well.

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

Mr. HARRISON. I yield.

Mr. MALONEY. I am anxious to ascertain whether or not there is really to be a limitation of time. As I understand the request, a Senator may speak as long as he desires on the joint resolution.

Mr. HARRISON. Yes; but not during the time when any amendment is pending. He is limited to 15 minutes on any amendment, substitute, or amendment to an amendment.

Mr. MALONEY. At the expiration of a 15-minute discussion on an amendment, would a Senator be permitted to take time on the joint resolution?

Mr. HARRISON. No.

Mr. BARKLEY. Mr. President, I will say to the Senator, if he will yield to me, that the proposed agreement would not preclude any Senator from discussing the joint resolution at length after the amendments are disposed of.

Mr. KING. That is all right.

Mr. HARRISON. If the Senator desires time to speak tomorrow morning, and wishes to defer until 1:30 the time at which the 15-minute limitation shall apply, I shall be glad to modify the request to that effect.

Mr. MALONEY. No; I do not care to do that.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous-consent agreement?

Mr. THOMAS of Idaho. Mr. President, will the Chair state the request?

The PRESIDENT pro tempore. The Senator from Mississippi will again state his request.

Mr. HARRISON. I ask unanimous consent that, beginning tomorrow at 1 o'clock p. m., each Senator may be recognized for 15 minutes on any amendment that may be offered or pending, or any substitute for or amendment to it, with no limitation as to the joint resolution itself, but that the limitation on amendments shall be 15 minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. THOMAS of Idaho. I think I shall object.

The PRESIDENT pro tempore. Objection is made.

Mr. HARRISON. Mr. President, can any modification be made of the request that will cause the Senator from Idaho to withdraw his objection?

Mr. THOMAS of Idaho. Mr. President, I do not want to delay the consideration of this measure. I am just as anxious to have it passed as other Senators are, but the fact is that a number of amendments may be presented.

Mr. HARRISON. The proposed agreement only provides for a limitation of 15 minutes on any amendment. There is no limitation as to the number of amendments which may be offered.

Mr. THOMAS of Idaho. If I correctly understood the proposal—and I may not have done so—we shall then be permitted to discuss the joint resolution for any length of time we desire?

Mr. HARRISON. After the amendments have been disposed of.

Mr. THOMAS of Idaho. I really cannot understand the advantage of doing a thing of this kind.

Mr. HARRISON. The only advantage of it is to make some progress and have a vote on the joint resolution at some time. If the Senator wishes to have the limitation begin at 1:30 or 2 o'clock, that will be all right.

Mr. THOMAS of Idaho. I think I shall object.

Mr. BARKLEY. Mr. President, if the Senator from Mississippi will yield, and if the Senator from Idaho will permit me, there is no effort to limit discussion on the joint resolution, and no time is fixed for a vote on the joint resolution. The suggestion offered by the Senator from Mississippi is intended to facilitate the consideration of amendments only. I will say to the Senator from Idaho that it is the desire of all of us to dispose of the joint resolution tomorrow, if possible, so that we may adjourn until Monday. I had contemplated asking the Senate to meet at 11 o'clock tomorrow, instead of 12, which would give 2 hours before the agreement would go

into effect. I hope the Senator from Idaho will not object to it.

Mr. THOMAS of Idaho. Very well; I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent agreement requested by the Senator from Mississippi [Mr. HARRISON]? The Chair hears none, and the agreement is entered into.

Mr. SHIPSTEAD. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Minnesota will state it.

Mr. SHIPSTEAD. Is there any amendment pending at the desk?

The PRESIDENT pro tempore. The joint resolution is open to amendment.

Mr. SHIPSTEAD. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Minnesota offers an amendment, which will be stated.

The LEGISLATIVE CLERK. It is proposed to insert, at the proper place in the joint resolution, a new section, to read as follows:

SEC. . No foreign trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, and no modification hereafter made in any such foreign trade agreement, shall provide for any decrease in the rate of duty applicable with respect to any agricultural product imported into the United States which is specified in paragraphs 701 to 783, inclusive, of schedule 7 of such act, as amended.

Mr. SHIPSTEAD obtained the floor.

Mr. BARKLEY. Mr. President, I understand that the Senator from Minnesota does not desire to discuss his amendment this afternoon. Therefore it is my idea that the Senate should suspend now, with the understanding that the Senator from Minnesota retains the floor.

Mr. PEPPER. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The Chair will state to the Senator from Florida that there is an amendment pending.

Mr. BARKLEY. Mr. President, I understand that the Senator from Florida desires to have the amendment read simply for the information of the Senate.

Mr. PEPPER. Yes; I wish to have it read merely for the information of the Senate.

The PRESIDENT pro tempore. Without objection, the amendment of the Senator from Florida will be read for the information of the Senate.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert a new section, as follows:

SEC. —. No foreign trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, no modification hereafter made in any such foreign trade agreement, and after the expiration of 240 days after the date of enactment of this joint resolution, no foreign trade agreement, and no modification of a foreign trade agreement, heretofore entered into under such section, shall provide for, or contain any provision which permits the importation into the United States in any one calendar year of any foreign agricultural or horticultural commodity which is in substantial competition with any like or similar domestic commodity, as determined by the United States Tariff Commission, at a rate of duty lower than that in effect with respect to such foreign commodity on June 12, 1934, after the quantity of the foreign commodity previously imported into the United States at such lower rate during such calendar year equals 125 percent of the total average annual quantity of such foreign commodity imported into the United States during the 5-year period from January 1, 1929, to January 1, 1934. As used in this section, the term "agricultural or horticultural commodity" includes any article which, on the date of enactment of this joint resolution, is classified as an agricultural import in the schedule of the Bureau of Foreign and Domestic Commerce, in the Department of Commerce, designated as "Schedule A, Statistical Classification of Imports Into the United States."

The PRESIDENT pro tempore. The amendment of the Senator from Florida will lie on the table and be printed.

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 MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Martin O. Bement, of Buffalo, N. Y., to be collector of customs for customs collection district No. 9, with headquarters at Buffalo, N. Y. (reappointment).

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Marine Corps.

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

Mr. BAILEY, from the Committee on Commerce, reported favorably the nomination of Walter George Will, superintendent of lighthouses, to be a commander in the Coast Guard, to rank as such from December 1, 1939.

He also, from the same committee, reported favorably the nominations of sundry officers in the Coast Guard.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

FOREIGN SERVICE OF THE UNITED STATES

The legislative clerk proceeded to read sundry nominations in the Foreign Service of the United States.

Mr. BARKLEY. On behalf of the chairman of the Foreign Relations Committee, who is now in the chair, I ask unanimous consent that the nominations in the Foreign Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters which had been favorably reported.

Mr. McKELLAR. I ask that the nominations of postmasters which have been favorably reported be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

That completes the Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Friday, April 5, 1940, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate April 4 (legislative day of March 4), 1940

UNITED STATES HOUSING AUTHORITY

Leon H. Keyserling, of New York, as Deputy Administrator of the United States Housing Authority.

WORK PROJECTS ADMINISTRATION

Mark Muth, of Wisconsin, to be Work Projects Administrator for Wisconsin, to be effective April 16, 1940.

UNITED STATES DISTRICT JUDGE

Hon. Guy K. Bard, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania. Judge Bard was given a recess appointment to this post as of December 20, 1939.

PUBLIC HEALTH SERVICE

Dental Surgeon Frank C. Cady to be senior dental surgeon in the United States Public Health Service, to rank as such from May 13, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 4 (legislative day of March 4), 1940

DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES

APPOINTMENTS AND PROMOTIONS

To be Foreign Service officers of class 3

Raymond H. Geist	Lester L. Schnare
Loy W. Henderson	Samuel H. Wiley
Laurence E. Salisbury	

To be Foreign Service officers of class 4

Charles A. Bay	Samuel Reber
Selden Chapin	Robert Lacy Smyth
George F. Kennan	Angus I. Ward

To be Foreign Service officers of class 5

William W. Butterworth, Jr.	Gerald Keith
Paul C. Daniels	George H. Winters
Cecil Wayne Gray	

To be Foreign Service officers of class 6

Sidney A. Belovsky	George M. Graves
Burton Y. Berry	James B. Pilcher

To be Foreign Service officers of class 7

Montgomery H. Colladay	William E. Scotten
William S. Farrell	James H. Wright

To be Foreign Service officers of class 8

Reginald Bragonier, Jr.	Walter J. Linticum
Carl Breuer	Aubrey E. Lippincott
Mulford A. Colebrook	Robert Mills McClintock
Overton G. Ellis, Jr.	Harold E. Montamat
Howard Elting, Jr.	Walter W. Orebaugh
Frederick E. Farnsworth	W. Leonard Parker
T. Muldrup Forsyth	Wales W. Signor
L. Randolph Higgs	Orray Taft, Jr.
Walter W. Hoffmann	Robert M. Taylor

Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service

Donald B. Calder	Alfred H. Lovell, Jr.
Lewis E. Gleeck, Jr.	Lee D. Randall
Clark E. Husted, Jr.	Byron B. Snyder
Richard A. Johnson	Wallace W. Stuart
Richard E. Keresey, Jr.	Joseph J. Wagner
M. Gordon Knox	

POSTMASTERS

NEVADA

Margaret E. Bauer, Panaca.

OHIO

Paul B. Parkin, Tiffin.

OKLAHOMA

Murlin V. Braly, Buffalo.
Hugh M. Foreman, Duke.
Melvin L. Clow, Holdenville.
Vera L. Moreland, Hominy.
Jewell E. Wilson, Hulbert.
Earl M. Light, Pondcreek.

PENNSYLVANIA

Dennis J. Murphy, Barnesboro.
Guy S. Behler, Slatington.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 4, 1940

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

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

Most merciful Father, who causeth the light to shine out of darkness and maketh the day to follow the night, we give Thee thanks and praise for Thy loving care which has brought us to the light of a new day. Grant that the light of faith, hope,

and love shining within us may dispel all darkness. O Master of the hillside, stand in the midst of the throngs that crowd our city's streets that they may learn patience, contentment, and be led to follow where Thy feet have trod. Purify all hearts with noble passions and invigorate all wills with divine thoughts and aspirations. How prone we are, dear Lord, to shrink from difficulties and tremble at the dangers in our way. Deliver us from faint-heartedness and enable us to stand in the glorious liberty of those who fear nothing but to offend Thee. O blessed is the man unto whom the Lord imputeth not iniquity and in whose heart there is no guile. In our Redeemer's name. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8641) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes"; and that it agrees to the amendment of the House to the amendment of the Senate No. 9 to said bill.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that in the remarks I expect to make later in the day in the Committee of the Whole I may be permitted to include a statement by Edgar G. Brown, president of United Government Employees, Inc.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. AUSTIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein an address by Hon. JOSEPH W. MARTIN, of Massachusetts, on the occasion of the thirty-second annual banquet of the McKinley Association of Connecticut, at Hartford, Conn., on March 30, 1940.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SCHIFFLER asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that on Tuesday, April 9, after the disposition of business on the Speaker's desk and following the legislative program of the day, I may be permitted to address the House for 25 minutes.

Mr. AUSTIN. Reserving the right to object, Mr. Speaker, may I ask on what subject the gentleman from Pennsylvania expects to speak?

Mr. RICH. I hope to utilize that time in speaking about the Virgin Islands Co., a Government-owned corporation that manufactures rum and is selling rum to the people of this country. May I say also, Mr. Speaker, that this company is offering 500 cases of rum and giving away 200 cases free, contrary to the rules of good sound business for those who want to be in the rum business. Further, Mr. Speaker, this Government corporation, in which you are all stockholders and which is going in the red, is now giving away even what it is making.

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

There was no objection.

Mr. BENDER. Mr. Speaker, I have a special order to address the House for 30 minutes at the conclusion of the legislative business today. I should like to cancel that, and I ask unanimous consent that a week from today, on April 11, after the legislative program of the day, I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein certain excerpts from editorials, one or two brief editorials, and other excerpts taken from Government records, in connection with the establishment of the Inter-American Bank.

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

There was no objection.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1941

Mr. SNYDER. Mr. Speaker, may I ask the gentleman from New Jersey [Mr. POWERS] about how much time he believes will be required for general debate today on the Military Establishment appropriation bill, whether an hour or 2 hours?

Mr. POWERS. Mr. Speaker, I have requests for almost 2 hours. May I ask how many requests the gentleman from Pennsylvania has?

Mr. SNYDER. I have requests for approximately 45 minutes at the present time.

Mr. POWERS. May I suggest to the gentleman from Pennsylvania that we close general debate at 2:30 and that the gentleman allow me 2 hours out of that time. This will give the gentleman the entire 45 minutes which he has allotted. Is that satisfactory to the gentleman?

Mr. SNYDER. Suppose we make it not later than 3 o'clock.

Mr. POWERS. Not later than 3 o'clock is very satisfactory.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that general debate today on the Military Establishment appropriation bill close at 3 o'clock this afternoon, at least 2 hours of that time to be controlled by the gentleman from New Jersey [Mr. POWERS] and the remainder to be controlled by me.

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

There was no objection.

Mr. SNYDER. 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. 9209) making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, 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. 9209, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. SNYDER. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I have requested this brief time in order to ask a question of the gentleman in charge of the bill, the gentleman from Pennsylvania [Mr. SNYDER]. In all of our wars Negroes have made faithful and devoted soldiers. They have shown themselves to be courageous and in every way faithful to their country. The splendid record they have made in war should be a source of constant pride to the colored race. If they are to be exposed to the hazards of war, I believe they should have the training that would equip them to take care of themselves in war. That is elemental justice. May I ask the gentleman from Pennsylvania, for information, first, what provision is made for the training of Negroes as air pilots, and, secondly, are Negroes permitted to enlist in the Air Corps of the Army?

Mr. SNYDER. With reference to training, a working agreement has been entered into between the Army and the Civil Aeronautics Authority under which, I am advised, a rather large group of young Negroes is now being trained

at a school on the outskirts of Chicago as pilots and aviation mechanics or engineers. This is taking place right now.

Mr. LUDLOW. It is under the Civil Aeronautics Authority?

Mr. SNYDER. The Army is cooperating with the Civil Aeronautics Authority in providing the training.

Mr. LUDLOW. What can the gentleman say as to whether or not Negroes are permitted to enlist in the Air Corps?

Mr. SNYDER. Negroes are enlisted in the Army, and there is no law that prohibits their assignment to the Air Corps. Whether or not any have been so assigned, I am not advised. But I want to say to the gentleman that I am satisfied we are making headway.

Mr. LUDLOW. I know the gentleman well enough to know that he wants to be entirely fair to the colored people.

Mr. SNYDER. Very much so; I share the gentleman's interest in this matter. If the gentleman will look over our hearings of this year and last, he will observe the committee's interest and pursuit of the question.

Mr. LUDLOW. I am very glad to have this assurance, and I thank the gentleman. [Applause.]

Mr. Chairman, one of the leading colored men of the United States, Edgar G. Brown, president of United Government Employees, Inc., made an interesting statement on this subject before the appropriations subcommittee. By unanimous consent of the House, I submit his statement for printing at this point in the RECORD, as follows:

STATEMENT OF EDGAR G. BROWN, PRESIDENT OF THE UNITED GOVERNMENT EMPLOYEES, INC.

Mr. BROWN. Mr. Chairman and members of the War Department Subcommittee on Appropriations, may I assure you of my deep sense of appreciation for the opportunity to appear before you and to outline briefly two matters of grave concern to our organization and the colored citizens throughout the country.

First, may I express the gratitude of those low-paid employees of the War Department who received consideration in the way of wage increases by the favorable action of your committee in the appropriations of last year. However, a number of faithful employees in this category with long records of service and satisfactory efficiency ratings, it has been stated to me, did not benefit along with the others.

These were messengers, I understand, most of whom not only never get a raise but even more rarely receive a promotion to a higher grade despite their qualifications. We are hopeful something may be specifically set aside and language in the report direct the proper officials to carry out the wishes of the committee and the Congress.

The matter of national defense is still a paramount matter to all Americans. As a representative of one-tenth of the total population, may I again respectfully call to your attention the progress of the preparedness program as it affects the colored citizens.

May I quote from the Pittsburgh Courier, one of our leading publications and the statement of the late Dean Kelly Miller, of Howard University:

Dean Miller wrote in the Cleveland Call and Post—
"During the four wars of our national history, the Negro, though sustaining aggravated grievances which would cause any other racial variety of our complex population to curse his country and die, has, amidst it all, remained loyal and true to the patriotic spirit of America. He has never been and, I predict, will never be on the wrong side of the patriotic equation. He has remained loyal to his country even though his country has not always been loyal to him. Like the Jew, he attached himself with the full measure of loyalty to the land and Nation in which he resides. Thus it has ever been, thus it is now, and thus may it forever be."

The essential statement there, of course, is that the Negro's loyalty is unquestionable, but, despite this fact, he does not get a fair opportunity to serve. While he does not get that opportunity, he is still willing and anxious to fight for his country.

Mr. SNYDER. I think all of us realize that.
Mr. BROWN. May I, again, cite the provisions of Public Law No. 18, passed by the Seventy-sixth Congress, from which I read as follows:

"The Secretary of War is hereby authorized, in his discretion and under rules, regulations, and limitations to be prescribed by him to lend to accredited civil aviation schools, one or more of which shall be designated by the Civil Aeronautics Authority for the training of any Negro air pilot, at which personnel of the Military Establishment are pursuing a course of education and training pursuant to detail thereto under competent orders of the War Department, out of aircraft, aircraft parts, aeronautical equipment and accessories for the Air Corps, on hand and belonging to the Government, such articles as may appear to be required for instruction, training, and maintenance purposes."

The War Department has endeavored to carry out the letter of this law, but with certain definite reservations.

I have here a letter from Glenn E. Scott, 516 Fifty-fourth Street, Fairfield, Ala., dated January 31, 1940, as follows:

"I have your communication of December 12 concerning my entering United States Army Air Corps. You suggested that I write directly to the War Department there in Washington and make application.

"I communicated with the War Department recently, and The Adjutant General said, since there are no colored Air Corps units in the Army to which colored graduates are to be assigned, application from colored persons for flying-cadet appointments for enlistment in the Air Corps are not being accepted, so, if you have any helpful suggestions or can help me in any way, I will be glad to hear from you and thanks a lot."

All Negro citizens are denied an opportunity to enlist in the United States Army Air Corps as pilots or mechanics.

Your chairman and members of the committee have been most interested in this whole matter as reflected in the hearings of last year, which includes the statements of those of us who appeared and the Secretary of War. Some letters in my possession, I think, too, should have the attention of the Congress. The demonstration unit in Chicago, under the C. A. A., has received some valuable assistance from the War Department, but Negroes do not receive equal opportunities. I have a number of letters, one or two from Negroes who have been examined for service in the Air Corps. They have been examined by the United States Army Air Corps officials and have passed all the physical tests.

They are desirous of serving the Government in the Air Corps, but they still receive letters like the one I have just read to the committee. That is true despite other information that is given out from time to time from different places that they can serve in the Air Corps. The truth is, no Negroes have ever been admitted to the United States Army Air Corps.

The Civil Aeronautics Authority has complied with the law by designating one of the nine schools that the War Department is using for the training of young flying cadets in the emergency program to provide instruction for Negroes. This school that the Civil Aeronautics Authority has designated is the Chicago Aeronautics School, Glenview, Ill. There is no objection on the part of the officials, and they have the facilities out there. They pay \$75 per month for every man taking the course, but board and lodging is not provided for Negroes. They are not getting as many cadets for training as they want. I see a number of advertisements on the streetcars calling for enlistments, but Negroes who request aviation training are unable to get in the Air Corps.

Mr. SNYDER. That school is at Chicago, is it not?
Mr. BROWN. Yes, sir. They are not admitted at any of the other eight schools. That ninth school, in keeping with the law, has been designated by the Civil Aeronautics Authority for the training of Negro pilots. The C. A. A. has carried out the law with respect to the training of Negro pilots as far as they are concerned. The War Department has loaned the necessary equipment, but still Negroes are not enlisted in the United States Army Air Corps. The Civil Aeronautics Authority has designated six colleges, specifically, where Negroes may receive this training, namely, Howard University, Tuskegee Institute, Delaware State College, Hampton Institute, the North Carolina A. and T. College, and the West Virginia State College. In Chicago the C. A. A. has set up a school for noncollege Negroes. Negroes have shown aptitude along these lines, and they are going in for the instruction. A Negro student at Minnesota University was the first in the class to solo. Many of these Negro youths desire to go into the United States Army, and they want to enlist in the Air Corps. They are patriotic representatives of one-tenth of the population; they want to do their part for the national defense. They want to have the opportunity to do that, just as Congress has voted in measures that the President has signed. They want to serve in the way that is authorized under the statutes of the United States Government.

I have here a letter from a Negro Medical Reserve officer, Dr. D. Vincent Estill, who resides at South Boston, Va. This letter includes a list of a large number of Negroes who have passed the physical examination, and whose completed application blanks have been mailed to the Regular Army recruiting station. These young Negro men have passed the examination and want to go in the Army, but they cannot get in any place, I am told, either as cavalymen, infantrymen, or in any other branch of the service. These boys want to be ready to fight for their country; they want to enlist in the military service and to discharge their full obligation to the Government. This doctor is himself greatly interested; he has examined them. He has done everything to comply with the circulars sent out to the Reserve officers. Still, nothing is done about it.

The administration has been cutting down on expenditures. The Appropriations Committee, particularly, has been doing that with a view to effecting economies. The President has expressed himself on that point, advocating economy, and the Congress has been making substantial reductions in the estimates. The House of Representatives has taken the leadership. Still, with the additional money provided for the national defense, these Negroes, who were formerly under some other phase of the program designed to take care of the unemployed, are turned back from the Army, as they are dropped from other rolls. They want to go into the Army, and it does not seem fair that these American citizens of color should not be given a single opportunity to serve, denied employment, and every means of making a livelihood by the Government. As I have said, they want to go into the Army, and the Army is advertising all the time for enlistments. Despite that, these men cannot enlist. We feel that the Appropriations Committee and the Congress should know about this condition, so they can make some further amend-

ment of the law to cover it. That could be our humble judgment, in view of the fact that the citizenry of the country which the Negro represents and incomparable record and glorious heritage of loyalty in peace and war.

I have statements from the National Association of Colored People in regard to the entire matter of the War Department. They, too, seek a square deal for the citizen. We are now 75 years from emancipation and still being held in a number of States this year, in the Southern States and Territories. Today there are the same conditions that we had in the beginning, the Negro is not free and the Twenty-fourth and Twenty-fifth Amendments have not been passed. There are only 4,000,000 Negroes, 4,000,000. Still, Congress has not acted. It is using the manpower of the country as a threat that comes from both sides of the street. Those who love our country, think very strongly of these people who want to fight, and who can fight. You do not have to worry about subversive activities on the part of Negroes.

I have here another statement by Kelly of Howard University, discussing the question of loyalty to this country, in reply to the Howard University student body. I read from that statement as follows:

"In a recent contribution to the New York Tribune when the summons is issued he (the Negro) can patriotically call as wholeheartedly as any other citizenry. But when the victory is won, we do not expect to be deprived of the fruits of victory in the previous World War. Notwithstanding a sense of humility, long suffering, and forgiveness, his unrewarded loyalty will not last. That his patriotic devotion will be requited with iniquity."

"This letter fell under the eye of H. L. Meritt, a well-known and casuistic critic. In response to this statement he wrote me that 'I cannot agree with you. I am of the next war just as he did in the last.' The cynic is a true prophet. But even concerning his forecast, I still advise the Negro to do his duty in any national emergency and importune his lofty pretensions by denying and depriving the people of life, liberty, and the pursuit of happiness and the protection of the law."

In connection with the service of Negroes in the military, attention to the following editorial in the Pittsburgh Courier of July 8, 1939:

"Gen. Malin Craig, the retiring Chief of Staff, recommends in his annual report the reduction of 23,000 enlisted men to the Regular Army."

"The present session of Congress has already appropriated 1,000,000 for the Regular Army and the National Guard. It has provided funds for increasing the enlisted strength from 165,000 to 200,000 a year from now, it has provided 14,569 to 16,719 and now it is providing 100,000 more to thoroughly prepare the Army."

"The tremendous sums required to maintain the Army and Naval Establishments come from taxes paid by all of us every time we buy food, clothing, and recreation, amusement, regardless of race, color, or creed."

"And yet, colored Americans are not getting their share of military appropriations in the form of wages and medical care to soldiers and officers and sailors and airmen. And if we consider the declining importance of the Navy, we are actually getting a smaller percentage of the total."

"Do we really want our share?"

"Do we really and sincerely want to play a part in the national-defense machine?"

"We all say we do, but the cold facts show that the Pittsburgh Courier has been virtually alone in its fight to get the Negro public and the white public interested in the Negro public and the white public in the national-defense machine."

"It was at the instance of the Pittsburgh Courier representative HAMILTON FISH introduced three bills to remove the color bar in the defense establishments."

"Colored people have given those bills litigious support. Organizations supposedly engaged in advancing the interests of the Negro have ducked the issue or given half-hearted support. They could have used their machinery to help us."

"Here is something concrete that we can show that we are behind it 100 percent and are not just talking lightly for it."

"We believe it is just as important to get the Negro public interested in the Army for our young men who are fighting in the streets with nothing to do as it is to stage a fight against lynching."

"If we really want our share of the military, we must fight for it and stop stalling."

"The Pittsburgh Courier cannot carry on its fight alone. It must have help, especially from power groups possessing the necessary strength and resources."

"Until that help is forthcoming it cannot do much. The Pittsburgh Courier can accomplish much by itself."

and have portrayed to them in some detail the efforts that are being made by the Congress in behalf of learning and culture.

The event to which I refer is the removal of the world-famous Army Medical Library to Capitol Hill, for which the War Department appropriation carries an item of \$130,000 for plans of a building to house this library. The inadequacy of the present structure on the Mall next to the Smithsonian Institution is well known. For some years the safety and preservation of the Medical Library has demanded its removal to a more appropriate building, but the question has been whether it should be located with the Army Medical Center at the present site of the Walter Reed Hospital, or whether it should remain within the city where it would be more easily accessible to medical scholarship, both in and outside of Washington.

Mr. HARTER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. I gladly yield to the gentleman from Ohio.

Mr. HARTER of Ohio. This library comprises one of the greatest collections of medical books in the entire world, does it not?

Mr. COLLINS. It is the outstanding collection of medical literature.

Mr. HARTER of Ohio. And it is in grave danger of destruction if it is continued in its present antiquated building?

Mr. COLLINS. That is exactly the truth.

Mr. KERR. Over 1,700,000 people made use of the material in the Library of Congress during the last calendar year.

Mr. COLLINS. I thank the gentleman for that information.

The hearings on this point have been very illuminating, and I hope every Member will read what the most eminent men in the field of medicine and surgery have said with reference to the Army Medical Library and its value to the medical profession. The committee has had no hesitation in accepting the recommendation of these leaders in medicine that the library be located on this Hill near the Library of Congress.

In coming to this conclusion the committee has considered not only the accessibility and safety of the Army Medical Library but also the benefit of its proximity to the Library of Congress. The addition of the Army Medical Library to this growing library center will make Capitol Hill the most important educational center in this hemisphere, if not in the world.

Consider, if you please, the progress that has been made toward that desideratum. In 1896 the Library of Congress, comprising then about 1,000,000 books and pamphlets, besides large collections of manuscripts, maps, and prints, was moved to the new building across the esplanade. Within the past decade three beautiful marble buildings have been erected on streets adjoining the Library of Congress square, namely, the Supreme Court Building, the Folger Shakespeare Library, and the Library of Congress Annex, all of which are dedicated wholly or in part to library purposes.

The Library of Congress, with its two fine examples of library architecture, and with collections now comprising more than 6,000,000 books and pamphlets, is unquestionably one of our people's greatest glories. As Members of this body which has encouraged its development and used it constantly, we have a right to be proud of the Library we have created for the Nation. We are all familiar with some of its treasures, and in the annual reports of the Librarian we have read descriptions of its great collections.

We are aware of the fact that in point of numbers—more than 6,000,000 volumes—it is the largest library in the world; that it possesses the greatest collection of manuscripts on American history in the United States, too numerous to be counted; the largest collection of maps, 1,421,285; the largest collection of music in the United States, 1,221,333 volumes and pieces; the largest collection of prints, 548,622; at least 100,000 rare and costly volumes; the largest Chinese library outside of China and Japan; and the largest Russian library outside of Russia. In truth, it may be said that the Library of Congress is not merely a library but rather an aggregation of

libraries. A very conservative value of \$75,000,000 was recently assigned to it in the report of the legislative branch appropriations bill of 1941, but I regard this estimate as absurd. Scholars know that it would take over \$300,000,000 to replace it when one considers the cost of a large and experienced staff which has been required to develop the Library.

Impressive as these figures may sound, one cannot help but wonder why certain collections and subjects have been singled out while others have not been developed. It is doubtless true that the Library of Congress is the largest single library in the world, and certainly the most modern, but we must remember that we have only one national library, whereas Great Britain, Germany, Italy, and Russia have several, and each one of them possesses many more rare books and old manuscripts than does the Library of Congress. A land as extensive and as rich as the United States should not be satisfied with one national library. Three years ago I introduced a bill to establish at a cost of not over \$50,000,000 five regional libraries, branches of the Library of Congress, to be located at appropriate points of the country. At approximately one-half of the cost of a modern battleship we could possess a national library system far more commensurate with the needs and the wealth of the United States than a single library of only 6,000,000 volumes.

Would it not be fairer to judge our Nation's cultural treasures by what we have not rather than by what we possess? How does it happen that our Library of Congress excels in Russian and Chinese literature, but does not excel in French, German, Italian, Dutch, Polish, Finnish, Turkish, Arabic, Indic, and all of the other great occidental and oriental literatures?

It is a satisfaction to know that our Library possesses the most voluminous collection of music, but what I should like to know is where do we stand in the other esthetics? If we do not have surpassing collections in these and other fields of the humanities, in the social sciences, and in pure science, we deserve not the tribute of the Master Builder, "Well done, good and faithful servant," for we have hidden our talents in a napkin.

In the centennial celebration in 1936 of the Army Medical Library, its able librarian, Maj. Edgar Erskine Hume, declared in an article printed in the *Military Surgeon* that—

In America we have before us for comparison the development of the two largest professional libraries in the country, those of law and of medicine. The Law Library of Congress was established in 1832, the act of Congress requiring this collection to be maintained as a separate unit in an apartment near the Library of Congress. The collection has been housed in various places, at present being in one of the wings of the Library of Congress Building. The law library has frequently been neglected, for it has had but little money spent on it, its growth being largely due to copyright, transfers from other Government libraries, and international exchange. Several law libraries in the United States are superior to the Law Library of Congress in some fields, while the Harvard law library is far larger and superior in every way, containing 435,000 volumes, while the Law Library of Congress contains 275,000 (the totals are those of 1933). Contrast this with the growth of the Army Medical Library, which in 20 years passed the medical collections of the two largest general libraries in Europe as well as those in America.

Major Hume continues:

The law librarian of Congress in 1933 wrote: "Undoubtedly, had the law library been independent from its foundation in 1832, the Government would have possessed the best law library in the world today, instead of it lagging behind, with many serious gaps in the collection." Yet the Law Library of Congress was established several years before the Army Medical Library. In a circular letter sent out to prospective members of the Friends of the Law Library of Congress, it was proposed to "crystallize sentiment throughout the country to the end that the national law library may obtain all the resources necessary to meet the demand made upon it, and become as eminent in law as the Surgeon General's Library in Washington is in medicine."

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

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

Mr. LEAVY. The gentleman is making a splendid address, and I am pleased that he has developed the fact that the law library is not and has not been receiving that degree of recognition it deserves. We are all proud of the fine medical library and our general library and would take nothing from them, but the statements just made are proof of the fact that

much greater consideration must be given the law library, and it should be the greatest and finest in the world, not second to any, as it now is. Recently Congress has shown a greater interest in the law library, but we have still a long way to go to make this department what it should be. The United States Government should not have a second-rate law library.

Mr. COLLINS. I agree heartily with what the gentleman says and thank him for his contribution. Unquestionably our law library should be second to none. It was neglected for too many years.

Mr. Chairman, we have a great library, but it should be far richer and more voluminous. If it were as complete as the Army Medical Library, which I shall describe in more detail later on, it should now possess approximately 30,000,000 volumes, and we should have constructed three or four library buildings at this seat of learning instead of two.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield for a remark?

Mr. COLLINS. I gladly yield to the gentleman from Vermont.

Mr. PLUMLEY. I take this occasion to agree with what the gentleman has to say with respect to the Library of Congress, and in that connection may I suggest that Justin S. Morrill, of Vermont, long time a distinguished Representative and Senator, may well be known as the father of the real Library of Congress idea, and his dreams and his ideals are just now beginning to be realized.

It is not generally known that for many years the so-called Library of Congress was kept in the west front of the Capitol. Some 350,000 volumes taxed the facilities and made the quarters inadequate. Hundreds of thousands of books and engravings were stored in inaccessible places in the basement. The real usefulness of the Library was nil. Representative Justin S. Morrill appreciated all this—a student and book lover, he interested himself in the situation. As a Member of the House he was recognized for his instinctive leanings toward art and literature. May I suggest that when one undertakes to visualize the bare, Spartanlike simplicity of life in a frontier village of Vermont a century and half ago, one must be intrigued by the aspirations that prompted and motivated him.

His service in the House justified his selection for a place on the Senate Committee on Buildings and Grounds, of which he finally became the chairman.

He opposed formidably all plans to make over the Capitol in order to provide space therein for the Library of Congress.

At last he saw his dream come true, but it took patience and tact and political skill to bring his dream to fruition. The Library of Congress became his pet, and it is acknowledged that but for his persuasiveness, tenacity, and, incidentally, his place as chairman of the Finance Committee, the vast sums required could not have been had with which to erect the magnificent building placed where he had desired and worked to see it—on the plaza facing the front of the Capitol.

To Justin S. Morrill, of Vermont, chiefly is due the credit for the Library of Congress as it stands today. I felt that this should be made a matter of record at this time and as a part of this valuable contribution which the gentleman is making.

I hope the vision of the speaker with respect to the Library of Congress, its growth, and usefulness may also be realized.

Mr. COLLINS. I thank the gentleman very much for his historical contribution.

When I recall the many opportunities which this rich Nation has had to acquire distinguished and rare collections, both abroad as well as in this country, I often marvel at the myopic vision of some of our statesmen and librarians.

We may well be proud of the possession of the original Declaration of Independence and the Constitution, but our pride is somewhat dampened when we recall that the original autographed manuscript of the Farewell Address of Washington was offered to the Congress before it was purchased by

James Lenox for \$2,200. Of this historic purchase Henry Stevens says in his *Recollections of Mr. James Lenox*:

Mr. Lenox bought it against the Congress Library for \$2,200. I think, while some blamed him for competing against Government Library, where such a national relic ought to find a resting place. He, however, offered the Library Committee not to compete under their limit, if they would tell him how far they intended to go. They declined to tell him their limit, or even if they intended to buy it, so he very properly disregarded them. There is probably no class of appointed men so often called upon to decide without experience as Library Committees, whose chief delight seems to be to sit on Librarians disposed to independent decisions.

The surviving volumes of the library of Jefferson are viewed with pride by every Member who visits the rare-book room of the Library of Congress, but what can one say of a Library Committee which failed to purchase the private library of Washington, comprising 3,000 volumes, which in order to prevent its being sold in Europe was purchased by private subscription at a price of \$3,250 from Henry Stevens and presented to the Boston Athenaeum?

In 1836, when the Library of Congress comprised approximately 25,000 volumes, it had the opportunity to purchase the library of the lately deceased Count de Boutourlin, of Florence, Italy. This library, consisting of 25,000 volumes, had cost the collector, one of the most renowned bibliophiles of Europe, upward of \$250,000. It contained a complete collection of the Italian classics, a full collection of the Latin and Greek classics, 419 copies of the Aldine editions, 368 from the Bodoni Press, many hundred volumes printed in the fifteenth century, and among other illustrative of the early achievements of typography and its progress to perfection, upward of 240 manuscripts, some of them unique and most of them scarce and curious. This grand collection, which would have doubled the size and quintupled the value of the Library of Congress, could have been purchased at a cost of from \$50,000 to \$60,000. Sad to relate, a resolution offered by the chairman of the Library Committee, Mr. Preston, to purchase this valuable library was tabled upon the motion of Henry Clay, the same statesman who had urged the purchase of the manuscript of Washington's Farewell Address.

A similar fate befell the offer of the Durazzo library in 1842, which comprised 10,500 volumes of folio and quarto, having been in process of collection for several hundred years by the illustrious old Durazzo family of Genoa. This collection, which was extensive in history, law, jurisprudence, diplomacy, and the classics, was offered for \$30,000, less than the cost of the binding. It was objected by the Joint Committee on the Library that the collection did not contain the investigations of scholars of the modern school of historical and literary criticism.

One of the greatest losses resulted through the failure of Congress to purchase the library of George Bancroft, which consisted of 14,606 volumes of printed books, 480 volumes of manuscripts, and 4,648 pamphlets.

The foregoing notable examples are not uncommon in the history of the Library of Congress. Many similar collections of American and European ownership could have been purchased within the past quarter of a century at relatively moderate cost, and some of them would doubtless now be housed in these marvelous storehouses on Capitol Hill, where they would be used instead of reposing in some private or cloistered university library. I refer particularly to the Benedict collection of American colonial law, the Hartley papers, the Garcia and Icazbalceta collections purchased by the University of Texas, the George Dunn collection of early English yearbooks, statutes, and treatises, the Stolberg-Wernigerode Castle library, the Robino collection of Slavonic material, a collection of the official newspapers of the State of Venice from 1800 to 1860, the Herschell Jones collection, and many other notable collections.

In several instances, however, the Congress has laid politics aside and has made handsome provision for its library. The appropriation of \$100,000 for the purchase of the Peter Force collection in 1867, when the Treasury had been depleted by the Civil War, was nothing short of real statesmanship. All

honor to the Congress and the newly appointed Librarian, Ainsworth Rand Spofford, who sponsored it.

I trust I may be pardoned for referring to an appropriation with which I had a humble part, namely, the bill authorizing the purchase of the collection of 3,000 incunabula, including the perfect copy of the Gutenberg Bible on vellum, which now rests in its handsome mahogany case in the exhibition hall of the old Library Building. According to scholars, this is unquestionably the greatest single acquisition in the history of the Library, at one step raised the institution from a rather utilitarian library to one of great distinction. To that notable acquisition in the history of the Library there was even influential opposition which was difficult to persuade. The late Senator Fess, of Ohio, chairman of the Joint Committee on the Library, in a speech on the Library of Congress, delivered in the Senate on February 10, 1933, said:

I opposed it as the chairman of the Committee on the Library in the Senate, and the chairman on the Library in the House approved it. The Librarian of Congress thought we probably were going too far. Yet when the collection was presented here before the Senate and the House the only note against it was on the part of the persons I have mentioned. Both the Senate and the House overwhelmed us and demanded that we buy it, although it cost over a million dollars.

A description of the Library of Congress would be incomplete without a word as to the generous donations of money, books, and musical instruments that have been bestowed upon that institution due to the initiative of the former Librarian, Herbert Putnam. The Congress, fortunately, has retained his services in that important work as Librarian Emeritus, and it is hoped he may continue at his post for many years.

His successor, the present Librarian of Congress, Archibald MacLeish, with his poetic imagination, already shares the dream of us all to make Capitol Hill the greatest educational and cultural center in the world, and with his proven ability as an administrator will aid it with all of the power of his voice and facile pen.

No program of enlarging the Library of Congress would be complete that did not include the transfer to this intellectual center of many of the rare and valuable books and documents now deposited in departmental and bureau libraries. This is imperative for their preservation.

THE FOLGER SHAKESPEARE LIBRARY

It was the vision of a Maecenas who foresaw the development of an intellectual center on Capitol Hill and accelerated its realization. For 30 years Henry Clay Folger combed the book marts of Europe and America in quest of books relating to Shakespeare and his times. During this period, with the help of his faithful wife, Emily, he searched book catalogs patiently and unceasingly in their mutual endeavor to assemble the finest collection of Elizabethan literature in the world. The Bard of Avon has had his friends and his detractors, but I venture to assert that he never had a greater admirer in all history than Henry Folger. When he had finally gathered a library of about 80,000 volumes, which was too large for his private home, he decided to dedicate it to the public. It had cost him the sum of \$200,000 a year for 30 years, a total of \$6,000,000. Classmates of Amherst College urged him to devote the library to his alma mater, but he had other plans. Mr. Folger wanted it placed where it would be accessible to American scholars generally and not to have it sequestered within the confines of a college town. Accordingly he quietly purchased a row of houses known as Grant Row, facing upon East Capitol Street, and there decided to erect an appropriate building to enclose his wonderful treasures.

It was at that time that the Congress had authorized the purchase of the entire block to the back of the Library for the location of the annex. When Mr. Folger's great project became known, the Congress willingly yielded the one-quarter of the square he had already purchased and changed its plans for the annex accordingly.

Unfortunately, this great patron of letters could not live to see his library building completed, for he went to "that unknown land from whose bourn no traveler returns" only 2

weeks after the cornerstone was laid in 1930. The loss of his guiding hand in bringing his work to completion is greatly to be regretted. However, with that liberality and vision that ruled his life, he left his fortune to be used in its completion and maintenance, and his distinguished and capable widow carried on, as he would have desired, until she went to join him in 1936.

The Folger Shakespeare Library is one of the most impressive and interesting buildings erected in recent years on Capitol Hill. There are few buildings in the city of Washington—or perhaps in any city here or abroad—which surpass or even equal it in its architectural beauty, choice location, and dignified setting.

Of course, the principal function of the library is to facilitate study by literary scholars, and the principal room, therefore, is the reading room. It is modeled after the high-roofed banquet hall of a great Elizabethan mansion, with a high trussed roof, and lighted by three bay windows. It is 38 feet wide, 131 feet long, and 32 feet high. There are two tiers of shelves, and the room is supplied with electrical book lifts. For the most valuable material there are two large vaults accommodating 18,000 volumes, and two smaller vaults, all opening on the reading-room floor. At the west end of the reading room, upon the special request of the founder, there has been installed a reproduction of the apse window of Trinity Church at Stratford-on-Avon. The magnificent stained-glass window which has been designed by Nicola d'Ascenzo, depicts the Seven Ages of Man from As You Like It.

The books of the library approach the stately number of 105,000 volumes. In addition to these there are about 37,000 manuscripts, 250,000 playbills, and 38,000 prints. In the first place, there are the works of the great bard himself. The library owns the first editions of all the poems. Of the quartos, the early pamphlet editions of the individual plays, the library possesses an almost complete collection. Perhaps one of the most interesting of these items is the unique copy of the first edition of a play of Shakespeare ever printed, the 1594 edition of Titus Andronicus. For more than two centuries this pamphlet had disappeared and doubt was even expressed as to whether the edition had ever been published. Then finally, in 1904, it was discovered in Sweden and shortly afterward it was acquired by Mr. Folger, who had become aware of its existence through the public press.

Another of the Folger Library's highly valued possessions is the collection of copies of the First Folio. A few years after Shakespeare's death some of his fellow actors decided to publish his collected dramatic works in a memorial volume. This book, which is entitled "Mr. William Shakespeare's Comedies, Histories, Tragedies Published According to the True Originall Copies," may be regarded as one of the most important literary publications in the English language. It contains 36 plays of Shakespeare—all except Pericles. Nineteen of these plays appeared in this book for the first time. Today the Folger Library has 79 copies of the First Folio of Shakespeare. The question may be asked, "Why did Mr. Folger desire to gather together 79 relatively complete copies of the first collected edition of Shakespeare's works, together with enough fragments to make three or four more copies?" It may be answered that these copies were not collected because of a misguided hoarding instinct. Dr. Edwin E. Wiloughby, the chief bibliographer of the library, in an article, observes that:

So that by a careful comparison of each copy they may provide material for the final establishment of the text of Shakespeare. As the sheets of the First Folio were being printed errors were sometimes found and corrected. * * * Only by carefully comparing many copies with each other, discovering where they vary, and determining the reason for each variation, can the final text of Shakespeare be established. And to provide the materials for this undertaking Mr. Folger made this unequalled collection of First Folios.

Thus we have here within one building in this National Capital of our's over one-third of the extant copies of a book which is one of the most desirable and one of the most expensive items on the lists of book collectors throughout the

world. It will be observed that the Folger Library's closest rival is the British Museum; it possesses five copies.

Moreover, the library also has numerous copies of the Second, Third, and Fourth Folios. Of the published editions from the Rowe of 1709 down to the present it has all the important publications.

Of the priceless collections of the Folger Shakespeare Library 12,000 books in English were printed before the year 1640. Furthermore, the library has both original editions and the modern edited works of every important writer contemporary with Shakespeare. It possesses nearly every important commentary, biography, or study on Shakespeare or his times. It may be said, without overstating the fact that the entire English Renaissance period in literature, social life and history is covered by the books in the Folger Library.

The library contains also some unique relics of Shakespeare, including, just to name a few, an impression of the seal of Shakespeare's father; a copy of the Black Friars' deed signed by Walker and held by Shakespeare—the only relic outside of England of which we can be absolutely certain Shakespeare owned and handled; a document signed by Shakespeare's fellow actor, John Heminge, carrying out the instructions of his will; furniture from the birthplace and from Anne Hathaway's cottage; and several attributed signatures of the great bard, two of which are believed to be genuine.

Among other pertinent possessions of the library are letters, papers, and books of Queen Elizabeth, documents and books of Francis Bacon; also furniture from the palace of the great queen; and one relic of which it has been said that it receives more publicity than it deserves, that is, Queen Elizabeth's corsets.

Since 1931 the Folger Shakespeare Library has been under the direction of one of the foremost Shakespearian scholars, Dr. Joseph Quincy Adams. Owing to the foresight and alertness of this eminent authority and the board of trustees of Amherst College, another important and most valuable collection of early English literature known as the "Harmsworth Collection" has been acquired by the library. The addition of this collection has generally been regarded to be of the utmost importance to American scholarship; and a number of the acquired items have been minutely described in scholarly publications.

Of course, the principal reason for buying these books was for the widening of scholarship; but a number of them also deserve attention for other reasons. Among these rare items we find a beautiful book, of which only one other perfect copy is known; it is Antoine de la Sale's *Fyftene Ioyes of Maryage*, which was printed by Wynkyn de Worde in 1509 and bound shortly after; but it is still in the original calf binding blind stamped with figures of Saint Katherina of Greece. Many of the Harmsworth books may be said to call history to life. One thick squat tome of tracts by Bishop John Woolton formerly stood on the bookshelves of Queen Elizabeth. Another royal book once belonged to King James; it is Capt. John Smith's *Generall Historie of Virginia, New-England, and the Summer Isles*, printed in 1624. This book is rendered even more precious by the fact that an early owner has entered opposite the names of the adventurers the amounts of their respective investments.

Recently, while visiting Lady Annie Harmsworth at the seat of the Harmsworth family, Dr. Adams, exploring a rambling old Elizabethan barn of many rooms, came upon a locked, windowless, and unlighted room, in which had been stored the purchases made by Sir Leicester Harmsworth during the last months of his life, many in unopened packages as received. The existence of these books was unknown even to the members of the family; yet here were more than 450 items printed before 1640 which would make a valuable addition to the collection of early English books which has just been mentioned above. Lady Harmsworth asked Dr. Adams to make in writing an offer for the books which she might refer to the Harmsworth trustees with her recommendation. The offer was promptly accepted, and these latest additions to the Harmsworth collection have now taken their destined place in the Folger Library.

LXXXVI—254

Beautifully housed in the building designed by Mr. Cret, this great collection of Shakespeariana awaits the scholars of future generations as well as those of our own. In concluding my brief description of the contents of this veritable treasure house let me quote the words of Emerson which were chosen by Mr. Folger—just another of our public spirited citizens—to be carved over the great fireplace in the reading room:

England's genius filled all measure
Of heart and soul, of strength and pleasure,
Gave to the mind its emperor,
And life was larger than before;
Nor sequent centuries could hit
Orbit and sum of Shakespeare's wit.
The men who lived with him became
Poets, for the air was fame.

THE ARMY MEDICAL LIBRARY

On November 16, 1936, the Army Medical Library held its centenary. In this one century has been developed the largest and most significant medical library in the world. It was in 1836, during the second term of Andrew Jackson, that Surgeon General Lovell began to form a small collection of books, The Library of the Surgeon General's Office, which by 1840 included only 128 volumes. From these humble beginnings, with this as a nucleus, has grown the greatest specialized library in the world, an institution of which every American can feel proud, known, honored throughout the world, not only for wealth of its holdings but for the wonderful apparatus with which it has implemented them and made them the most accessible and available sources of any department of human knowledge in the world today. We refer specifically to the Index Catalogue and Index Medicus. The British Museum regards this catalogue as the greatest ever achieved, and it is the first subject catalogue worthy of the name. Its appearance marked an epoch in the development and improvement of medical literature, and there is nothing that approximates it in any field of knowledge. To find what has been written on a specific subject it is only necessary to look in the alphabetically arranged catalog which by the issue of new series is kept up to date. A few years ago an elderly Norwegian woman had a recurrence of an abdominal growth that had been removed in Norway years before, by a very delicate operation, the surgeon employing a novel technique. A report embodying the details was published in a Norwegian medical journal at the time. When the surgeon consulted in this case was loath to operate and the elderly lady insisted that she would take all risks if the operation was in accordance with the method of her former surgeon who had died in the meanwhile. The physician's interest was aroused, and he asked that they write to her old home for the report. They wrote to a friend in Washington to do this for them, giving him the date, and name of the doctor. He, however, on advice, went to the Surgeon General's library with the data. There they readily located the report, loaned him the volume of the journal containing it. Thereupon he took it to the Library of Congress where Mr. Earl McSherry Hyde, the best philologist and research scholar I know, translated it from the Norwegian. The operation, following the mode of incision outlined, was successful.

This concrete case is merely adduced to show how this great institution—scholarly, modest, and dignified, but never aloof and always aggressive—is thus the watchdog of the people's health by providing ready reference material for the busy physician or the research student. The library now receives about 2,000 medical journals, and indexes every worth-while article in every issue of every journal of almost every country and in almost every civilized language, and indexes not just by title but by every subject discussed therein. The catalog also enjoys the distinction of being the most accurate bibliographic work ever produced.

Emerson has said that every institution is the lengthened shadow of some great man. It was the vision of Dr. John Shaw Billings that made the Army Medical Library, and in the Emersonian sense it is his lengthened shadow. "Books," said he, "are properly compared to tools of which the index is the handle"; and Osler has testified to how worn and bethumbed are the volumes of the Index Catalogue in the

foreign libraries showing how much the world appreciates these tools. This country is proud of its Crawford Long and others that made anesthesia possible; proud of Ephraim McDowell, its pioneer in ovariectomy; of Walter Reed and his discovery of insect transmission of disease; proud that we have been foremost in the development of the modern public-health laboratory; but in an appraisal of our contribution to medicine the decision of leading authorities is in accord with the words of Dr. Welch:

I question whether America has made any larger contribution to medicine than in building up and developing the Surgeon General's library and in the publication of the Index Catalogue and the Index Medicus.

In 1926 a change in the form of the catalog seemed to be advisable, but, after a deluge of protests and deprecation, it was continued substantially as originally projected. This opposition was not confined to the United States. The librarian of the Royal Society of Medicine of London—Powell—felt that "the possibility of being deprived of the catalog in its present form is horrible to contemplate." Sir Humphrey Rolleston, regius professor of physics at Cambridge and president of the Royal College of Physicians, wrote that this modification would entail—

A very serious loss to all those who read or look at the scientific side of medicine, and would, for them, bring about a condition of affairs resembling that in the first half of the last century.

The late Sir Willim Osler, always an appreciative frequenter of the library said:

Probably few men in the profession owe a greater debt of gratitude to the Surgeon General's library than I.

It is related that once Dr. Osler left a copy of a book he had borrowed from the library on the train and it was not recovered. Dr. Billings punished his great friend by depriving him for a year of his privilege of taking books from the library.

Dr. Billings estimated that one-thirtieth of the world's literature was medical. It is interesting, therefore, to compare the size of the Army Medical Library with the country's largest general collection of books—the Library of Congress. It has been estimated that to maintain Billings' ratio the Army Medical Library would have to contain 160,188 volumes. As a matter of fact, it contains 941,181 volumes. In other words, if the Library of Congress had made a commensurate growth, it would have approximately 30,000,000 volumes—six times its present holdings. The Army Medical Library has the largest collection of medical incunabula in the New World—those books printed before 1500, when printing was in its cradle days. There are approximately 600 medical incunabula known to have been printed; this library has 450 of them, which compares favorably with that of any library in the world.

Of some works the Army Medical Library possesses the only known copy, and of rare books published after 1500 A. D. the collection is one of the best. Among these very rare books are found the oldest publication possessed by the library, Johannes Gerson's *De Pollutione Nocturna*, printed at Cologne in 1467, the only copy in the United States; Rodericus Zamorensis *Speculum Humanae Vitae*, printed at Rome in 1468. Of early writings on the plague it has *Valescus de Tarantas, De Epidemia*, Basel 1470, and *Alcanis Luis' Regimen Pestilentiae*, Valencia 1490. It has the first printed book on pediatrics, Bagellardo's *De Infantium Degritudinibus*, and the first purely medical book ever printed, the Arabian physician Mesue's *De Medicinis Universalibus*, Venice, 1471. We find here the Greek text of the first complete edition of the works of Hippocrates, the Father of Medicine from the famous Aldine press, Venice, 1490; the works of Galen, founder of experimental medicine, a beautiful big folio of two volumes printed by Pincus at Venice, 1490; the first edition of Andreas Vesalius' *De Humani Corporis Fabrica*, of 1543, the book that laid the basis of anatomical research. In addition to its rare collection of 150 manuscripts, it has an untold wealth of files of medical journals, in some cases the only complete sets in

existence. When we behold this great wealth of material we are not surprised that Surgeon General Reynolds, of the Army, states:

No one can estimate the value of these books any more than you can estimate the value of diphtheria antitoxin. It is something that cannot be expressed in dollars and cents because it has no replacement value; it simply cannot be replaced.

"The Surgeon General's Library," says Dr. S. Weir Mitchell, "is a monumental labor which none will ever better." No wonder that Walter Reed said the highest ambition of his life was to succeed Colonel Billings as librarian of the Surgeon General's Office. He was finally appointed, in 1902, and died 1 week after.

Dr. Thomas S. Cullen, the eminent gynecologist of Johns Hopkins, well-known author and trustee of the Enoch Pratt Library, before the Subcommittee on the War Department Appropriation, made the following statement:

This is not only the best medical library in the world but it could not be duplicated for a hundred million dollars. The Army deserves a tremendous amount of credit for having accumulated that library. John Billings was the man who really brought the things together. * * * You could not duplicate it with money. * * * I have gone in there and picked out articles on certain subjects where the author had some experience of his own, and then I would analyze the experience of 20 others with respect to his writing. I just took out the meat of the article, and I would sit down and in half an hour I would have the 20 originals from which I studied together with the pictures, and could accomplish more in that library in a day than I could in Baltimore in 2 or 3 days.

Here is a letter I received from Archibald MacLeish, the Librarian of Congress:

You asked me to say in type what I said by word of mouth—that the Surgeon General's library is one of the greatest special collections of books ever put together, if not indeed the greatest, and that its present lack of housing holds tragic possibilities for American learning, and for the good repute of American scholarship.

You cannot say anything stronger than that. That comes from the Librarian of Congress.

After Dr. Cullen had expressed himself as delighted with the view that the library should be located on Capitol Hill, convenient to Union Station, and near the Library of Congress and the Shakespeare Library, Dr. Woodward, trustee of the American Medical Association, and who was in charge of the legal department of the American Medical Association for a number of years, submitted statistics showing the holdings of the Army Medical Library to be far in excess of those of any medical library in the world. Dr. Woodward was, for 24 years, health officer of the District of Columbia, and testified to the great use the library had been to him, and the great vision of Dr. Billings to establish it on its present basis. He brought out the fact that the library is not a departmental one, but a national institution with its unparalleled facilities placed at the disposal of the medical profession and of medical institutions throughout the country, and that during the past fiscal year 5,867 persons made use of the library reading room. In addition to this physicians located at a distance can borrow books by making application through an accredited library, and that library makes application to the Army Medical Library for a loan of the books, which are forwarded and then returned; 40,000 books are loaned annually on this basis.

Now—

Said Dr. Woodward—

the use of the library is being diminished by reason of the fact that it absolutely does not have adequate space. It seems to me, and I am sure that the people of this city and the people of the country, generally, do not realize what a valuable institution we have in the Army Medical Library. * * * The library in Boston is a wonderful library; the resources and volumes, of course, in that library do not compare with the library here, but the facilities for making use of it are much better.

J. M. Lalley writes in the Washington Post:

Local ignorance as to the importance of the Army Medical Library is not surprising. Its work does not lend to general publicity, and its quarters are such as to repel rather than attract attention. * * * Within its dingy walls is a congeries of medical information of well-nigh cosmic completeness. Here the student can find

either in the original, or in reprint, or photostat copy virtually anything of importance ever written in any civilized language living or dead, relating to any phase or division of medicine or surgery.

One function of this library is of such heroic magnitude that Diderot, himself, would have been aghast at the audacity of it. This is the compilation and publication of the Index Catalogue, now in its fifty-first volume, and to continue, it is hoped, ad infinitum. It is probably the nearest thing in existence to that "world brain" wistfully envisaged in the daydreams of Mr. H. G. Wells. Together these volumes form an exhaustive bibliography of whatever by any courtesy can be called medical literature.

I am sure, Mr. Chairman, you will pardon me for adverting again to this great work which I have previously discussed, but it does not seem appropriate to close any discussion of the Army Medical Library without a final word about the great work that crystallizes and makes accessible the medical wisdom of the ages—the open sesame, the great Index Catalogue. A small-town physician, verging on 90 years, with a record of great success in his field, once told us:

The Surgeon General's Index Catalogue is my Aladdin's lamp. I rub the lamp and the genie appears and answers my questions.

The Surgeon General's catalog is the physician's Aladdin's lamp, and this magic lamp, beloved story theme of our childhood days, would be a good emblem for this great institution, and much in the manner of the old London hospital with the figure of an angel blowing on a coal, carved over its portal, carrying the Latin inscription, "Forsan scintillula latet," perhaps a faint spark yet remains.

Mr. Chairman, the Great Prophet said where there is no vision the people perish, and we know that where there is no library vision there will only be a commonplace collection of books. We feel that in the person of Archibald MacLeish we have a man of vision, who will aim at nothing short of cosmic completeness for our great National Library. America has contributed to the world its greatest medical library, with a coverage approximating completeness as near as possible with human instrumentality. So now let this country garner in the vast records of human achievement in the field of general literature that are now in the old country exposed to the vicissitudes and hazards of war, the caprices of totalitarian government, threatening the Old World with Armageddon. If civilization in Europe is to be destroyed through the onslaught of the dictators, let America become the custodian of the great heritage of the ages—the literatures of the world—before the Four Horsemen of the Apocalypse began their macabre ride through the land. Literature is the expression of life in words, and with the Library of Congress as its palladium it will be safe for all time, where scholars under the aegis of a gifted librarian can limn the figures of the past and paint with facile hands the pictures "that may point a moral or adorn a tale."

Whatever may be the outcome of the European conflict, we know that everything points to a concentration in America of the world's materials for research. Of the estimated 30,000,000 different books that have been printed and distributed, the United States has less than half; in addition to this is the great body of unprinted material, early manuscript, documents accumulated throughout the ages, and modern records of fact, the raw material from which literature is made. This material, both books and manuscripts, should be in our great National Library. In the originals, where circumstances justify; microphotograph copies, which cost about \$1.50 per volume, where price would be much in excess of this, or where purchase is impossible; but here they should be, in a form accessible to students; and, may I repeat, under the palladium of our great National Library. This is no dream, Mr. Chairman, but something that only requires a vision and the cooperation of an intelligent and aroused public. We would not have to duplicate our present buildings to house this material, for experts tell us that the entire contents of the British Museum Library, if microcopied, could be stored in a small room.

Mr. Chairman, I have discoursed at some length on these three great institutions, because I wish to show them as a nucleus of what should be the greatest assemblage of means for research that the world has ever known. Here on Capitol

Hill, our great Acropolis, we would have an atmosphere of scholarly research, and the proximity to the Capitol would afford ample opportunities for our lawmakers to avail themselves of the results of the various researches carried on and provide easy access to the knowledge required by the complex life of today. In mingling, the scholars and lawmakers would be mutually helpful with their interchange of views and interpretations.

In other words, I want you to envisage on Capitol Hill all the means for research available in the world as far as human agency can devise properly housed, processed, and implemented for ready and quick reference with ample facilities for institutes of any department of knowledge, so that it will be the Mecca of scholars from the world at large and no man on a serious quest shall go empty away. Great buildings are only assemblages of stones and mortar. Only men can make and keep a nation great. Only knowledge can make man potential for good. "Why build these buildings glorious if man unbuilt goes?"

Let us give our people the best facilities for study and research that have ever been amassed; that will enable them to express themselves in works of literature, science, and art; that will help us understand one another, for literature has ever spoken a common language for the children of men. In the language of our poet Librarian, Archibald MacLeish:

How shall we have speech?
The water cries all night upon the beach—
How understand?
The wind calls all day across the sand—
How hear
With listening of the earth so near?
Must we be deaf, be dumb
Till the silence come?

[Applause.]

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I shall take up this morning something I think is of vital interest to the welfare of the country, especially after the statements that have been made by men high in Government positions about economy in government. First, I call the attention of Members to two planks of the Democratic platform of 1932:

We favor maintenance of the national credit by a Federal Budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

That is the first one to which I call attention, and here is the second:

We advocate a sound currency to be preserved at all hazards and an international monetary conference called on the invitation of our Government to consider the rehabilitation of silver and related questions.

Then we have the question of gold, whereby this administration confiscated all the gold and buried it in a hole in the ground in Kentucky. I call attention to the fact that on June 30, 1939, the Treasury held gold bullion to the value of \$16,110,078,913.04. The Treasury's statement of March 30, 1940, shows that we have gold to the amount of \$18,432,773,101.19. There is something strange about a situation where our gold assets have increased \$2,320,000,000 when at the same time our deficit spending has been, according to this statement, since July 1, 1939, \$2,718,391,064.43, a great deficit for a part of a year by New Deal. I want to know how and where, when this Government is spending more than it takes in from day to day at the rate of \$8,000 a minute, the Treasury Department can find loose assets lying around with which to buy this more than \$2,320,000,000 worth of gold at premium prices.

That is something that ought to be explained by the Treasury, how we are making the purchases of this gold, what is the value of it, and from whom we are purchasing it and then burying it in a hole in the ground in Kentucky. I have always thought that anything that is of no value you would hide away some place. The Government has seen fit to go out and make purchases of a great amount of gold and silver;

and what is the object, when they store it so that nobody has the use of it? It seems to me there is something wrong.

I shall now show Members of Congress some of the extravagances of this administration. They talked about a balanced Budget. The President of the United States promised time after time before he was elected that he would balance the Budget. He criticized the former administration for not doing so, and after he came into office he started to economize. We have had the Economy Act. I supported it. Within 6 months after that the President started to undo the things that he promised to do, and then he started on a spree of spending—spend, spend, spend. He promised the American people that he would eliminate bureaus and consolidate departments. He started to consolidate departments a year ago. Since he has decided to consolidate departments, he has put on the Government pay rolls over 100,000 additional employees. Where the economy? He has sent up another bill now in which he says he is going to consolidate a few more bureaus, and he says that it will save \$150,000. I will gamble with anyone that before the year is out that consolidation will result in putting more people on the pay roll, because he does not know the first letter of economy, nor does he know a thing about how to consolidate and carry out his promise of economy in government. To balance the Budget you cannot chop off everything at one time. I have a truckload of these bulletins which you see here, which are issued from day to day—Press Intelligence Bulletins, prepared by the Division of Press Intelligence for the United States Government. Any Member of Congress can get them daily. On April 11, 1939, I took the floor and called attention to this. Since that time there has come to my office—and I have a truckload of them outside of the door here—great truckloads of these bulletins being published. Every day they are published, and contain from 125 to 150 pages, and other Members can get them in your office if they wish. I venture that there is not a Member of Congress who ever looks at them. Does any Member on the Democratic side—and there are 10 or 12 here now—ever read them or know anything about them, or what it costs or what the Government is doing it for?

Mr. KERR. What is the name of the bulletin?

Mr. RICH. The Press Intelligence Bulletin.

Mr. KERR. Oh, well, the Democratic side does not have to see them.

Mr. RICH. No; I suppose they have been so intelligent during the last 7 years that the Government had to issue this, not for the Democrats, because they do not need it, but I suppose for the Republicans. Well, I will tell you that the Republicans do not want the goldarned thing coming to them. At least I do not want it coming to me, and I am going to stop it today. It is ruthless, unnecessary expenditure of public funds; a waste of the taxpayers' money. I am going to stop it after today, because if there ever was a waste of Federal money by the Federal Government that is it.

The scissors gang! What is the scissors gang? The New Deal Press Intelligence. Let me show you what they do. I quote from the independent offices appropriation bill for 1941, in the hearings, on page 59, with regard to the operation of the press intelligence, and I want to show you what the Government is paying for the scissors gang. They have a Director of Division of Press Intelligence, to whom they pay \$4,600. Then they have a grade 1 administrative assistant to whom they pay \$3,200. Then there are two junior administrative assistants at \$2,600. These are the people who cut out these newspaper clippings from all over the United States. Then they tell you where they file them. If it takes a truck to file the indexes, it will take a whole building to file the newspapers and the newspaper articles which they receive. They have 13 more clerks at \$1,800; an editorial clerk at \$1,800; 5 editorial clerks at \$1,800; 1 stenographer at \$1,800. Then they have got salaries from \$1,620 down to \$1,440. They have a total of 95 people in the Press Intelligence office, and it costs for salaries to clip these newspapers \$147,100 for 1941. That is the money they asked for and you appropriated it. In 1940 they had 84 employees and it cost \$127,000. In 1939, when I made

the complaint here, they had 58 employees at \$91,920. You can see from the time I made the complaint on Tuesday, April 11, 1939, they have increased the employees from 58 to 95, and the cost has increased from \$91,920 to \$147,100. But by the time they get the supplies and other things in, the total cost on April 11, 1939, was \$118,497, and now for 1941 you have appropriated \$199,000. One hundred and ninety-nine thousand dollars—just about as useless as the fifth wheel on a wagon; just about as useless as anything could possibly be. Why, Governor, has not this administration stopped some of these things which they promised the people of this country they would stop?

Mr. PIERCE. I wonder myself.

Mr. RICH. Why go on clipping with the scissors gang at a cost to the taxpayers of this country of \$200,000 a year to clip newspapers? Then it will require another Archives Building, I suppose, to house the stuff when it is useless, only as political propaganda. They are going to keep all the good things that the newspapers might say about this administration, and of course the bad things they say about the administration they do not want to file away. So that after this administration goes out of power, you will find that there will be more stuff filed away in the Government archives lauding the administration, but there will be mighty little stuff condemning it.

Let me tell you this, however, that 10 years after this administration goes out of power, if we last that long, it will be the most damned administration that this Nation has ever had. Why? Because you promise one thing and you do something else, and whenever you do that it does not go down in history as something noble; it does not go down in history as something that is well worth while.

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

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

Mr. CRAWFORD. In the gentleman's study of this type of spending, has he paid any attention to the amount of money which is being spent for streetcar advertising in connection with various programs of the Government? In that connection, I may say that I ride the streetcars quite a bit in the city, and now and then I see from four to eight big display cards in a single streetcar or bus, advertising the different functions of Government. Does the gentleman think that is necessary? Does he think that the taxpayers of this Government should be burdened with that kind of expenditure?

Mr. RICH. I will say to the gentleman from Michigan that every day there comes to my desk newspaper advertising, placards, and circulars of all kinds, from the departments, telling what the Government is doing. If you are interested in the Government doing all the business, socializing this Government, making it a communistic government, I think they are doing a pretty good job. I think this administration is doing an elegant job of making this a communistic nation. But that is contrary to the teachings and principles that were laid down by Washington and Jefferson and Lincoln and all the men that we laud and honor in these days, men who tried to make this Government a government of opportunity and a land of freedom.

[Here the gavel fell.]

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

Mr. RICH. If you are going to continue it as a land of freedom, you cannot put the Government into all kinds of business. You cannot put the Government into the operation of everything, because that is socialism and communism.

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

Mr. RICH. I yield to the gentleman.

Mr. CRAWFORD. In some streetcars you will find as many as three cards, identical, advertising the same agency's performances. Three cards in one streetcar, or three cards in one bus. I do not think any industrial advertising manager would permit such waste.

Mr. RICH. I know the gentleman is right. We hear so much talk about trying to balance income and outgo. I should think the administration on this side of the aisle would want to start doing that while they are in power. Let me tell you that next year the Republican Party will be the majority party in this House, and I guarantee you that we will throw out a lot of this stuff. [Applause.] We will cut this stuff out and stop this ruthless expenditure. We will stop these foolish things—and I do not mean maybe. If I am here, I will do everything I can to help stop it, and I will talk just as much about the Republican administration if it is unfair and does not fulfill its promises as I have about the new dealers now in power.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the lady from Illinois.

Miss SUMNER of Illinois. I understand that in private life the gentleman is a very sound, sensible, and successful businessman. We have heard a lot of talk over the radio and elsewhere about the encouragement of businessmen and the effort to get them to invest their money and provide jobs for the unemployed. Does the gentleman think it an encouragement to investors and businessmen to have the Government spend money recklessly and not balance the Budget?

Mr. RICH. I may say to the gentlewoman from Illinois that I still believe in the adage that he who wastes will come to want. This is true of any business or any government that spends more than it takes in. It will go into bankruptcy sooner or later. This policy must be changed; this tendency must be reversed. I am frank to say to the gentlewoman from Illinois that the thing which occupies my attention most of the time is how long this country can last with a Government piling up a deficit to the extent this administration has, where in the last 8 years the deficit has exceeded \$24,000,000,000. It is nothing less than a crime against the children of the oncoming generation.

Miss SUMNER of Illinois. The gentleman referred to the early days, the days of our ancestors when this Government was a success. Were not people in those days encouraged to get out, to invest their time, their energy, and their wealth to build up the country, and primarily because men in public office used sound business principles and the people felt they could depend upon the Government to keep their investments safe?

Mr. RICH. I may say to the gentlewoman from Illinois that our ancestors believed in the dignity of labor, believed that we should work for what we had. The present administration has taken the position that everybody ought to have everything he wants without doing anything to get it. Such a philosophy will undermine the sound and fundamental principles of our ancestors, it will make us a land of mollycoddles, people who have a wishbone where a backbone ought to be.

Miss SUMNER of Illinois. Then I understand the gentleman does not advocate as a principle of government the robbing of Peter to pay Paul through all sorts of Government programs?

Mr. RICH. I certainly advocate nothing of the kind. I advocate sound, honest, fundamental principles of government where people wanting to eat should be given jobs. [Applause.] If industry is given a chance to make recovery, if confidence is restored in this country, the unemployment and relief problem will quickly be solved. Think of maintaining a situation where for nearly 8 years there have been 9,000,000 or 10,000,000 unemployed people in this country. Even the present administration admits their efforts have been a failure. Anybody with any brains at all knows they have been a failure. [Applause.]

Miss SUMNER of Illinois. Let me say to the gentleman that it is my belief that if there were more people in government like himself, as thrifty and careful of Government money as they are of their own money, our Government would go ahead to prosperity and go quickly.

Mr. RICH. I am pretty near broke and disheartened by the New Deal. I have just a couple of coins left. I believe

that is the condition of most of the people in this country. But give the American people a chance to engage in business activities without Government competition and with confidence with changed laws and we will soon furnish jobs to the 10,000,000 out of work, certainly we will save this Nation. [Applause.]

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, at the outset of my remarks I want to reply to a personal attack that was made upon me the other night over the radio, last Sunday night, by H. V. Kaltenborn, the well-known radio commentator.

If Mr. Kaltenborn impugns my Americanism for doing what Chamberlain, Daladier, and many others have done, of flying in Ribbentrop's airplane, then he is more of a jackass than I thought he was—and that requires some stretch of the imagination.

Mr. Kaltenborn is about the rankest warmonger in America. He is one of that group of internationalists and interventionists who spends his time on the radio spreading war propaganda and trying to inflame the passions and hatreds of the American people.

Mr. Kaltenborn is strong for others to go to war, but where was he when the German bullets were flying back in 1917?

He is one of the leaders of the "smear group" of warmongers who attack every American, including Colonel Lindbergh, who has the courage to openly advocate the maintenance of American neutrality and keeping us out of all foreign wars.

I did not hear Mr. Kaltenborn's remarks, but condemnation from such an interventionist and quarantinist is the best possible commendation to 95 percent of the American people, who are determined to stay out of Europe's eternal wars.

I have served 20 years on the Foreign Affairs Committee of the House of Representatives, and do not propose to remain silent and be insulted or smeared over the radio for trying to keep America out of other people's wars. If Mr. Kaltenborn wants to debate American neutrality and keeping America out of foreign wars, I will be glad to do so over any national hook-up free of charge, but I do not propose to compete with him in unfounded statements and billingsgate.

I am answering this loose statement of Mr. Kaltenborn that I had committed some heinous crime because I flew in Von Ribbentrop's plane. So what? Are we at war with Germany? Is there any impropriety for American citizens to fly in Von Ribbentrop's plane? Are we violating American neutrality? The trouble with some of these interventionists and internationalists is that they think we are already at war with Germany because they want us to be at war with Germany. Was it un-American for Under Secretary Welles to speak to Von Ribbentrop or even to Hitler? Yet that is the kind of argument, the kind of war propaganda, that covers this country, and especially from such warmongers as Mr. Kaltenborn.

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

Mr. FISH. I yield.

Mr. CASE of South Dakota. Or was it un-American for Welles to ride in Hitler's private train?

Mr. FISH. It is the same, identical thing. Was it improper for Daladier, of France, or for Chamberlain, of England, or others to ride in both Hitler's and Ribbentrop's planes?

I want it understood right from the beginning that I have no apology to offer for riding in Von Ribbentrop's plane and I have no regrets for doing it either. Germany was not at war at the time and we are not at war with Germany now in spite of the warmongers and foreign propagandists. Moreover, the American people do not intend to be eased or pushed into any more foreign wars for war profits or by foreign propaganda.

It was very courteous of him to extend this privilege to me because I wanted to get to Oslo in a hurry and I was delayed in seeing him. But this shows how weak the arguments of the internationalists are, those who want us to intervene in Europe. They must impugn the Americanism of those of us who are trying to keep this country at peace.

They even distort my motives by trying to make out that I was unneutral and un-American, because I flew in the plane of a foreign minister of a country with which we are at peace. What nonsense. Yet that is the kind of propaganda that is being spread all over this country. It is all right for a French officer in wartime to fly in our newest model war-plane but wrong for an American Member of Congress to fly in a German plane in peacetime.

Today's New York Herald Tribune carries the following article on the first page in big headlines:

Get United States into war at any cost, Ontario official urges Canada. Victory may be very doubtful without help, Attorney General Conant fears; suggests the Alaska highway and St. Lawrence seaway as bait.

Is the United States to be put on the auction block and sold to the highest bidder for our help in the European war? Are the lives of our youth to be sacrificed on the battlefields of Europe in order to build the St. Lawrence waterway or because of a highway to Alaska? That is carrying propaganda a little bit too far, but it is typical of what is going on in America at the present time. I am convinced, and I think everyone in this House is convinced, that 95 percent of the American people, regardless of party, insist on staying out of Europe's war unless we are attacked by a foreign foe. American soldiers are not Hessian mercenaries or for sale at any price or at any time.

We are being told now that this is another war to make the world safe for democracy. That is what they told us 20 years ago. What a mockery, what a farce, and what a tragedy. When we see those Old World nations that have gone to the left and to the right into dictatorships and despotism, Italy into fascism, Russia into communism, and the war propagandists repeat now we must enter this war to make Europe safe for democracy.

Mr. PIERCE. Will the gentleman yield?

Mr. FISH. I yield to the gentleman.

Mr. PIERCE. The gentleman mentioned invasion of America. I would like to know what he means by defense? Does he mean defense of the Hawaiian Islands, the Caribbean Sea, the Alaska fisheries, or South America? In other words, where is the line?

Mr. FISH. From my viewpoint defense of America means, first, the defense of the United States and all of its possessions and maintenance of the Monroe Doctrine.

Mr. PIERCE. Clear to the Philippines?

Mr. FISH. As long as we have the Philippines, and Lord knows I would like to get rid of them, the sooner the better, and as long as they are a part of our possessions we must defend them. As Theodore Roosevelt said away back in 1907—and there never was a more courageous American than Theodore Roosevelt—in a letter written William Howard Taft, then Secretary of War:

The Philippines is the Achilles heel of the United States. We must get rid of them now in time of peace. We will never surrender them in time of war.

He was right. If the Philippines are attacked while under our control, of course we have to defend them. In answer to the statement made by the Attorney General of Ontario, Mr. Gordon Conant, I am willing to say publicly that if Canada is invaded I think we should, in accordance with the principles and spirit of the Monroe Doctrine, go to her assistance; that is, if actually invaded by a foreign foe, not if a few shots are fired from a submarine or a few bombs are dropped from an airplane, but if it is invaded we ought to go to war and defend it against attack. No one has a more friendly feeling toward Canada than I have, and I am sure the American people would never permit a foreign invasion of Canada any more than they would a foreign invasion of Mexico or of Latin America.

Mr. CRAWFORD. Will the gentleman yield?

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

Mr. CRAWFORD. In connection with the gentleman's statement with reference to the Philippine Islands, I think it would be very interesting to the gentleman if he would read a recent speech made by President Quezon to the legis-

lature over there, in which he discusses this very subject from a little different angle than that heretofore followed by him. I recently read his speech and I think it contains some amazing statements pertaining to our relationship with the Philippines.

Mr. FISH. I thank the gentleman.

Mr. Chairman, the purchase of gold is the most costly and disastrous of all New Deal experiments. If I were to be asked, "What is the height of all New Deal follies and of all New Deal failures?" I would say it was the purchase of gold at \$35 an ounce, twice the cost of production in South Africa where 50 percent of all the gold comes from, and three times the cost of production of the gold that comes out of Soviet Russia.

Mr. Chairman, I do not question the motives of President Roosevelt and others who may have been responsible originally for this unfortunate policy. In time of depression apparently it is an open season for all kinds of quack doctors and fake financial programs. Back in January 1934, when this policy was put into effect, President Roosevelt probably sincerely believed that it would increase the price of agricultural products; at the same time President Roosevelt wisely said: "This is an experiment based upon trial and error."

We have had this costly experiment now for 6 years and it certainly has not increased the price of agricultural products which are still 50 percent below the level existing between 1921 and 1931, and over 50 percent below the prices of 1926, which even Democrats have been trying to get back to. The administration's gold policy has been a monumental failure. We have set up a golden calf to worship which we have no more use for than Moses did for the biblical golden calf.

In April 1937, just 3 years ago, I introduced the following resolution:

Joint resolution to restrict the purchase of gold by the Treasury
Resolved, etc., That the Secretary of the Treasury be, and he is hereby, directed not to import or buy any gold from foreign sources except in payment of merchandise, services, or lawful debts.

I reintroduced the identical resolution yesterday, to stop buying gold. Since the time my original resolution was introduced 3 years ago, we have acquired or bought \$6,000,000,000 of additional gold at twice or three times the cost of production. Mind you, I am not opposing the subsidy of \$35 an ounce on American-produced gold, I am only referring to the foreign gold, gold acquired from foreign sources at a ridiculous and artificial price.

What can be done before we commit financial suicide by buying all the gold of the world at this artificial price of \$35 an ounce? The only alternatives seem to be to reduce the price for foreign gold or stop buying gold from foreign nations. For the time being, the latter course seems advisable. It is my honest and sincere belief that if we reduced the price of gold from \$35 an ounce to \$30 an ounce, all it would do would be to increase the avalanche of gold into the United States. There is only \$27,000,000,000 worth of gold in the world, and we have almost \$19,000,000,000 of that amount. If we reduce the price of gold by as much as \$5 an ounce, and the foreign nations think we are going to lower the price again, there will be a veritable avalanche of gold into America. All the remaining gold of the world will be buried out in Kentucky or hidden away in our back yards.

South Africa produces one-half of the gold. What do we do? We buy it at twice the cost of digging it out of the ground in South Africa, transport it over here, and dig it back into the ground in the State of Kentucky, where it grows no interest, where it feeds nobody, clothes nobody, and houses nobody, where it actually impairs world trade, because Germany, Italy, Japan, and other nations have no more gold left and therefore are completely off the gold standard, not having any gold with which to trade, and must trade through bargaining.

The value of gold or any currency thrives on use and faith but shrivels in disuse and fear. We have a veritable

plague of gold buried in the hills of Kentucky. Like Midas of old, everything we touch becomes golden, but unfortunately like him we cannot eat gold. This golden avalanche has become a white elephant, conceived by brain trusters, radical college professors, and theorists without practical business or financial training or experience.

Our gold policy has turned into a fiasco. It is so fantastic that no one will believe it, not even Members of Congress. I challenge the Democrats to take some constructive action on it. They will not. They have a bear by the tail and do not know how to let go. This was thrust upon Congress by the early brain trusters and wand wavers. Nobody knew how it was going to work, not even the President. No member of the Committee on Banking and Currency, which introduced this measure, had the faintest idea what would happen. Yet nothing is being done by the Democratic Congress to correct the deplorable, costly, and ruinous situation, and I predict it will be one of the great issues in the campaign. The gold situation is so fantastic that the people themselves can hardly believe it. They simply do not believe it possible. The public are apt to think it may be partisan talk, as it is too much like a fairy story for them to swallow. It is up to the Republicans to present the facts honestly and without exaggeration.

I am merely stating the facts, all of which can be proved. *Veritas magna est et praevalerebit*—the truth is mighty and will prevail. These facts must be told to the American people and will prevail. Uncle Sam, with almost \$19,000,000,000, over two-thirds of all the gold in the world, is the greatest hoarder in the world today, in spite of forbidding by law American citizens from owning or hoarding gold themselves.

We are still buying millions of dollars of gold every day from foreign nations at twice the cost of production, enriching them and impoverishing us. The gold problem has been disastrously mismanaged by the administration, and we are reaping the whirlwind of that New Deal folly in America. [Applause.]

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. Crowe].

THE GENERAL ANTHONY WAYNE MEMORIAL COMMISSION

Mr. CROWE. Mr. Chairman, during the first session of the Seventy-sixth Congress, I was appointed by the Speaker of the House as one of the members of the General Anthony Wayne Memorial Commission. The Commission is made up of nine members. Three were appointed by the President of the United States and are as follows: Hon. W. A. Kunkel, Jr., Fort Wayne, Ind.; Hon. Harry G. Hogan, Fort Wayne, Ind.; Hon. William Wayne, Pa. Hon. William Wayne is a great-great-grandson of Gen. Anthony Wayne.

Three were appointed by the Vice President of the United States and are: Senator A. V. DONAHEY, of Ohio; Senator ROBERT A. TAFT, of Ohio; Senator FREDERICK VAN NUYS, of Indiana; and three were appointed by the Speaker of the House and are as follows: The gentlemen from Ohio, Representative CLIFF CLEVINGER and Representative Dow W. HARTER, and the gentleman from Indiana, Representative EUGENE B. CROWE.

At a meeting called for May 17, 1939, which was held at the Capitol, I was selected chairman of the Commission. The call for this meeting was made under House Joint Resolution 406, of the Seventy-fifth Congress. This Commission came into being and life because of this resolution. This is a matter of fact which cannot and must not be overlooked or ignored. The purpose of this resolution which was enacted by the Congress of the United States was, in brief, the formulation of plans and design for construction of a permanent memorial in the city of Fort Wayne, Ind., to Gen. Anthony Wayne.

I found, however, very soon that this resolution alone was not going to meet with universal approval. I found if this resolution was strictly adhered to that it could not succeed. I found that much work had been done in other communities. I learned the Maumee River Scenic and Historical Highway Association had been much interested looking forward to not just a shrine or memorial to Gen. Anthony Wayne. They

had been working toward securing a larger and much grander memorial to this great personage. They have thought of a parkway of several hundred miles of roads traversed by General Wayne. I had considerable correspondence on this matter during the spring, summer, and fall of 1939. The leading light and spirit of this program in the State of Ohio is the editor, Mr. Ralph Peters, of Defiance, Ohio, who is chairman of the Maumee River Scenic and Historical Association.

On May 10, 1939, the gentleman from Ohio, Congressman CLEVINGER, introduced H. R. 6269, which was referred to the Committee on the Public Lands, copy of which I am introducing now for the RECORD, this bill to be known as the General Anthony Wayne Memorial Parkway. The purpose of the resolution by the gentleman from Ohio [Mr. CLEVINGER] says nothing of a shrine at Fort Wayne, Ind., but asks only for a memorial parkway.

H. R. 6269

A bill to authorize a survey of the military route of General Anthony Wayne during the Indian wars, with a view to constructing a national parkway to be known as the General Anthony Wayne Memorial Parkway

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to cause the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794; the same to be known as the General Anthony Wayne Memorial Parkway. The said survey shall locate the parkway as nearly as practicable in the original route. An estimate of the cost of construction of an appropriate national parkway on this route, and such other data as would be valuable, shall be obtained by said survey, with the objective of determining matters concerning the construction of the parkway.

SEC. 2. There is hereby authorized to be appropriated the sum of \$30,000, or so much thereof as may be necessary, to be expended in carrying out the provisions of this act.

At the organization meeting held in Washington, members of the Commission drew up a tentative draft of a resolution. It apparently had the approval of the majority of the members of the Commission. I was instructed to introduce it in the House and Senator TAFT, of Ohio, to introduce a companion bill in the Senate. I now offer copy of the bill I introduced, H. R. 6375, to be entered at this point in the RECORD.

H. R. 6375

A bill authorizing a survey of the military route of Gen. Anthony Wayne

Be it enacted, etc., That in order to further and amplify the purposes outlined in House Joint Resolution 406, first session, Seventy-fifth Congress, the Secretary of the Interior is hereby authorized and directed to cause the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794. The said survey shall outline and locate a parkway as nearly as practicable in the original route, and indicate the type and location of an appropriate permanent shrine or memorial to Gen. Anthony Wayne along said parkway or at its terminus. An estimate of the cost of construction of this combined memorial project and such other data as would be valuable shall be obtained by said survey.

SEC. 2. There is hereby authorized to be appropriated the sum of \$30,000, or so much thereof as may be necessary, to be expended in carrying out the provisions of this act.

This bill, you will notice authorized the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794. It further asks for the location of a parkway near the original route and it also provides for an appropriate, permanent shrine or memorial along said parkway or at its terminus. This bill was drafted in accordance with the wishes and desires of the members of the Commission who had assembled. Each member of the Commission had been duly notified of the call in due form by letter and were called by telephone to apprise them of the meeting.

A further bill, S. 2441, was introduced by Senator TAFT. I desire at this point in the RECORD to introduce a copy of this resolution.

S. 2441

A bill providing for a survey of the proposed General Anthony Wayne Memorial Parkway

Be it enacted, etc., That, for the purpose of accomplishing the matters outlined in Public Resolution No. 64, passed by the Seventy-fifth Congress, and to assist the members of the General Wayne Memorial Commission, appointed by the President to function

under the terms of the resolution, the Secretary of the Interior is hereby authorized and directed to cause the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794, the same to be known as the General Anthony Wayne Memorial Parkway. The said survey shall locate the parkway as nearly as practicable in the original route. An estimate of the cost of construction of an appropriate national parkway on this route, including plans for designing and constructing a permanent memorial in the city of Fort Wayne to the said Gen. Anthony Wayne, which shall be and become a part of the general plan of providing the General Anthony Wayne Memorial Parkway and such other data as would be valuable shall be obtained by said survey, with the objective of determining matters concerning the construction of the parkway.

Sec. 2. There is hereby authorized to be appropriated the sum of \$30,000, or so much thereof as may be necessary, to be expended in carrying out the provisions of this act.

Since it appears that this resolution meets more widespread approval than the bill I was asked to introduce, which is H. R. 6375, I have introduced a companion bill in the House to S. 2441, H. R. 9213. When consideration is given to these bills I shall be glad to have the one adopted that appears to meet with widest approval.

This resolution would call for a road or highway to be known as the General Anthony Wayne Memorial Parkway.

It must not be forgotten that this Commission, of which I am chairman, is working under Public Resolution 64 of the first session of the Seventy-fifth Congress. Without this or some such resolution passed by the Congress there would not today be a General Anthony Wayne Memorial Commission. Nevertheless, to make it a success and an accomplishment it must of necessity go beyond Public Resolution 64. Accordingly, I have attempted to bring together the divergent opinions and get an agreement and common ground on which to work.

I called a meeting of the Commission to meet at Fort Wayne, Ind., on December 14th. In the call I asked that all interested people in Indiana, Ohio, and Michigan meet at Fort Wayne to make an extended survey of this matter. Accordingly, a most interesting and enthusiastic meeting was held at that city. We spent the first day in conferences and surveys of the city and of other points of interest. At the confluence of the St. Marys, St. Joseph, and Maumee Rivers and at points known as The Portage, the dividing line in the waters running to the lakes and the other way to the Mississippi River. A most interesting and enlightening address on Gen. Anthony Wayne and his activities in Indiana was given at a night banquet by Dr. L. A. Warren. Various committees were represented at this meeting, principal among them State of Indiana Anthony Wayne Memorial Commission, chairman, Mrs. Bessie K. Roberts; the Fort Wayne Anthony Wayne Memorial Commission, Carl J. Suedhoff, chairman; the Chamber of Commerce Anthony Wayne Memorial Committee, chairman, Attorney Clarence R. McNabb; the Allen County-Fort Wayne Historical Society, chairman, Mr. Brown Cooper.

The committee appointed to arrange a suitable memorial to General Wayne selected from the common council of the city of Fort Wayne, whose chairman is Paul C. Wolf. The following members of the General Anthony Wayne Memorial Commission were also present: Hon. Eugene B. Crowe, M. C., Bedford, Ind., chairman of the Commission; Hon. W. A. Kunekl, Fort Wayne, Ind., secretary of the Commission; Hon. Harry G. Hogan, Fort Wayne, Ind., treasurer of the Commission; Hon. Wm. Wayne, Paoli, Pa., and Hon. Cliff Clevenger, M. C., of Bryan, Ohio.

The gentleman from Indiana, Congressman GEORGE W. GILLIE, of the Fort Wayne district, was very active and most helpful in the entire program around Fort Wayne before and during the meetings and afterward as well as the following day en route toward Toledo. All the members present, as well as the gentleman from Indiana, Congressman GILLIE, cooperated in this meeting to make it the success that it was. A splendid compliment of interested people from Ohio were also present. The general understanding obtained at that meeting was that there must be a gettogether of the interests and desires. Gen. Anthony Wayne was too great, and did too

much for the territory of several States including Ohio, Indiana, and Michigan as well as much other territory to have him remembered by only dedicating one particular thing to him.

The following day we made a pilgrimage from Fort Wayne ending at Toledo, Ohio, where another good meeting was held. During the day we stopped at many points of interest along the route of Gen. Anthony Wayne in his conquest of this territory. Numerous points of vantage and of great interest, chief of which were: Fort Defiance, Fort Winchester, Independence State Park on the Maumee River, parkways in and near Napoleon, Ohio. Battlefield of Fallen Timbers State Park and Fort Meigs at Perrysburg, Ohio.

This entire trip was led by Mr. Ralph Peters, of Defiance, Ohio, who is chairman of the Maumee River Scenic and Historical Highway Association. He had a most interesting meeting at Defiance, Ohio, and a splendid luncheon with short talks by numerous persons assembled. This meeting showed conclusively that Mr. Peters and his organization were determined to work for harmony and ultimate success. Throughout the day, and it was an entire day, traveling from Fort Wayne along the old canal and Maumee River to Toledo ending with a dinner in the evening at Toledo, where again many from Detroit and other points in Michigan, from Toledo and points all along the proposed route including some from Fort Wayne were assembled.

I found considerable thought at Toledo that had not yet reached a point of full cooperation in a combined project. I found considerable thought both in statements made in the meeting and statements made to me personally, of a parkway—a parkway only. I believe, however, that thought has been almost entirely eliminated. If it has not, it should be and must be.

At our meeting at Defiance, quite a group of splendid fellows met with us from Greenville, Ohio, including the gentleman from Ohio, Congressman ROBERT F. JONES, of Lima. They desired recommendation for the parkway to extend at least to the city of Greenville. There are grounds for their contention, and I believe that ultimately this parkway will and should be extended to other points in Ohio and other points in Indiana, but for the time being, if we expect to get this project over at all, I consider we must not get too large.

There were numerous places where battles were fought by General Wayne at Greenville, at Fort Defiance, at Fallen Timbers, and numerous other skirmishes, and conflicts were had, but the objective of General Wayne was Fort Wayne, where the city of Fort Wayne is situated. There are other most important battles, to be sure, but, after all, every campaign has one objective, and this one had one. General Wayne was the third general who had been sent to take that sector for the Colonies. No campaign was or could be successful until that objective was reached. Therefore I am thoroughly sold, and I believe almost everyone is now sold, on the thought that Fort Wayne is the place for the memorial or shrine. What it is to be, how it is to be constructed—whether a monument, whether a colosseum, or what not—I believe it too early to decide. It is true Public Resolution 64 asks that the investigation be made and that a report be made to Congress. I cannot see that the report can be made at this time. I have become fully convinced, and I believe other members of the commission are convinced, that this should be more than a shrine. Many other interested people and many other societies, both in Indiana, Ohio, and Michigan, are of the opinion that a parkway should also be established. After making this tour, after spending some 4 days all told with the hearings, with the surveys and going to and from, I am thoroughly convinced that it should be a shrine and parkway.

The parkway should, to start, include the route from Fort Wayne through Defiance, past Fallen Timbers and other towns and cities along the route, on to Toledo and to Detroit. I am not, however, sold on a vast expenditure of money for this proposal. Greater highways are needed already to accommodate the traffic along that route from Fort Wayne to Detroit. Those highways should come along under the regular procedure of road building with Federal aid as other Federal-aid roads are built. The parkways along this route, along

the beautiful Maumee River and along the Old Canal, can be, with nominal expense, made one of the beauty spots of America. It will make one of the most interesting highways in the United States. This work might well be done, as I see it, with W. P. A. labor. I do not mean the highway. That should come under the regular road-building program. I refer to the parkways, shelter houses, park benches and tables, shrubbery, cleaning the grounds, getting them planted to grass, planting trees for shade, and what not. The shelter houses should be good, sound, and substantial, but there is no need for expensive structures. Some of them could have dirt floors even and be open, just the shelter only. Other shelter houses might be entirely closed and have concrete floors.

This program, after all, of sufficient road and parkways could ultimately be completed without any additional drain on the Public Treasury. Let me explain my statement. A sufficient road and better roads are already needed and must be built along this highway. They will be built ultimately, whether it is ever known as a General Anthony Wayne Memorial Highway or parkway or not, so I recommend to the Congress that the work on this highway be speeded up and that it be made adequate for the great travel that is already on this highway, and I would even add to that, because when this route is established and beautified along the rights-of-way, the travel will increase. Nevertheless, as I stated, this highway will and should be built anyway. Therefore it need not be treated as additional expense to the Federal Government.

Now I also said that the parkway need be little, if any, added expense to the Federal Government. We have our W. P. A. labor. It is generally conceded that, because of the changed condition of America, that we will continue to have for at least 20 years a continuous surplus of more or less from year to year of unemployment. The unemployed will be given labor from year to year. Various kinds of work will be proposed. Various kinds of programs will be set up. I know of nothing in that section of the country that could be of service to more people than the building of parks and structures for people to use for recreation and pleasure. That should be done along this parkway and make it a beauty spot, an outstanding beauty spot, of America. It need not be done in one particular or certain year. The program should be surveyed and layed out. The work should be started, working to a goal, a completed parkway.

Now, when it comes to the shrine itself: That is and must be a different matter. While the parkway and highways will cost in reality several times more money than the shrine will cost, nevertheless the shrine is the most important part of this program. It is and will be the crowning achievement. People from all over America will drive over this parkway, but they will, after all, have an objective in mind. They will want to see the terminus. They will want to see the end of this project. They will want to see the shrine at the point which was the objective of George Washington, the father of our country, when he sent three generals with their armies to conquer it. They will want to see the place where Gen. "Mad" Anthony Wayne brought his victorious troops and brought to a successful conclusion his numerous campaigns in which he spent several years to achieve. That point was Fort Wayne where the city of Fort Wayne, Ind., is situated. This point is where the shrine, consisting of a shaft, monument, colosseum, or whatnot, should be constructed. This, as the crowning part of this program, should be worthy and fitting and exemplary of the great personage we are attempting to honor. It, of course, must be constructed by artisans skilled in their trade as it will stand as an everlasting monument not alone to General Wayne, but a symbol of the greatness of our Nation. It will be a symbol of respect of our Nation not alone to General Wayne but to all who participated in broadening, extending, and strengthening this great United States in that which was at that time wild and frontier lands.

Personally, Gen. Anthony Wayne did not touch my home nor any point of my district. Selfishly, I might disclaim any interest in this program. Matters of this kind require lots of time, effort, and energy. When asked by the

Speaker of the House to become a member of the Commission, I knew it would entail some energy and work, but when chosen by the committee to act as chairman, I realized that would entail an endless amount of work, but I accepted it and accepted the responsibility. Now that I do not live on any of the routes of Gen. Anthony Wayne, I believe that I can without prejudice or without bias see this situation from a broad-minded viewpoint. In that connection, I recommend to the Congress that the Federal appropriation of \$30,000 be granted for the surveys. I ask that it be for surveys for the route from Fort Wayne, Ind., through Defiance, Fallen Timbers, Toledo to Detroit. I ask that the survey be made, not for one part of the program but for a survey for the highway and for the shrine. The two can and must go hand in hand. One cannot and must not have precedence over the other. It must be one program, one General Anthony Wayne Memorial, which is to be a shrine and a parkway.

Personally, my interest in this program is to see it brought to a successful conclusion. I want to see it obtain on a national scale. It should be viewed from a national aspect just like we view Washington, Jefferson, Lincoln, George Rogers Clark or any other great man of this Nation. This can and should be of as much interest to the people of Maine, Kentucky, Louisiana, and California as it is to the people of Indiana, Ohio, and Michigan. To do that, it must be placed on a great and national scale. Furthermore, it must be free and kept free from any narrow or partisan bias. Partisanship in any form will kill the program for years to come. I shall endeavor in every way possible to perfect and further the interests of the General Anthony Wayne Memorial Commission. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the able, distinguished, and valuable Member from Pennsylvania, Mr. Gross.

Mr. GROSS. Mr. Chairman, as I address the House today I want to call to your attention a few of the issues that are of interest to everyone. First, America's No. 1 problem is to keep out of the war. The women of America are opposed to war. They know that as long as men fight women must weep and children must become orphans. The way to keep out is, first, want to keep out, and then stay out.

I learned a day or two ago that the national debt now exceeds \$48,000,000,000, and that this has been an increase from \$21,000,000,000 during this present administration. The interest on that vast amount of money at the present low rate is far beyond a billion dollars a year. I am wondering if we plunged into a period of prosperity and interest rates advanced to where we have seen them in the good old days how we could raise the money just to pay the interest. In 1913 our Government cost \$34 per family to operate. In 1939 it cost \$540 per family. Our national debt is now more than fifteen hundred dollars per family. This refers only to the Federal debt.

Since 1932 we have appropriated about \$24,000,000,000 for relief, and after 7 years of New Deal planning and New Deal spending we still have around 11,000,000 unemployed people. The Federal Government has appropriated for farm relief since 1933, \$4,000,000,000. The Secretary of Agriculture figures this amount in the farm income whenever he has occasion to mention the farm income to the public. But he is not fooling the farmers; they know better than that. The farmers of this country are not dumb. They know that the Government gives no money away that it does not first take from the people. This money has been used to pay farmers to grow less, but the farmers knew long before, and are now convinced, that the less they grow the poorer they will be, and their soil likewise.

These \$4,000,000,000 have simply become a mortgage on the real estate of the country, and while they have been paying farmers to grow less, and while they have been putting into effect trade treaties which resulted in none other than free trade in agricultural products we have seen our foreign markets slipping away from us. And recently we heard the President say, while admitting that the farm program has

failed, that it was due to Europe's war. The past history of agriculture prices in this country is that always during a war the prices of farm commodities advanced. They tried to point out to us the advantages the American farmer has, due to the trade treaties, but when I refer to the 1939 reports from the Department of Commerce I find that under these trade treaties we have imported, in 1939, vegetables valued at \$18,112,265. We have imported 93,859,000 pounds of potatoes. We have imported dairy products worth \$14,142,800, or 78,698,000 pounds of dairy products. We have imported poultry and egg products worth \$1,800,000 dollars. We have imported 753,570 head of live cattle worth \$20,206,700, and 150,794,000 pounds of meat products worth \$27,312,000; canned tomatoes, 55,400,000 pounds; raw tomatoes, 48,793,000 pounds; and while the farmer who has a beef hide to sell usually gets enough money for it to buy a pair of work shoes, we have imported 223,446,000 pounds of hides worth \$47,056,400. Surely it becomes the job of the Secretary of Agriculture and the President, who say, "We planned it so," to explain why the American farmer shall be thrown into competition with the rest of the world.

It has long been established that farm income is the governing factor in our national economy, and agriculture is still our basis of wealth. A profitable agriculture would solve the dual problem of idle acres in the country and idle men in the city. With all this planning, with all our acres lying idle, and with all these agricultural imports we are still building up surpluses of agricultural commodities in this country that are alarming. We now find ourselves with around 15,000,000 bales of surplus cotton on our hands and surpluses of other farm commodities in proportion. The cotton farmer with 50 or 100 bales of cotton lying in his shed does not have enough money to buy a cotton shirt.

If the Wallace program for the corn farmer is carried on for another year, we will have sufficient corn on hand that it will not be necessary to plant any for 1 whole year. If these imports were stopped and the American market was retained for the American farmer, which is, after all, the best market in the world, there is no question that in a short time we will have a prosperous agriculture and then very quickly would follow a decline in our relief rolls that would solve our unemployment problem. Yet the administration boasts of the fact that our exports, due to these trade agreements, have doubled in some cases. But if we look at the record, we will find that some poor South American country that purchased 100 automobiles in 1937 purchased under a trade agreement, 200 automobiles. Certainly that is an increase of 100 percent. But I am telling you that if the American farmer had the American market, if he got cost of production, for example, if he received \$1.25 for wheat, 10 cents for hogs, and 80 cents for corn, I am sure that my county would buy 3,000 new automobiles the first year and at least 500 tractors, refrigerators, and everything else in comparison. And what is true of my county applies to every other agricultural county in the United States. The records show that rural America has bought 19 out of every 100 automobiles built in 1939. Certainly if that is true, and the farmers received the prices I have just mentioned, they would buy at least 45 percent of the automobiles built.

While we have cut down our corn acreage tremendously we have imported starch enough that would have taken 450,000 bushels of corn to produce in a single year. While we farmers sell our fat cattle at a loss, we find the Government buying Argentine beef in vast quantities, and when lard is a drug on the market and butter is piling up, we find the Government buying lard and butter substitutes for the Army and the Navy.

I said the farmers are not dumb. They are asking the question and they are going to demand an answer. They want to know why the Government has enforced a program that is impoverishing them and then digging vast sums out of the Federal Treasury in order to keep them going. There is only one answer, and that is they are trying to buy the farm vote. Knowing that they cannot buy it, we now see the Federal loaning agencies which at one time were free and

independent of politics serving the best interests of all concerned, crowded into the Department of Agriculture, which puts Secretary Wallace in the position to say to the American farmer who is compelled to borrow from the Federal Government, "Sign on the dotted line." And when he signs on the dotted line he gets the loan he has applied for, and he has signed every bit of liberty he ever enjoyed so far as operating his farm independently is concerned. They will be in a position to tell him how many acres of this, that, or the other crop he can plant. They will tell him how many cows he shall keep. They even hand him a budget as to how he should spend the income from his farm. If this is not regimentation, then I want the powers that be to show me. Hundreds of thousands of farmers have been forced and are now being forced in order to keep their property intact and their families together to sign on the dotted line. But I am telling Members of the majority party here today that I am sure the farmers of this country will register their resentment of this Stalin procedure with a vengeance next fall. [Applause.]

I have absolute confidence in the judgment of the people of this country, and, while I am amazed that they have swung so far to the left, I see them everywhere becoming more tax conscious. They know that American industry today pays in about \$1.50 a day tax on every man every day he works, and that is just about as high as the wages were when most of us were boys. Why, I have one company in my city, York, Pa., that in 1938 paid \$880,000 in taxes. I have another company employing less than 600 people paying \$370,000 tax. and while there are those who say it is all right to tax industry, we have heard it so often, but the average man is beginning to know who really pays the tax. The management of these companies pay this tax first, before wages are paid out of profit, then they pay the wages to the men out of profit, and then pay a dividend to the stockholders out of profit. In order to do all this one of the first things they do is lay off men, speed up the machines, and the workers they retain finally pay all of these with their sweat and blood, for only men who produce ever pay. So in the factory it is the worker and on the farm it is the farmer and his family who bear the burden. They have taken it on the chin for 7 years as though they really liked it, but today it is everywhere evident that there is a rising wave of just resentment sweeping the country.

The American farmer believes in relief, but he knows that a relief dollar does not solve any problems; but when a man has a job and earns his dollars in industry and spends that dollar for food, that sale registers back on the farm and helps solve the workers' problem as well as his own. I am convinced that the American farmer will speak in no uncertain terms before the end of this year, and what they are going to say will be, "We are going to maintain our constitutional form of government," for they remember that in this democracy, as Chief Justice Hughes once said, "What the people really want they generally get." They know in countries ruled by dictators, the dictators change the people, but they also know that in democracies governed such as ours the people can change the President, and that is what they are going to do next November. [Applause.]

Mr. AUGUST H. ANDRESEN. Mr. Chairman, by direction of a member of the committee, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

SILVER AND THE INTER-AMERICAN BANK

Mr. CRAWFORD. Mr. Chairman, we rapidly approach the golden anniversary of the Pan American Union. This is an international organization created and maintained by the 21 American republics: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, United States, Uruguay, and Venezuela. The first international conference of American states was held at Washington 1889-90, and presided over by James G. Blaine, then United States Secretary of State. Far-reaching resolutions were approved by the conference at its second meeting in Mexico in 1901; the third, at Rio de

Janeiro in 1906; the fourth at Buenos Aires in 1910; the fifth at Santiago, Chile in 1923; the sixth at Habana, Cuba, in 1928; the seventh at Montevideo, Uruguay, in 1933; and the eighth at Lima, Peru, in 1938.

April 14 is celebrated annually throughout the Americas as Pan American Day; and on this date the final chapter of a proposal, which goes back for many years, will be brought to a conclusion. Around the long mahogany table in an ornately furnished sunny room in the Pan American Union, a representative of our Government will sit down with the representatives of various Latin American countries, and will place his signature of approval on a project which has on it the distinctive fingermarks of our neighbor to the south, a country which has quite systematically proceeded to take, without consideration, property of American citizens, and while this program of confiscation has been in progress the United States has been banqueting Mexico at the table of good neighborliness.

The proposed inter-American bank, about to be set up in celebration of Pan American Day, April 14, is to come into operation. Only a few days ago, at which time announcements were made in local papers pertaining to this undertaking, many of us were informed for the first time of this scheme designed to knit the Western Hemisphere, but this proposition is by no means new.

Mexico is a great producer of silver. And for many years her astute monetary and precious-metal experts have been anticipating exactly what will happen on April 14. At the inter-American conferences the sagacious spokesmen for Mexico have repeatedly cultivated an approach to this consummation. I am informed that as late as last fall, when the proposal was again submitted at Guatemala, several of the other Latin American delegates refused to have anything to do with the proposition. And, I understand, a reference to the official minutes of that conference will disclose that certain delegates claimed that the proposal "treated of a new theme immediately related to the problem of bimetallism." The idea was brought to Washington, and in the hands of the Inter-American Financial and Economic Advisory Committee, consisting of 21 experts in economic problems, one for each of the American republics, the soft clay has been molded into the inter-American bank proposal, which is to be approved April 14.

In the proposal's new habiliments it is making its debut under the sponsorship and approval of generous Uncle Sam. In view of the numerous reports which the people of the United States have received in recent months and which inform us of the Moscowian doctrines which appear to be engulfing Mexico and its institutions, our people can well afford to watch with increasing interest and understanding this implement which is being so largely created in response to the pressure of Mexico's monetary experts and political philosophy. Frankly speaking, we can go directly to the heart of the proposition by asking: Does Mexico now propose to have its philosophy of government and economics financed by the United States, or at least by a formulated number of the other American republics, and all under the aggressive leadership and participation of the United States?

We may properly ask another question: Has the administration, operating through the State Department, in effect endorsed, and is it now about to ratify and finance this grandiose Mexican plan and all in the face of the fact that Mexico has, in our language, stolen more American property from our citizens than any other country in the history of our Nation? American citizens have gone into the Latin American countries to the south of us where they have invested their private savings in agricultural and industrial activities.

While Mexico has for years promoted the creation of such a financial institution for the alleged purpose of facilitating the establishment of new industries and to make possible the use of silver as one of the mediums for international payments, it has at the same time driven out of Mexico many American citizens who had gone there, established their

homes, built their enterprise, but who since have been forced, under the whip of Mexican officials, to return to the United States penniless and destitute and without compensation under due process of law for their private properties taken away from them by a ruthless Mexican Government. Will Congress, by the signing of a convention by a representative of our State Department, be committed to a program of financial aid and sustenance of a country which has so treated our nationals and all without any compensation to them?

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. VOORHIS of California. I would like to ask the gentleman a couple of questions. In the first place, does the gentleman understand that this bank can be set up unless Congress grants it a charter or does Congress have anything to do with that matter?

Mr. CRAWFORD. I have been unable to clear in my own mind the answer to that question because of what happened in connection with our silver arrangements made in 1933, wherein the convention or the arrangements were, I believe, perfected without action on the part of the Congress. The situation, as best I am informed at the present time, is that Congress will have to act and grant a charter to the bank.

Mr. VOORHIS of California. If the gentleman will permit one more question, what does the gentleman understand it to mean when it says that metal stocks of the various nations shall be available to this bank on at least as favorable terms as to their own governments?

Mr. CRAWFORD. In going through the press history of this undertaking back for several years, I have traced it back for some 10 or 12 years, and you could even go back to the nineties; it appears that the project will be so organized that these countries can actually deposit in this bank their gold and silver reserves, and that these reserves can then be used as a basis for expanding credit to facilitate the operations of the countries in question.

Mr. VOORHIS of California. Does the gentleman think they could be used by the banks exactly as the nation that deposited there would use it?

Mr. CRAWFORD. No; I think it will all be woven into the central-bank structures of the nations participating, but this whole proposition is in the embryonic stage. I think many people are giving very serious and conscientious consideration to its short-term and long-term powers and possibilities, and out of all of it we may find something good; but it is well for us to consider these different approaches, and here I am simply throwing in a few comments in connection with the Mexican silver approach.

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

Mr. CRAWFORD. Mr. Chairman, previously I obtained from the House consent to include in my remarks the following data, which I now present:

BRIEF PRESS HISTORY OF UNDERTAKING

Examination of documentary material relating to the proposed inter-American bank leads to the conclusion that the bank proposal is a Mexican scheme. It also leads to the conclusion that, in addition to making such a bank a channel for expending American capital in Latin America, a major motive of Mexico's in seeking the bank has been the hope that the bank may constitute the means for perpetuating the subsidy to Mexico which the purchase of foreign silver by the United States initiated.

The Treasury's activities on behalf of foreign silver date from the signing of the London silver agreement by Senator KEY PITTMAN in July 1933. Later that same year a Pan American Conference was held at Montevideo, Uruguay. There Mexico pressed for a 6- to 10-year moratorium on all public and private debt; at the same time for the establishment of a pan-American bank. Thus, on December 4, 1933, the Associated Press reported from Montevideo as follows:

"URGE PAN-AMERICAN BANKING

"MONTEVIDEO, December 4.—A proposal for an inter-American system of money and banking was made to the Seventh Pan American Conference today by Dr. José M. Puig Casauranc, Foreign Minister of Mexico.

"The Mexican diplomat suggested that a central banking house be established which would have supervision over a series of central

banks. At the same time he advocated the establishment of a pan-American currency, backed in part by silver, and established on the basis of commodity price levels.

"He also revealed the intention of Mexico to sponsor a 6- to 10-year all-American moratorium on public and private debts." (New York Times, December 5, 1933.)

A few years ago Dr. Antonio Espinosa de los Monteros, who last November represented Mexico at the Guatemala "meeting of American treasuries," made the following statements, which threw light on previous events (Banco Nacional de Mexico, Review of the Economic Situation of Mexico, December 1935-January 1936, p. 8):

"It is of utmost importance that we make all possible efforts to consolidate the position of silver and that we succeed in making it form part of the reserves of the central banks. Ever since the Pan American Conference was held in Montevideo I have not ceased my efforts to demonstrate that all that is done in favor of silver will be useless until the interested nations reach an agreement making it possible to use the white metal, not so much as a circulating medium or reserve of the internal circulation, but as an integral part of the reserves of the central banks for the liquidation of international balances. * * *

"Mexico must sponsor an agreement between the nations interested in the fate of silver in order to make possible its use for the settlement of international balances." (At Montevideo in 1933 Dr. Espinosa de los Monteros was technical adviser to the Mexican delegation.)

Mexico's interest in the creation of an inter-American bank again was made quite clear at the Panama Conference, September 23 to October 3, 1939. This was a conference of ministers of foreign affairs of the American republics convened by the Government of Panama.

THE PANAMA CONFERENCE

The work of the Panama Conference was divided among three committees, one of which, committee III, was devoted to economic cooperation. Its membership consisted of representatives of six countries, including Dr. Antonio Espinosa de los Monteros. (Under the caption "The Silver Situation," the Banco Nacional de Mexico in its Review of the Economic Situation of Mexico, issue of December 1935-January 1936, published an article by the Mexican economist, Dr. Antonio Espinosa de los Monteros, who spent some time in the United States as an observer, presumably of Mexico's silver interests in Washington. In that article Dr. Espinosa de los Monteros explained the determination of the Roosevelt administration to deal directly with silver-selling countries as an effort on Mr. Roosevelt's part to obtain equivalent concessions to the United States. But, this Mexican economist and observer sagely remarked: "We feel sure that our Government will be careful not to make concessions out of proportion with those made to us.")

To this committee at Panama were referred more than two score economic projects, proposed by various countries. (The information in this paragraph is taken from the Pan American Union's Congress and Conference Series No. 29, especially pp. 6-7.) It was as a result of the recommendations of Committee III that there was ultimately set up, in Washington, the Inter-American Financial and Economic Advisory Committee, which latter committee in turn worked out the charter and bylaws of an inter-American bank.

Among the 23 economic proposals or projects which were submitted to committee III at Panama, the fifth was a Mexican project for the creation of an inter-American financial institution. The purpose of such an institution, according to the Mexican scheme, "would be to make possible and assure permanent cooperation between the central banks of the American republics."

Among its proposed activities would be: (a) The facilitation of the settlement of international balances, (b) the avoidance of sharp and frequent fluctuations in the relative values of the different American currencies, and (c) aiding the movement of capital between the American nations. The Mexican proposal further suggested that, at the then-forthcoming meeting of American treasuries at Guatemala City, detailed proposals for such a bank should be presented.

A separate Mexican idea presented at Panama asked the "normally creditor nations" to establish as soon as possible permanent and stable bases for the acceptance of silver in liquidation of inter-American trade balances.

It is therefore not surprising to find that the resolution on economic cooperation submitted to the Panama conference by committee III and adopted by the conference on October 3, 1939, recommended establishment of an inter-American financial and economic advisory committee among whose duties would be: To study the creation of an inter-American financial institution and "to study the possibility that silver be also one of the mediums for international payments."

THE GUATEMALA MEETING

The first meeting of finance ministers of the American republics convened at Guatemala City on November 14, 1939, as an outcome of the resolution passed at the eighth international conference of American states at Lima in 1938. At its closing session on November 21 the finance ministers' meeting resolved, "That the Pan American Union undertake * * * to present to the American governments a draft proposal for the establishment of an inter-American exchange system to facilitate in accordance with sound principles the regularization and availability of foreign exchange as between all the nations of America. (Bulletin of the Pan American Union, February 1940, p. 67.)

The Guatemala meeting also recommended that "the necessary capital be invested for the promotion of the agricultural and industrial development of the various countries in this hemisphere." It recommended study by the inter-American committee in Washington of the proposal to set up a Pan American bank.

On November 15, 1939, the Havas News Agency reported from Guatemala City as follows (see Washington (D. C.) Times-Herald of November 16, 1939, for full text of the Havas report):

"A Mexican plan for an inter-American 'central bank' with United States support emerged tonight as the probable key proposal to be placed before the conference of American Treasury representatives here. * * *

"The proposal for an inter-American bank was made by Eduardo Villasenor, Mexican Finance Under Secretary, before the committee on banking policy.

"Today the banking policy committee met in joint session with the committee on monetary policy to discuss the scheme. The third committee, on exchange, is also expected to discuss the subject, thus placing the proposal before all the delegates.

"The banking committee tonight decided to recommend to the conference that the central-bank proposal be sent to Washington for consideration by the pan-American committee of economic experts now meeting there.

"Villasenor's proposition is based on a plan put forward at the 1933 Pan American Conference at Montevideo. It has one new element, however—granting of long-term credits to Latin American nations.

"The Mexican proposal calls for creation of a bank through the cooperation of the central banks of all the American nations."

That Mexico was the prime mover in the adoption at Guatemala of the resolution regarding a bank is a conclusion supported by the official bulletin of the meeting. (Cf. Boletín de la Reunión de los Ministros de Hacienda de las Repúblicas Americanas, Numero 6, Guatemala, 20 de Noviembre, Año 1939, pp. 93-95.) The November 20 bulletin reported that the meeting's banking commission considered the Mexican proposal concerning establishment of a "Pan American financial institution."

As its "main point," states the official Bulletin, Mexico submitted the proposition that, "with the object of obtaining and guaranteeing the economic stability of the American republics and their future development, it is necessary to take immediate steps to assure, as soon as possible, the establishment of a Pan American financial institution, with the cooperation of the central banks of all of the countries." The Bulletin then gave a six-point list of functions of the Mexican-proposed bank, as follows (see Boletín, op. cit., p. 94):

(a) To act as an international foreign-exchange clearing house, thus reducing to a minimum international bullion movements.

(b) To represent the several American central banks in the international capital market.

(c) To aid the associated central banks to stabilize their respective currencies internally as well as externally.

(d) To systematically study commercial and exchange problems, etc., of mutual interest.

(e) To receive silver as well as gold from any country in settlement of international debit balances in the ratios and at the prices judged convenient, provided the proposed institution has first made an agreement on this point with the United States Government.

(f) Act as a channel for capital invested to promote the economic development of the different American countries.

It is interesting to note the coolness with which the above proposal of Mexico's was received by other members of the banking commission. According to the official bulletin of the meeting (pp. 94-95): "The Argentine delegation did not show itself in accord with the Mexican delegation's proposal, principally because it treated of a new theme immediately related to the problem of bimetalism, which, in its (the Argentine delegation's) judgment, should be studied by a competent technical body. The Brazilian delegate proposed that the matter be brought to the attention of the economic and financial advisory committee at Washington, given the magnitude of the theme and the nature of the functions of that body."

The Haitian delegation took a view similar to the Brazilian, while the Salvadorean delegation, although in sympathy with the Mexican proposal, was not in accord with the bases for its establishment set forth by the Mexicans. Finally, it was decided to refer the matter to the Inter-American Financial and Economic Advisory Committee in Washington, and a resolution was passed calling on the latter committee to study the project and work out details.

PRESENT STATUS

At present the inter-American bank proposal is under consideration by the American republics. It was the object of its proponents to secure the reactions of the 21 governments during March so that the bank may come into being on the fiftieth anniversary of the Pan American Union, April 14, 1940.

The draft convention (to which the bank's charter is annexed) must be accepted by 5 governments having acquired a total of 145 shares of stock. The convention in its first article states that: "The United States of America also agrees to grant to the bank a charter substantially in accordance with the proposed charter annexed hereto."

If the executive branch of our Government accepts the convention without Senate ratification it will amount to the executive branch committing the Congress of the United States to the issuance of a charter for such an international bank. The London silver

agreement is an example of Executive ratification of an international agreement.

By reason of the agreement the United States undertook to do a great deal for the world's sellers of silver (Mexico being the largest producer), with virtually no corresponding contribution from any of the beneficiaries of the agreement. Now another Mexican finance scheme is being hatched whereby the United States will be expected to be the goat as in the case of silver.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, by direction of a member of the committee, I yield 15 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I wish to commend most heartily the action of the Appropriations Committee in cutting down this bill approximately \$112,000,000. I find, however, that there is included in this bill, on page 30, lines 3 and 4, an item for \$1,000,000 to acquire an additional 52,000 acres for Fort Knox. As I recall, they have now approximately 40,000 acres. The 52,000 acres is estimated to cost \$1,640,000. The amount appropriated in this bill will be part payment of this sum.

Our colleague the gentleman from Kentucky [Mr. CREAL], of the Fourth District, in which Fort Knox is located, is opposed to this item. This item was not recommended by the Bureau of the Budget or by the President. The gentleman from Kentucky [Mr. CREAL] has pointed out to me that this will take up perhaps 25 or 30 percent of the acreage of Meade County, many churches, schools, villages, highways, nearly 500 farms, the R. E. A. electric lines, and cut off the people of other parts of Meade County and other sections from the bridge or bridges on the Ohio River. No hearings were held on this item and, so far as I can see, no one has appeared and justified the acquisition of this large acreage and the expenditure of this large sum of money.

Meade County has a bonded indebtedness of \$136,000. The taking of this land will mean a loss of revenue to that county of \$18,750 annually. This acreage will also wipe out two villages and will cut off the connection of the people of other sections of Meade County with Louisville. The acquisition of this 52,000 acres and the disruption of the economic and social life of that section should be undertaken only after hearings are held and the Government and the citizens have an opportunity to be heard. Why jump into this matter blindly?

If this appropriation is necessary and did not result in great detriment to the people of that section, I am sure our colleague the gentleman from Kentucky [Mr. CREAL] and I would favor it. The gentleman from Kentucky [Mr. CREAL] or myself will introduce an amendment to strike this item from the bill.

GET RID OF COMMUNISTS AND ALIENS

I strongly favor a committee amendment to this bill to eliminate alien workers and Communists on the Panama Canal and Panama Railroad. Our colleague the gentleman from Wisconsin [Mr. KEEFE] gave us some very interesting information in his speech yesterday on the floor of the House about Communists employed on our ships and at the Panama Canal.

More than 2 years ago the American Federation of Labor at its national convention called to the attention of the country and the Congress that there were about 13,000 persons employed by the United States Government on the Panama Canal and Railroad and that 10,000 of these were aliens, and 3,000 of the 10,000 were skilled workers from various countries in Europe.

For us the Panama Canal is the crossroads of the world and is one of the very important units in our national defense; yet we have 3,000 skilled alien workers there in charge of the maintenance and operation of the complicated and delicate machinery of this great Canal. Why should this be in the hands of aliens from European countries? No doubt many of them come from nations that are unfriendly to our country, and I do not doubt that among these are some Communists. How easy it would be for some of them to render useless in almost the twinkling of an eye this Canal so that our warships and other ships could not pass from the Atlantic to the Pacific or from the Pacific to the Atlantic.

We have invested more than \$500,000,000 in this great undertaking. I am very happy to support the amendment of the committee to eliminate all of these alien skilled workers. However, we still have 7,000 or more of unskilled alien workers there and we are adding new workers in great numbers every day. Loyal American citizens only should be placed on guard of this great key unit of our national defense. We are spending millions to strengthen the Nation's defenses there. We have millions of unemployed loyal American citizens. Why place aliens in charge?

BILLIONS FOR WAR—ONLY MILLIONS FOR PEACE

Mr. Chairman and colleagues, I strongly favor adequate national defense in the way of ships, men, submarines, airplanes, and other equipment. The Republican Party has always stood 100 percent for adequate national defense, but in the last 2 years, and especially during this year, we have heard nothing but war, war, and the preparation for war, and our people have been held in constant alarm about the likelihood of our being involved in some European, Asiatic, or African war, and we have neglected to solve our great domestic problems.

Our interests lie on this side of the Atlantic and Pacific, and not in Europe, Asia, or Africa. Who can, with consistency, entertain the thought that we are threatened with attack from France, or England, or Germany, or any other country? These European nations have their hands full, and when they get through with warring among themselves, they will be too much exhausted to travel three or four thousand miles to attack the United States. There is no reason for this country to get into a foreign war unless we want to butt into it. What nation in Europe desires to take on the United States as an active war enemy, in addition to the nations with which they are now at war? Germany made that mistake in 1916, 1917, and 1918, but no other country will make it again. Congress will keep this Nation out of foreign wars.

If there is any threat to us from any foreign nation, it is Japan. This administration has added to that threat. Ever since the ruthless and unwarranted conquest of China began 2 or 3 years ago we have been furnishing to Japan 60 percent of her war materials. And for what? She has destroyed the cities of China, our friend, and murdered 4,000,000 Chinese citizens, 2,000,000 of whom were women, children, and old men—noncombatants. All the time we have been helping to destroy and weaken our friend in the Far East and building up the power of that great potential enemy of the United States—Japan. Military experts agree that Japan could not have overrun China but for the war supplies furnished to her by the United States.

After building up this great potential enemy of the United States, then the administration comes along and asks for billions of dollars to enlarge our Navy and Army to meet this potential enemy.

UNEMPLOYMENT THE GREATEST PROBLEM AND THREAT

Can anyone recall where any great nation was ever destroyed by forces without? They have always fallen by reason of conditions and enemies from within. The great threat to our peace and security is within our own borders.

The report of the C. I. O. recently stated that there were approximately 11,500,000 unemployed industrial workers in America. The A. F. of L. fixes the number at 10,500,000. The Department of Labor reports show that unemployment increased 1,161,000 in January 1940 over December 1939; and recent reports show that unemployment increased more than 250,000 in January, and the prospects are that business is further declining and unemployment will continue to increase.

I have heard some of our New Deal colleagues say on the floor of the House that there are 11,000,000 unemployed industrial workers in this country. Here is the real threat—11,000,000 workers without jobs to provide shelter, food, and clothing, and educational opportunities for themselves and their families. Next to this are the big deficits and debts created by this administration.

Many of these unemployed are without hope and their lives are filled with grief, disappointment, and sorrow. Although

most of them are loyal American citizens, this is a fertile field for the plausible but false remedies offered by communism and other subversive groups in this country. We must get rid of these subversive groups, these alien enemies, and provide jobs for our people. The greatest tragedy of it all is that there are 4,000,000 young people under the age of 24 years, 2,000,000 of whom are graduates of high schools, colleges, or universities, who have never yet had a regular job. If they are to continue to have faith in our Government and our institutions, we must find real work for their minds and their hands, real jobs with real American wages and salaries.

THE NEW DEAL ADMINISTRATION HAS FAILED

For many years businessmen, professional men, farmers, other groups, and the Republican Party have pointed out that the New Deal policies could not and would not solve our problems and in the end the Nation and the people would find themselves in worse condition than they were in on March 4, 1933. Our New Deal friends said that these criticisms came from those who were unfriendly to the New Deal.

The American Federation of Labor, headed by William Green, and the Congress of Industrial Organizations, headed by John L. Lewis, through the years were ardent, loyal, and consistent friends of the President and his administration. The United Mine Workers provided nearly \$500,000 to the campaign fund of President Roosevelt in 1936. Mr. Lewis rallied the three or four millions persons in his C. I. O. to the support of the President and his party. President William Green of the American Federation of Labor and his organization were very active in support of the President in his first race and in his last race. The President has never had more loyal or devoted friends than these great organizations and their leaders. Now let us see what they have to say.

I am reading to you from a statement issued by the executive council of the American Federation of Labor, at Miami, Fla., on January 31, 1940, which is as follows:

Unemployment still is the most acute domestic problem of the Nation. No orderly and intelligent effort has yet been made to determine the facts with regard to its causes, its extent, its cure. As a nation we have not hesitated to spend billions for the relief of those who are unemployed, but we have neglected to take the necessary steps to reduce and end unemployment.

At this time there are not enough jobs in private industry to go around. This is largely due, in our opinion, to the fact that lack of confidence has stunted business growth and expansion. We demand that those in authority take whatever steps may be necessary to restore business confidence.

We urge that all Government actions that tend unnecessarily to discourage business expansion cease and that a positive effort be made to encourage greater industrial activity. We have learned the lesson that when opportunities for profit diminish, opportunities for jobs likewise disappear.

What does the great American Federation of Labor executive council say—

Unemployment is still the most acute domestic problem of the Nation. No orderly and intelligent effort has yet been made to determine the facts with regard to its causes, its extent, its cure.

Yes; unemployment is the biggest problem of the Nation, and unfortunately no orderly or intelligent effort has been made by the New Deal to solve it. The dole is not the solution.

What reason does the executive council give for this condition of unemployment?—

This is largely due, in our opinion, to the fact that lack of confidence has stunted business growth and expansion.

What does the council demand?—

We demand that those in authority take whatever steps may be necessary to restore business confidence.

And—

We urge that all Government actions that tend unnecessarily to discourage business expansion cease and that a positive effort be made to encourage greater industrial activity. We have learned the lesson that when opportunities for profit diminish, opportunities for jobs likewise disappear.

Yes, they say there is a lack of confidence and they demand that those in authority take steps to restore business confidence. This statement admits that business has been discouraged. They insist that actions that tend to discourage

business should cease and that business should be encouraged to go ahead. They insist that if we take away the profit incentive, the jobs disappear. In other words, those who have money must believe there is a chance to earn some profits and that the Government will not so restrict them or compete with them and lay such heavy taxes as will augur against success.

I desire to read to you the statement of John L. Lewis, Chairman of the C. I. O., at the United Mine Workers of America convention at Columbus, Ohio, January 24, 1940:

As the current year opens, the Democratic Party is in default to the American people. After 7 years of power, it finds itself without solution for the major questions of unemployment, low national income, mounting internal debt, increasing direct and consumer taxation, and restricted foreign markets. There still exists the same national unhappiness that it faced 7 years ago. Labor and the people are losing confidence. They fear for the future, and rightly so.

What does Mr. Lewis, the ardent friend and supporter of the President and the New Deal, say after 7 years of trial:

The Democratic Party is in default to the American people. After 7 years of power it finds itself without solution for the major questions of unemployment, low national income, mounting internal debt, increasing direct and consumer taxation, and restricted foreign markets.

No; the administration has not solved the unemployment problem. There are more people unemployed now than when Mr. Roosevelt was first elected. We still have a low national income. Our national debt has been increased from twenty-one billion so that with the appropriations made this Congress it will have exceeded the debt of \$45,000,000,000 by the end of the next fiscal year, beginning July 1, 1940, according to the statement of the President himself and according to the records of the Treasury Department.

Yes; there has been a great increase in direct and consumer taxes on the American people. The Federal Government, in the last year that Hoover was in, collected \$1,800,000,000 in revenues. For 1939 the Federal Government collected approximately \$6,000,000,000, an increase of over 200 percent in 7 years.

The reciprocal-trade agreements that labor has opposed, and I understand still opposes, and which are likewise opposed by the farmers generally, made it possible to bring in \$4,000,000,000 of farm products in direct competition with the American farmers and in the 7 years to bring in billions of dollars of manufactured and processed goods in competition with the American workers.

It is little wonder that Mr. Lewis concluded his statement with these words:

There still exists the same national unhappiness that it faced 7 years ago. Labor and the people are losing confidence. They fear for the future, and rightly so.

Mr. Lewis and Mr. Green, together representing approximately 8,000,000 union workers, while differing on other subjects agree on one thing—that the New Deal administration has failed. Unemployment, taxes, Federal deficits, and debts are on the increase after 7 years. These and other great related problems remain unsolved; and when the President and his New Deal friends cry "War! war! war across the seas," are they not trying to turn the minds of the American people from the failures they have made and the hopelessness that confronts them after 7 years of the New Deal?

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

Mr. ROBSION of Kentucky. Yes.

Mr. BENDER. The gentleman is making a very fine speech. Is it not a fact that over \$60,000,000 worth of silk hose worn by women in this country came in from Japan?

Mr. ROBSION of Kentucky. Yes; under the reciprocal-trade agreements of Mr. Hull and this administration. Before the reciprocal-trade agreements were entered into by our Nation with Japan we received 300,000 yards of textiles from Japan annually. After we entered into the reciprocal-trade agreement with Japan there was a jump to 30,000,000 yards of textiles from Japan annually, and since the reciprocal-trade agreement has been in effect we have received great quantities of manufactured and processed goods from other nations, and, as I pointed out, there have been brought into

this country \$4,000,000,000 worth of agricultural products in direct competition with American farmers. These reciprocal-trade agreements are helping to increase unemployment in this country, and for these and other reasons I am still, and I have always been, unalterably opposed to the reciprocal-trade agreements.

Our distinguished Secretary of State never did believe in the protective tariff. He urges that the trade barriers between this Nation and other nations be broken down and removed. When we do this, it places American workers, farmers, and American industry on the same level with the farmers, workers, and industry of Japan, China, Mexico, and other countries employing peon labor, child labor, with long hours, poor working conditions, and sweatshop wages. It is little wonder that the farmers and workers of this country are opposed to the reciprocal-trade agreements.

Mr. ROUTZOHN. I just want to ask one question: Will buying silk stockings from Japan guarantee peace with Japan?

Mr. ROBSION of Kentucky. One of the main reasons urged for the reciprocal-trade agreements by Mr. Hull and the administration is that it promotes peace among nations. We know how well Japan has kept the peace since we made the reciprocal-trade agreement with her. She has carried on the most ruthless and cruel conquest in China in all the history of the world. She has bombed, burned, and destroyed the great cities of China, wrecked their industrial plants, and murdered four million of her citizens, one-half of whom as I have said, were women, children, or old men.

TAXING, BORROWING, SQUANDERING

Mr. Roosevelt said in his speech at Pittsburgh, Pa., on October 19, 1932, in criticizing the Hoover spending:

The most reckless and extravagant pace I have ever been able to discover in the statistical record of any peacetime government anywhere, anytime.

And he further said:

We find that the expenditure for the business of Government in 1931 was \$3,168,000,000.

We were then in a depression. Mr. Roosevelt in his first message to Congress on March 10, 1933, said that we were on our road to bankruptcy because we had had 3 consecutive years of deficits amounting in the aggregate to about \$4,000,000,000. If the Congress follows the President's recommendation for the fiscal year beginning July 1, 1940, his administration will have had appropriated by Congress for the 8 years approximately \$75,000,000,000, and with at least \$25,000,000,000 of deficits, with the national debt pushed beyond its limit of \$45,000,000,000, and we then will have had not 3 but 11 consecutive years of deficits.

In all the administrations of all of the Presidents from George Washington, beginning April 30, 1789, including Herbert Hoover, March 4, 1933, a period of 144 years, there were appropriated approximately \$66,000,000,000, but with these \$66,000,000,000 we carried on all the activities of our Government. We paid off the debt of the Revolution and fought all of our wars, including the World War, we built the Panama Canal, made the Louisiana Purchase, bought Florida, made the Gadsden Purchase, bought Alaska, the Philippine Islands, and Puerto Rico, and we spent billions improving our rivers, harbors, and our highways and in developing this Nation.

The New Deal has operated upon the theory that this Government can tax and squander and borrow and spend the people of this country into prosperity, and that we can destroy our crops and our stock, and by scarcity bring about good times, and that we can regiment labor, agriculture, and industry, and place the activities of 130,000,000 American people under the control of bureaucrats here in Washington and restore confidence and good times. Labor, the farmers, and industry now can see clearly that such New Deal policies have failed, and it is clear now how the American Federation of Labor and the C. I. O. can say that the Democratic Party is in default to the American people. The great problem of unemployment has not been solved, and there is a lack of confidence among the people.

The President in his recent message to Congress told the Congress that even though the Congress should stay within the Budget, Congress must make provisions for \$460,000,000 of new taxes, or we would go beyond the debt limit of \$45,000,000,000 by the end of his administration, that is, the fiscal year beginning July 1, 1940. Notwithstanding this warning, it looks now as if the President's budget will be exceeded, and the Democrats are not taking any steps to raise these taxes to meet these appropriations as urged by the President, and therefore this country will be in the position of exceeding its legal debt limit and cause increased uneasiness and lack of confidence.

Our New Deal friends act to me as if they expect to turn the whole thing over to the Republicans next January. The Treasury and the country will be stripped. Are they taking the attitude recorded in history wherein Mme. Pompadour, a favorite of King Louis XV of France, when his reign of shameful waste, oppression, exorbitant taxes, and broken-down confidence was about to come to a close, said to her king, "After us, Louis, the deluge."

You New Deal Democrats know that you are going to exceed the debt limit of \$45,000,000,000. You know you are not going to provide any additional taxes to meet it. Let the Republicans clean up the wreckage. The Republican Party has met and solved every crisis that has ever arisen in this Nation beginning in 1861, and if entrusted by the American people with the control of this Government, confidence will be restored, business will be encouraged, pay rolls will take the place of relief rolls, common sense, honesty, and industry will again be considered as desirable traits, the youth of our land will again have opportunities, and American markets will be restored to American labor, farmers, and industry. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. THORKELOSON].

Mr. THORKELOSON. Mr. Chairman, I want to speak in behalf of a group of forgotten men and women whom I do not believe anyone will deny are real Americans. These people have been very considerate and patient with us, as they have received little consideration for the losses which they have sustained by our invasion of their domain.

At one time these people roamed the prairies of this great land, independent and free, unhampered by laws, regulations, and other political trappings so destructive to free government. They were a healthy people, free from those diseases which go hand in hand with civilization, and as I compare their lot today with the privileges extended to those who stream into our ports from foreign countries, my heart goes out to the North American Indians.

I do not believe there is a nation or a people that has been exploited more and received less consideration than these original Americans, for they have been treated as foreigners, and a foreign nation, within this great North American Continent, which was formerly their home. They have been pushed back from the open spaces of their own domain, and impounded in places comparable to concentration camps. In these enclosures, they have been left to shift for themselves, under the domination and rule of masters appointed by those who deprived them of their country, their homes, their liberties and rights.

Would anyone say that they have been treated justly, or even with the same courtesy and consideration as the most unwelcome visitor to our shores? I think not, for they are ruled, regulated, and dominated by the Interior Department, the Indian Department, and reservation departments, until they may as well be, as I have already said, in an actual concentration camp.

In spite of such handicaps, many of them are very well educated and fill important positions in professions, in business, and still retain an inherent sense of justice which, I may say, it would be well for us to emulate. This shows that they are indeed well adapted to look after themselves, as they are unquestionably loyal to our Republic, and I am sure will, if relieved from bondage, develop as is their right into useful, self-supporting citizens, and as such contribute to the general welfare of the United States. Their loyalty is clearly revealed

in the vain efforts which have been made by them to induce Congress to lend its help for the removal of radicals and teachers of communism who have, under the sanction of the Interior Department, unfortunately infiltrated among the Indian tribes.

With this in mind, I last year introduced an amendment to the Constitution to delete the words in article I, section 8, paragraph 3, "and with the Indian tribes." The same resolution has now been introduced in the Senate, and I shall ask the Judiciary Committee to give this resolution due consideration and report it out of the committee so that it may be discussed on the floor of the House. This, in my opinion, is not only an act of justice but it is the simplest manner in which the inherent rights of the Indian may be restored to him, and inasmuch as it is a part of the Constitution it must be amended according to article V.

I shall now quote article I, section 8, paragraph 3:

Congress shall have the power to regulate commerce with foreign nations, among the several States, and with the Indian tribes.

And let me add, for the common defense and for the general welfare of the United States.

It is in this language, Mr. Chairman, that this paragraph should be understood. I say, therefore, that it is not for the common defense and certainly not for the welfare of our Nation to treat the original Americans as a foreign people and a foreign nation within our own borders.

I can readily see why the phrase "and with the Indian tribes" was incorporated in the Constitution, for the Indians, being led by the British, often engaged in unprovoked attacks upon the early settlers, but I am quite certain could they speak today they would make the same request that I now make, that this Government restore citizenship rights to the Indians.

The condition that now exists is not for the general welfare of the Indian, because he is actually denied the right to make a living for himself and his family on the same basis as other citizens. No self-respecting people can develop into useful citizens when treated like slaves or prisoners, and it is in that position the "noble red man" finds himself today. He cannot engage in business without supervision. He cannot engage in any independent activities without being regulated and restricted by his overseers. Will anyone say that that is twentieth-century justice? Is it an act of justice on our part to condemn these loyal subjects into perpetual subordination, restriction, or imprisonment on the parcels of land which have been allotted to them?

Mr. Chairman, let us now look at this situation from a purely mercenary standpoint. The administration of Indian departments, Indian bureaus, Indian supervisors, and other white medicine men, has cost the taxpayers of the United States millions and millions of dollars, all of which could have been saved had we been fair enough to restore full citizenship and equality to these original Americans. These departments that regulate the Indians are purely political and have been used by the politicians as headquarters to exploit the Indian and divide his possessions. No one has benefited from this except grafting politicians, and, Mr. Chairman, do you not think it is time that we cast this obnoxious parasitical group adrift? I believe our people are beginning to realize the evil of political parties and of control by those who, in order to hold their possessions, engage in partition of the Nation's wealth. It is this same group that when placed in charge of our Government engages in mass legislation and squandering of the Nation's resources without giving the slightest consideration to the fact that such laws deprive the people of their liberties and rights, and that unwarrantable squandering of money leaves us in dire poverty.

Mr. Chairman, it is that picture which confronts us today, and the most vivid example of such laws is that of the Indian himself, who is by law bound within a small confine under the guardianship of people frequently morally inferior to himself, overseers with little sense of justice or responsibility, who because of their position exploit those they should protect.

Congress is responsible for this and should now shoulder that responsibility and set the Indian free, for he is not only equal but actually superior to many of those now enjoying

free entry into the United States. The Indian is a much more loyal American than many of those who have been provided by the administration to administer his affairs, for he objects to communism and he does believe in the fundamental principles of this Republic. He asks for the same rights that we declared were ours in the Declaration of Independence.

We shout about justice, fairness, and equal rights, and we pride ourselves on good sportsmanship. I say let us now live up to our words and be good enough sports to give the Indian an opportunity to enjoy those rights of which he should never have been deprived, and for which the founders of this Nation fought, to establish a republic directed and ruled by the people so that all could secure the blessings of liberty to themselves and to their posterity.

The quickest and the surest way to give the Indian his rights is to adopt an amendment to the Constitution, deleting the words, "and with the Indian tribes." This will cut the Gordian knot that has tied the American Indian to the apron strings of the many bureaus and departments, legislation and appropriations for which are constantly drawing fire on the floor of the House. So I say, looking at it from a purely mercenary viewpoint, this should have the unanimous approval of the taxpayers of the United States; and, looking at it from the point of justice, no one can deny that the Indian is entitled to the status of an American citizen.

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, let me take up where the gentleman from Kentucky left off. He quoted the statement of Louis XIV, who said, "After us the deluge." Frankly, I am a little concerned about that deluge, because we are doing some things that may aggravate the size of the deluge and, incidentally, hasten its coming. I have particular reference to the gold policy of this country.

How interesting it is to jump on the transport of fancy and project our minds, if we can, to a hot July day in 1896, when a 36-year-old midwesterner stood before the Democratic National Convention in Chicago and made there a speech which has come down the corridors of time as the cross of gold speech. I quote from that celebrated ringing challenge of William Jennings Bryan a portion of the last paragraph:

Having behind us the producing masses of this Nation and the world, supported by the commercial interests, the laboring interests, and the toilers everywhere, we will answer their demand for a gold standard by saying to them: "You shall not press down upon the brow of labor this crown of thorns, you shall not crucify mankind upon a cross of gold."

That will be 44 years ago on July 7, 1940. Forty-four years later the Democratic Party, the party of William Jennings Bryan, is found engaged in crucifying mankind not only upon a cross of gold but upon a cross of silver as well. It seems rather unreal when we look back over the period of two generations that the very thing which Bryan dreaded is the thing which his own party has imposed upon this country and, for that matter, upon the world.

In 1929 we had substantially one-third of the world's gold supply. Then came the money doctors, then came the professorial experts, then came the economic and monetary authorities; and they began to preach the doctrine of making the dollar cheaper that prices might go up, squeezing a bit of the gold content from the dollar that foreign trade might be stimulated. There was Dr. Berle, there was Dr. Warren, there were all the other authorities who finally persuaded the administration to tinker with the gold standard, persuaded the administration to make it a crime for a citizen of this country to have in his possession gold in excess of \$100, persuaded the administration to take gold out of circulation as a medium of exchange, and use it only in bullion form for the settlement of international balances. Yes; we impounded gold.

And then the result in 1940; and to make sure that it is documented, here is the Treasury statement which came to my desk this morning, dated March 30, 1940. We have on hand 526,650,660 ounces of gold, the value of which is \$13,432,773,000. So, 44 years after Bryan was talking about the crucifixion of our people upon a cross of gold, this admin-

istration has been assiduously crucifying them upon a cross of gold which today contains more than 17,000 tons, representing about 70 percent of the world's gold supply and valued in excess of \$18,000,000,000.

That is not the whole story. The hoard is growing every day. It is growing every week. This cross is getting larger.

This morning's Washington Post reports under this headline on the financial page, "Canadian gold pours into United States for war goods," the following:

The Commerce Department said yesterday that \$231,237,068 worth of gold came into the United States in the week ended March 27, the largest amount since weekly compilations were begun in 1934.

Yes, our cross of gold is soon going to contain much more than 17,000 tons, and it is on the way to \$20,000,000,000 in value. Yet our citizens find it criminal if they own gold. We cannot lend it to the nations who are indebted to us as a result of the last war. We cannot lend it to those who are engaged in controversy on the other side of the ocean, because that is interdicted by the Neutrality Act. Its use becomes restricted in the arts because the price is \$35 an ounce as compared to \$20.67 before gold was devalued.

In addition we have to spend money to transport this gold around the country. Pending before us is the War Department appropriation bill. They contemplate expanding Fort Knox in Kentucky from 31,000 acres to approximately 51,000 acres. We have two or three regiments of cavalry and artillery there, and we are going to add more. That is where our gold is buried today.

What a paradox! A miner digs into the mountains in Wyoming, in Colorado, in Nevada, in Alaska, in California, in Hawaii, and brings gold from out of the bowels of the earth. Human endeavor is addressed to that gold so that it is refined, assayed, and valued; and then it is transported across the country at tremendous expense and buried in the ground again in Kentucky. So far as I am able to ascertain, the cost of transporting this gold to Fort Knox has been about \$1,078,000.

There are certain things I believe we are sure about in connection with gold. The first one is that it is not going to flow out of the country. The second is that it is going to continue to flow in. The third is based upon the tragic and fruitless experiences of the money doctors in the Federal Reserve Board and the Treasury that the sterilizing and the unsterilizing processes whereby it might not be reflected in the excess reserves of the country have proven entirely abortive. Of that we can be sure. So we have on our doorstep today a tremendous problem which indicates breakers ahead, and they may not be so far ahead. When the gentleman from Kentucky spoke of that historic statement, "After us the deluge," it may become more than an academic exclamation.

Here are some things that are certain about the gold that comes into the country. Every time an ounce of gold comes into the country it adds \$35 to our deposits. Every time an ounce of gold comes into the country, it adds \$35 to the excess reserves of the country. Every time an ounce of gold comes into the country, it emphasizes the fact that interest rates are going to remain so low that there will be no incentive and stimulus to investment capital, with the consequent result that we continue on the basis of a frozen level of unemployment of somewhere between nine and ten million people.

Obviously, if the law of supply and demand still works—and it is one of the laws that they have not undertaken to repeal—it means that the more gold coming in the lower will be the interest rate and the less inducement there will be for stagnant dollars to join in wedlock with idle hands in the country to finally lift this country out of its dislocation.

The next thing is that \$35 an ounce in this gold policy stimulates gold production. The production in 1939 was about four times as much as it was in 1929. When finally you make a precious metal like gold so available—and obviously it has an effect in the field of exchange—then there is a disturbance of monetary equilibrium—yet gold comes to the United States. This means that the rest of the countries of

the world have about 30 percent of the world supply. When that is exhausted, then what? That is the big problem in which the money doctors are really interested. I said the hoard will grow larger; yes. How can it help but do so? If under present conditions international balances are liquidated in terms of gold and the trade balance favors this country, it means that more gold must come into our Nation. Secondly, the war situation being what it is in foreign countries, timid capital comes to America in the form of gold. This disequilibrium in the sense of uncertainty everywhere in the world today simply means the liquidation of American assets abroad and adds to the amount of gold which we will have, not only now but in the immediate months to come. What are we going to do about it?

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

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

Mr. AUGUST H. ANDRESEN. What will happen when we stop buying gold at \$35 an ounce?

Mr. DIRKSEN. Oh, the gentleman is quite an authority on this. It is a very engaging subject to anybody who has an interest in the durable and continuing welfare of this country. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] knows full well what is going to happen. It is like having hold of the tail of a spirited bull calf traveling across the pasture at the rate of 40 miles an hour. When you let go things happen. That is what will happen if we let go of gold. But how are we going to let go? I do not know. I do not pretend to have the answer.

I have expressed my solicitude and my apprehension today, and I wonder whether the monetary doctors who have tinkered with our gold and silver system have the answer whereby we can let go suddenly or progressively and deliver ourselves from the headaches which are to follow. People say so casually once in a while, "But you can embargo the influx of gold." If you follow some sumptuary action of that kind, then what is going to happen? What is going to prevent the other nations of the world from demonetizing their gold? And when it is demonetized you know what will happen. The price will go down maybe \$5, \$10, or \$15 an ounce, perhaps more; while down in a hole in the ground at Fort Knox, Ky., we shall have \$18,000,000,000 in gold. The loss will be a painful thing to contemplate.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DIRKSEN. Mr. Chairman, when that happens, we will appreciate the loss in no uncertain terms. As a matter of fact, the loss is there now. It is only a question of time until the loss will have to be written on the books, whether by devaluation or through other nations demonetizing their gold. We are headed for a \$5,000,000,000 loss on this gold. As a matter of fact, it will be more than that. If we avail ourselves of all the money in the stabilization fund, we will still have a loss of over \$5,000,000,000; so that the national debt really will be \$45,000,000,000, plus \$5,000,000,000, plus \$6,000,000,000 of guaranteed bonds, less the recoverables that we at present know nothing about. Therefore the national debt of the country will be \$55,000,000,000 rather than \$45,000,000,000, less the value of certain assets whose present worth is a bit speculative.

What will be the effect? It will be devastating so far as the venturesomeness of capital, industry, and human ingenuity is concerned. So we get back to the observation of the gentleman from Kentucky, in the terms of Louis XIV, "After us the deluge."

There is \$6,000,000,000 more on deposit today in the banks of the country than there was in 1929, and it is the reason that 10,000,000 people are shouting for jobs in this great and resourceful country. [Applause.]

At one time or another there has been an intimation that we should revalue the dollar and restore it to its statutory basis of \$20.67 per ounce of gold. However, this would have precisely the effect of incurring a loss running into billions. This loss would wipe out every dollar in the stabilization fund and probably exceed the money in that fund by \$5,000,000,000.

Manifestly this is not the way out at a time when we are facing an approximation of the statutory debt limit of \$45,000,000,000. I can see another aspect to this problem. If perchance the allied nations should exhaust their gold assets and we become the possessor of all this gold, it might inspire an effort to repeal the Johnson Act which now interdicts loans to those nations that are indebted to us as a result of the last world conflict.

Thus we face the inescapable prospect of an unused and seemingly unusable hoard of gold which is the largest in the history of the world, and holds for us tremendous dangers.

Truly this is our cross of gold.

Mr. ENGEL. Mr. Chairman, I yield such time as he may desire, to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Chairman, I have introduced a bill today which should receive the most serious consideration of the Congress. It is the purpose of this bill to overcome a deficiency in relation to the dealings of inventors with the military establishments of the Government in that:

First. There is no authorized agency in the military departments—War and Navy—that an inventor can approach with a device pertaining to improvements in military equipment established to receive or deal with him as of legal right and not as of grace.

Second. There is no authority in law vested in the Secretary of War, nor in the Secretary of the Navy, which will enable either of them to purchase for the Government a secret, unpatented invention pertaining to national defense out of public funds, the essential value of which resides in its nature as a secret rather than as covered by patent protection.

Third. It is the purpose of the bill to overcome these deficiencies, and enable the Secretary of War and/or the Secretary of the Navy to ascertain, determine, and declare that a secret device relating to national defense is of such military value and consequence that it rises to the dignity of property and for which compensation can be made and paid when it has been thus authoritatively established.

Fourth. It is the further purpose of the bill to establish an organization under the authority of the Secretary of War and/or the Secretary of the Navy to receive and investigate inventions, and report to the respective cabinet members as to the value and acceptability of the device submitted, and also to authorize such an authority to investigate and experiment for the benefit of the military authorities.

I believe that this phase of military preparedness has been neglected and that insufficient encouragement is given to inventors who produce improvements in military equipment, munitions, and matériel. It appears that many developments relating to military equipment have been supplied by civilians outside of the Government service, and many times their experience in approaching the military authorities has frequently been deterrent to progress.

It is further represented that there is no law that will enable the Secretary of War or the Secretary of the Navy to deal with and compensate an inventor of a military device that has not been patented under the patent laws of the United States. This has been decided by the Comptroller General of the United States in several decisions upon the theory that it is incompetent for an administrative officer to spend and distribute public funds, except for the purpose of compromising a valid claim under a patent grant when it would be advantageous to the Government to do so and in such a case the considerations involved are properly reviewable for the Comptroller General of the United States. Very much can be said on the decisions covering cases that have heretofore occurred and been decided, but which are not important at this time.

With this limitation and restriction of law resting upon the Cabinet minister and all subordinate officers, it is obvious that each of them should be authorized to deal with matters of the kind as described, and that is the elementary purpose of the bill.

It is further represented that loyal American citizens are prepared to submit inventions for consideration even without the expectation of compensation, but many of whom have a right to receive compensation for their labors and

ingenuity who are unable to find a place in either of the military departments that they can approach authorized to receive them.

Much of the value of a military invention is lost and defeated by its publication as by patent. It is therefore in the best interests of our national defense that I submit my proposal to the Congress. I trust that suitable hearings will be held without delay. [Applause.]

Mr. SNYDER. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent to speak out of order.

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

There was no objection.

Mr. BROWN of Georgia. Mr. Chairman, the famous surgeon, Dr. Crawford W. Long, first used ether to reduce pain and suffering 98 years ago. The span of life has been increased by his discovery of ether anesthesia for surgery, and to millions of people in this country and all over the world misery and suffering have been eliminated. He was the greatest benefactor of the human race.

A 2-cent stamp has been issued by the Post Office Department in Dr. Long's honor, and the exercises for the first day sales of the stamp will be held in Jefferson, Ga., on the 8th of this month. The Honorable James A. Farley will make the principal address. This stamp will carry to every American and to all the world the name and picture of the man who first used ether in an operation.

He loved his profession. He once said, "My profession is to me a ministry from God." These words appear upon his statue in the Hall of Fame in this building. He was successful because he felt that he was as much called upon to practice medicine as a minister is to preach the Gospel.

Georgia did herself proud when she placed in the Hall of Fame the statues of her two greatest men, Crawford W. Long and Alexander H. Stephens, and it is rather singular that these two great men should be roommates and honor graduates of the University of Georgia.

Dr. Long's ancestors on both sides were gallant soldiers in the Revolutionary War. His father, James Long, came to Danielsville, Madison County, Ga., which is in the district I have the honor to represent, in 1788 when a mere lad. He owned the first store in the small town of Danielsville. He was the first postmaster there. He was also State senator. He established the first flour mill in the State of Georgia.

His father and the great William H. Crawford were close friends, and Dr. Long was named for this great American. He belonged to the same political party as his classmate, Alexander H. Stephens, and they both were against secession, but afterward, of course, joined the ranks of the Confederacy.

Dr. Long was well educated and refined. He entered Franklin College, now the University of Georgia, when only 14 years old, probably one of the youngest ever to enter the university. He spent 1 year at Lexington, Ky., attending the medical department of Transylvania College. In 1838 he went to Philadelphia and entered the medical department of the University of Philadelphia. After graduation he spent 18 months in the hospitals of New York, and afterward returned to Jefferson, Ga., to practice, and within a short period of time thereafter he used ether in a surgical operation performed on James M. Venable, removing two small tumors situated on the back of his neck. This operation was performed on March 30, 1842.

Mr. CASE of South Dakota. Mr. Chairman, I yield to the gentleman from New York [Mr. CULKIN] such time as he may desire.

Mr. CULKIN. Mr. Chairman, the item on page 9 of the bill making appropriations for the Military Establishment for the fiscal year ending June 1941 carries the amount of \$5,831,306. This proposed appropriation is for the purpose of meeting the expenses required for the conduct of special field exercises, including participation therein by the National Guard, Organized Reserves and the Regular Army. Bitter experience has shown that field maneuvers of this character are necessary in order to train both the Regular

Establishment and the National Guard in an environment which actually simulates combat conditions. Instructing a national guardsman in the school of the soldier and close-order drill and the elements of military discipline should be given during the winter season in the armories of the various States. These maneuvers are essential to the training of the Regular Establishment, and the National Guard in field work. This field training is absolutely essential to give him the background that enables him to serve effectively when he gets into actual combat.

Brig. Gen. Frank M. Andrews, Assistant Chief of Staff in charge of operations and training, in his testimony before the Subcommittee on Appropriations, stated that the purpose of these maneuvers was as follows:

In order to develop efficient and well-trained commanders, staffs, and combat units capable of conducting such operations, it is necessary to assemble in the field smaller units into brigade, divisions, corps, and Army units, and conduct combined exercises in which all arms and services participate. Such maneuvers afford opportunities for training commanders and staffs in marching, concentrating, maneuvering, and supplying large units under combat conditions, and for securing vital teamwork between the various elements of these forces. These field exercises afford the most practicable means of testing modern material weapons, equipment, organization, and tactical doctrines and methods.

This is a terse but clear statement of the purposes of these maneuvers and they apply with special force to the National Guard's training.

I am advised that the National Guard Association and the adjutant generals of 42 States have favored this procedure.

The gentleman from New York [Mr. ANDREWS], himself a distinguished soldier, makes the point that these 1940 maneuvers, following the one held last year, would have a devastating effect upon the future enlistments in the National Guard. The gentleman further stated that the resignations of officers might necessarily follow by reason of their difficulty in getting away from their civil employment. He quotes the adjutant general of New York, Major General Haskell, to this effect. It is to be regretted that neither of these gentlemen raised these questions before the Subcommittee on Appropriations. Personally I am confident and I base it on 12 years' service in the guard, that the matter of getting leave from these maneuvers for both officers and men in case their civil employment and means of livelihood is jeopardized can be readily obtained. I think it should be understood on the part of all concerned that where the bread and butter of a man is involved in getting leave for these maneuvers, no difficulty should be imposed or any opprobrium attached to such leave.

The purpose of these 1940 maneuvers is to consolidate effectively the gains made in training in the fiscal year of 1940. By these maneuvers training of the commanders and staffs and both large and small units, and the necessary coordination of all arms make these maneuvers necessary during the next fiscal year. Otherwise the training already received and which is now fresh in the minds of the participants in these maneuvers will be forgotten.

While I am on the subject, may I call attention to the fact that the enlisted officer strength of the Regular Army is 13,350, with an enlisted personnel of 229,303. This is a pitifully small army for a nation of our size, with our coast line. This force is, of course, supplemented by the National Guard of the various States, with an officer strength of 14,472, and an enlisted personnel of 224,338. The Federal Government is appropriating for the purposes of the National Guard an average of \$75,000,000 a year. The State appropriation for the National Guard in the fiscal year of 1939 was approximately \$12,000,000. It is the judgment of the Chief of Staff and the almost unanimous opinion of the National Guard group that these maneuvers will do no violence to the future enlistments of the Guard, but, on the contrary, will make the citizen soldier self-reliant and able to take care of himself under combat conditions if that time comes.

The eastern corps area maneuvers are to be held in the Watertown-Plattsburg sector in northern New York, where there is an ideal terrain for this performance. The eastern

corps area is under the command of Major General Drum, with Brigadier General Phillipson as Chief of Staff. Major General Drum is one of the most distinguished soldiers in the American service. In reading over General Pershing's memoirs the other night, I found several complimentary references to his service in the World War. The people of the United States unfortunately do not come closely in contact with the officers of the Regular Establishment and know little about the work that these splendid officers are doing with the pitifully small funds provided by Congress for the land forces. Both Generals Drum and Phillipson represent the best traditions of the American Army, and in their hands the eastern corps area maneuvers will prove of lasting and permanent benefit to both the Regular Establishment and the National Guard.

I feel confident that the House will leave this appropriation as reported by the committee.

Mr. CASE of South Dakota. Mr. Chairman, I yield 7 minutes to the gentleman from New Jersey [Mr. VREELAND].

Mr. VREELAND. Mr. Chairman, I want nothing I may say this afternoon to be considered as critical of the War Department or the Committee on Appropriations. I frankly admit I am not as conversant with the situation in the Regular Army as they. However, I believe in considering the War Department appropriations and our national defense that we give some thought not only to the present but to the future.

The Chief of Staff of the Army yesterday made a statement before the committee to the effect that when the fires in Europe become hot in the summer we had better watch that the sparks do not land in the Western Hemisphere. After all, we are considering a situation that is more serious than just talk.

In dealing with war or considering war I know of no better illustration than that given by General Drum last summer to the troops at the close of the maneuver. He told the story of the Irish lad who had just received his pilot's license and was told by his instructor that he should learn how to bail out in a parachute. When up in the plane they noticed an open spot. The pilot asked him to bail out. He refused. That happened several times. At last they came down, and the pilot said to the Irish lad, "Pat, why didn't you jump?" Pat turned to him and said, "Well, I'll tell you. As I looked over the side of that ship and looked down 5,000 feet I thought to meself, thought I, 'Why practice something you have to be perfect in the first time you try it?'" [Laughter.]

After all, when dealing with a conflict such as is now going on on the other side, we cannot practice. Our standing Army today is a little over 200,000, it is very able, and it is properly officered; but when we consider maneuvers in Europe where they talk of millions of men in the field facing each other, 200,000 men are merely a handful. God forbid that we ever do get into a major emergency, but should we do so who will officer the new Army we must raise from the civilian population?

I believe that under the Army plans the Reserve officers, of whom there are 125,000, will have to take on that job. Where will we get the officers that may be required? Most of the present officers, the older ones, the higher-ranking officers, have come out of the World War or were commissioned shortly after the close of it. The balance of the officers, the younger ones, have come from three sources—from civilian life as specialists, from the R. O. T. C., and from the C. M. T. C. Statistics will show that while the number of men who take the basic course of the C. M. T. C. in the summer is very large, those returning are less than 10 percent, and less than 10 percent of that number go through to commission. Therefore the majority of the officers to handle the new incoming Army when needed will be from the R. O. T. C.

We have colleges throughout the country at the present time that have mighty fine R. O. T. C. units which are doing a very good job, but there are still many, many more colleges in this country which desire to have such a unit. A very good example, in my own district, is Seton Hall College, which

10 years ago had an R. O. T. C. unit, but the United States Army took it away because the college did not have the required and proper facilities. When the unit was taken away it was with the promise that it would be returned when, as, and if the facilities were proper. Seton Hall College on that promise proceeded to do the necessary building and has just completed a \$850,000 gymnasium, with offices for the R. O. T. C. officers and instructors, and with ranges and the necessary equipment prescribed by the War Department. Upon application to the War Department we find there are insufficient officers to be sent there for R. O. T. C. duty to train the students in this school. This is one of three-hundred-odd applicant colleges in this country.

We find that the Army is retiring officers daily for disability or various other reasons, such as for age or inability to pass certain physical examinations. I have often wondered why these officers, while they are perhaps not physically capable of entering the field for active duty with troops, cannot be utilized as instructors in the R. O. T. C. units. These men have been trained for years at the expense of this Government; they have done a mighty fine job; and they have years of experience behind them. There is no reason why this world of knowledge they have stored up in their years of training with the Army should be lost forever to the students who could use it today. The boy in college now will be the officer who will have to train our troops in the future. We have a very glaring example of an army without proper officer personnel in Russia, where the experienced officers were purged and replaced by political officers and outmaneuvered by a small, well-officered Finnish force.

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

Mr. VREELAND. I yield to the gentleman from Vermont.

Mr. PLUMLEY. What reason did the War Department give the gentleman as a basis for saying there is an insufficient number of officers to meet the demands made by those institutions at which an R. O. T. C. unit might be established?

Mr. VREELAND. The reason given is that all the officers are needed with the troops under the intense training schedule they have at the present time. [Applause.]

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. BOLLES].

Mr. BOLLES. Mr. Chairman, I have been, like others, greatly disturbed over the future of this Republic. None here proposes the remedy or the answer. What we get is a patchwork. We do not put new glass in the windows when the panes are broken. We stuff them with rags.

We have been tinkering with government for 7 years. The remedies have signally failed. We have suffered the fate of Johnny Smith, and you remember what happened to him:

Four doctors tackled Johnny Smith.
They blistered and they bled him.
With squills and antibilious pills
And ipecac they fed him.
They stirred him up with calomel
And tried to move his liver,
Yet all in vain his little soul
Was wafted o'er the river.

A great many years ago a great orator in this country spoke to an audience in Boston on the question of this Republic, its safety and its foundations. It followed the Civil War, when there was great chaos. This was Phillips Brooks, and I quote at some length from him because what he said at that time is so pertinent today.

The real question everywhere is whether the world, distracted and confused as everybody sees that it is, is going to be patched up and restored to what it used to be, or whether it is going forward into a quite new and different kind of life, whose exact nature nobody can pretend to foretell, but which is to be distinctly new, unlike the life of any age which the world has seen already. Men say, "The world has been disturbed before. Classes have clashed with one another. Governed and governors, employed and employers, rich and poor, have come to blows in other days but things have always adjusted themselves again. The stronger have grown kinder; the weaker have grown humbler; the paternal Governor has grown more fatherly; the obedient subject has grown more filial, and things have gone on again as smoothly as before." "So shall it be again," men say. That is what they expect as the outcome of all this conflict. But other men see clearer. It is im-

possible that the old conditions, so shaken and broken, can ever be repaired and stand just as they stood before. The time has come when something more than mere repair and restoration of the old is necessary. The old must die and a new must come forth out of its tomb. It is not going to be enough that the strong should once more grow kinder and the weak grow humbler. The balance and distribution of strength and weakness is being altered, must be altered more and more. The sources of artificial strength and artificial weakness are being dried up. Governors and governed, employers and employed are coming to be coworkers for the same ends. Not the old mercies repeated, but new mercies going vastly deeper than the old—these are what men are beginning to see that the world is needing.

Nero, degenerate Emperor of Rome, killed Paul. He ordered him beheaded. They cast the body aside, food for buzzards and dogs. To them that was an end to Paul. True, he had harmed no one; he was not a malefactor, a thief, or a murderer. He was not a brawler nor a roisterer. He stirred up no revolution, incited no mobs, gave proper attention to legal authority, lived simply, almost ascetically. Yet Nero slew him. The seething, moving, groaning, snarling, murmuring, volatile mob of Rome, seeking food for the body and starving for some mystic bread of life, confused by multiplication of gods, portents, signs, and omens, bewildered and distraught by tyrannical edicts, prohibitions, and enslavements, had listened to Paul. They heard of a new life, a life eternal. And so Paul died because so many had listened.

For I am now ready to be offered—

He wrote to his beloved young friend and companion, Timothy, just before he died—

and the time of my departure is at hand. I have fought the good fight, I have finished my course, I have kept the faith.

If this was a sermon, that would be my text, "I have kept the faith." We may not all finish the course; that may not be possible. But we can keep the faith. And if we do not keep the faith, we shall suffer the most terrible of all disasters, moral collapse. Toward that cataclysmic finality we have been moving fast in the past decade. The human being inside is the same one that Paul met in Ephesus, the replica of the seeker for light in Rome.

So we have been seeking the ideal life in America for far more than a century. Like the children of Israel, we have now wandered far away after strange gods. We had an idea founded on fact that this was a republic of individual men and women who slowly, persistently, and successfully fought their way out of struggle into independence. They hewed the way without aid from government or by borrowing a Federal Government's ax to change a forest into a great productive area.

The morale of a great people has been atrophied by a policy of government that insists on supporting them. I was shocked the other day to hear men of high mental caliber on this floor say that if we did not give subsidies to our youth they would go into the criminal life.

That is false. It is slander. How many men on this floor fought their way through school! They were not deterred by menial jobs. They buckled into whatever was there. They sifted ashes and waited on table. They are the ones who grew into places of consequence and realization of what education means. Uncoddled, youth may still fight that battle.

I hear it repeated again and again that this Nation of ours is a democracy, and we talk heatedly on this floor of preserving democracies. Nothing could be more fallacious. We are not now, and never have been, a democracy. This was a republic with a representative law making government. It is not a democracy, but fast growing to be a bureaucracy, and bureaucracy is the right arm of totalitarian government. Russia, under the czars, was for a century the extreme example of a bureaucracy, and Stalin has followed that example.

Perhaps we may get back to a republic after November 1940. We have never been a war like Nation. We have never been a military Nation. Our struggle has been for peace and not for war. Our battle was for arbitration in peace rather than the arbitrament of armed conflict. Our method allows men of different opinions to live together in society. We need no armed force to keep domestic peace.

And we are not at war with any other nation. We have no enemies unless we make them ourselves by our own foolish actions at the other end of the avenue.

And yet we are confronted here with nearly a billion dollars in an appropriation bill for military purposes. If we were at war, were threatened by invasion of our coasts, were mobilizing for defense, or there was even a challenge to our solidarity as a nation, we might be excused by those who will pay the bill for this action. Under the circumstances, as they exist, it is inexcusable. It is less justifiable when we consider our own domestic needs and pressing demands to solve our home problems. The first step in every dictatorship has been to build up a great military establishment. That goes far beyond adequate defense.

Let me quote from Dr. Everett Dean Martin, of California:

Every totalitarian state is a revolutionary state. It is ruled by a despotism, by a revolutionary dictatorship. Its present government is the result of a conspiracy which has seized power; which rules without constitutional guarantees of human freedom; which has gained its supremacy over its own nation by methods that decent men would not use; which is now seeking to use the same methods to dominate the world, not merely by force, but by rascality and crookedness. This movement works to put decent people everywhere on the defensive by taking advantage of their very decency and love of peace and their disposition to mind their own business.

These revolutionary governments have tried by propaganda to impose their revolutionary procedure for the last 15 years not only on their own countries, but on all countries. Now they have merely thrown off their masks, and are doing what everybody who carefully studied them knew they would do and must do in order to survive. They have now turned from mere propaganda to the use of military force.

Having exhausted all the wiles of propaganda, the troops are called out.

I want to see these domestic problems attacked. We need action. We need employment consonant with the demand of our people for goods and commodities, and not a pampering of cheap, poverty-on-edge foreign labor. We need a relief program that will pay those aided something beside a starvation wage or dole. We need an old-age pension plan that will keep the cupboard from being bare half the time. We need a farm policy that will not smother the farmer under a load of foreign farm and dairy products. We need about 100,000 employees off the pay rolls. We need a new President who will stop experiments. We need a real foreign policy.

Thank God, we have not yet completely eroded the Constitution. True, we shall never again be the same as in the past. We may not, in 4 years, be able to unscramble the broken eggs of 7 years, but can at least pick out the pieces of shell and get them into the garbage can.

I have faith in America and the American people. If we can halt the marching army of Treasury looters and money grabbers, we will go forward to a new dawn.

When the great Cathedral of St. Paul in London burned there was picked from its ruins a blackened stone on which was in Latin, translated, this: "I shall rise again." And Sir Christopher Wren, under its inspiration, built St. Paul's as it is today, and has stood so for 3 centuries. I submit that as a slogan for the American people in this hour of disturbance "I shall rise again." [Applause.]

Mr. CASE of South Dakota. Mr. Chairman, I yield the balance of the time on this side—11 minutes—to the gentleman from North Dakota [Mr. BURDICK].

Mr. SNYDER. Mr. Chairman, I yield the gentleman from North Dakota 4 additional minutes.

Mr. BURDICK. Mr. Chairman, I do not know what has happened to the Republicans on my side. They all seem to be poetic today. I am at a disadvantage in that respect because I am not a student of poetry. I have browsed around among some of the minor poets of the world, and the only thing I can think of that is appropriate right now is to quote from Shakespeare's Hamlet, where he said:

The time is out of joint; O cursed spite,
That ever I was born to set it right!

When we are talking upon the questions before this Congress those of us who are a little bit outspoken on changing the present system are sometimes greatly misunderstood. We have been cataloged as radicals, and sometimes as danger-

ous characters; but I can say, in speaking for myself, at least, that the only thing I have ever tried to do in this Congress has been to make this Government better, and wherever I find that the Government has erred I am not afraid to speak out and register my protest. We are misunderstood because there is not one of these men of my acquaintance who is not ardently anxious to continue this great experiment of government, and the only way that can be done is to correct the evils as they appear.

I want to speak directly on the war appropriation bill today. I have many times in this House said that in order to be prepared to protect ourselves we must first prepare the people of this country to protect themselves.

With 12,000,000 people out of employment, and I think that number comes closer to it than anybody else's guess, this Congress must recognize that we have a great war problem right here at home. Many speakers today have said that we have surpluses of everything in America. If that is to be taken as literally true, how much more of an indictment it is on the way we have run this Government, to say that we have an abundance of everything and still all of these people out of a job, with nothing to eat, nothing to wear, no place to sleep. I can well remember when I first came to Congress in 1935 that we had a drought in North Dakota and our livestock was starving to death. The Government bought hay to feed that livestock, but thousands and thousands of the livestock died in sight of the haystacks that they could not eat because of red tape on the part of the Government. The stock died and the hay rotted in the yards. Today with an overabundance of everything there should be no people in this country hungry or in distress. It is a case in the country today not of overproduction but of underconsumption. We must do something to put back the normal capacity of the people to consume, and many bills are in this Congress that would do that very thing. I am not so particular about matters of legislation that I can see only one view of the matter. If the bills that I am interested in do not suit the majority, and they have a better plan, I am entirely willing to give way on my special plan and to aid in putting through something that will help the people of this country.

The farm situation in the matter of unemployment represents a terrible condition. It is unnecessary to recount the number of farms that have been foreclosed, and the number about to be foreclosed, or the number of homes that have been lost in America. Suffice it to say that the number of tenants in the United States is increasing alarmingly every year, every week, and every month; and unless we give the people of America homes to fight for, there will not be the spirit to defend this country that there ought to be. I say to you that in normal times the farms of America supply about one-third of all of the jobs of employables in the United States, and when those farms are lost, when they are threatened with foreclosure and the prices obtained for the products do not cover the cost of production, or a decent standard of living, they cannot employ anybody.

The first thing we must do, therefore, if we want this country protected, is to save the remaining farms of America, to see that no more are lost, see that we do not increase the number of sharecroppers and tenants any more than they are now; and we must get back to the land those families who have lost their farms, who want to farm, and who cannot do anything else; and we must find some system in this country, some legislation that will enable these people to go back on the farms and create other farm homes. Also, the sharecroppers and the tenants must have an opportunity to get a home of their own on the soil. When those factors are taken care of, it means that one-third of all of the unemployed people of this country will have potential employment on the farms of America. A lot of people have said that this tenant problem is nothing more or less than the Negro problem in the South. I call attention to the fact that two-thirds of all of the croppers and tenants of the South are not Negroes but are white people, so that it is a problem that affects all.

You will notice in the newspapers every day, if you look at them, that the amount of money on deposit in the banks is increasing right along. We have the greatest amount of

bank deposits unused on the books today than at any time in our history. What does that mean? It means that this money is not circulating; it means that the money is stagnant. I do not care what you do with those \$17,000,000,000 out in Kentucky. If you bring it in and farm it out under the same system we have today, you will be just as bad off as you are today. In other words, this Government must sometime take control of the Nation's credit and use it for the people. Today that is not being done. The Nation's credit is being given to private banking institutions, and they in turn farm it out to the people at interest rates. The public and private debt in America today amounts to \$360,000,000,000.

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

Mr. KNUTSON. Is it not a fact that the money changers have fared better in the last 7 years than ever before in the history of the Republic?

Mr. BURDICK. The gentleman is correct, and the interest on this amount of debt every year equals over \$14,000,000,000. Now just think of it. The income of the farmers last year was \$7,000,000,000; the income of labor was \$7,000,000,000. Add them together, take it all, and you can barely pay the interest on this debt. That is what is losing the homes of this country.

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

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

Mr. CRAWFORD. With a great deal of interest and education, I looked over one of the reports that the gentleman has been commenting on this afternoon, and I hope every Member of the House will read it. I want to ask the gentleman this question: Does the gentleman believe that the farm problem, or whatever you choose to call it, can ever be adequately dealt with in this country until we get around to where the farmer can sell what he produces at the market place, at a reasonable price, and get entirely away from all kinds of Federal subsidies and Federal appropriations?

Mr. BURDICK. I do not think there is a farmer in the United States who wants any Federal subsidy. All he wants is a decent standard of living and an income that will secure that standard. That is all he wants.

Mr. CRAWFORD. And to come to him through the sale of his goods at the market place, independent of all kinds of organizations and appropriations?

Mr. BURDICK. The gentleman is absolutely correct.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

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

Mr. H. CARL ANDERSEN. I am very much interested in the discussion by the gentleman from North Dakota. I want to ask this question: Do you think that the Government subsidies amounting to \$3,000,000,000 given to the farmers in the last 6 years for not producing crops which their good land could produce, will ever replace the \$11,000,000,000 of gross farm income that the farmer did not receive in the last 7 years as compared with what he received in the 7 years prior to the accession of the New Deal?

Mr. BURDICK. My only answer to that is that the farmers of America were very glad to accept anything they could get from this Congress, and they are still in that position. It is better to receive a little something than to receive nothing at all.

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

Mr. BURDICK. I yield to the gentleman.

Mr. GIFFORD. I am wondering whether the farmer resents so much Government supervision. The inspector showed his card and the farmer had to submit; later when he saw the bull chasing the inspector he called to him and said, "Show the bull your card." Is this indicative of the true feelings of the farmers?

Mr. BURDICK. Well, the only thing I can say is that there is quite a lot of bull in that question. [Laughter.]

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

Mr. BURDICK. I yield to the gentleman from Kentucky.
Mr. MAY. I would like to inquire of the gentleman, who is well informed on farm subjects, if he does not believe that the program of subsidies to restrict crop production, plus the idea that we go to other sections of the country and spend millions to bring in other crops, has not worked in spite of seven or eight billion dollars expense, and does he not think that the solution of the whole thing is some kind of a distribution system rather than restricted production?

Mr. BURDICK. I do. I think the gentleman is right on that. I want to say further in answer to your inquiry that I think the Nation as a whole has been benefited by the trade agreements, but that in spots, especially in agriculture, they have taken the worst of it.

Mr. MAY. Will the gentleman yield further?

Mr. BURDICK. I yield.

Mr. MAY. Does not the gentleman believe that if the farmer could get even a medium price and could get a market for his products it would stop all necessary subsidies?

Mr. BURDICK. Absolutely; the gentleman is right.

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

Mr. BURDICK. I yield.

Mr. MASSINGALE. I just wanted to ask a question something similar to the one which the gentleman from Kentucky [Mr. MAY] asked, except that it takes a little different slant. Does not the gentleman believe that the enactment into law of the principles of cost of production will do more good to the American farmer than all the subsidies you can ever give him?

Mr. BURDICK. That is right. I have always been of that opinion.

Mr. VOORHIS of California. I do not want to interrupt the gentleman if he desires to proceed.

Mr. BURDICK. Go ahead. If I were not interrupted I would not know what to talk about. [Laughter.]

Mr. VOORHIS of California. I just wanted to ask the gentleman this question. I gathered from the remarks of the gentleman from Illinois [Mr. DIRKSEN] that one of the reasons why we did not get the better of unemployment was because we did not have a higher interest rate. I would like to ask the gentleman what he thinks about that, particularly with regard to farm loans?

Mr. BURDICK. Anyone who makes a statement in public or private demanding higher interest rates for any group should be examined by some court to find out whether he is safe to be let out or not. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURDICK. May I have 2 more minutes?

Mr. ENGEL. I have no further time on this side.

Mr. BURDICK. I want to indulge on your generosity, Mr. Chairman, to conclude by saying that every time I am speaking in this House and I get interested in the subject myself, the time runs out. [Laughter and applause.]

I. THE PROBLEM

The problems of farm tenancy and landlordism concern themselves with seven groups of insecure farm families:

A. TENANTS

Although in all areas of the United States there are notable instances of desirable relationships between tenants and landlords, tenancy conditions, in many cases and areas, are unsatisfactory to both tenant and landlord, are condemned by both, and are objectionable from the point of view of social welfare.

Tenants still move with some freedom up the agricultural ladder. Yet tenancy in many areas presents serious problems of insecurity, instability of occupancy, and lack of concern with soil conservation.

In the earlier period of our history, the rise to farm ownership was relatively easy. Young farmers remained tenants only a comparatively few years and few failed ultimately to become owners. Today, thousands find the ascent so difficult that more of them each generation get stalled, and remain tenants the rest of their lives. Census figures

show that the distribution of farm tenants among age groups has progressively changed to the end that greater and greater percentages are being found in the older-age groups.

Tenancy has increased from 25 percent of all farmers in 1880 to 42 percent in 1935. Because of debt the actual equity of operating owners is far less than these figures indicate. About two-thirds of the tenants and croppers of the United States are located in the South. The problem there, it should be noted, is not a race problem, for of southern tenants and croppers two-thirds are whites, and only one-third are Negroes.

B. CROPPERS

The cropper system prevails principally in the southern cotton and tobacco areas. Croppers operate 716,000 farms, or over 10 percent of all farms in the United States; they constitute 39 percent of all croppers and tenants combined in the South.

Croppers who generally supply only their labor are usually more insecure than tenants. Even the slender protection of the cropper contract has recently become less effective, as conditions have impelled landlords to convert many croppers into laborers, dependent on casual employment for wages. Low standards of living among croppers are in some sections giving rise to unrest.

C. FARM LABORERS

More than one-fourth of all persons gainfully employed in agriculture in 1930 were farm wage laborers. From the standpoint of conditions of employment to which they are subject, they include a number of types.

Perhaps the most secure groups are those who, though hired on a monthly basis, have year-long employment, residing on the farm of the employer. These include, among others, the hired men who live in the homes of their employers and are treated almost as members of the family—apparently a group that has diminished in relative importance.

Probably the great majority of hired farm laborers are dependent on irregular employment. Many move about within one general locality. These include individuals who live on farms and occasionally help neighboring farmers; occupiers of small subsistence units and who depend on casual farm employment for a small and uncertain cash income; and casual workers from towns and cities who migrate to nearby cotton fields, truck or fruit farms to work in seasons of peak labor requirements. In the South families alternately become croppers and hired laborers. There is also a large and apparently increasing number of laborers who migrate long distances from the locality which they regard as home. Such laborers migrate both as individuals and as families. The latter frequently depend upon the wages of men, women, and children to eke out a bare subsistence. Some of them have no permanent abode. They work mainly with intensive crops, such as fruit, sugar beets, and vegetables, following the harvest season from locality to locality.

Some laborers succeed in climbing into the status of tenants or even owners. In depression periods, however, large numbers of tenants and small owners overburdened with debt become migratory laborers. Most farm laborers have uncertainty of employment as their general lot; their earnings and standard of living are correspondingly low. But the situation of the hand laborers in intensive agriculture is especially precarious. The conditions under which they work and live have already promoted strife in widely scattered areas. West of the Mississippi the number of migratory laborers has recently been augmented by farm families from drought areas.

To recapitulate, there may be said to be five groups of farm laborers:

First. Typical hired man, a figure rapidly disappearing from the agricultural scene, as he is being replaced more and more by the seasonal worker and by the use of time- and labor-saving machinery.

Second. Groups of wage workers who are employed on farms hiring two, three, or more laborers.

Third. Woman and child labor, particularly widespread in the sugar-beet and other industries, in which contracts are based on acreage to be harvested rather than on an individual laborer's time.

Fourth. Migratory workers: Hired labor in most sections of the country called in to supplement unpaid family labor, to meet seasonal demands.

Fifth. Gang labor: The "semi-industrialized rural proletariat" working seasonally on large-scale farms in areas of heavy concentration of hired labor.

D. FAMILIES ON SUBMARGINAL LAND

Such families, whether tenants or owners, occupy land incapable, under any system of farming, of maintaining an adequate standard of living. Recent estimates place the number of such farm families at over one-half million of our six and one-half million farmers.

E. FAMILIES ON HOLDINGS OF INADEQUATE SIZE

There are many thousands of families, both owners and tenants, endeavoring to support themselves by full-time farming on holdings insufficient in size to provide an adequate standard of living by any system of farming which will maintain soil fertility. Such families are faced by steady impoverishment. In many cases farms of inadequate size are attributable to the influence of the homestead policies; they are especially numerous in areas, like the Great Plains, where the homestead policies operated most recently. A large number of farm units in the South are also unduly small and could only with difficulty change from a one-crop system to a more secure system of farming.

F. OWNER FAMILIES HOPELESSLY IN DEBT

Thousands of farm owner-operators are burdened with indebtedness contracted for amounts so large, at rates so high, or for terms so short that without alleviation of their conditions they are likely to be forced to become tenants or croppers or join the ranks of migratory farm laborers or casual workers in other employments.

G. FARM YOUNG PEOPLE UNABLE TO OBTAIN FARMS

There are many young people in rural areas who are unable to obtain farms. A considerable proportion of these would migrate to cities if industrial opportunity offered. When that opportunity fails, they remain to increase the pressure on the land and the competition in the lower tenure groups.

H. FARM OWNERS

The farm owner has an important place in the study of farm tenancy. Once a farmer obtains ownership of his property it is essential that he maintain that ownership; it is essential that he stay on the top rung of the agricultural ladder and not descend to the lower rungs, where his presence would further complicate the tenancy situation.

In order to assure maintenance of the tenancy status of the farm owner, it is necessary to assure him credit at low rates of interest, available at times of greatest need, which are likely to be times when least collateral and security are available.

Maintenance of the farm owner as a land owner also may be said to involve the whole agricultural program, parity, soil conservation, acreage adjustment, research, and technical aid.

It must be remembered, however, that less than half—47 percent—of the farmers of the United States own all of the land they farm. Mere maintenance of present farm owners in the owner class will not, therefore, solve the tenancy question.

An additional 10 percent of all farmers are only part owners.

Mr. Chairman, we should not delay the program in this Congress to restore a living chance to the millions who are in distress. I propose to act now—right now—at this session. To complain of this debacle and offer nothing in its place would not be acting honestly either with this Congress or the people at large. I therefore definitely propose a program that is right now before this Congress, the enactment of which will restore self-respect to every citizen in the United States and will cost far less than the pain-killing remedies we have

been applying since 1932. Our present state of inaction is not chargeable to any one single party, but to both. The Republicans, as well as the Democrats, are equally responsible. The following bills will do the job. I do not maintain that these are the only bills before Congress that provide a remedy, but I do maintain that these bills, if passed, will be the beginning of a new day in this great Government of ours. These bills are:

House Resolution No. 217, to restore to Congress the sole power to issue money and regulate the value thereof.

H. R. 7600, to eliminate debt money and taxes, set up an honest, scientific monetary system based on the potential productivity of the country, and which shall reflect the needs of the consumers as well as producers.

H. R. 8348, to maintain homes in the United States and provide power to consume goods and provide opportunity for the employment of the idle.

H. R. 9008, 9009, and 9010, covering other crops.

The Townsend Old Age Security Act.

The Jones Farm Credit Act, providing for debt adjustment and refinance of loans.

The Peterson Farm Tenant Act.

Mr. SNYDER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, in the first place I would like to say today that I regret very sincerely I was not on the floor yesterday when the gentleman from Massachusetts made his speech. I tried very hard to get here. It happened that we were having a meeting of the Flood Control Committee which had a bearing on my own section of the country. In spite of the fact that I ran all the way to the floor, I did not get here in time.

The second thing I want to say is that I regret exceedingly to see any Member of the House, least of all one whose ability is as great as that of the gentleman from Illinois, rise on the floor and make a speech predicting dire calamity for the Nation without offering us one shred of suggestion as to what we ought to do about the situation which he thinks is wrong.

I want to point out that the main reason this country has been buying gold is because the country is not ready to import in balance with its exports and because it wants to continue to have a so-called favorable balance of trade. Gold has been pouring in here because we have been selling far more abroad than we bought. I agree the situation is rather ridiculous—exchanging valuable products for gold we do not know what to do with. But I feel sure I have given the reason why it happens. I do not know what the answer to this gold problem is exactly. I do know that the real way to stop the flow of gold is to increase the general level of national prosperity, to solve the unemployment problem, to increase the consumer buying power of this country, so you can afford to import more than you do now without endangering anybody's job. Under those circumstances gold will cease to flow. My own feeling about the matter is that most of the trouble is that the gold we have bought has not been used for the benefit of the people. My main concern is that once the American people have bought and paid for this metal that it has been allowed to lie idle, and, instead of using that metal as a psychological base for credit, we have proceeded with the selling of bonds for bank credit and thus unnecessarily increased the public debt. I am not in favor of any step of return to the gold standard. But I do think it could be used as a base or reserve for national credit, thus saving completely the interest now paid on bonds sold in order to expand buying power in circulation when such action appears necessary.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield? I know his time is short.

Mr. VOORHIS of California. I have 3 minutes, and look at what I am trying to talk about.

Mr. WHITE of Idaho. The gentleman knows there are \$12,000,000,000 of gold certificates out as warehouse receipts against that gold.

Mr. VOORHIS of California. I was just going to talk about that; in my judgment, it is a mistake when the Federal

Treasury pays for gold that is imported to in turn give a gold certificate to a Federal Reserve bank in equal amount. By law that gold belongs to the people of the United States, yet we issue gold certificates and give them to a private bank. I do not think we should. I think we should issue instead of that certificates of indebtedness of the United States, a note, or something of that sort, but not a gold certificate; and I want to suggest just this one thing to you: The main reason that there has not been a constructive use made of these metals that have been purchased, in my judgment, is because if there were such use made of them, since they belong to the people of America, the whole country would find out how unnecessary it is to base the money of a nation on debt owed to a private banking system.

I know we will continue to hear from the Republican side how our trouble is lack of confidence and how the idle bank reserves are primarily due to that. Well let us see. All through the twenties there was plenty of confidence, I presume. Why? Because consumer buying power was kept up fairly near equal with production. Investment in housing, \$11,000,000,000 of consumers' debt, and large foreign loans accomplished this. In 1929 confidence disappeared in spite of the fact that Mr. Hoover was President. Why? Because the bubble of both consumers and foreign debt burst and \$8,000,000,000 of bank credit money was withdrawn from circulation. There was not enough buying power.

Confidence began to return in 1933 and things improved. Why? Because consumer buying power was being expanded in line with production, though at the expense of increasing debt. Confidence was very high in September, October, November, and December 1939. Why? The Democrats were still in power then. Yes. But war orders—new buying power—were coming in, so confidence was returning. What happened more recently? Simply that production, under present monetary and distributive system, outruns the buying power in the hands of consumers. It is here the answer to lack of confidence is clearly to be found. A steady market—a stable dollar—these will give confidence I feel sure.

Mr. SNYDER. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri, Mr. CANNON.

Mr. CANNON of Missouri. Mr. Chairman, with the passage of this bill today, the House and the Committee on Appropriations establishes a record unequalled in any previous Congress. It is the last of the regular annual appropriation bills. The relief bill not yet reported is a legislative bill and is not one of the regular annual appropriation bills. Commencing with the week of January 8, which was the first full week of the present session, the committee has prepared and reported to the House 14 appropriation bills—11 regular annual bills and 3 deficiency or supplemental measures—in this 13-week period. This is one bill better than an average of a bill a week.

This is the best work record the committee has attained since the establishment of the Budget system, commencing with the second session of the Sixty-seventh Congress. The following tabulation shows the dates of reporting the last of the regular annual supply bills to the House at previous comparable sessions of Congress. The tabulation is divided into two periods, the long sessions of the period prior to the change from December to January in the convening date of Congress and the period when all sessions of Congress began in January. In consideration of the dates of the former period it should be remembered that a month's more time was devoted to the bills when Congress convened in December and a month could be added to the reporting dates in order to compare those dates with the reporting dates of the latter period when the session started in January.

An examination of these dates shows that the earliest date upon which the last of the regular bills was reported in the former period was March 17—nine bills. As that session convened in December, a comparable date for present conditions, when the sessions commence in January, would be April 17. The best record of the period following the convening of Congress in January is April 11—nine bills. Comparing these two dates with the record of the present session, April 3—eleven bills—it is apparent that the record of the present ses-

sion, without reference to the comparative number of bills involved, is better than the best record of the period when sessions began in December by 2 weeks and better than the best record of the period when sessions began in January by 8 days. If allowance is made for the fact that at the present session two more regular annual bills were handled by April 3 than are included in the records of the previous periods, the record of this session is better than the previous records by approximately 4 weeks and 3 weeks, respectively.

Mr. Marcellus C. Sheild, the clerk of the Committee on Appropriations, to whose able, efficient cooperation much of the credit for this record is due, supplies the following table of dates upon which the last of the regular annual appropriation bills were reported to the House and the respective dates of adjournment of Congress at that session:

Reporting record of the regular annual appropriation bills since establishment of budget system

Congress and session	Date of reporting the last regular annual appropriation bill to the House	Date of session's adjournment
The following are regular "long" sessions which met on the first Monday in December of the respective years:		
67th Cong., 2d sess.	Apr. 8 (11 bills)	Sept. 22, 1922
68th Cong., 1st sess.	May 24 (9 bills)	June 7, 1924
69th Cong., 1st sess.	Mar. 17 (9 bills)	July 3, 1925
70th Cong., 1st sess.	Apr. 10 (9 bills)	May 29, 1928
71st Cong., 2d sess.	May 7 (9 bills)	July 3, 1930
72d Cong., 1st sess.	May 5 (9 bills)	July 16, 1932
The following sessions met in January of each year following the change brought about by the amendment to the Constitution:		
73d Cong., 2d sess.	Apr. 11 (9 bills)	June 18, 1934
74th Cong., 1st sess.	May 13 (9 bills)	Aug. 26, 1935
74th Cong., 2d sess.	Apr. 30 (9 bills)	June 20, 1935
75th Cong., 1st sess.	June 11 ¹ (10 bills)	Aug. 21, 1937
75th Cong., 3d sess.	Apr. 18 (10 bills)	June 16, 1938
76th Cong., 1st sess.	May 18 ² (11 bills)	Aug. 5, 1939
76th Cong., 3d sess.	Apr. 3 (11 bills)	

¹ The number of regular annual bills was increased from 9 to 10 at this session by splitting the War Department appropriation bill into 2 bills—military appropriation bill and War Department civil appropriation bill.

² The number of regular annual bills was increased from 10 to 11 by taking the Department of Labor from the State, Justice, Commerce, and Labor appropriation bill and creating a separate bill for it.

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

Mr. CANNON of Missouri. I yield to the gentleman from Washington, one of the most valuable members of the committee.

Mr. LEAVY. And with the passage of this bill in the amounts provided in the bill, in spite of the fact that we raised the labor social security bill \$67,000,000 last week we have cut the pending bill \$67,000,000 and the books are still in balance so far as the Budget is concerned and the House is concerned. Is this not a fact?

Mr. CANNON of Missouri. The gentleman has anticipated what I was about to add. As he well says, we have made a record not only in the efficient and expeditious manner in which we have reported the supply bills but also—and what is more important—in economy in the appropriations carried by those bills. The 11 regular appropriation bills, as passed by the House, aggregate \$324,158,301 less than the Budget estimates. The 3 deficiency bills passed, \$13,231,375 below the Budget, a total saving in the 14 bills of \$337,389,676, the largest reduction in Budget estimates since the first year after the Budget system was inaugurated, and the best record, considered as a whole, in the history of congressional appropriations.

I might add that the pending relief bill concludes the appropriation program for the session, and the House is ready to adjourn on short notice. If the other body will emulate the excellent example set by the House this Congress will establish a notable record for economy, and adjournment can be taken at an early date. [Applause.]

The Clerk read as follows:

In all, salaries, War Department, \$6,258,188: *Provided*, That the number of warrant officers and enlisted men on duty in the offices of the Chiefs of Ordnance, Engineers, Coast Artillery, Field Artillery, Cavalry, Infantry, and Chaplains on March 5, 1934, shall not be increased, and in lieu of warrant officers and enlisted men whose

services in such offices shall have been terminated for any cause prior to July 1, 1941, their places may be filled by civilians, for the pay of whom, in accordance with the Classification Act of 1923, as amended, the appropriation "Pay of the Army" shall be available.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last two words in order to make an observation in answer to my good friends the gentleman from North Dakota [Mr. BURDICK] and the gentleman from California [Mr. VOORHIS]. I am very fond of the gentleman from North Dakota, but I appreciate, of course, that sometimes his logic is very thin and tenuous, indeed, particularly when he seeks to dismiss an argument by saying that somebody ought to have his head examined, if he happens to be in favor of increased interest rates. It is not for me or any other individual to say what interest rates shall be or to wish them up or down. It is for the inexorable logic of the economic conditions of this country to determine what they will be and what the flow of capital will be as a result.

Now, answering my good friend the gentleman from California as to what the effect will be on the economy of the country, let me submit some figures. Here is a table released by the Securities and Exchange Commission dated April 4, 1940. This is table 4, relative to financings which became effective in February of 1940. Now, get this: New money, \$17,124,000. Refundings, \$196,000,000.

This \$196,000,000 is for the purpose of taking up outstanding bond issues and existing stock issues, but only \$17,000,000 have gone into new financings for capital plant expansion in the country, which is translated into terms of jobs for the idle hands of the country. That is the answer, I may say, to my California friend, and it is not for him or me to say what the interest rate shall be.

When it comes to the question of interest rates, how strange it is that all the responsible farm organizations have expressed themselves in opposition to some of the provisions of the pending Jones-Wheeler bill relating to the recasting of farm credit and farm financing. Why? For the simple reason they know that the private sources of farm credit may be destroyed and the discerning farmers of the country know it. That is the answer to my friend from California and my friend from North Dakota.

Mr. VOORHIS of California. Will the gentleman yield?

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

Mr. VOORHIS of California. The gentleman spoke of the law of supply and demand awhile ago. Does he not believe that money and credit, like other things, ought to find their return in accordance with the law of supply, and if you have a superabundance of money and credit, that the interest rate should thereby be low?

Mr. DIRKSEN. In view of that observation, will the gentleman tell me why his administration is tinkering around with gold and filling the country with excess reserves and deposits, which has a tendency to lower the interest rate on investment capital, with the result that the investment dollars go into storm cellars and stay there? Idle dollars in turn make idle hands.

Mr. VOORHIS of California. The lower the rate of interest on bonds, the less likelihood there is of people investing in bonds. The difference between the amount of return that one can get from a substantial investment on the one hand and an investment in bonds is the deciding factor as to which he will put his money into in all likelihood.

Mr. DIRKSEN. The S. E. C. report shows \$17,000,000 in new investment money, which is probably less than 10 percent of what they were in normal times, or perhaps 5 percent. Where is the answer? The gentleman should find it in view of that fact.

Mr. VOORHIS of California. I made a speech the other day on that.

Mr. DIRKSEN. The gentleman should study the subject of gold imports and its effect on the economy of this country.

Mr. TABER. Will the gentleman yield?

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

Mr. TABER. Does not the gentleman and the House understand that the rate of interest is dependent upon the demand for money?

Mr. DIRKSEN. Definitely.

Mr. TABER. And that the demand for money is dependent upon the degree of operation of business, and the degree of operation of business is dependent upon the confidence that the country has, and in view of the lack of confidence we have had in the last 7 years, the rate of interest has naturally gone down.

Mr. DIRKSEN. When there is no profit to be made, there is no demand for money.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, as a Member of the House of Representatives, it is very interesting to sit here and listen to the discussions that take place in reference to money. I wish that some Members of the House who undertake to discuss money and finances would take into consideration the provisions of economic law. I think it is well understood by all people who know anything about money that the interest rate reflects the business conditions of the country. When business is profitable, people can borrow money and afford to pay higher interest rates. Consequently, when there is a demand for money, the rate of interest goes up. When there is no profit to be had in business, nobody can afford to borrow money. You cannot afford to borrow money at 1 percent if you cannot make a profit and you lose by the operation. It is axiomatic that the low rate of interest indicates a scarcity of money and a deficiency of credit. Of course, there are other factors that enter into the control of interest rates, one of which is the opportunity to invest in Government bonds. This Government has set up the greatest reservoir ever constructed for the storage of wealth out of the reach of taxation. We have created the great Reconstruction Finance Corporation as a supplemental agency to our banking system—created to do the work that a bank ought to do. Until recent times we financed the development of this country through the functions of the banking system, but now we find our banking system has failed and we must set up another agency—the Reconstruction Finance Corporation—to support business and the needs of business—to be financed by money gained from the sale of tax-exempt bonds. This agency is absorbing more and more the investment money of this country into tax-exempt securities and forcing business to turn more and more to the Government for the money with which to function.

Let me call the attention of our learned friend from the great State of New York to the fact that when business is profitable people can afford to borrow money and pay a good rate of interest. As business prospers the rate of interest goes up. We are predicating all our legislation here, however, in fixing a low rate of interest on loans to farmers and others, on the proposition that we will always be in a depressed business condition in this country and that there will be no adequate volume of money with which to do business, so we must fix this low rate of interest.

Mr. Chairman, if we ever have prosperous business conditions in this country, normal conditions, you will find that the market for Government bonds will fail and the price will go down just as it did in 1920, when we saw Government bonds go to 80 and yield 6 percent on the investment. I agree with the gentleman that we are on dangerous ground and that we must take into consideration the forces of economic law and pass legislation to that end. [Applause.]

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have not made a point of order against the pro forma amendments our so-called monetary experts have been offering, but I shall be constrained in the future to make that point of order, and I suggest gentlemen confine their amendments to the bill.

The Clerk read as follows:

For expenses of the Army War College, being for the purchase of the necessary special stationery; textbooks, books of reference, scientific and professional papers, newspapers, and periodicals;

maps; police utensils; employment of temporary, technical, or special services, and expenses of special lectures; pay of employees; and for all other absolutely necessary expenses, \$80,664.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the chairman of the subcommittee a question with regard to the program for the training of Negro pilots.

Mr. SNYDER. I went into this question at the beginning of the consideration of the bill this afternoon with the gentleman from Indiana [Mr. LUDLOW].

Mr. DIRKSEN. After examining the testimony of Mr. Brown before the committee, and also the testimony of the Department, it occurs to me that the War Department is not carrying out the intent of the Congress as recited in Public, No. 18, and probably is not giving the potential Negro pilot equitable consideration. Is my understanding correct that they refuse to enlist them in the Air Corps at this school at Glenview, near Chicago?

Mr. SNYDER. Thus far there has been no occasion to enlist them. The Civil Aeronautics Authority, in conjunction with the War Department, has worked out a plan to train Negro pilots, mechanics, engineers, and so forth, and has established a school near Chicago that is in operation at the present time. When the school has trained a sufficient number of students to warrant the creation of a special unit, I am advised that the War Department will then take such steps as may be necessary looking to the utilization of this additional trained personnel.

Mr. DIRKSEN. Has the gentleman any idea when that will be?

Mr. SNYDER. I should think in the very near future. These civilian schools throughout the country are turning out pilots in from 6 months to a year. You must realize that they did not get started on this training until about 6 months after the bill was passed last year.

Mr. DIRKSEN. The Civil Aeronautics Authority has done its duty in designating the schools. It occurs to me that it is the War Department's duty to articulate that program.

Mr. SNYDER. The War Department has cooperated and is cooperating. It has given them all the necessary equipment and every possible assistance to carry out the training program.

[Here the gavel fell.]

The Clerk read as follows:

For pay of not to exceed an average of 13,796 commissioned officers, \$38,055,754; pay of officers, National Guard, \$100; pay of warrant officers, \$1,351,248; aviation increase to commissioned and warrant officers of the Army, including not to exceed 86 medical officers, \$3,242,593, none of which shall be available for increased pay for making aerial flights by nonflying officers at a rate in excess of \$720 per annum, which shall be the legal maximum rate as to such officers, and such nonflying officers shall be entitled to such rate of increase by performing three or more flights within each 90-day period, pursuant to orders of competent authority, without regard to the duration of such flight or flights; additional pay to officers for length of service, \$10,546,818; pay of an average of not to exceed 220,969 enlisted men of the line and staff, not including the Philippine Scouts, \$103,451,160; Regular Army Reserve, \$1,119,816; pay of enlisted men of National Guard, \$100; aviation increase to enlisted men of the Army, \$1,819,100; pay of enlisted men of the Philippine Scouts, \$1,050,447; additional pay for length of service to enlisted men, \$8,275,725; pay of commissioned officers on the retired list, \$12,850,930; pay of retired warrant officers and retired members of the Army Nurse Corps, \$1,441,086; increased pay to not to exceed 308 retired officers on active duty, \$394,960; pay of retired enlisted men, \$13,930,512; pay of not to exceed 60 civil-service messengers at not to exceed \$1,200 each at headquarters of the several Territorial departments, corps areas, Army and corps headquarters, Territorial districts, tactical divisions and brigades, service schools, camps, and ports of embarkation and debarkation, \$72,000; pay and allowances of contract surgeons, \$40,656; pay of nurses, \$1,137,820; rental allowances, including allowances for quarters for enlisted men on duty where public quarters are not available, \$11,369,365; subsistence allowances, \$7,200,642; interest on soldiers' deposits, \$70,000; payment of exchange by officers serving in foreign countries and when specially authorized by the Secretary of War, by officers disbursing funds pertaining to the War Department, when serving in Alaska, and all foreign money received shall be charged to and paid out by disbursing officers of the Army at the legal valuation fixed by the Secretary of the Treasury, \$100; in all, \$217,420,932, of which amount \$1,000,000 shall be available immediately; and the money herein appropriated for "Pay of the Army" shall be accounted for

as one fund: *Provided*, That during the fiscal year ending June 30, 1941, no officer of the Army shall be entitled to receive an addition to his pay in consequence of the provisions of the act approved May 11, 1908 (10 U. S. C. 803): *Provided further*, That no part of this or any other appropriation contained in this act shall be available for the pay of any person, civil or military, not a citizen of the United States, unless in the employ of the Government or in a pay status on July 1, 1937, under appropriations for the War Department, nor for the pay of any such person beyond the period of enlistment or termination of employment, but nothing herein shall be construed as applying to instructors of foreign languages at the Military Academy, or to Filipinos in the Army Transport Service, or to persons employed outside of the continental limits of the United States except enlisted men of the Regular Army, other than Philippine Scouts, upon expiration of enlistment, and this provision shall be subject to the provisions of the act entitled "An act for the protection of certain enlisted men of the Army," approved August 19, 1937: *Provided further*, That without deposit to the credit of the Treasurer of the United States and withdrawal on money requisitions, receipts of public moneys from sales or other sources by officers of the Army on disbursing duty and charged in their official accounts, except receipts to be credited to river and harbor and flood-control appropriations and retirement deductions, may be used by them as required for current expenditures, all necessary bookkeeping adjustments of appropriations, funds, and accounts to be made in the settlement of their disbursing accounts.

Mr. SNYDER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SNYDER: On page 11, line 10, strike out "seven hundred and ninety-six" and insert "eight hundred and thirty-one."

Mr. POWERS. Mr. Chairman, will the chairman of the subcommittee tell us why this amendment is necessary?

Mr. SNYDER. May I say to the gentleman from New Jersey that the money is in the bill to cover the payment of these officers, but we just neglected to include 35 of them in the number of officers for the pay of whom the bill provides.

Mr. POWERS. Why not reduce the amount of money? Why increase the number of officers? What is behind it?

Mr. SNYDER. We approved the number of officers in the committee. This is just a mistake in the writing of the bill.

Mr. POWERS. It is a misprint?

Mr. SNYDER. Yes.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Toward the acquisition of land, as authorized by the act of July 26, 1939 (53 Stat. 1123), as follows: Fort Bliss, Tex. (estimated to cost \$800,000), \$500,000; Fort Knox, Ky. (estimated to cost \$1,640,000), \$1,000,000; Fort Meade, S. Dak., \$30,720; Fort Dix, N. J., \$21,000; in all, \$1,551,720, to remain available until July 1, 1942.

Mr. ROBSION of Kentucky. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBSION of Kentucky: Page 30, strike out all of line 3, and in line 4, strike out "\$1,000,000", and correct the total in line 5.

Mr. ROBSION of Kentucky. Mr. Chairman, I shall not speak if the gentleman will accept the amendment.

Mr. POWERS. Does the chairman of the subcommittee indicate that the gentleman from Kentucky makes million-dollar speeches?

The CHAIRMAN. Does the gentleman from Kentucky desire recognition on the amendment?

Mr. ROBSION of Kentucky. Yes, Mr. Chairman.

Mr. Chairman, my amendment strikes out the \$1,000,000 proposed on page 30, lines 3 and 4, for the acquisition of 52,000 acres of additional land for Fort Knox. This land is estimated to cost \$1,640,000. I offer this amendment because my colleague, the gentleman from Kentucky [Mr. CREAL], says this appropriation is unnecessary. The Budget did not ask for this money and the President did not ask for it; nevertheless, it is included in this bill. As far as I can understand, there have been no hearings on this matter.

This provision is unnecessary. What will it do? Why, it will take one-fourth of Meade County in Kentucky, about 500 farms, mostly of good land, and it will destroy the road systems. In that area there is an R. E. A. project which when

completed will cost \$185,000. It will take a great many churches and schools, villages, and cut people in the other part of the county off from their connection with the bridge on the Ohio River and to Louisville, their market. This is a very small county in Kentucky, and this little county is bonded for \$136,000, and this bill proposes to take from them and turn over to the Government, when it has not been recommended by the Budget or the President, more than 52,000 acres. It will take away about \$18,000 in taxes from this county annually. So I trust that my amendment will prevail and we may save here \$1,640,000. There at least should be time for hearings.

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

Mr. ROBSION of Kentucky. I yield.

Mr. STEFAN. I will support the gentleman's amendment for the reason that, if you do not want to give the Army the land for this purpose, we in Nebraska have a tremendous amount of land which has been recommended by high and efficient Army officers for purposes similar to this, and the land is available at, perhaps, a little less money.

Mr. ROBSION of Kentucky. I cannot understand why this appropriation of \$1,000,000 was put in here as the initial step toward a larger appropriation when the Budget did not ask for it, the President did not ask for it, and we already have a great area there at Fort Knox of over 30,000 acres, and yet we are proposing to add 52,000 acres more.

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

Mr. ROBSION of Kentucky. I yield.

Mr. PEARSON. Was any showing made before the Committee on Appropriations giving any reasons for this appropriation?

Mr. ROBSION of Kentucky. I know of none. No hearings were held. The people of Meade County had no opportunity to be heard. With the big deficit and debt facing us, why put this in?

Mr. PEARSON. Is there to be any additional safety?

Mr. ROBSION of Kentucky. I understood from the good Congressman who represents that district, the gentleman from Kentucky [Mr. CREAL], that no showing has been made, and he or I would offer the amendment and I will yield to the gentleman from Kentucky [Mr. CREAL].

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

Mr. ROBSION of Kentucky. I yield.

Mr. MAY. I suppose the gentleman knows that I am quite familiar with the situation at Fort Knox myself, as I have visited it three or four times a year for the last 3 or 4 years.

Mr. ROBSION of Kentucky. I have visited it for a number of years and was pleased.

Mr. MAY. And the gentleman knows they are so badly restricted for land now that they can hardly operate there for maneuver purposes.

Mr. ROBSION of Kentucky. No. I do not know that. Why did not the Army ask for it from the Budget, and why did not the Budget ask for it, and why did not the President ask for it?

Mr. MAY. I do not have to answer that question from the gentleman. He has been in Congress as long as I have and the gentleman knows that the Budget controls in such matters, and the Army is not permitted to tell the Committee anything on earth except what they are told.

Mr. ROBSION of Kentucky. We have here the gentleman from Kentucky [Mr. CREAL] who has been around for the last 20 years or more, and he says the appropriation is not necessary. If we are going to spend the taxpayers' money let us know this is necessary.

[Here the gavel fell.]

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Kentucky [Mr. ROBSION].

The question was taken; and on a division (demanded by Mr. MAY) there were—ayes 43, noes 29.

Mr. MAY. Mr. Chairman, I demand tellers.

The CHAIRMAN. Those in favor of taking this vote by tellers will rise and stand until counted. [After counting.]

Seven Members have risen, not a sufficient number, and tellers are refused.

Mr. O'NEAL. Mr. Chairman, may I respectfully request by unanimous consent that the count be taken again? There were more than seven standing.

The CHAIRMAN. The Chair counted those who rose after the Chair had announced that those in favor of tellers should stand, and the Chair distinctly observed only seven, and, therefore, the Chair refuses again to submit the request.

The Clerk read as follows:

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, including cleaning and laundering of uniforms and clothing at camps; and to forage, at the expense of the United States, public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue when necessary; for purchase of training manuals, including Government publications and blank forms; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit, or, in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for pay for students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920 (10 U. S. C. 387); for the medical and hospital treatment of members of the Reserve Officers' Training Corps, who suffer personal injury or contract disease in line of duty, and for other expenses in connection therewith, including pay and allowances, subsistence, transportation, and burial expenses, as authorized by the act of June 15, 1936 (49 Stat. 1507); for mileage, traveling expenses, or transportation, for transportation of dependents, and for packing and transportation of baggage, as authorized by law, for officers, warrant officers, and enlisted men of the Regular Army traveling on duty pertaining to or on detail to or relief from duty with the Reserve Officers' Training Corps; for the purchase, maintenance, repair, and operation of motor vehicles, including station wagons, \$4,931,417, of which amount \$400,000 shall be available immediately: *Provided*, That the Secretary of War is authorized to issue, without charge, in lieu of purchase, for the use of the Reserve Officers' Training Corps, so many horses now belonging to the Regular Army as he may consider desirable: *Provided*, That uniforms and other equipment or material issued to the Reserve Officers' Training Corps in accordance with law shall be furnished from surplus stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue: *Provided further*, That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished to the Reserve Officers' Training Corps from stocks under the control of the War Department be in excess of the price current at the time the issue is made: *Provided further*, That none of the funds appropriated in this act shall be used for the organization or maintenance of an additional number of mounted, motor transport, or tank units in the Reserve Officers' Training Corps in excess of the number in existence on January 1, 1928: *Provided further*, That none of the funds appropriated in this act shall be available for any expense on account of any student in Air Corps, Dental Corps, or Veterinary units not a member of such units on May 5, 1932, but such stoppage of further enrollments shall not interfere with the maintenance of existing units: *Provided further*, That none of the funds appropriated elsewhere in this act, except for printing and binding and pay and allowances of officers and enlisted men of the Regular Army, shall be used for expenses in connection with the Reserve Officers' Training Corps.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word. I feel it is necessary, in view of testimony offered regarding the Reserve Corps, that something be said about units operating in the various schools and colleges of the country under section 55-C of the national defense, as amended. Under that bill the Secretary of War can provide equipment and that sort of thing to high schools, military academies, and schools and colleges. Today there

are 365 such units in probably 275 schools. I am sure that every Member of the House has at some time or other been under the importunities of the schools in his area relative to applications for junior and senior units in the schools which cannot be available at the present time. I took the trouble to go into the matter rather thoroughly, both with the War Department and elsewhere, and I find 108 junior applications and 49 senior applications, covering 29,000 young men in schools for whom they would like to have this training. The cost would not be a great deal and I am amazed to find that it would be less than \$10 per capita. To take in the additional 108 junior units and 49 senior units initial cost would be \$900,000 for the first year, and approximately \$275,000 in maintenance cost per year thereafter. The difficulty seems to be with the instructor personnel to expand that program and take on other applications. I am informed that the instructor personnel at the present time is very much overworked, and they are trying to induce some of the retired officers to come back into the Service for the purpose of Reserve officers training work, so that if there were an expansion of this program and all applications pending approved, there still would not be sufficient officer material to provide instruction. That seems to be the situation. My first impulse was to offer an amendment to increase the amount carried in the bill by \$900,000, so that we could take care of the 156 applications now pending, but if sufficiently informed officer-instructor personnel is not available for the purpose, then obviously any amount of money that might be added to the bill would be of no avail at the present time. I make that statement because I think other Members have applications on file, no doubt, in the War Department, and that is the situation that exists today. I am willing to forego the opportunity to try to add another \$900,000 to the bill, but even if that were done, it still would not make available that training to many of the schools.

General Marshall, Chief of Staff, and Major Ostrander both testified before the committee at some length concerning this program.

It was pointed out that provision was being made to induce 300 officers on retired status to resume active duty for the purpose of R. O. T. C. instruction. I am advised, however, that of this number, not more than 60 percent might qualify physically and that the 180 officers who would be available, would be only enough to carry the load for the schools which now have training units.

I also explored the possibility of assigning warrant officers or noncommissioned personnel to high schools for the purpose of this instruction. I have been advised that for a number of reasons this does not work out satisfactorily and that the Department is most reluctant to expand the program if it must be done with noncommissioned personnel.

In view of this situation the problem is not one of additional funds but of officer shortage and until this is remedied, extra funds, though made available, would not serve the purpose of expanding this training program during the fiscal year 1941.

I have a very abiding interest in the matter because an application from my own district is now pending before the War Department.

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

The Clerk read as follows:

No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch, or other time-measuring device, a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant.

Mr. COLE of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, Edgewood Arsenal and the Edgewood Chemical Warfare Depot are both located within the military reservation on Gunpowder Neck in Harford County, Md., but are two separate and distinct installations. It is a source of real gratification to me, not only because I represent the district which houses these important and interesting activities but because they present the only establishment of their kind and are so vital therefore to our Atlantic coast States, as well as the country at large, to find the bill now before us—the War Department appropriations bill, providing, first, for the sum of \$854,990 for the Chemical Warfare Service, Army, fiscal year 1941, and specifically for project 21, Reserve chemical and filling plants, and, also, \$918,938 for the fiscal year 1941, for the construction of buildings, utilities, and appurtenances at military posts, specifically under project 1 (i): Edgewood Arsenal, Md., Bush River project.

I congratulate the members of the subcommittee for their decision in this respect.

In partial explanation of the reasons for the appropriations and the effect thereon, I quote at this point from the testimony of Gen. G. C. Marshall, Chief of Staff, page 24 of the hearings:

The estimates carry \$918,918 which will be employed largely for the construction of magazines for the proper housing of ammunition, powder, and explosives now stored in deteriorated warehouses which are located within a few hundred yards of the quarters of personnel stationed at Edgewood and at Fort Hoyle. These conditions endanger the lives of personnel and also of plant and equipment valued at \$30,000,000. The present storage situation grew up following the World War and was in the nature of necessity due to the nonavailability of other buildings in which to store munitions on hand at Edgewood Arsenal when World War activities at that arsenal ceased. The conditions that now exist and have existed since the World War violate all safety standards and should not be continued. As stated previously, they present a distinct hazard to life and property.

This project is part of the \$1,114,000 authorized for the Bush River project by the act approved June 4, 1936. Funds for the accomplishment of this project were requested in the estimates for the fiscal year 1938 and were disallowed by your committee, its report containing a statement substantially as follows:

"The committee feel that there is justification for the construction only in the event the policy is to have all chemical warfare manufacture and the great bulk of the storage in the United States concentrated in one establishment. Concentration has its virtues, but as to this particular activity the estimate raises the question as to whether or not it is wise to have all eggs in one basket. It is believed that the matter is one which should be restudied by the War Department and the Military Affairs Committee."

The question has been restudied by the War Department with the conclusion that the rounding out of Edgewood Arsenal constitutes the most economical plan for solving a difficult situation in the present emergency. To complete the proper rounding out of this arsenal will require new construction for which no authorization exists. The Chemical Warfare Service cannot properly perform its mission with the facilities that now exist, and the completion of the required installations at this plant can be managed at an estimated cost of not to exceed \$5,500,000.

An additional chemical warfare arsenal should be located in the interior, but provision should first be made to facilitate business at Edgewood. The estimated cost of a new arsenal of equivalent capacity to Edgewood is \$20,000,000, exclusive of the cost of land. The requirements of a suitable inland site with adequate safety zones would total 80,000 acres which would require a considerable additional expenditure. If Edgewood were abandoned and a new depot established it would cost approximately \$5,000,000 to move the stocks now at Edgewood. This sum approximates the amount necessary to round out the existing arsenal on a minimum operating basis.

The testimony of Maj. Gen. Walter C. Baker, Chief, Chemical Warfare Service, accompanied by Col. Arthur M. Heritage, Lt. Col. Paul X. English, and Capt. Norman D. Gillet, Chemical Warfare Service, at pages 434 and 435 of the hearings, is of such interest that I quote therefrom:

General BAKER. The Chemical Warfare Service is, in general, responsible for the training of the Army in defense against chemical warfare, and the supply of the necessary munitions and equipment for this purpose; conducting the necessary research and development to insure that the Army will have available the most efficient defensive and offensive material and equipment; with the operation of manufacturing facilities for the supply, not only of material needed in current operation and training, but also the accumulation, insofar as funds are available, of an adequate war reserve.

This service is also responsible within its field for the necessary advance planning for the procurement of supplies and equipment

in time of emergency, either by expansion of Government-operated facilities or by procurement from industry. Thus, our activities may be classified as: (1) Research, (2) manufacture, (3) training, and (4) procurement planning.

While the carrying out of these functions affects the Army as a whole, and we must maintain our officers in all the corps areas in the continental United States and in our overseas departments, the majority of our work is centered at Edgewood Arsenal, approximately 20 miles north of Baltimore, where we maintain our only arsenal, at which all activities in connection with research and manufacture are carried out. Thus the greater portion of the funds covered in the estimates we are considering will be expended at Edgewood Arsenal, either for direct manufacturing and research activities or for the operation of the Chemical Warfare School and carrying out of our current procurement activities with industry. We also maintain five Chemical Warfare procurement district offices which are constantly in touch with industry in connection with procurement planning activities.

The estimates for the fiscal year 1941 total \$6,260,382. Included in this total is a contract authorization of \$740,000, appropriated under the Second Deficiency Act, fiscal year 1939, for the procurement of gas masks. * * * The other notable increases are for the rehabilitation of certain essential plants at Edgewood Arsenal, Md., totaling \$854,990, and a procurement planning project for the procurement of gages, dies, jigs, and special machinery for manufacture, totaling \$1,893,615, together with the necessity therefor.

Mr. SNYDER. We had quite an extended discussion here the other day, when the Quartermaster General was here, upon the subject of additional storage at Edgewood Arsenal. Colonel English was here at that time and made a very forceful presentation. Would you care to express your views upon that matter?

General BAKER. I wish to endorse everything Colonel English said because he knows thoroughly what my views are.

I think the question of adequate storage at the Edgewood Chemical Warfare Depot for reserve stocks and for the current issue stocks of various types of munitions is extremely important not only for the care of the property concerned but also in order that its storage may comply with safety regulations in order to afford adequate protection to human lives.

We have a great deal of very valuable property stored there, which is impossible of segregation in accordance with the best practice, and unless we have some means of properly storing munitions and supplies which constitute a hazard we are in constant danger of having trouble.

Mr. SNYDER. I take it that to the extent facilities exist for its accommodation, you have this explosive material stored already in strategic areas in the United States, in Panama, and in the insular possessions. Would that be true?

General BAKER. A very limited quantity. Our principal storage is at the Edgewood Chemical Warfare Depot. That is the only depot we have in continental United States.

Mr. SNYDER. It is the policy to retain reserves at Edgewood for dispatch from there as and where needed?

General BAKER. As it is called for we send it out as needed, current supplies as well as reserve supplies. That is the policy now. In case of an emergency, as facilities become available in general depots, we will place the material at locations more convenient to possible points of use.

Mr. SNYDER. This accumulation at Edgewood may be said to be reserve quantities?

General BAKER. That is correct. It also includes items in current use.

Mr. SNYDER. Has this storage situation been brought about in any way by reason of the occupancy of space by material of questionable value or really of no particular value?

General BAKER. No, sir.

Mr. SNYDER. How much high-explosive storage is presently available which is appropriately dispersed?

Colonel ENGLISH. There is none appropriately dispersed.

Mr. SNYDER. Is any considerable part of this material of a nature which readily could be procured from industry in the event of an emergency? In other words, are you storing up supplies beyond reasonably potential immediate needs?

General BAKER. No, sir; none of our supplies and materials stored at the Edgewood Chemical Warfare Depot are commercial type.

Mr. COLLINS. General, it develops that we have about \$30,000,000 invested at Edgewood, and these investments were made during the last war, principally. Since then conditions have arisen because of which improvements should be made in this plant, and since the war we have learned also how to store ammunition of various types and in a way we did not know at the time this plant was built.

I was a member of the joint committee on the Army and the Navy which had ammunition storage under consideration, and we developed the igloo type of storage, or at least that was presented to us.

What you are proposing, as I understand it, is to improve your facilities at Edgewood and also to provide a better way of storing this ammunition, not only a better way in the sense of protecting it, but also to protect the lives and property of the people in that particular section of the country. In general, that is what you propose.

As I understand it, the principal argument that is made against these proposals is that a plant of this particular nature ought to be located somewhere farther away from the coast than the Edgewood

Arsenal, that it ought to be located, for instance, in the chairman's congressional district, or in the congressional district of my friend from Arkansas, or in South Dakota, or in my congressional district. Of course, I would like to see it located in my district, but I know it is not going to be, and for that reason I am not going to try to get it located in my district.

But as long as we have the plant which is located at Edgewood, you think that plant ought to be improved and the storage facilities increased; that is your idea, is it not?

General BAKER. That is correct, Mr. COLLINS. We need additional plant facilities for the arsenal, and safe storage facilities at the Edgewood Chemical Warfare Depot.

Mr. COLLINS. Suppose we were to decide that we ought to have another plant; as I understand it, it would be 3 or 4 years before such a plant could be built and the machinery installed in it; is not that true?

General BAKER. It would take considerable time. I would estimate a minimum from 1 year to 18 months to complete after contracts were approved.

Mr. COLLINS. And during the next 3 or 4 years we would have this stuff inadequately stored, and the lives and property of people would be jeopardized.

Furthermore, as I understand it, we ought to have this particular plant improved at the present time so we can avail ourselves of that plant while a new one is established, if Congress, in its wisdom, sees fit to establish it; that is so, is it not?

General BAKER. That is my idea, Mr. COLLINS.

Mr. COLLINS. Looking at the map, Edgewood is on the Chesapeake Bay, is it not?

General BAKER. It is on Gunpowder Neck, which is a long peninsula extending into Chesapeake Bay for 7 or 8 miles.

Mr. COLLINS. It is not located on the Atlantic Ocean, as a great many people believe it is?

General BAKER. No; it is not.

Mr. COLLINS. And in order to get from the sea with a hostile airplane you would have to go entirely across the State of Delaware and entirely across the State of New Jersey, would you not?

General BAKER. And a part of Maryland.

Mr. COLLINS. So, as a military man, do you think it is relatively safe from attack by foreign countries?

General BAKER. That depends on a number of factors.

Mr. COLLINS. I know, but we know what the factors are. Do you not think it is relatively safe?

General BAKER. Yes; relatively so.

Mr. COLLINS. It is just as safe as any other place 100 or 150 miles inland, is it not?

General BAKER. It is just as safe as other places equally distant from the sea.

Mr. COLLINS. In any event, you would have to store these supplies, if we had a war, somewhere in the eastern section of the country, because if we were going to ship them to our troops, especially if they are stationed abroad—

General BAKER. They should be near the means of transportation in order to ship them wherever the theater of operations happened to be.

Mr. COLLINS. You would, of necessity, have to have them stored some place in the East?

General BAKER. Some place in the East, preferably near the point of manufacture, so they could be shipped with the least loss of time and amount of congestion.

Mr. COLLINS. Under all these circumstances I have talked about, do you see any good reason why this plant should be abandoned and another one established somewhere in the East?

General BAKER. No, sir; I do not think Edgewood should be abandoned under any circumstances. As you have stated, we have a large institution there as the result of the establishment of the plant during the World War, and we have endeavored to keep it up as far as we could with appropriations that have been made since then. I do think it should be built up to the point where it will take care at least of the requirements for the initial protective force and be able to maintain that force in the field.

Mr. COLLINS. You would have no objection to the establishment of another plant similar to this plant somewhere in the United States, would you?

General BAKER. Decidedly not; in fact, I advocate it, and of greater capacity, because what is planned for Edgewood is a plant of minimum capacity. I think a plant with any additional capacity should be, and I strongly recommend that it be at some place farther from the Atlantic seaboard.

Mr. COLLINS. Pending the establishment of such a plant and the installation of the machinery, you feel that this one ought to be put in tiptop shape?

General BAKER. I do, sir; on the minimum basis necessary to meet the requirements of the first troops to go into the field.

Mr. CASE. I notice that you spoke of the total investment in the Edgewood Arsenal as being \$30,000,000.

Colonel ENGLISH. Yes, sir. The initial cost of Edgewood Arsenal was, according to the records, \$35,562,781.

Considering the present facilities existing at Edgewood Arsenal at the present location with reference to the chemical industries of the United States and the investment now held by the Government in this property, it would appear that the provision of \$5,401,349 to round out this arsenal—of which \$854,990 requested for the fiscal year 1941 is only a small part—and put it on an operating basis is reasonable and in

sound judgment. If these facilities are provided, it is the most economical means of caring for the initial equipment necessary and the maintenance of the initial protective force of the Army in the field.

Speaking specifically as to the item of \$854,990, this project covers rehabilitation of four essential manufacturing plants in the plants area at Edgewood Arsenal, Md., and provides for the necessary additional equipment in order to round them out and put them on a proper operating basis. The necessity for this project is urgent and it covers only a small part of the minimum plant requirements for that station. The total plant requirements as outlined for Edgewood Arsenal in order to place that arsenal on a proper minimum operating basis so that the Chemical Warfare Service may be able to perform its mission in accordance with the National Defense Act requires an expenditure of \$5,401,349. The greater part of this expenditure is for new construction, which has not as yet been authorized by Congress. Only so much of these necessary funds for plants, totaling \$854,990, is requested, as that does not require authorization, but represents rehabilitation costs of existing installations and the cost of the necessary equipment. The Government has a heavy investment in the plant at Edgewood Arsenal, Md., the figures thereon including the fiscal year 1939 being as follows:

Original cost, 1917-18	\$35,562,781
Additional construction costs since 1918	1,671,755
Maintenance, Chemical Warfare Service plants, since 1918	5,875,409
Quartermaster maintenance, estimated	500,000
Total cost to Government	43,609,945

Following the large-scale manufacturing activities that obtained at Edgewood Arsenal up to the close of the World War, the plant has steadily deteriorated throughout the years, due to budgetary limitations and more pressing needs elsewhere of limited funds available to the War Department. The plant that now exists at Edgewood Arsenal comprises some 344 buildings and structures, which provide limited facilities for Chemical Warfare Service activities involving manufacture, research, service-school facilities, ranges for the testing and proving of artillery and chemical munitions; barracks for the Second Separate Chemical Battalion and the Four Hundred and Twelfth Chemical Depot Company; also quarters for 45 officers—16 permanent sets of officers' quarters; balance temporary quarters in converted wartime buildings. The present estimated depreciated value of Government facilities located at Edgewood Arsenal is \$14,500,867. These facilities afford employment for 1,409 civilian employees, with a monthly pay roll of \$172,504. In addition to this, there is a military pay roll totaling \$37,839 per month.

Strategic location of Edgewood Arsenal: There has been advanced by various opponents to any further expenditure of funds at Edgewood Arsenal that its location on the eastern seaboard is wrong, due to its vulnerability to air attack. This contention would equally apply to the entire eastern seaboard. However, there should be considered the question of whether or not the commander of an attacking force would consider Edgewood Arsenal a more lucrative target for bombing operations as opposed to the industrial centers in the East, as well as the larger cities. This also includes the city of Washington. There has also been stated that this arsenal is in effect "putting all of your eggs in one basket," which, of course, should not be done. The answer to this is that a second arsenal should be provided. To do away with Edgewood Arsenal in its entirety and, as it were, move the "basket" to another location does not remedy the situation in this respect. Further, in this connection, the Army and the Navy as well have numerous installations on the Atlantic seaboard, all equally as vulnerable to air attack as is the location of Edgewood Arsenal. It is obvious that the movement of all of these installations to the interior would be out of the question.

Now, as to the Bush River project: Under the Quartermaster Corps' construction requirements, fiscal year 1941, there has been requested of Congress an appropriation totaling \$918,988 for the purpose of providing safe and adequate

storage of chemical munitions and supplies at the Edgewood Chemical Warfare Depot. This project was authorized by Public, 646, Seventy-fourth Congress, approved June 4, 1936. The total authorization called for an expenditure amounting to \$1,114,171 and was designed to correct an extremely hazardous situation that exists at the Edgewood Chemical Warfare Depot, Edgewood, Md. Some background in history in connection with the Edgewood Chemical Warfare Depot and the situation that exists there is necessary in order that an understanding may be had of what is needed.

The Edgewood Chemical Warfare Depot grew up as a result of conditions that existed at Edgewood Arsenal at the termination of the World War. At that time—1918–20—considerable production was current, and outgoing shipments to a great extent stopped. Therefore, it was necessary to store existing munitions then on hand as well as others that had been returned to Edgewood Arsenal. There being no proper magazine storage existing, all items were stored in buildings then available, the authorities being forced into storing these items without regard to approved safety standards. The greater part of these activities were within the confines of Edgewood Arsenal. The final result was that there grew up within the confines of a large manufacturing arsenal a branch depot. These conditions have not materially changed through the years. The conditions now existent may be summarized as follows: Storage of loaded ammunition in ordinary warehouses rather than in approved types of magazines; storage of different types of ammunition, such as powder, explosives, and inflammables in the same building; distances between warehouses considerably less than required by approved safety regulations; storage warehouses contiguous to offices and laboratories where personnel are endangered; storage warehouses within a few hundred yards of quarters occupied by officers and their families.

The construction necessary in order to correct this situation, funds for which are specifically requested in the Quartermaster construction estimates, fiscal year 1941, will provide the most up-to-date, safe storage magazines for chemical ammunition and its components pertaining to both the Ordnance Department and the Chemical Warfare Service. It will also provide proper warehouse facilities for the storage of war reserve items of the Chemical Warfare Service supplies and equipment, together with the necessary utilities and roads. Funds requested for the fiscal year 1941 will provide for a total of 31 buildings, of which 30 will be magazines. The situation regarding this storage is acute, and by all means funds totaling \$918,988 should be provided in the fiscal year 1941 to correct it.

As these items of \$918,988, known as the Bush River project, and \$854,990, Chemical Warfare Service, have been allowed in full in the bill now before us, I again congratulate the Appropriations Committee, and especially my colleagues on the subcommittee, for the change in attitude they have taken toward the development of Edgewood Arsenal and of their apparent willingness to meet the demands of that important branch of our War Department activities as have been consistently recommended to the Congress by the War Department, the Director of the Budget, and the President of the United States.

Mr. SCHULTE. Mr. Chairman, I offer an amendment.
The Clerk read as follows:

Amendment offered by Mr. SCHULTE: On page 69, after line 8, insert:

"No part of any appropriation made in this act shall be used directly or indirectly after May 1, 1941, for the payment of any civilian for services rendered by them on the Canal Zone while occupying a skilled, technical, clerical, administrative, or supervisory position unless such person is a citizen of the United States: *Provided, however,* That any employee now in the service who has rendered 10 or more years' faithful and efficient service shall be exempt from the provisions of this section."

Mr. SCHULTE. Mr. Chairman, the amendment I am proposing would, in effect, prohibit the employment on Army work in the Canal Zone of any alien other than the common laborer after May 1, 1941. This date is set because it will permit ample time for adjustment and will also take care

of any budgetary requirements so that no additional funds will be required.

The proviso in my amendment eliminating employees who have 10 or more years faithful and efficient service from the terms of the bill is inserted because the Army is not permitted to retire these aliens as Army employees do not come under the terms of the law which permits Panama Canal or Panama Railroad employees to be so retired, nor does the Army have a fund to repatriate these aliens as does the Panama Canal and Panama Railroad.

It is my understanding that less than 125 aliens will be affected by my amendment in the regular forces maintained on the Zone, but it will also prevent the employment of aliens by contractors doing work for the Army and will cause them to employ American citizens. Contractors in the past have employed aliens to do all building-trades work for a pittance. The average rate of pay of the alien is but \$55 per month and their efficiency is but one-third of that of the American workman, according to official reports of United States Government investigators.

On February 16, 1940, this House adopted a much more drastic amendment, reading as follows, which I offered to the Navy appropriation bill. There was but one dissenting vote:

SEC. 7. No part of any appropriation contained in this act shall be used, directly or indirectly, after January 1, 1941, for the payment of any civilian for services rendered by them on the Canal Zone while occupying a skilled, technical, clerical, administrative, or supervisory position, unless such person is a citizen of the United States of America.

After the Navy bill reached another body the Navy Department officials analyzed my amendment and after many conferences with all interested parties agreed to the amendment I am submitting to this bill today, which you have heard read by the clerk.

There are no treaties in existence with any nation with which my amendment would interfere in any way as the treaty in existence between our Government and the Republic of Panama applies only to the Panama Canal and the Panama Railroad. But there are employed, by the Army on the Canal Zone, many aliens in skilled positions which should be occupied by American citizens. Let us remember that for every alien displaced, an American citizen will secure employment and that our relief rolls in the United States will be relieved to that extent. Let us remember that for every alien displaced on the Canal Zone, the Government makes a saving because the salary paid to the alien on the Canal Zone added to approximately \$1,200 now annually paid a W. P. A. worker, who would replace the alien, will more than amount to the salary paid an American citizen.

There is no agreement to furnish housing for the employees on the Canal Zone so there will be no additional cost because of housing.

Let us adopt my amendment and keep Army procedure on a par with that we required of the Navy in the bill recently passed.

Mr. SNYDER. Mr. Chairman, I understand that the amendment is substantially the same as the amendment placed on the War Department civil functions appropriation bill, which is now being considered by the Senate Committee on Appropriations. That amendment no doubt will be modified in a way that will accomplish the end sought in a proper and orderly way and without violation of treaty obligations. This amendment no doubt will be similarly modified. For that reason I am willing to accept it.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. Such portions of the appropriations contained herein under the head of "Military activities" on account of classified personal services provided for in the Second Deficiency Appropriation Act, fiscal year 1939, in the Supplemental Military Appropriation Act, 1940, and in the Emergency Supplemental Appropriation Act, 1940, shall be available for the employment of such personal services only upon a temporary basis.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill was prepared by the War Department subcommittee of the Committee on Appropriations. I had the privilege of serving on this subcommittee for the first time. I was very much interested and enjoyed the work with the kindly chairman, the very able clerk, and the members of the committee. Everyone is sincere, well-informed, and an ardent American.

This year, the subject of national defense is of wide interest. This bill, possibly, at this time is of more general public interest than any of the other regular appropriation bills. The hearings are an encyclopedia of information, and I am sure that Members will find it worth while to put a copy in their kit for reading and reference next summer. Also take a copy of the committee report. The report gives the totals to show a reduction of \$67,357,660 in cash and of \$43,780,500 in contractual authority below the Budget figures, yet the bill carries \$785,999,094.

The delayed deliveries on airplanes, the evidence on the need for air bases in Alaska, the extended field maneuvers, the controversy, if it be such, over the new Garand rifle, the place of cavalry in modern warfare—all these subjects are discussed in detail in the hearings. The questions that are being asked in the newspapers were asked in the hearings and the answers are those of the experts who were before the committee. You will keep in mind, of course, that those before us were witnesses who were seeking to justify items requested while we had to keep in mind the state of the Treasury.

I did not take time during general debate to discuss the bill because there were so many requests for time and I was pleased to hear the remarks of others. I was impressed, Mr. Chairman, by the speakers who discussed the meaning of this bill for peace. In the country, today, there is a real desire for us to keep out of war, but the headlines in today's paper show that deliberate efforts will be made to get us into the conflict. In some quarters, there is a feeling of fatalism, of discouragement, a feeling of futility of efforts to keep out of the war.

The committee, necessarily, faced a double responsibility. None of the members want war. We would do nothing to move in that direction. At the same time, when a fire is raging, prudent men check their fire insurance and their fire extinguishers. I am sure that within the funds it seemed wise to spend, and the requests made the committee endeavored to make the best allocations it could. The bill that has now been read is not exactly as any one Member would have written it, but it represents what was achieved by a majority of the Members, with compromises here and there as most bills have. Certainly, as a whole, I think it represents a real insurance policy for this country against war and for safety if war comes.

Mr. Chairman, however, let no Member of this body relax in his efforts to keep America at peace and to bring peace to the world. Although we despair today—

Wherever men forge upward through the night
The darkness of the world must yield to light.

The Clerk concluded the reading of the bill.

Mr. SNYDER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and Mr. RAYBURN, Speaker pro tempore, having resumed the chair, Mr. WARREN, 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. 9209, the Military Establishment appropriation bill for 1941, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill, as amended, do pass.

Mr. SNYDER. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment?

Mr. O'NEAL. Mr. Speaker, I demand a separate vote on the so-called Robsion amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en grosse.

The other amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment upon which a separate vote is demanded.

The Clerk read as follows:

On page 30, line 3, strike out all of line 3, and in line 4, strike out "\$1,000,000", and correct the total in line 5.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken and the Chair announced the ayes appeared to have it.

Mr. O'NEAL. Mr. Speaker, I make the point of order that there is not a quorum present, and I object to the vote on the ground that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Obviously a quorum is not present. The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 181, nays 140, not voting 109, as follows:

[Roll No. 61]

Yeas—181

Allen, Ill.	Engel	Johnson, Luther	Poage
Allen, Pa.	Englebright	Johnson, Lyndon	Polk
Andersen, H. Carl	Fenton	Johnson, Okla.	Powers
Anderson, Calif.	Fish	Jones, Ohio	Rees, Kans.
Andresen, A. H.	Ford, Leland M.	Jones, Tex.	Risk
Angell	Fulmer	Jonkman	Robsion, Ky.
Arends	Gamble	Kean	Rockefeller
Austin	Garrett	Keefe	Rodgers, Pa.
Ball	Gartner	Kennedy, Md.	Rogers, Mass.
Barton	Gathings	Kilburn	Rogers, Okla.
Bates, Ky.	Gearhart	Kinzer	Rutherford
Bates, Mass.	Gehrmann	Kitchens	Sandager
Bender	Gerlach	Knutson	Schiffler
Bland	Geyer, Calif.	Kunkel	Secombe
Bolles	Gifford	Landis	Secrest
Bolton	Goodwin	Lanham	Seeger
Boren	Gore	LeCompte	Smith, Ohio
Brown, Ohio	Gossett	Lemke	South
Bryson	Graham	Lewis, Ohio	Springer
Byrns, Tenn.	Grant, Ind.	Luce	Stearns, N. H.
Case, S. Dak.	Guyer, Kans.	McDowell	Stefan
Chapman	Gwynne	McGregor	Sumner, Ill.
Church	Hall, Edwin A.	McLean	Taber
Ciason	Hall, Leonard W.	McLeod	Talle
Clevenger	Hancock	Maas	Thill
Cluett	Hare	Marcantonio	Thomas, N. J.
Coffey, Nebr.	Harness	Martin, Iowa	Thorkelson
Cole, N. Y.	Harrington	Martin, Mass.	Tibbott
Colmer	Harter, N. Y.	Michener	Van Zandt
Cooley	Hawks	Miller	Voorhis, Calif.
Cooper	Healey	Mills, Ark.	Vorys, Ohio
Corbett	Hess	Monkiewicz	Vreeland
Crawford	Hill	Monrone	Warren
Creal	Hinshaw	Mott	Welch
Curtis	Hoffman	Mundt	Wigglesworth
Davis	Holmes	Murdock, Utah	Williams, Del.
Dies	Hope	Murray	Williams, Mo.
Dirksen	Horton	Norrrel	Winter
Disney	Hull	O'Connor	Wolcott
Ditter	Jarrett	O'Day	Wolfenden, Pa.
Dondero	Jenkins, Ohio	Patton	Wood
Durham	Jenks, N. H.	Pearson	Woodruff, Mich.
Dworshak	Jennings	Peterson, Fla.	Youngdahl
Eaton	Jensen	Peterson, Ga.	
Ellis	Johnson, Ill.	Pittenger	
Elston	Johnson, Ind.	Plumley	

NAYS—140

Allen, La.	Cole, Md.	Faddis	Hook
Anderson, Mo.	Collins	Fernandez	Houston
Arnold	Connelly	Fitzpatrick	Hunter
Barnes	Costello	Flaherty	Izac
Barry	Cox	Flannagan	Jacobsen
Beckworth	Cravens	Flannery	Kefauver
Boykin	Crowe	Folger	Keller
Bradley, Pa.	Cummings	Ford, Miss.	Kerr
Brooks	D'Alesandro	Ford, Thomas F.	Kilday
Brown, Ga.	Darden	Fries	Kleberg
Bulwinkle	Dempsey	Gibbs	Kramer
Burch	DeRouen	Grant, Ala.	Larrabee
Camp	Dingell	Gregory	Lea
Cannon, Fla.	Doxey	Griffith	Leavy
Cannon, Mo.	Drewry	Hart	Lesinski
Cartwright	Dunn	Harter, Ohio	Lewis, Colo.
Casey, Mass.	Eberharter	Havener	Ludlow
Clark	Edelstein	Hendricks	McAndrews
Claypool	Elliott	Hennings	McArdle
Cochran	Evans	Hobbs	McCormack

McGehee	O'Toole	Schaefer, Ill.	Sumners, Tex.
McGranery	Pace	Schuetz	Sutphin
McMillan, Clara G.	Parsons	Schulte	Sweeney
McMillan, John L.	Patrick	Scrugham	Tenerowicz
Magnuson	Pierce	Shanley	Terry
Mahon	Ramspeck	Sheppard	Thomas, Tex.
Maloney	Randolph	Sheridan	Thomason
Massingale	Rankin	Smith, Conn.	Tolan
Mills, La.	Rayburn	Smith, Va.	Vincent, Ky.
Moser	Richards	Smith, Wash.	Vinson, Ga.
Mouton	Robertson	Smith, W. Va.	Ward
Murdock, Ariz.	Robinson, Utah	Snyder	West
Myers	Ryan	Somers, N. Y.	Whittington
Nelson	Sasscer	Sparkman	Woodrum, Va.
O'Neal	Satterfield	Spence	Zimmerman

NOT VOTING—109

Alexander	Cullen	Lambertson	Sacks
Andrews	Darrow	Lynch	Schaefer, Wis.
Barden	Delaney	McKeough	Schwert
Beam	Dickstein	McLaughlin	Schaefer, Mich.
Bell	Doughton	Maciejewski	Shannon
Blackney	Douglas	Mansfield	Short
Bloom	Duncan	Marshall	Simpson
Boehne	Edmiston	Martin, Ill.	Smith, Ill.
Boland	Fay	Mason	Smith, Maine
Bradley, Mich.	Ferguson	May	Starnes, Ala.
Brewster	Gavagan	Merritt	Steagall
Buck	Gilchrist	Mitchell	Sullivan
Buckler, Minn.	Gillie	Nichols	Tarver
Buckley, N. Y.	Green	Norton	Taylor
Burdick	Gross	O'Brien	Tinkham
Burgin	Halleck	O'Leary	Treadway
Byrne, N. Y.	Hartley	Oliver	Wadsworth
Byron	Jarman	Osmer	Wallgren
Caldwell	Jeffries	Patman	Walter
Carlson	Johns	Pfeifer	Weaver
Carter	Johnson, W. Va.	Rabaut	Wheat
Celler	Kee	Reece, Tenn.	Wheelchel
Chiperfield	Kelly	Reed, Ill.	White, Idaho
Coffee, Wash.	Kennedy, Martin	Reed, N. Y.	White, Ohio
Courtney	Kennedy, Michael	Rich	Wolverton, N. J.
Crosser	Keogh	Romjue	
Crowther	Kirwan	Routzohn	
Culkin	Kocialkowski	Sabath	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Short (for) with Mr. Rabaut (against).
 Mr. Reece of Tennessee (for) with Mr. Merritt (against).
 Mr. Johns (for) with Mr. Courtney (against).
 Mr. Wheat (for) with Mr. O'Leary (against).
 Mr. Reed of New York (for) with Mr. Cullen (against).
 Mr. Treadway (for) with Mr. Doughton (against).
 Mr. Chiperfield (for) with Mr. Maciejewski (against).
 Mr. Reed of Illinois (for) with Mr. Bloom (against).
 Mr. White of Ohio (for) with Mr. Coffee of Washington (against).
 Mr. Carlson (for) with Mr. Kelly (against).
 Mr. Marshall (for) with Mr. McKeough (against).
 Mr. Blackney (for) with Mr. Beam (against).
 Mr. Jeffries (for) with Mr. Keogh (against).
 Mr. Crowther (for) with Mr. Martin J. Kennedy (against).
 Mr. Halleck (for) with Mr. Fay (against).
 Mr. Douglas (for) with Mr. Delaney (against).
 Mr. Hartley (for) with Mr. Byrne of New York (against).
 Mr. Gillie (for) with Mr. Michael J. Kennedy (against).
 Mr. Lewis of Ohio (for) with Mr. Dickstein (against).
 Mr. Osmer (for) with Mr. Celler (against).
 Mr. Routzohn (for) with Mr. Gavagan (against).
 Mr. Tinkham (for) with Mr. Sullivan (against).
 Mr. Shafer of Michigan (for) with Mr. Lynch (against).
 Mr. O'Brien (for) with Mr. Pfeifer (against).
 Mr. Gross (for) with Mrs. Norton (against).
 Mr. Darrow (for) with Mr. Schwert (against).
 Mr. Carter (for) with Mr. Kocialkowski (against).

Until further notice:

Mr. Barden with Mr. Rich.
 Mr. May with Mr. Wolverton of New Jersey.
 Mr. Boland with Mr. Oliver.
 Mr. Crosser with Mr. Wadsworth.
 Mr. Wheelchel with Mr. Simpson.
 Mr. Jarman with Mr. Mason.
 Mr. Caldwell with Mr. Gilchrist.
 Mr. Mansfield with Mr. Culkin.
 Mr. Nichols with Mr. Lambertson.
 Mr. Patman with Mr. Schaefer of Wisconsin.
 Mr. Starnes of Alabama with Mr. Smith of Maine.
 Mr. Steagall with Mr. Buckler of Minnesota.
 Mr. Tarver with Mr. Alexander.
 Mr. Weaver with Mr. Brewster.
 Mr. Boehne with Mr. Andrews.
 Mr. McLaughlin with Mr. Bradley of Michigan.
 Mr. Ferguson with Mr. Burdick.
 Mr. Johnson of West Virginia with Mr. Walter.
 Mr. Bell with Mr. Martin of Illinois.
 Mr. Edmiston with Mr. Shannon.
 Mr. Wallgren with Mr. Kee.
 Mr. Taylor with Mr. Romjue.
 Mr. Buck with Mr. Smith of Illinois.
 Mr. Sabath with Mr. Duncan.
 Mr. Kirwan with Mr. Byron.
 Mr. Burgin with Mr. Sacks.
 Mr. Mitchell with Mr. Buckley of New Jersey.

LXXXVI—256

Mr. SUMNERS of Texas changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded. The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. MARCANTONIO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MARCANTONIO. I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARCANTONIO moves to recommit the bill (H. R. 9209) to the Committee on Appropriations with direction to report the same back to the House forthwith with the following amendment: That the sum total provided therein be reduced 10 percent.

Mr. SNYDER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 17, noes 178.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER pro tempore. The Chair will count the Members now present in the Chamber. [After counting.] Two hundred and forty-five Members present, a quorum.

The motion to recommit was rejected.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that the Clerk may be allowed to correct section numbers and totals.

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

There was no objection.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

ADJOURNMENT OVER AND ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the distinguished gentleman from Massachusetts advise us what the program will be for next week?

Mr. McCORMACK. So far as I am advised, in addition to the call of the committees under the Calendar Wednesday rule the following special rules will be considered: The bill relating to the conduct of Federal judges, introduced by the gentleman from Texas [Mr. SUMNERS]; the special rule on the Navy Department building bill, introduced by the gentleman from Georgia [Mr. VINSON]; a resolution relating to the labor-cost study, introduced by the gentleman from Missouri [Mr. WOOD]; and the reapportionment bill, introduced by the gentleman from North Carolina [Mr. WARREN].

Mr. MARTIN of Massachusetts. Is it intended to take them up in the order stated?

Mr. McCORMACK. In the order I have stated; yes.

Mr. FISH. Mr. Speaker, reserving the right to object, is it the intention to bring those bills up starting Tuesday?

The SPEAKER pro tempore. On Monday.

Mr. McCORMACK. My understanding is that we will start consideration of them on Monday.

Mr. FISH. And that will continue through the week?

Mr. McCORMACK. Yes; in the order I have stated, except for Calendar Wednesday.

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, may I ask whether the bill, H. R. 6719, relating to the building and loan associations will be called up? It is my understanding that a rule was to be reported for it.

Mr. McCORMACK. That is not on the program for next week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts that when the House adjourns today it adjourn to meet on Monday next?

There was no objection.

EXTENSION OF REMARKS

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to include in the remarks I made in the Committee of the Whole today certain excerpts from hearings on the War Department bill.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

APPORTIONMENT OF REPRESENTATIVES IN CONGRESS

Mr. NELSON submitted the following privileged resolution from the Committee on Rules, which was referred to the House Calendar and ordered to be printed:

House Resolution 456

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2505, an act to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Census, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on the Census now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXTENSION OF REMARKS

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered in Scranton, Pa., by Hon. Joseph P. Tumulty, sometime secretary to the late President Wilson.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include some eulogies and resolutions on the life and character of the late Senator from Kentucky, M. M. Logan.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. CHAPMAN]?

There was no objection.

Mr. HARTER of Ohio. Mr. Speaker, I have introduced a short resolution on the observance of National Aviation Day on August 19, and I ask unanimous consent to have the resolution included at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. HARTER]?

There was no objection.

The resolution referred to follows:

Whereas Congress, by Senate Joint Resolution 111, passed May 11, 1939, has recognized and designated, as suggested by the National Aviation Day Association, August 19, the birth date of Orville Wright, one of the fathers of aviation, to commemorate the invention of the airplane;

Whereas the heavier-than-air machine is one of the world's greatest scientific and mechanical marvels which has produced a fast-growing and developing industry in this country; and

Whereas on August 19, 1940, celebrations of National Aviation Day will be held in many States and cities throughout the Nation: Now, therefore, be it

Resolved, etc., That those in charge of Government establishments are hereby authorized to participate in such celebrations; and Government equipment, including flags, insignia, and models may upon application by responsible parties be loaned to local communities for the purpose of such celebrations; and service bands and other units of the Army, Navy, Marine Corps, Coast Guard, and National

Guard may likewise be permitted to appear at such celebrations, if held in the cities where such service bands and other units are stationed, provided that no expense shall be incurred by the Government in carrying out the purposes of this resolution.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts from discussions on pending road legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. CARTWRIGHT]?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement which I made today before the Joint Senate-House Committee on Post Offices and Post Roads.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. SMITH]?

There was no objection.

Mr. DISNEY asked and was given permission to extend his own remarks in the RECORD.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Daily Oklahoman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. BOREN]?

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 table concerning the poll-tax requirement as a prerequisite to voting.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEYER]?

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Binghamton Press on the local flood situation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. EDWIN A. HALL]?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution concerning the W. P. A. wage scale, and I also ask unanimous consent to extend my remarks in the RECORD with reference to the Wheeler-Lea transportation bill, and to include in connection therewith an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. VAN ZANDT]?

There was no objection.

THE GREAT LAKES-ST. LAWRENCE BASIN PROJECT AS IT AFFECTS THE NEUTRALITY OF THE UNITED STATES

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. HARTER]?

There was no objection.

Mr. HARTER of New York. Mr. Speaker and Members of the House, much has been said and written concerning the St. Lawrence seaway and power project, which the President, in his reported version, dusted off a few months ago. The economics of this project have been argued at length pro and con, but all too little consideration has been given to the international aspects of such a joint venture as affecting our neutrality. February 20 last, I introduced House Concurrent Resolution 48, which was referred to the Committee on Foreign Affairs, where it has rested since. This resolution, if adopted, would put Congress definitely on record as opposed to this St. Lawrence international problem child. I believe we are united and sincere in our efforts to see that this country remains neutral in the present World War venture. Many times we are prompted to wonder whether the administration is doing that which will best maintain our neutrality. Surely, many utterances and activities of the Chief Executive in the past does not seem to be

entirely compatible with the maintenance of our complete neutrality.

Let us not make the joint deal with our friendly neighbor to the north, and give our neutrality another slap in the face. It would seem superfluous for me to point out that making an agreement or treaty with Canada, a belligerent, to be partners in jointly constructing and maintaining this seaway and power project would be an unneutral act. I believe it would violate the letter of our Neutrality Act. Certainly it would violate the spirit of that act, and existing precedents in large number under international law, it seems to me, definitely hold that such procedure on our part would make us unneutral in the eyes of international law.

I am not unmindful of the fact that our estimable Secretary of State has blithely said that the conclusion of a treaty with Canada for the development of the Great Lakes-St. Lawrence Basin project would not affect in any way the complete neutrality of the United States. His letter addressed to our splendid colleague from New York may be found in the Appendix of the RECORD, at page 1251.

I could not believe that this statement represented the completely considered opinion of the State Department. Accordingly I addressed a letter of inquiry to our Secretary of State, March 18, 1940, asking whether the Department felt our neutrality would not be affected by the project and whether joint maintenance of such a project might not increase possibility of sabotage involving our property in the venture.

Mr. Hull's reply to me of March 25, last, said:

DEPARTMENT OF STATE,
Washington, March 25, 1940.

The Honorable J. FRANCIS HARTER,
House of Representatives.

MY DEAR MR. HARTER: I have received your letter of March 18, 1940, in regard to the possible effect on the neutrality of the United States if the proposed development of the Great Lakes-St. Lawrence Basin should be carried out.

In reply I desire to assure you that from the point of view of the executive branch of the Government, the proposed project would not affect the neutrality of the United States for the following reasons:

1. The project is not a war measure—it has been under consideration for over 40 years.
2. The project is expected to require several years for its completion, and, while it is impossible to foretell how long the present war will last, it is at least questionable whether the project will be finished in time to be of material aid to Canada in connection with the prosecution of the war.
3. A large part of the St. Lawrence River system lies within the boundaries of the United States, and the development of this section is therefore a domestic matter. It is true that for its complete development the cooperation of Canada is necessary; but, as far as the United States is concerned, the international phases are incidental. The real situation is that this Government desires to make available to the citizens of this country the benefits to be derived from the development of one of its natural resources.

With reference to your question regarding the possibility of sabotage, it appears to me that this is a matter which must be considered in time of peace as well as in war. Having in mind the fact that the whole purpose of the project is to serve peacetime needs and enterprises, and also having in mind that the completely neutral status of the United States in cooperating in the construction of the waterway would not be affected by possible sabotage, it is not perceived why such possibility should be anticipated or regarded as a deterrent.

I share your desire to avoid any step which might complicate the international relations of the United States. However, as I stated in my letter of March 6, 1940, to which you refer, it is the opinion of those whose primary duty it is to safeguard the neutrality of the United States that the conclusion of a treaty with Canada for the development of the Great Lakes-St. Lawrence Basin would not affect the complete neutrality of this country.

Sincerely yours,

CORDELL HULL.

Since his original letter dismissing the question of violation of our neutrality was placed in the RECORD I deemed it best that Secretary Hull's recent reiteration should also be made available to you for your considered study without comment on my part.

Now what do some other individuals and bodies, who want this country to stay out of war think about the St. Lawrence problem child's effect upon our neutrality, have to say on the

subject? The National Rivers and Harbors Congress, with representatives in attendance from all sections of the land, a few days ago by resolution revoked a resolution adopted at a previous congress in favor of the St. Lawrence project, reciting Canada's present involvement and urging complete study of the project. The resolution can be found in the Appendix of the RECORD, page 1859. They do not want to violate our neutrality and recognize that Canada at war might not make such a good partner in this venture. What happened in the New York State Legislature a few days ago? Democratic Assemblyman Canney introduced a resolution opposing the project. The Buffalo Courier Express of April 2, 1940, in an editorial tells you about the legislature's action. It shows that the members of the New York State Legislature voting, voted overwhelmingly against this St. Lawrence project.

On February 19, 1940, in a short address given by Mr. Christy Q. Buscaglia at a large meeting of railroad workers in Buffalo he spoke on this subject. Mr. Buscaglia has long been active in transportation work on the Niagara frontier, especially with the railroad workers. He points out the danger to our neutral position the St. Lawrence project threatens. He is afraid the treaty and project might draw us into war and so are the workers who heard him on that night as they adopted a resolution opposing it.

The Real Estate Owners Taxpayers League, Inc., in Buffalo tell us they are home-owning members with no corporation affiliations and back the resolution of the National Rivers and Harbors Congress I have referred to. They have in mind Uncle Sam's neutrality and want to do nothing to get us nearer to war.

Now why have I taken time to cover these few of many similar remonstrances? I have in mind what the Secretary of State has said as to lack of effect on our neutral position. I recognize that now Canada is a belligerent. Some day, and Heaven forbid Uncle Sam might be at war with a country, with Canada attempting to maintain a neutral position with us and our then enemy. In other words, in this international venture we must recognize a present state of war. Likewise, future conflicting situations must be recognized before either country jumps into this questionable international partnership. I have taken this time today because different Washington newspapers today carried an item with purported quotations from a speech of the Ontario attorney general, given in Cannington, Ontario, Wednesday of this week. He wants Canada to do everything within her power to enlist the active support of the United States in the cause of the Allies. The article leaves no doubt of what he means when he says "active support." He wants the United States in the war. As one of the baits he is quoted as saying, "If the United States wants to build the St. Lawrence waterway, by all means let us join them." So that you will have the whole article, I refer you to the Appendix of the RECORD, page 1871.

Now, Mr. Hull, does that give us any further foundation for our statements that the St. Lawrence pact is dangerous to our neutrality? I, for one, will not trade our peace for any material thing, and certainly not for so questionable an enterprise as the St. Lawrence seaway project—this time being pushed by our present Chief Executive while our proposed partner is at war. Let us leave it alone. Let us turn our head from the foreign conflict to solving our huge domestic problems. In solving them we will place ourselves in a better position to help carry through a more lasting world peace. I am hopeful that the chairman and membership of our Foreign Affairs Committee will carefully ponder this situation and grant a public hearing on House Concurrent Resolution 48.

EXTENSION OF REMARKS

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a letter from Secretary of State Hull.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. HARTER]?

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein two short editorials, two short resolutions, and a letter to Secretary Hull from me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. HARTER]?

There was no objection.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution of the United Polish Relief Committee of Northampton, Mass.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CLASON]?

There was no objection.

Mr. McLEOD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in support of House Concurrent Resolution 55.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. McLEOD]?

There was no objection.

HIGHWAY BRIDGE ACROSS SUSQUEHANNA RIVER AT WYALUSING, PA.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, H. R. 8471, granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at a point near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RUTHERFORD]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge, and approaches thereto, across the Susquehanna River, at a point suitable to the interests of navigation, at Wyalusing, and between Terry and Wyalusing Townships, Bradford County, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

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

With the following committee amendment:

Page 1, line 7, after the word "at" insert "or near."
Page 2, line 3, after "1906", insert "and subject to the conditions and limitations of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at or near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania."

TRUST ON CERTAIN LANDS ALLOTTED TO INDIANS OF THE CROW TRIBE, MONTANA

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2609, to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana, and its immediate consideration. I may say this bill is identical with the bill, H. R. 8916, passed by the House on Monday but we inadvertently did not ask to substitute the Senate bill for the House bill.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. ROGERS]?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the period of trust on lands allotted to Indians of the Crow Reservation, Mont., upon which the trust period expired July 14, 1931, or at any other time prior to the approval of this act, and for which lands patents in fee have not been issued, is hereby reimposed and extended to May 23, 1940: *Provided*, That further extension of the period of trust may be made by the President, in his discretion, as provided by section 5 of the act of February 8, 1887 (24 Stat. 388), and the act of June 21, 1906 (34 Stat. 326).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask that the Senate be advised to take no action on the bill H. R. 8916.

EXTENSION OF REMARKS

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with regard to the Army Medical Library.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Philadelphia Evening Public Ledger.

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

There was no objection.

ANNOUNCEMENT

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, there will be a meeting of the Committee on World War Veterans' Legislation in its committee room tomorrow at 10:30 a. m., with Members of Congress who are veterans. I hope you may be able to attend, and urge your attendance.

MEMORIAL TO ROBERT FECHNER

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to address the House.

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

There was no objection.

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein a copy of a resolution I have today introduced to provide for the erection of a memorial to Robert Fechner and the Civilian Conservation Corps, in the Robert Fechner Memorial Park in Chatham County, Ga., and also to include copies of resolutions adopted by citizens of the city of Savannah and of the county of Chatham.

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

There was no objection.

Mr. PETERSON of Georgia. Tomorrow, Friday, April 5, marks the close of the seventh year of the successful operation of the Civilian Conservation Corps of the United States of America, during which period the activities and the accomplishments in the administration of that department were due largely to the leadership of Robert Fechner, of Savannah, Ga., now deceased, whose talents, powers of leadership and of organization contributed eminently to the success of this great national movement to conserve the young manhood and natural resources of our country.

The city of Savannah, Ga., was the home of the late Robert Fechner, first Director of the Civilian Conservation Corps.

To his memory a tract of 750 acres of land has been set aside and called the Robert Fechner Memorial Park. In it a C. C. C. camp has provided recreational facilities for the benefit of our people.

To many of us, including friends and admirers of the work of C. C. C. from other parts of the country, it has seemed meet and proper to use this locality to erect a permanent memorial not only to the memory of a devoted and eminently capable public servant but moreover to the spirit of the corps.

C. C. C., as conceived by the President, is an example of a social and economic experiment that the world to come will likely look back upon as a social landmark.

Different from Europe, which absorbs its jobless youth in standing armies, C. C. C. in this country is a purely civilian force. It not only takes up the so far unavoidable surplusage of labor at a critical age, but gives young men wholesome discipline, training, and a fresh outlook on life. It brings these boys in intimate touch with Nature and her vast resources. It teaches them the value of conservation to the end that, by means of this natural wealth, human life itself be elevated and enriched.

The great good which has accrued to the Nation by virtue of the C. C. C. is inestimable.

From one end to the other of our country C. C. C. has been engaged in work of conservation until, after 7 years of earnest and devoted labor, the time has come when we should show in one building a comprehensive picture of its labors and surround it with appropriate planting.

A museum of conservation, as portrayed by C. C. C., would open the eyes of many and delight and give comfort to the vast host of friends of conservation.

If such a presentation could be made running the whole gamut of C. C. C. enterprise and achievement, if it is desired to pay grateful tribute to the man who with undying fidelity, never-ending patience, incorruptible conscience, and magnificent administrative talent marshaled the young army of peacetime soldiers, no better way could be found than to emphasize conservation, its guiding thought, and no more fitting place could be found than Robert Fechner Memorial Park, in the city of Savannah, from whence he went forth to serve his country and never gave up until his dying day.

His life was an inspiration to American youth and he was its best friend.

I have today introduced a joint resolution for the erection of a suitable museum of conservation in the Robert Fechner Memorial Park in Chatham County, Ga. A similar resolution will be introduced in the Senate tomorrow by Senators WALTER F. GEORGE and RICHARD B. RUSSELL, jointly. It is proper that such resolution be introduced on tomorrow. However, in view of the fact that the House will not be in session tomorrow it becomes necessary that I take such action in the House today.

This resolution should have the wholehearted approval and support of every Member of Congress who believes in the great work that is being done through the Civilian Conservation Corps and which has been so successfully promoted through the untiring efforts of the late Robert Fechner.

EXECUTIVE OFFICE,
CITY OF SAVANNAH, GA., April 1, 1940.

HON. HUGH PETERSON,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN PETERSON: I enclose herewith copy of telegram I sent you last night, at the same time sending the same telegram to Senator GEORGE and Senator RUSSELL.

I also enclose copy of article appearing in the Savannah Morning News of this date and a somewhat detailed report on the Robert Fechner Recreation Center set aside in Bacon Park.

We are hopeful that through the united efforts of our Senators and Representative this Robert Fechner Recreation Center will be converted into a public memorial to the late Director Robert Fechner, of the Civilian Conservation Corps, and that the National Park Service will be authorized by Congress, under a joint resolution, to develop this Robert Fechner memorial in a way worthy of him in whose honor it will be carried on.

Inasmuch as the coming Friday is the seventh anniversary of the founding of the C. C. C. and the late Robert Fechner having been the Director of the C. C. C. from its inauguration until his death recently, we all feel there could be no more auspicious time to present a resolution providing for this memorial than on this seventh anniversary date.

Our people all sincerely hope that our two Senators and our Representative from the First District will unite in the preparation and in the presentation and adoption of the joint resolution referred to.

Nothing would give greater joy to the people of Savannah and Chatham County than to have such a resolution presented on Friday and, if possible, passed by both the Senate and the House. We feel that the work done by the late Director Fechner justifies such a memorial to him.

If there is any further information desired, kindly wire me and it will be immediately supplied, and if you desire any further cooperative work on our part kindly let me know promptly.

With best wishes, sincerely yours,

THOMAS GAMBLE, Mayor.

SAVANNAH, GA., March 31, 1940.

HON. WALTER F. GEORGE,
United States Senator,
United States Senate Building, Washington, D. C.

HON. RICHARD B. RUSSELL,
United States Senator,
United States Senate Building, Washington, D. C.

HON. HUGH PETERSON,
House of Representatives, Washington, D. C.

Friday, April 5, will be the seventh anniversary of the founding of the Civilian Conservation Corps, an agency of the Federal Government, that during this period has firmly established itself in the confidence of the American people, won for itself their continued and increasing support, and justified the splendid testimonial of the faith of the Senate and the House of Representatives in its plans, its practical work, and its splendid achievements throughout the country in the shape of adequate appropriations to carry on its services. The anniversary celebration directs attention anew to the magnificent leadership of the Civilian Conservation Corps by its late director, the lamented Robert Fechner, whose splendid organization activities and remarkable administration abilities developed and maintained it as a work project that brought the praise of the American people, regardless of section or of political affiliations. The seventh anniversary of the establishment of the Civilian Conservation Corps leads us to urge that Georgia's two Senators and our Representative of the First Georgia Congressional District unite in presenting on next Friday a joint resolution calling for the creation of a national memorial to Director Robert Fechner at Savannah, Ga., in the adoption by the National Park Service of the Robert Fechner Center already established by the city of Savannah with a large existing park area and the development by the National Park Service of such a memorial in a manner worthy to perpetuate the labors for the public welfare of the American Congress and Director Fechner. Your united cordial and zealous cooperation to this end is urged as assured of the approval of the American people.

THE CITY OF SAVANNAH,
By THOMAS GAMBLE, Mayor.

Joint resolution to provide for the erection of a memorial to Robert Fechner and the Civilian Conservation Corps in the Robert Fechner Memorial Park, in Chatham County, Ga.

Resolved, etc., That the Director of the Civilian Conservation Corps is authorized and directed to provide for the erection of a museum of conservation to be located in the Robert Fechner Memorial Park, in Chatham County, Ga., as a permanent memorial to the accomplishments of the Civilian Conservation Corps and the achievements of the late Robert Fechner, the first Director of the Civilian Conservation Corps. Such museum shall be maintained and cared for by the Civilian Conservation Corps and shall contain such exhibits as the Director shall deem appropriate to show the functions and accomplishments of the Civilian Conservation Corps since its establishment.

SEC. 2. The design of such memorial shall be subject to the approval of the Commission of Fine Arts.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CLAYPOOL for 1 week on account of official business.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 8641. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes.

ADJOURNMENT

Mr. SNYDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 39 minutes p. m.) under its previous order the House adjourned until Monday, April 8, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON THE JUDICIARY

On April 10, 1940, at 10:30 a. m., there will be continued before subcommittee No. 4 of the Committee on the Judiciary a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m. on Wednesday, April 10, for consideration of House Joint Resolution 487.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 8152. A bill providing for procurements without advertising; with amendment (Rept. No.

1922). Referred to the Committee of the Whole House on the state of the Union.

Mr. BECKWORTH: Committee on Expenditures in the Executive Departments. H. R. 8508. A bill to amend the Subsistence Expense Act of 1926, as amended by the act of June 30, 1932 (ch. 314, sec. 209, 47 Stat. 405); without amendment (Rept. No. 1923). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOTT: Committee on Naval Affairs. S. 2348. An act relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters; without amendment (Rept. No. 1924). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAAS: Committee on Naval Affairs. S. 2599. An act to amend the Naval Reserve Act of 1938 (Public, No. 732, 52 Stat. 1175); without amendment (Rept. No. 1925). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDERSON of California: Committee on Naval Affairs. S. 3067. An act authorizing appropriations to be made for the disposition of the remains of personnel of the Navy and Marine Corps and certain civilian employees of the Navy, and for other purposes; without amendment (Rept. No. 1926). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. S. 3174. An act to authorize the Secretary of the Navy to accept, without cost to the United States, a fee-simple conveyance of 16.4 acres, more or less, of land at Floyd Bennett Field in the city and State of New York; without amendment (Rept. No. 1927). Referred to the Committee of the Whole House on the state of the Union.

Mr. NORTON: Committee on Labor. H. R. 9195. A bill to amend the National Labor Relations Act; without amendment (Rept. No. 1928). Referred to the Committee of the Whole House on the state of the Union.

Mr. SWEENEY: Committee on the Post Office and Post Roads. H. R. 7663. A bill providing for sick leave for substitute postal employees; with amendment (Rept. No. 1929). Referred to the Committee of the Whole House on the state of the Union.

Mr. JACOBSEN: Committee on Naval Affairs. S. 2993. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States, and acceptance by gift of certain lands from the city of San Diego, Calif.; without amendment (Rept. No. 1930). Referred to the Committee of the Whole House on the state of the Union.

Mr. HORTON: Committee on Agriculture. H. R. 8403. A bill to convey certain lands to the State of Wyoming; without amendment (Rept. No. 1931). Referred to the Committee of the Whole House on the state of the Union.

Mr. NELSON: Committee on Rules. House Resolution 456. Resolution for the consideration of S. 2505; without amendment (Rept. No. 1932). Referred to the House Calendar.

Mr. BURCH: Committee on the Post Office and Post Roads. H. R. 8171. A bill to require the filling of all vacancies in the position of assistant postmaster in first- and second-class post offices; with amendment (Rept. No. 1933). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 9232. A bill to authorize the Secretary of War and the Secretary of the Navy, respectively, to deal with patented and secret inventions, and for other purposes; to the Committee on Military Affairs.

By Mr. ANDERSON of Missouri:

H. R. 9233. A bill to provide for the election of District Commissioners; to the Committee on the District of Columbia.

By Mr. HORTON:

H. R. 9234. A bill to authorize a preliminary examination and survey of the North Fork and the South Fork of the Shoshone River and their tributaries in the State of Wyoming for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. LEMKE:

H. R. 9235. A bill to amend the Civil Service Retirement Act, approved May 29, 1930, as amended, to provide for optional retirement after attaining the age of 60 years with 30 years of service or attaining the age of 62 years with 15 years of service; to the Committee on the Civil Service.

By Mrs. O'DAY:

H. R. 9236. A bill to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931; to the Committee on the Library.

By Mr. RANKIN:

H. R. 9237. A bill to provide more adequate pension for certain disabled World War veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SMITH of Virginia:

H. R. 9238. A bill to amend the Federal Corrupt Practices Act by prohibiting certain political contributions by labor organizations, and for other purposes; to the Committee on the Judiciary.

By Mr. DARDEN:

H. R. 9239. A bill providing compensatory leave for certain Navy Department employees; to the Committee on Naval Affairs.

By Mr. ELLIOTT:

H. R. 9240. A bill to authorize the construction of the Kern River project in California; to the Committee on Flood Control.

By Mr. JENNINGS:

H. R. 9241. A bill authorizing the sale, lease, loan, or gift of rifles and blank ammunition to American Legion posts, or other organizations of veterans of the armed forces of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 9242. A bill to authorize a preliminary examination and survey of the Homochitto River and its tributaries in the State of Mississippi for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. MAY:

H. R. 9243. A bill to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes; to the Committee on Military Affairs.

By Mr. PIERCE:

H. R. 9244. A bill authorizing the Reconstruction Finance Corporation to make loans to owners of timber and timberlands for the purpose of providing for more orderly marketing of timber holdings; to the Committee on Banking and Currency.

By Mr. RANDOLPH:

H. R. 9245. A bill to prohibit assignment of wages in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HARTER of Ohio:

H. J. Res. 505. Joint resolution authorizing Government employees' participation in the celebration of National Aviation Day, and for other purposes; to the Committee on Military Affairs.

By Mr. PETERSON of Georgia:

H. J. Res. 506. Joint resolution to provide for the erection of a memorial to Robert Fechner and the Civilian Conservation Corps in the Robert Fechner Memorial Park, in Chatham County, Ga.; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BULWINKLE:

H. R. 9246. A bill for the relief of Charles G. Riddle; to the Committee on Military Affairs.

H. R. 9247. A bill for the relief of William C. Barkley; to the Committee on Military Affairs.

H. R. 9248. A bill for the relief of R. & W. Motor Lines, Inc.; to the Committee on Claims.

By Mr. DISNEY:

H. R. 9249. A bill for the relief of Marion S. Williams; to the Committee on Military Affairs.

By Mr. ELSTON:

H. R. 9250. A bill for the relief of Frank Collins, James Everett, Edwin Kampel, Ralph Abrams, James N. Couch, and John Lynch; to the Committee on Claims.

By Mr. JENNINGS:

H. R. 9251. A bill granting a pension to Zeb Walden; to the Committee on Pensions.

By Mr. MAY:

H. R. 9252. A bill granting a pension to Henry C. Moore; to the Committee on Pensions.

H. R. 9253. A bill granting a pension to David Messer; to the Committee on Pensions.

H. R. 9254. A bill granting a pension to Henry Howington; to the Committee on Pensions.

H. R. 9255. A bill granting a pension to Asberry Risner; to the Committee on Pensions.

H. R. 9256. A bill granting an increase of pension to Roscoe C. Trusty; to the Committee on Invalid Pensions.

H. R. 9257. A bill granting a pension to Price Thomas; to the Committee on Pensions.

By Mr. O'LEARY:

H. R. 9258. A bill for the relief of Anthony Sammartino; to the Committee on Claims.

By Mr. RAMSPECK:

H. R. 9259. A bill for the relief of Nannie E. Teal; 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:

7298. By Mr. CLASON: Petition of Mrs. Bradley S. Stafford and other citizens of the second Massachusetts district, requesting that the people be given the right to vote on whether or not citizens of the United States and aliens therein be drafted for military service outside of the Western Hemisphere or the Territorial possessions of the United States; to the Committee on Military Affairs.

7299. By Mr. HART: Petition of the Ironbound Central Committee of Polish Societies, Newark, N. J., urging that Congress appropriate funds for the relief of the distressed people of Poland; to the Committee on Foreign Affairs.

7300. Also, petition of the township of Caldwell, N. J., favoring and desiring the adoption of a plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7301. By Mr. MICHAEL J. KENNEDY: Petition of the New York Peace Committee for April 6, relative to their proposed outdoor antiwar demonstration in New York City and advocating further efforts to maintain peace by the Congress; to the Committee on Foreign Affairs.

7302. Also, petition of the United War Veterans' Committee of New York City, advocating certain beneficial provisions to be incorporated in the relief appropriation bill of 1940-41 on behalf of veterans and their widows; to the Committee on Appropriations.

7303. By Mr. KEOGH: Petition of the Green Mountain Club, Inc., New York Section, Inc., concerning House bill 6975, which provides to convey to Montana certain lands now

within the boundaries of Yellowstone Park; to the Committee on the Public Lands.

7304. Also, petition of mill and factory, New York City, concerning the Wagner Act, the Wage and Hour Act, etc.; to the Committee on Labor.

7305. Also, petition of the Consumers League of New York, concerning the Barden bill (H. R. 7713); to the Committee on Labor.

7306. Also, petition of the Brooklyn Committee for Non-participation in Japanese aggression; to the Committee on Foreign Affairs.

7307. By Mr. KRAMER: Resolution of the Tool and Die Makers Union of Los Angeles, relative to the La Follette-Bulwinkle bill; to the Committee on Appropriations.

7308. Also, petition of Robert L. Baier and others relative to the 1940 census; to the Committee on the Census.

7309. Also, resolution of the Los Angeles Industrial Union Council relative to House Resolution No. 7534; to the Committee on the Judiciary.

7310. Also, resolution of the Los Angeles Industrial Union Council, relative to the passage of Senate bill No. 3130; to the Committee on Labor.

7311. By Mr. SANDAGER: Petition of the American Legion, Department of Rhode Island, favoring the retention of the Veterans' Civilian Conservation Corps camp at Arcadia, R. I.; to the Committee on Appropriations.

7312. Also, petition of the American Legion, Department of Rhode Island, petitioning the United States Navy to christen and name one of the United States battleships being, or about to be constructed, the "U. S. S. Rhode Island"; to the Committee on Naval Affairs.

7313. By Mr. SEGER: Resolutions adopted at a rally of combined Polish relief-fund committees of Passaic and Bergen Counties, N. J., urging Government and private relief for the war-stricken peoples of Poland; to the Committee on Appropriations.

7314. Also, resolutions adopted at a meeting of the League of Polish Organizations of Paterson at the Polish National Home on Sunday, March 17; to the Committee on Foreign Affairs.

7315. By Mr. SUTPHIN: Petition of locals of the International Union of Mine, Mill, and Smelter Workers, Congress of Industrial Organizations, opposing any emasculatory changes to the Wagner Act, and favoring amendments to the Wagner Act as proposed by the Congress of Industrial Organizations, and that the aforementioned organization emphatically opposes any curtailment below the present standards of the act, and especially the proposals to eliminate the metal industries from the provisions of the act; to the Committee on Labor.

7316. Also, petition of the executive board of the New Jersey State Industrial Union Council, expressing opposition to the proposal made by President Roosevelt for cutting the National Budget by \$1,500,000,000; to the Committee on Appropriations.

7317. By Mr. VAN ZANDT: Petition of Lawrence Schrenk, president; Walter J. Taylor, secretary, Grand Lodge, Unemployed Brotherhood of Pennsylvania, Altoona, Pa., and 1,714 individual members, protesting against the reduction in Work Projects Administration wages and asking for a substantial increase in wages to compensate for the increasing cost of living and for the elimination of the 30-day lay-off after 18 months; to the Committee on Appropriations.

7318. By the SPEAKER: Petition of the International Workers Order, Lodge 4008, Steubenville, Ohio, condemning the pending antialien bills; to the Committee on Immigration and Naturalization.

7319. Also, petition of the United Association of Journeymen Plumbers and Steam Fitters, Local No. 44, Spokane, Wash., supporting Senate bill 591; to the Committee on Banking and Currency.

SENATE

FRIDAY, APRIL 5, 1940

(Legislative day of Monday, March 4, 1940)

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

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

God of all power and might, maker and ruler of the universe, we commend to Thy loving care this Nation which Thou hast called out of every people and tongue. Bless the President of the United States and all others in authority. Fill them with Thy wisdom and true godliness, that they and all the people whom they serve may be a light to lighten this darkened world, and the spirit of peace and a sound mind may be restored amongst all men upon the earth. Through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, April 4, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. 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	Donahey	King	Reynolds
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Lundeen	Sheppard
Bankhead	Gerry	McCarran	Shipstead
Barkley	Gibson	McKellar	Smathers
Bilbo	Gillette	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Brown	Gurney	Miller	Thomas, Idaho
Bulow	Hale	Minton	Thomas, Okla.
Byrd	Harrison	Murray	Tobey
Byrnes	Hatch	Neely	Townsend
Capper	Hayden	Norris	Tydings
Caraway	Herring	Nye	Vandenberg
Chandler	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Clark, Mo.	Holt	Pepper	Walsh
Connally	Hughes	Pittman	Wiley
Danaher	Johnson, Calif.	Radeliffe	
Davis	Johnson, Colo.	Reed	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. RUSSELL], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is absent because of illness, and the Senator from Maine [Mr. WHITE] is necessarily absent.

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

PETITION

The VICE PRESIDENT laid before the Senate a resolution of Edwin G. Hutchings Post, No. 856, Veterans of Foreign Wars, of Austin, Tex., favoring the enactment of the so-called Rankin bill, being the bill (H. R. 7925) to provide liberalized benefits for disabled veterans and the dependents of deceased veterans, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. HILL, from the Committee on Military Affairs, to which was referred the bill (S. 2328) to promote on the retired list officers who were decorated and recommended for